

Annual Report **2019**







ALL WORLDS IN A SINGLE WORLD

*Chiribiquete: the cosmic maloca of the Jaguar tribe**, is a publication edited by SURA, representing nearly 30 years of research carried out by the anthropologist Carlos Castaño-Urbe, who has dedicated a large part of his life to studying and understanding the treasure trove located in the Chiribiquete Natural Park, which today has been declared a Mixed World Heritage Site.

This year SURA has wished to let people know more about this part of the world, not only for them to appreciate it in all its splendor but, more importantly, for us all to take part in its conservation. Consequently, we have chosen Chiribiquete as the illustrative theme for this year's Annual Report.

Chiribiquete, a vast expanse of the Colombian Amazon, is a refuge for countless species of flora and fauna, and home to the ancestral memory that various ethnic communities - some of which have never had any contact with the outside world - have engraved in the form of multiple cave paintings on the sheer vertical rock faces of its tepuis (table-top mountains) for thousands of years.

As a metaphor of hope and the way ahead, Chiribiquete invites us today to recognize who we really are, to build upon the great wealth of our diversity and to join forces in working towards our shared purposes. In this case, the purpose that unites us is the call to protect this environmental, archaeological, anthropological and cultural heritage of humanity.

We call on the Government, companies, institutions, communities and private citizens to come together to help with this endeavor. In this way we are also reinforcing SURA's historic commitment to preserving our culture and its different expressions, this in order to acknowledge the diversity in all of us, preserve our collective memory, encourage critical thinking and share the different visions and meanings that each of us perceive of the same reality.

*This publication also enjoys the support of Parques Nacionales Naturales de Colombia (Colombian National Natural Parks), el Instituto Colombiano de Antropología e Historia (the Colombian Institute of Anthropology and History) and the Fundación Herencia Ambiental Caribe (the Caribbean Environmental Heritage Foundation)

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PRESENTATION

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Our Annual Report for 2019 contains the more relevant aspects of the performance, development, results and commitments of all those Companies that make up our SURA Business Group as well the SURA-Bancolombia Financial Conglomerate, of which Grupo SURA is the Holding Company.

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It has always been one of Grupo SURA's priorities to adequately and opportunely attend to the information needs and expectations of our stakeholder groups, these being our shareholders, investors, employees, suppliers, service providers, regulatory authorities, among others. The purpose of this guiding principle is to strengthen the bonds of trust we maintain with different groups of people, these based on our corporate principles of transparency, respect, responsibility and fairness.

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In this regard, we hope that this report shall be a useful starting point for a more complete evaluation of our performance. Besides including our consolidated and separate financial figures, with their respective notes, this is the perfect opportunity for us to share the progress made with all those issues we consider as having a greater importance, this based on our review of the Group's Materiality Analysis (2017-2019).

Consequently, we have addressed the headway made last year with regard to business innovation and transformation, our financial performance based on our ongoing profitable organic growth, developing our human talent and the mainstays of our sustainability from the economic, social and environmental standpoints.

This is consistent with our firm conviction of the importance of a comprehensive and responsible handling of our environment as well as the challenges faced by each of our stakeholder groups, this in keeping with the

Sustainable Development Goals (SDGs) that we have prioritized (please refer to diagram).

We again would like to reaffirm the commitment upheld by Grupo SURA, its Subsidiaries and Companies operating throughout the region as signatories of the United Nations Global Compact and in complying with other standards and indices, thus allowing us to adopt best practices and continue creating well-being and sustainable development for people, organizations and society alike. This report also serves as a means for reporting on the progress made as signatories of the Global Compact.

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This latest Annual Report, as was the case for our prior Annual Reports, was drawn up in accordance with the Global Reporting Initiative's (GRI) Sustainability Reporting Guidelines, namely the Core Option.

So as to ensure the reliability of the information herein contained, this publication was audited by EY, an independent firm following the guidelines contained in the international standard ISAE 3000 and whose report concluded that said information reasonably reflects the material aspects of the Company's financial and non-financial situation at December 31, 2019.

This same printed version, which shall be distributed at the upcoming Annual Meeting of our General Assembly of Shareholders, has also been made available at gruposura.com, together with the digital attachments, as indicated in the table of contents and referenced in the relevant sections later on. The GRI Table of Contents can also be found in these annexes.

We hope that upon crystallizing in this way the main measures taken and decisions made in 2019, this shall facilitate an overall understanding of our strategy and how we are driving the different lines of business of our financial service subsidiaries.

Sustainable Development Goals (SDGs) as prioritized by the SURA Business Group



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INDICES, STANDARDS AND AWARDS



We are listed with:
The Dow Jones Sustainability World Index (DJSI World).
The Dow Jones Sustainability Index for Emerging Markets (DJSI Emerging Markets)
Dow Jones Sustainability Index MILA-Pacific Alliance (DJSI MILA).
RobecoSAM Sustainability Yearbook 2020.



FTSE4Good

We are also included in the FTSE4Good Index Series, which tracks top-performing companies in terms of their sound environmental, social and governance (ESG) practices.



Investor Relations Award 2019, conferred by the Colombian Stock Exchange for the seventh consecutive year.



Oekom rating as a sustainable and responsible investment

Signatory of:



Our core subsidiary, SURA Asset Management and its main Companies have been signatories of the Principles of Responsible Investment since 2019.



Our other core subsidiary, Suramericana, has embraced the Principles of Sustainable Insurance, sponsored by the UNEP-FI.



We have also formed part of the United Nations Global Compact since 2009.



We follow the Global Reporting Initiative's (GRI) guidelines for drawing up sustainability reports.



4th place in the general ranking of the Monitor Empresarial de Reputación Corporativa (the Merco Corporate Reputation Business Monitor Survey) in Colombia, and also 4th place in the Merco Talento and Merco Responsabilidad y Gobierno Corporativo (the Merco Talent and Corporate Governance & Responsibility Survey)



Our environmental practices were also assessed by the CDP.



We also belong to the Consejo Empresarial Colombiano para el Desarrollo Sostenible, which is the Colombian Chapter of the World Business Council for Sustainable Development.



Definitions of the terms used throughout this Report

SURA Business Group. This refers to Grupo SURA as a whole, including the parent and the following controlled companies both in Colombia and abroad: Suramericana, SURA Asset Management and its subsidiaries in Latin America, as well as certain local investments such as Arus and Habitat.

SURA-Bancolombia Financial Conglomerate. The group of companies both in Colombia and abroad dedicated to providing their financial, insurance or stock market services, over which Grupo SURA, as its financial holding company, exerts either control or a significant influence, according to that stipulated in Law 1870 of 2017. Besides Grupo SURA, the Conglomerate is comprised of nearly 80 other companies, including Suramericana, SURA Asset Management, Bancolombia, Protección, and their respective subsidiaries and investment vehicles.

Financial information. This is compiled under International Financial Reporting Standards (IFRS). Both the financial and non-financial information as contained in this report and its annexes has been audited by the firm Ernst & Young Audit S.A.S. (EY Colombia).

Figures and percentages. Figures are stated in both Colombian pesos (COP) and U.S. dollars (USD) using the North American numbering system, that is to say commas for separating thousands and dots for separating decimals. The percentage changes to the financial figures correspond to the values stated in COP. Figures in USD correspond to the restated values in COP using the following exchange rates:

Average exchange rate - 2019

COP 3,281.09

Comprehensive Income Statement accounts and non-financial information.

Year-end exchange rate - 2019

COP 3,277.14

Statement of Financial Position accounts and appraised values of Assets under Management (AuM).



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MESSAGE FROM OUR CEO

Having had the privilege of being part of the Grupo SURA Companies for four decades now, I have come to know the essence of this Organization, an essence couched in an ability to create a shared value, in its inspiring leaders, in its ethical principles that guide our consistent action as well as competent, committed teams of staff that stand out for, above all, their human qualities. It is thanks to this same talent that we have been able to achieve what we have set out to do throughout our corporate history.

There are countless experiences and lessons learned, not only from our successes, but also from having lived through complex times, either due to the circumstances of our own business environment or the natural dynamics of our own lines of business. It was also at those times - or rather it was especially at those times - that the character of our Organization shone through, when our clarity of purpose, long-term view and resilience in continuing to move forward with greater impetus became amply evident.

Having witnessed the growth of the Grupo SURA Companies, it is particularly meaningful for me to have participated in and led part of the different stages of their progress. This was indeed the case of what occurred at the beginning of the 1990s, when a new social security system was put into place in Colombia and we at SURA decided

to get involved, with the understanding that we had the knowledge and capacity to help build this system. This is how our companies came into being in the field of pensions and severance pay (Proteccion), health care (EPS SURA) and labor risk (ARL SURA), three highly sensitive sectors capable of providing a true social impact, as well as being key drivers for Colombia's competitiveness and overall development.

Throughout my professional career, few experiences have been as formative as having founded and then presided over Protección during 15 years, this with the aim of fostering a culture of retirement savings amongst the Colombian people. By 1994, this Company was managing funds worth COP 5,572 million, belonging to 126 thousand members. Today, it is one of the main Pension Fund Management firms in the country, with more than 6.8 million members and COP 113 trillion in Assets under Management.

Later, in 2006, I took over as CEO of Grupo SURA, fully understanding the challenge of leading one of the country's top business groups having a significant impact on its economy, social dynamics and even public policy-making.

One of the goals we had at that time had to do with gaining greater international scale as well as strengthening and focusing the Group's investment portfolio. Today, 13 years later, nearly 76% of this portfolio is concentrated in the financial service industry, and 42% of our revenues are sourced from abroad. We have a truly Multi-latina organization, with a presence spanning 11 countries, with around 60 thousand employees and 53 million clients.

The fact that we are consolidating one of the most important operations in the region's financial industry means that we have an enormous commitment to the development of each of the countries where we are present, especially since we are particularly aware of the positive impact we have on people's lives. SURA Asset Management is today the leading non-bank savings institution in the region, Suramericana is the fourth largest insurance company of Latin American origin, and Bancolombia is the number one bank in the country and one of the main financial institutions in Central America.

But beyond the figures that provide a sense of dimension to what these Companies represent, I sincerely believe that, in addition to diversifying our exposure and boosting our growth, our international expansion amply evidenced the caliber and capacity of this Group. This has allowed us to reach across borders in taking our knowledge and our way of doing business to other geographies, guided by a higher purpose while taking a long-term view and remaining firmly committed to responsible business practices.

In brief, this has been a transformation, thanks to which SURA has positioned itself on the international front, learning from other viewpoints and enriching our organizational culture, as well as reinforcing our conviction regarding the importance of the role we play in society. This is a particularly important issue today, given the urgent need to continue building trust between the business sector and the public at large, understanding other realities and fully committing ourselves to creating a harmonious wealth that shall encourage growth for all.

At SURA, we have always understood that we are only truly sustainable to the extent that we are able to remain truly relevant and useful to society, this based on creating added value for our different stakeholder groups. Beyond complying with our contractual obligations, we seek to work towards a higher purpose, namely creating greater well-being and sustainable development for people, organizations and society alike. We understand that the *raison d'être* of companies is not just to seek economic benefit. Their profitability and ability to remain relevant over the long term depends on their ability to help to improve people's lives. This is how we ensure our ongoing legitimacy and how we inspire trust, which forms the basis of any relationship

This commitment to society goes beyond the confines of our own business and is embodied in the work carried out by the SURA Foundation, which over the last 13 years has consolidated its performance, strengthened its social investment strategy and broadened its horizons to reach countries such as Mexico, Chile, El Salvador and the Dominican Republic. Between 2006 and 2019, the Foundation has invested a total of COP 167,735 million (USD 67.86 million),

mainly in the form of investing in projects aimed at improving the quality of education, promoting cultural activities, as well as building democracy and instilling a sense of citizenship.

As part of this broader view of the business sector, we know that we must help in overcoming many of the obstacles that our region still faces; this in order to achieve greater growth that in turn shall translate into more equitable development for all. This involves addressing issues such as ensuring more formal job markets, increasing productivity and competitiveness and strengthening public policy-making in areas such as education and social protection systems, among many others.

Such is the case of the reforms that are needed for the local pension systems, in which our pension fund management firms are playing a part. Currently, we are engaged in public discussions regarding these systems in both Colombia and Chile. So, in view of this, we have articulated the need to achieve consensus around a central objective, namely to provide better pensions for more people, within a framework of fiscal and social sustainability.

In the case of Colombia, we also reiterate the importance of a single system, complementing the role and capacities of the public and private sectors, which would allocate subsidies to those who really need them and which extend coverage so that more people could access a pension.

In this sense, and as part of the virtuous circle that these systems must build, it is important to underscore the very important role that pension funds have played in developing the capital markets. In fact, today the Colombian people are the largest shareholder group of companies like Grupo SURA, since at the end of 2019, 29.1% of our total share capital was in the hands of these funds, which manage the retirement savings for more than 16.4 million Colombians. We are therefore very pleased that the results we present year after year can benefit so many people throughout the country, as well as thousands of minority shareholders and hundreds of international investors.

Today we face demanding challenges. These challenges include demographic changes



"This has been a transformation process, thanks to which SURA has positioned itself on the international front, learning from other viewpoints and enriching our organizational culture, as well as reinforcing our conviction regarding the importance of the role we play in society".

"We are very pleased that the results we present year after year are able to benefit so many people throughout the country, as well as thousands of minority shareholders and hundreds of international investors."

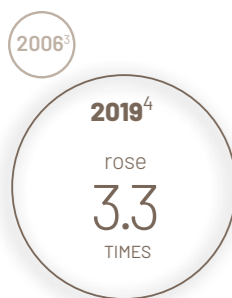
GROWTH 2006-2019

Shareholders' equity¹
rose **2.3**
TIMES

Assets under Management
(Pension Fund Management firms)
rose **34.3**
TIMES

Written premiums
(Insurance companies)
rose **7.1**
TIMES

Portfolio value²



and hyper-connectivity - which we have yet to measure in terms of their immense disruption - as well as their impact from the social, technological and regulatory standpoints. We must gradually gain a better understanding of each of these challenges, plan ahead and respond assertively to our Latin American people, just as we have done over the past 75 years. Another challenge shall be to maintain and strengthen the path we have traced towards a profitable and sustainable growth, this as part of our ongoing strategy based on furthering our financial strength, constantly transforming our business and the creating true added value for our clients,

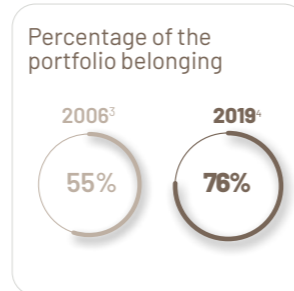
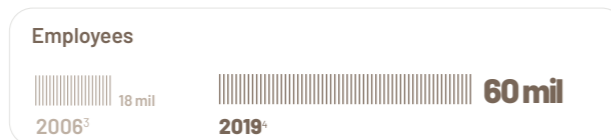
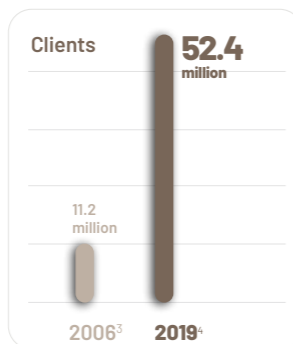
Now that I am about to begin a new stage of my life plan, I look back with enormous gratitude at what this experience has meant for me. I would also like to take advantage of this opportunity to underscore the pride I feel being part of an Organization that really understands its role in society, going beyond purely financial results and contributing to the growth of all those countries where we are present.

My thanks go out to all those whom I had the opportunity to team up with in achieving the results we are presenting you today. I would also like to thank our shareholders, the members of the Boards of Directors and different entities, both public and private, with whom I had the pleasure of interacting all these years. Thank you all for depositing your trust in me and for allowing me to make my own contribution.

You can be sure that the Company remains in the hands of deeply committed, highly competent teams of staff and leaders who share the same business vision that we have built up over the course of all these years. A vision that has shown that it is indeed possible to do business in a responsible fashion, fully aware of our environment while creating added value for all our stakeholder groups.

DAVID BOJANINI GARCÍA
Chief Executive Officer

SOME OF GRUPO SURA'S EVOLUTION INDICATORS



1 Comparable figures, according to Grupo Sura's Separate Financial Statements
2 For 2006, according to that year's Annual Report; for 2019, the latest appraised value of SURA AM carried out for the purpose of a recent share purchase transaction (CDPO); Suramericana at 1.8x its Shareholders' Equity; and listed companies at their year-end market values.
3 Source: Annual Report for that year
4 SURA-Bancolombia Conglomerate Perspective
5 Main investees on the basis of amounts invested: Banco Agrícola, HSBC, ING, RSA and BAM
6 Average rate for each year.



MESSAGE FROM OUR BOARD OF DIRECTORS ON THE OCCASION OF DAVID BOJANINI'S UPCOMING RETIREMENT

Grupo SURA's Board of Directors gave special recognition to Mr. David Bojanini García for his 40 years with the Organization, during which time he has made a decisive contribution to the growth of Grupo SURA and the companies that form part of its portfolio.

More particularly, over the last 13 years that he has served as Chief Executive Officer of this Holding Company, with regard to which the Board would like to make special mention of his strategic vision and leadership as the Group has gained greater international scale and strengthened its portfolio, thereby transforming this Business Group in what it is today, namely, one of the main players in the Latin American financial industry.

Beyond its unquestionable financial achievements, Grupo SURA is today a leading organization in terms of sustainable business practices, with a clear vision of the role that companies play in society, this based on creating shared value.

Mr. Bojanini's humanistic spirit and social sensitivity also drove the transformation of the SURA Foundation, whose Board of Trustees he has chaired for 13 years, during which time he

strengthened its social investment strategy and management capacity.

He has also distinguished himself for having consolidated a business culture firmly grounded on ethical principles, having assigned a special value to human talent and respect for people. Special mention must also be made of his focus on strengthening corporate governance practices throughout the Group.

Equally remarkable has been his commitment as a business leader to the affairs of both Colombia and the region, having actively participated in think tanks and other entities dedicated to enhancing public policy-making and forging more inclusive development, such as Proantioquia, Fedesarrollo, Consejo Privado de Competitividad, Empresarios por la Educación, Consejo de Empresarios por la Paz, Consejo Empresarial de la Alianza del Pacífico, among many others.

In the light of all of this, and understanding that Mr. Bojanini's decision obeys his own personal plans, today Grupo SURA's Board of Directors would like to express our sincere appreciation and gratitude, for his truly exemplary business leadership and corporate stewardship.

Medellín, January 30, 2019

"He has also distinguished himself for having consolidated a business culture firmly grounded on ethical principles, having assigned a special value to human talent and respect for people. Special mention must also be made of his focus on strengthening corporate governance practices throughout the Group".



**CORPORATE
INFORMATION**



COMPANY PROFILE

As an organization we are defined by our higher purpose of creating greater well-being and ensuring sustainable development for people, organizations and society alike. We believe that the added value we provide is helping to reduce the uncertainty that can affect both people and companies alike, now and in the future, through products and solutions that, besides providing them with financial protection, enhance their ability to grow and achieve their goals. All this makes people's lives that much better and furthers sustainable development in all those countries where we are present.

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Our investments are mainly concentrated in the financial services sector (76% of the entire value of our portfolio), which in turn are supplemented by investments in other sectors, as well as other companies which are still at an early growth stage. These are:

- **Suramericana**, the Group's subsidiary specialized in insurance and trend & risk management, offering a range of multi-solution, multi-channel and multi-segment products and solutions in all nine countries where present. It is also the fourth largest insurance company of Latin American origin in terms of written premiums.
- **SURA Asset Management**, an expert player in the pension, savings, investment and asset management sectors with a presence spanning six countries, leads the region's pension industry and is currently positioning itself as an investment platform for its institutional and corporate clients throughout Latin America.
- **Bancolombia**, a company in which Grupo SURA is the main shareholder (albeit non-controlling), offering specialized and complementary universal banking services for private individuals, companies and SMEs, as the leading bank in Colombia. Its subsidiaries make up the main financial network in Central America.

Together, these Companies represent one of Latin America's leading financial groups in terms of number of clients, volume of Assets under Management and written premiums. We share the challenge of remaining relevant, thanks to our ability to evolve and create superior value, not only in terms of what we deliver but also the manner in which we deliver.

The Company also holds investments in other industries namely in Grupo Nutresa (processed foods) and Grupo Argos (cement, energy and highway and airport concessions). This is also complemented by a range of other companies offering substantial growth potential and possible synergies for the purpose of leveraging the Group's core investments.

We began as an Organization back in 1944, when Suramericana de Seguros Generales, today known as Seguros SURA Colombia, a subsidiary of Suramericana first came into being. With its entrepreneurial spirit, combined with its risk management expertise, it steadily built up its own investment portfolio that was spun off in 1997 from its core insurance business. That was when Grupo SURA was created, as the holding company of the Business Group. After expanding on a regional level, having acquired ING's assets in Latin America (pensions, life insurance and investment funds) and those of RSA (property and casualty insurance) in 2011 and 2015 respectively, our priority now is to consolidate their organic and profitable growth.

The Company has been listed on the Colombian Stock Exchange (BVC) since 1945 and is registered with the ADR- Level 1 program in the United States. It is also the only Latin American company from the Diversified Financial Services and Capital Markets sector to be admitted to the Dow Jones Sustainability World Index (DJSI World), which tracks companies who have become global benchmarks thanks to the best practices they have adopted from the economic, environmental and social standpoints.

INVESTMENT PORTFOLIO

Bancolombia¹
Portfolio weighting: 28.5%
Market value: 46.1%

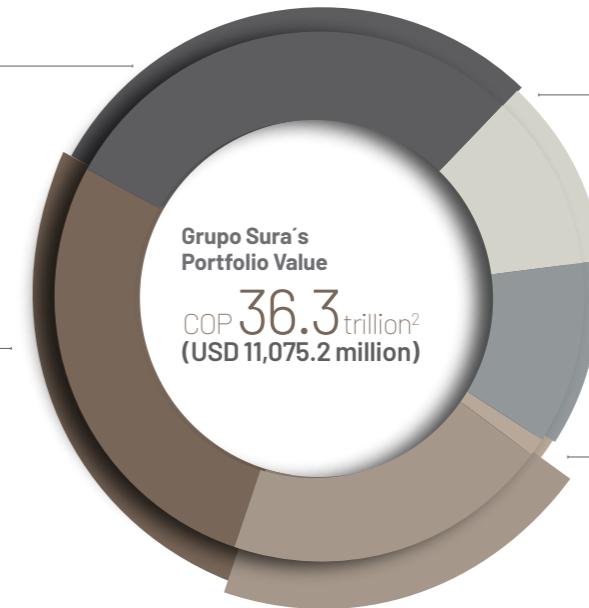
SURA Asset Management
Portfolio weighting: 27.6%
Market value: 83.6%

Suramericana
Portfolio weighting: 20.2%
Market value: 81.1%

Grupo Argos¹
Portfolio weighting: 11.2%
Market value: 35.5%

Grupo Nutresa
Portfolio weighting: 11.3%
Market value: 35.2%

Other investments
Portfolio weighting: 1.1%
Stakes held in:
SURA Ventures 100%
ARUS 100%
Habitat 82.7%



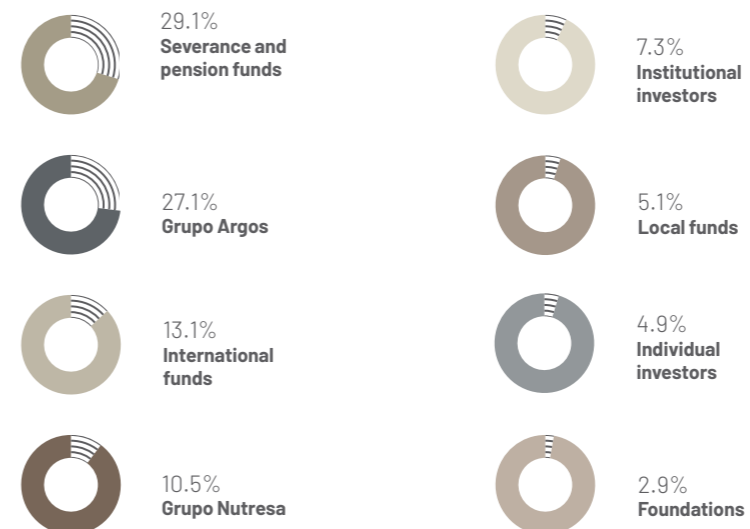
76.3%
of Grupo SURA's portfolio is concentrated in the financial service sector

¹The stakes held corresponds to the amount of ordinary shares held by Grupo SURA in each Company.

²The latest appraised value of SURA AM corresponds to that carried out for the latest share purchase transaction (with CDPQ); that of Suramericana at 1.8x its Shareholders' Equity; and listed companies at their year-end market values.

OUR SHAREHOLDERS

Stakes held in the form of total shares (ordinary + preferred), at December 31, 2019



Number of shareholders

12,162

Number of international funds

508

KEY FIGURES AT YEAR-END 2019
The SURA-Bancolombia Financial Conglomerate,

Clients'
52.4 million

Employees²
60,173

Assets under Management (AuM)³
788.3 trillion
(USD 240,560 million)



102-4, 102-6
Our presence spans 11 countries
Mexico, Guatemala, El Salvador, Dominican Republic, Panama, Colombia, Peru, Brazil, Chile, Argentina and Uruguay.

¹Total clients corresponding to the Companies making up the Conglomerate. These do not solely belong to each Company but rather to various Companies in Colombia, Chile, Mexico, Panama, El Salvador and Uruguay.

²Administrative staff plus sales and advisory personnel, excluding trainee apprentices and interns without employment contracts and including employees of Grupo SURA, the holding company.

³Total Assets under Management on the part of the Companies belonging to the Conglomerate. These were calculated as follows: the AuM posted by SURA AM; technical reserves consolidated and directly managed by Suramericana (excluding all those countries where portfolios are managed by SURA AM); deposits recorded by Bancolombia and the AuM corresponding to Fiduciaria Bancolombia and Valores Bancolombia.

* Excluding Argentina, where the SURA Investment Management unit attends the institutional segment only.

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SURA Asset Management

Clients: 20.5 million
Employees: 9,244
Countries: 6*

Operating revenues:
(commissions + insurance margin)
COP **3.2** trillion
(USD 980.4 million) ▲ 35.1%

Assets under Management (AuM):
COP **483.5** trillion
(USD 147,536 million) ▲ 15.5%

Net income:
COP **628,884** million
(USD 191.7 million) ▲ 116.1%

Suramericana

Clients: 17.9 million
Employees: 20,957
Countries: 9

Operating revenues:
(written premiums + services rendered)
COP **17.1** trillion
(USD 5,224 million) ▲ 13.5%

Technical result:
COP **2.4** trillion
(USD 730.5 million) ▼ 0.5%

Net income:
COP **390,327** million
(USD 119 million) ▼ 25.6%

Bancolombia

Clients: 14 million
Employees: 29,988
Countries: 4

Gross loan portfolio:
(loans before provisions)
COP **182.3** trillion
(USD 55,622 million) ▲ 4.9%

Consolidated shareholders' equity:
COP **26.9** trillion
(USD 8,203.5 million) ▲ 8.2%

Net income:
COP **3.1** trillion
(USD 950.1 million) ▲ 17.2%

KEY FIGURES AT YEAR-END 2019
Grupo SURA (Holding Company)

Financial figures

Consolidated revenues:
COP **21.9** trillion
(USD 6,679 million)
▲ 13.3%

Operating earnings:
COP **3.0** trillion
(USD 920.4 million)
▲ 19.5%

Net income:
COP **1.7** trillion
(USD 523.8 million) ▲ 27.9%

Debt:
(Individual)
COP **4.6** trillion
(USD 1,415.6 million) ▼ 7.3%

Assets:
(Consolidated)
COP **69** trillion
(USD 21,066 million) ▼ 2.9%

Shareholders' equity:
(Consolidated)
COP **28.1** trillion
(USD 8,571.8 million) ▲ 4.4%

Other key figures
(Grupo SURA, Suramericana and SURA Asset Management)

Social investment
COP 20,458 million
(USD 6.2 million)

invested in social outreach programs through the SURA Foundation, present in Colombia, Mexico and Chile

Beneficiaries:
122 mil thousand people
and 940 organizations benefited from the amount of social investment carried out by the SURA Foundation in all those countries where we are present.

Employees:
6.2% increase in the number of our employees, now standing at 30,285, these including sales and advisory personnel but excluding student interns.

Clients:
38.4 million clients corresponding to our subsidiaries SURA Asset Management and Suramericana, for a year-on-year increase of 3.8%.

Suppliers and service providers:
57,638 attending Grupo SURA, Suramericana and SURA Asset Management throughout the region, to whom a total of USD 3,336.1 million was paid out.

Financial Education:
1.83 million
Latin Americans received training, through a total of 32 initiatives carried out by Suramericana and SURA Asset Management at subsidiary level.



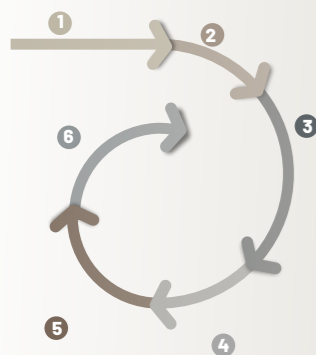
STAKEHOLDER ENGAGEMENT

We understand that the sustainability of our Organization depends on our ability to create added value for our stakeholder groups, through relationships firmly built on trust.

In 2019, we made headway, in conjunction with the different areas responsible, with reviewing and drawing up plans and actions to further our stakeholder engagement, this in a conscientious manner and in keeping with the Organization's objectives. In 2020, we shall be carrying out a second reputation assessment that shall allow us to identify our strengths and detect any opportunity for improvement.

102-42, 201-43 Gauging and effectively managing our stakeholder engagement.

- 1 Mapping out the different groups as well as the areas in charge of such.
- 2 Defining our engagement purpose and strategy.
- 3 Planning and managing our stakeholder relationships.
- 4 Measuring results (reputation study and other metrics).
- 5 Conducting analyses with each area and identifying strengths and gaps.
- 6 Adjusting plans and managing relationships.



102-40 Stakeholders



STAKEHOLDER GROUP

- Board of Directors*
- Employees**

Leader in charge:

- *Chief Legal Affairs Officer
- **Chief Corporate Affairs Officer: Head of Human Talent



SHAREHOLDERS AND INVESTORS

- Shareholders and Investors (current and potential)
- Brokers

Leader in charge:

- Chief Corporate Finance Officer: Head of IR, Head of Treasury



SUPPLIERS

- Large-scale companies
- Small and medium-sized companies
- Private individuals
- On-site service providers

Leader in charge:

- Chief Corporate Affairs Officer: Head of Shared Internal Services



MEDIA

- Specialized press
- Other relevant media

Leader in charge:

- Head of Communications



ACADEMIA

- Higher education institutions
- Knowledge centers

Leader in charge:

- Chief Corporate Affairs, Officer: Head of Human Talent, Head of Strategy



THE STATE

- Regulatory authorities
- Regional national and local authorities

Leader in charge:

- Chief Legal Affairs Officer



OPINION LEADERS

- Experts in business topics
- General commentators

Leader in charge:

- Head of Communications



TRADE UNIONS, ASSOCIATIONS AND MULTILATERAL ORGANIZATIONS

- Trade associations and federations*
- Chambers of Commerce**
- Binational Chambers *
- Think tanks**
- Multi-lateral organizations**

Leader in charge:

- *Chief Legal Affairs Officer
- **Chief Corporate Affairs Officer



THE COMMUNITY

- Entities with whom we work
- Organizations or individuals involved with our social outreach programs
- Other organizations driving development
- General public

Leader in charge:

- Chief Corporate Affairs Officer: Head of Corporate Responsibility

102-46, 201-47

MATERIALITY ANALYSIS

Materiality refers to all those social, environmental and economic aspects that are key for achieving our Organization's objectives and that could substantially sway the decisions made by different stakeholder groups.

Information reporting

- 1 **Identification and referencing.** External: standards, frameworks and references. Internal: input analysis (strategy, risk map and management interviews)
- 2 **Preliminary materiality:** list of preliminary topics, to be addressed
- 3 **Stakeholder consultation and information analysis:** perception surveys and interviews
- 4 **Connecting stakeholder consultation results and strategic risk mapping:** aligning material issues.
- 5 **Internal validation:** review of results and inputs, final prioritization of issues with management team
- 6 **Final materiality results:** see table.

PRIORITY ISSUES

- 1 **CORPORATE GOVERNANCE:** Implementing corporate governance policies and processes, as well as international standards for the purpose of becoming a leading player in good corporate governance practices.
- 2 **REGULATIONS** Handling and anticipating new legislation and regulations in all those countries where we are present and analyzing and understanding the risks and opportunities that arise. Playing a responsible and proactive role in public policy-making.
- 3 **INNOVATION** Deploying strategies and initiatives to create added value and remain relevant in today's business environment while providing new responses to challenges and opportunities as they arise.
- 4 **BUSINESS DEVELOPMENT** Growing both organically and inorganically, by developing new businesses (new channels, solutions, segments) and identifying key trends for greater market penetration.
- 5 **STRATEGIC CAPITAL ALLOCATION** Allocating capital in a manner consistent with our business strategy, with a view to long-term growth.
- 6 **CAPITAL STRUCTURING** Coordinating and liaising with our Companies to maintain an adequate capital structure thus guaranteeing shareholder dividends, productivity and competitiveness in terms of quality, profitability and long-term growth.
- 7 **LONG-TERM CLIENT RELATIONSHIPS** Creating added value for our clients by providing them with our trend and risk management services, thus ensuring their welfare, care, peace of mind, competitiveness and sustainability.
- 8 **COMPREHENSIVE RANGE OF SERVICES** Developing the capacity to offer a comprehensive portfolio of services in all those countries where we are present, by means of extending our entire portfolio to all those companies belonging to our Business Group in different parts of Latin America.
- 9 **ATTRACTING, DEVELOPING AND RETAINING HUMAN TALENT** Implementing strategies to attract the most reliable professional staff on the Latin American job market. Providing comprehensive professional training and staff retention programs.
- 10 **CORPORATE CULTURE** Encouraging an organizational culture based on respect, responsibility, fairness and transparency when engaging with our stakeholders.
- 11 **REPUTATION, BRAND AND STAKEHOLDER ENGAGEMENT** Acting proactively to strengthen and protect SURA's reputation in Latin America, through a strategy that includes stakeholder engagement, branding, a coherent corporate discourse, institutional projection and sustainable business development.



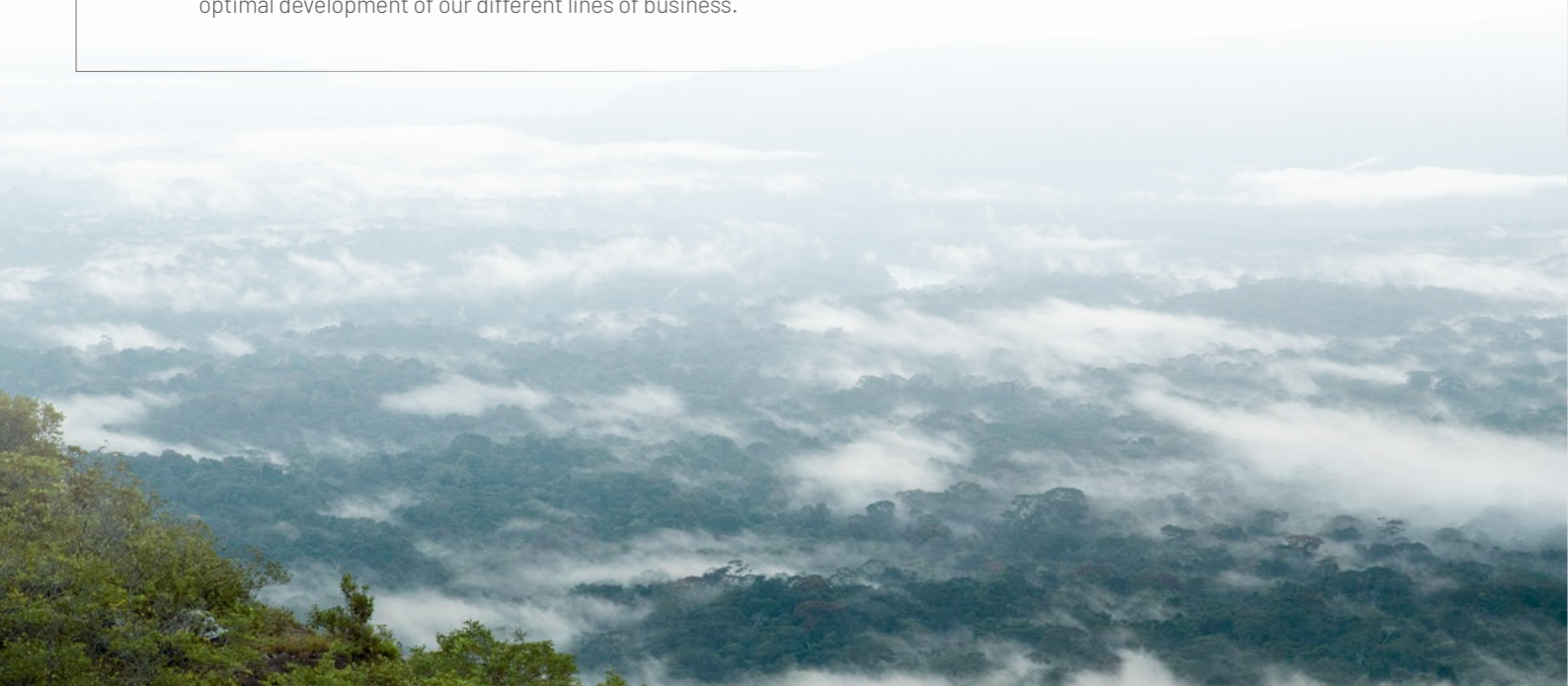
Grupo SURA faces the challenge of introducing an official procedure for measuring and managing these material issues. This involves defining different metrics to show the extent to which the Company handles these matters and in so doing fulfills the expectations of its stakeholders.

RELEVANT MATTERS

- 1 OCCUPATIONAL HEALTH AND SAFETY**
Comprehensively handling the physical and mental health and safety of our human talent, with a clear focus on the well-being and quality of life of those who form part of the SURA Business Group.
- 2 PROTECTING CLIENTS AND USERS**
Ensuring the safekeeping of our investments, protecting sensitive information and guaranteeing information security through a culture based on prevention and protection.
- 3 ESG INVESTMENT APPROACH**
Ensuring that our investment analyses and business models include environmental, social and corporate governance (ESG) parameters and criteria for decision-making purposes

EMERGING ISSUES

- 1 SUPPLY CHAIN**
Implementing policies and / or procedures for evaluating, developing and monitoring suppliers and service providers, by implementing a participatory framework to ensure that best practices are applied.
- 2 HUMAN RIGHTS**
Respecting and promoting human rights.
- 3 SOCIAL INVESTMENT**
Participating in local and international initiatives by investing in social development projects, our corporate volunteer work; encouraging inter-institutional alliances and strategies that promote healthy and productive communities, and ensuring a greater degree of inclusion and financial education in all those countries where the SURA Business Group operates.
- 4 HANDLING OUR ENVIRONMENTAL IMPACT**
Ensuring that environmental risks and opportunities are responsibly managed for the optimal development of our different lines of business.



OUR STRATEGY

We, in the SURA Business Group, are convinced that through our own lines of business we can help to create greater well-being and sustainable development for people, organizations and society alike. We also wish to become widely recognized as the leading Latin American Group in the financial services sector given our ability to evolve and provide superior added value to both shareholders and society at large.

Strategic Pillars

Knowledge, since observing, understanding and ascertaining our environment, is key to being able to plan ahead.

Innovation and entrepreneurship for providing new responses to both challenges and opportunities.

Forming internal and external alliances for driving shared growth.



Managing financial resources to further the consolidation and profitability of our different lines of business.

Human talent and organizational culture that guide us in fulfilling our strategy.

Reputation and trust management by doing things right, based on ethical principles.

How we define our strategy

Internal and external analyses	Strategic approaches	Engaging with our investments	Performance indicators
<ul style="list-style-type: none"> ● Of our business environment and competitors. ● Of current trends. ● Identifying strategic risk. 	<ul style="list-style-type: none"> ● Higher purpose and aspirations as a Business Group. ● Focusing on potential industries and geographies to invest in. ● Metrics and corporate goals as well as other monitoring mechanisms 	<ul style="list-style-type: none"> ● Defining the Holding's role in managing its investments. ● Defining adjustments to the decision-making process. 	<ul style="list-style-type: none"> ● Formulating financial and non-financial corporate indicators as relating to our ability to fulfill our strategy. ● Defining of exceptional performance indicators as derived from our strategic plans.

Drawn up by:
Grupo SURA's Senior Management and the Chief Executive Officers at subsidiary level.

Approved by:
Grupo SURA's Board of Directors

Coordinated by:
Head of Strategy



PROGRESS SO FAR CAN BE SUMMARIZED AS FOLLOWS:

Our performance in delivering on our strategy in 2019 has been amply illustrated throughout this report. Nevertheless, we would like to underscore certain initiatives through which our core Companies have been able a real contribution to the six pillars that underpin our strategy:

Challenges and opportunities - 2020

- Consolidating our current operations while maintaining a long-term perspective and with the continuous need for transformation.
- Reinforcing our ability to permanently “read” our business environment as well as current trends and risks, so as to be able to continually update our strategic definitions.
- Articulating the initiatives and projects defined by the SURA-Bancolombia Financial Conglomerate for managing the risks relating to our strategy.
- Forming more alliances with our different lines of business in order to create added value for our clients.

Knowledge:



Innovation and entrepreneurship

Our strategy is based on a structured and permanent observation of our business environment, a task for which the support we have received from Suramericana, our trend and risk management subsidiary, has been crucial. Each pillar of our strategy addresses some of the trends that could have a particular impact on the area in question.

We believe it is essential for us to understand the interaction between all those different forces, movements and trends, which could create changes for society and which may well alter the way in which we live and interact.

Creating added value for our clients

- Our asset management business strives to enhance the client experience, leveraging technology and offering a specialized advisory, thus achieving a better understanding of their needs, offering a segmented range of products and solutions and designing better client experiences. In this regard, Mexico is making headway with a virtual coach aimed at providing financial planning advice to their clients. Users so far number 8,370 and we hope to replicate this in other countries.
- Our insurance business is working hard on addressing and providing solutions, going beyond a product level, in all areas including access, processes, geographies, technology, communication, among others. We are also implementing our Client without Borders project, designed to blur the geographical boundaries of the coverage and assistance we provide, so that the client can always count on SURA being close by. This initial stage has already recruited 440 thousand clients for the voluntary insurance line of business.

Business transformation

- The SURA Group is working on a venture to hook up financial institutions with fintechs, so as to facilitate their integration and collaboration.
- In conjunction with Bancolombia, we created an initiative that transforms the reality of small and medium enterprises (SMEs), by providing knowledge and facilitating their interconnectivity with other entities, thereby driving their operating performance and overall development.
- Our Fund Management firms are leveraging their automation, scanning and advanced analytics in order to attract new clients, create AI-based investment portfolios, efficient processes and on-line channels.
- Our insurance companies are focused on providing new capabilities for our clients. One example of this is Empresas SURA, a regional program that offers specialized strategic risk management support to micro, small and medium-sized enterprises (MSMEs)



Internal and external partnerships

- With regard to our SURA Ventures portfolio, we are currently developing projects that help to accelerate the transformation of our businesses and consolidate new markets. Such is the case with the alliances that Seguros SURA Colombia has formed with Pager and Zendrive.
- The Companies belonging to our Business Group have joined forces to create a wellness ecosystem for today and tomorrow’s senior citizens. We are also exploring possible joint initiatives with regard to financial education programs for youngsters.
- External alliances: in conjunction with BlackRock, we extended our Aladdin investment platform to a total of five countries. Also, the Client Without Borders project, spearheaded by our insurance subsidiary, have formed a network with Falck, Assist Card, April and Global Assist, so as to be able to provide medical and legal assistance throughout Latin America.



Financial resource management

- Adjusted Return on Equity went from 9.11% (2018) to 9.66% (2019), which is in keeping with our goal of achieving a double-digit growth in profitability in the mid-term.
- Opportunities were identified for reallocating resources in Grupo SURA and its subsidiaries, these totaling almost COP 2.5 trillion (USD 763 million), before tax, while at the same time evaluating possible divestitures of certain businesses that are outside our strategic focus.
- In keeping with our deleveraging strategy that began back in 2017, Grupo SURA’s individual financial debt was reduced, from 2017 to 2019, by COP 853,698 million (USD 260.5 million) with the company’s own cash resources, over the last 12-month period.



Human Talent and Culture

- We have identified the competencies and growth opportunities for high potential talent that are to be developed jointly amongst our Companies.
- We continue to make progress with drilling down on the needs of our employees as well as the changes that are required, so as to be able to provide a truly relevant value proposal to each of our employees, this based on their individual circumstances.
- Our employer branding continues to gain greater scale as we continue to attract and retain the best possible talent. This is why we are taking cross-cutting action to improve our employee experience at different stages of their working lives.
- We are oriented towards flexible organizational structures and new ways of working, which facilitate a better response to business challenges and opportunities.



Reputation and brand management

- As a Group, we have established a business narrative so as to be able to tell a story based on the essential elements shared by all our Companies, which helps us to express ourselves in a much more coherent and consistent fashion.
 - We continue to work on positioning a brand that reflects the shared attributes of all of us who form part of the SURA Business Group while allowing us to communicate that what makes each of our Companies quite unique. Our Familiarity Index score came to 73/100*, which was 2 points higher than for 2018.
 - Reputation is after all a measure of confidence. As for the Merco Survey carried out in Colombia in 2019, SURA was ranked in 4th place in the categories of Corporate Reputation as well as Corporate Responsibility and Governance, and in 5th place in the Best Place to Work category.
- *Source: Ipsos Study in Latam 2018-2019. Weighted average

TRENDS*

*Analysis carried out by Suramericana, our trend and risk management subsidiary

- **More empowered, purpose-driven consumers, with a greater need for personalization and immediacy**

- **Strategic role of data.**
- **Disintermediation and automation.**
- **Hyper-connectivity**

- **Aging population**
- **Empowering the individual**
- **Acting in unison**

- **Mistrust of the market and system.**
- **Globalization**
- **Exponential world.**

- **Transversal, off-site, project-based work.**
- **Digital transformation.**
- **Analyses of the human element**

- **Reputational hypersensitivity.**
- **Digital humanities (DH).**
- **Purposeful branding**

01

**MANAGEMENT
REPORT**



Salvador

Salvador

Salvador

Salvador

Salvador

Salvador

Salvador

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Salvador

01 MANAGEMENT REPORT

Dear Shareholders,

We are pleased to present you with the results obtained for 2019, a year that allowed us to continue growing as an Organization as well as furthering our strategy. This is not only illustrated by the increase in our consolidated financial results that we consider to be an all-time high, but by the amount of progress made in terms of profitable growth of the core Companies that form part of our portfolio. We also were able to reap the benefits of our well-diversified sources of income in what was after all a challenging environment; and we took important steps in bringing to fruition all those initiatives aimed at furthering the strategic priorities that we set for ourselves in this stage of portfolio consolidation and optimization, after the expansion undergone over the last decade.

Similarly, last year, through different practices, we were able to consolidate our corporate purpose of being a sustainable Organization over the long term, firmly committed with the countries where we are present from both the standpoint of our different lines of business as well as the social outreach programs, all this thanks to a robust team of human talent, which

bases everything they do on a strong sense of ethical responsibility.

OUR ESSENCE HAS REMAINED UNCHANGED

It is worth noting that, in 2019, we celebrated the 75th Anniversary of our insurance subsidiary, Suramericana, which today is consolidating itself as a trend and risk management firm. It was this Subsidiary that, all those years ago, gave rise to what today is the SURA Business Group, always guided by its overarching purpose of creating well-being and sustainable development for the Latin American people. This anniversary has represented an ideal opportunity for us to reaffirm the key elements of the Organization's growth trajectory, from its very beginnings as an insurance company in Medellin (Colombia), to its current status as a benchmark multi-Latina company in the financial services industry.

As an essential part of our culture, we firmly believe that besides achieving our projected results, the manner in which these are achieved is also important. We have historically cultivated

a long-term vision and an awareness of an ever-changing environment that not only poses risks but also represents diverse opportunities, and this has effectively encouraged us to evolve as an Organization. Our commitment to work for a more inclusive society continues equally valid, as we strive to provide more people with access to our services, while at the same time furthering the impact of the social outreach initiatives of our own SURA Foundation and the Companies themselves, beginning in Colombia and expanding these to other countries throughout the region.

ECONOMIC, POLITICAL AND SOCIAL ENVIRONMENT

Last year was also one of learning and reflection regarding to the amount of social unrest prevailing, particularly in Chile and Colombia. Convinced of the fundamental role that companies play in society, we, as an Organization, have put forward the need to facilitate opportunities for dialogue so as to be able to identify common goals and create a consensus for strengthening our institutions and public-policy making. This is an appropriate way to encourage an equitable development, that meets the expectations of the population as a whole and builds upon the progress made throughout the region in recent decades.

On the global economic front, and in spite of the prevailing geopolitical tensions, the capital markets in the United States, Europe and Japan had a notable recovery, as well as in Latin America in the case of Mexico, Colombia, Peru and Brazil. Conversely, we are witnessing a slowing of overall economic growth in Latin America: the International Monetary Fund

(IMF) forecasts that the region's gross domestic product (GDP) shall have risen at year-end 2019 by just 0.8% —this excluding Venezuela—, when in 2018 it rose by 1.8%, this given the lower growth rates in Mexico, Brazil, Chile, Peru and Uruguay, while Argentina remains immersed in a recession while facing important macroeconomic challenges. Amid this backdrop, it is important to note the growth in Colombia and an improved economic performance in Central America and the Caribbean, particularly in Panama and the Dominican Republic, with El Salvador showing clear signs of a recovery.

It is also worth mentioning the situation facing the Colombian health care system in terms of financing, as well as the amount of health care entities (EPS) being liquidated, which led to the regulatory authorities having to transfer millions of users within the Colombian health care system. In the case of EPS SURA, the Company added nearly 558 thousand new users, including users reassigned from other failed health care entities, which drove up our membership base by a year-on-year increase of 18% for a total of 3.6 million. In the light of this situation, we have proposed that the Colombian Government carry out a series of necessary adjustments so as to ensure a healthy population and a sustainable health care system in Colombia.

Finally, from the regulatory standpoint in Chile, expectations continue with a possible plebiscite as well as constitutional changes that would take place during 2020. At the same time, the pension reform bill, which began its way through the legislative pipeline in 2019, is still being debated amid a certain amount of social and political tension. In the face of this reform bill, which we consider to be an urgent measure in order to be able to respond to the demands of Chilean



Despite geopolitical tensions, there was a remarkable recovery in the capital markets of the United States, Europe, Japan as well as for the major stock exchanges of Latin America.



Our strategic priorities:

- Business transformation.
- Financial strength and investment capacity.
- Creating added value for our clients.



KEY INDICATORS:

27.9%

increase in Grupo SURA'S Consolidated net income, for a total of COP 1.72 trillion (USD 523.8 million).

COP 20,458 millones

(USD 6.2 million) invested in social outreach programs 2019 on the part of SURA Foundation, present in Colombia, Mexico and Chile.

2.18 millones

people benefiting from the Education and Financial Inclusion programs being deployed by the Companies belonging to the Business Group in all 10 countries in Latin America.

38.4

million clients throughout the region, 20.5 million for SURA AM and 17.9 million for Suramericana

7%

reduction in Grupo SURA's individual debt compared to year-end 2018, reaching COP 4.6 trillion (USD 1,416 million) in 2019.

STAKEHOLDER GROUPS:

- Shareholders and Investors
- Internal stakeholders
- Communities
- The State

MATERIAL ASPECTS:

- Business development

RELATED SDGS:



citizens, we have placed a lot of value on the fact that it includes the necessary elements for immediately improving pensions and increasing the savings rate, thereby strengthening the solidarity component of the Chilean pension system, as well as providing support for women and the middle class.

Meanwhile, in Colombia we are still awaiting a bill that the Government is scheduled to present in 2020, for improving a pension system that needs to expand its coverage, become more equitable and ensure its fiscal sustainability. All this as part of the collaborative efforts of all the various actors involved.

OUR OWN BUSINESS DEVELOPMENT

On the other hand, we made much progress in 2019 with the strategic priorities defined for the Business Group as a whole, not only as its Holding Company, but also from the standpoint of our core subsidiaries Suramericana (insurance and trend and risk management) and SURA Asset Management (pensions, savings and investment). The following are certain issues that we would like to highlight and shall be expanded upon later in the different chapters of this Report:

Business Transformation:

We have implemented certain initiatives aimed at taking full advantage of our interdisciplinary knowledge, trend analysis, innovative models and technology, so that we can continue to evolve in all those fields of our current businesses (for more information please refer to Chapter 5 Page 78 of this Report):

SURA Asset Management. In order to secure greater operating efficiencies, improve service levels and get closer to clients in its mandatory pension business, last year this Subsidiary scaled up the automation and redesign of its processes, as well as the implementation of robotics and analytical models. Its on-line channels have also gained greater importance in being able to attract new fund members and increase our overall fund membership base in Chile, Peru and Mexico.

In the voluntary savings business (savings and investment) this Subsidiary is already attending

1.4 million clients for a volume of Assets under Management totaling COP 35 trillion (USD 10,683 million), at year-end 2019. Furthermore, 16 new products were launched that already have 6,000 clients along with USD 160 million in Assets under Management.

Also, at year-end 2019, SURA Asset Management had a total of 16 initiatives up and running, these aimed at encouraging entrepreneurship and intra-entrepreneurship.

Suramericana. Besides solutions addressing certain events or threats, and handling future risks, this Subsidiary is making much headway with consolidating a well-differentiated regional portfolio in terms of delivering capabilities in the fields of Health Care, Autonomy, Mobility, Competitiveness, Connectivity and Habitat. Here, the new Empresas SURA Program was started up in 2019, this aimed at helping its 1.2 million SME clients throughout the region to boost their own competitiveness. Entrepreneurs can visit Suramericana's "bricks and mortar" branch offices and receive expert knowledge, personalized support and specialized advice, this as a value-added feature to the traditional coverage provided.

Also, this Subsidiary's operations in Colombia were enhanced with the alliances formed with two companies belonging to the SURA Ventures program. Seguros SURA incorporated Pager's artificial intelligence platform into its mobile app to offer its users on-line health care attention. The Company is also running a pilot program with Zendrive, using its advanced data technology to trace the driving behavior of individual policy-holders so as to be able to determine their risk of being involved in an accident.

Financial strength

Another of our strategic priorities has to do with our financial strength and investment capacity, this in order to consolidate Grupo SURA's on-going profitable growth. During 2019 we made headway with our capital optimization project between the different SURA operations throughout the region. Opportunities were identified for reallocating resources within Grupo SURA and its Subsidiaries, these

amounting to a pre-tax figure of almost COP 2.5 trillion (USD 763 million). The Group also continued to divest certain operations that do not form part of its current strategic focus, this including selling off its life annuity business in Mexico (SURA AM) as well as the minority interest held in the health care plan business in the Dominican Republic (Suramericana) and in Sodexo Colombia (Grupo SURA and Suramericana).

On the other hand, we continued with our gradual deleveraging plan. Using the Company's own funds, we were able to reduce our individual indebtedness by COP 379,781 million (USD 115.7 million). We also moved forward with our foreign exchange hedging strategy so as to be able to mitigate our market exposure. Currently only 10% of our overall debt is exposed to the performance of the US dollar (for more information please refer to Chapter 3, Page 54 of this Report).

Similarly, the international credit risk rating agencies maintained the Company's investment grade in 2019, with Fitch Ratings reaffirming its BBB rating and Standard & Poor's upholding its BBB- rating, with stable outlooks for both ratings.

Creating greater added value for our clients

In terms of this priority, we as a Business Group, are striving to think ahead, differentiate ourselves from the rest of the pack and develop more tailored solutions, this in addition to providing the best possible client service, based on our in-depth knowledge of more than 38.4 million clients who have placed their trust in SURA companies throughout the region.

This is clearly evident with the headway made by Suramericana, in creating solutions and providing assistance in a more relatable and relevant way so as to encourage greater sustainable mobility in Chile, Mexico, Brazil and Colombia; as well as introducing new Individual Life Insurance solutions in Argentina, Chile and Mexico, where before these were mainly confined to the Property and Casualty segment; and incorporating greater degree of segmentation so as to enhance channel access and productivity.

SURA Asset Management also provided significant rates of return on its clients' savings, most notably in Chile and Mexico, where SURA's pension fund management firms were among the most profitable in their respective markets. In the case of SURA Investment Management, 73% of the funds it manages generated Alpha, 17 new funds were developed and at year-end this business unit had accumulated a total of 304 institutional and corporate clients.

GROWTH IN FINANCIAL RESULTS

With regard to Grupo SURA's financial results, operating revenue rose by 13.3%, this mainly due to the following three factors:

- A positive level of operating performance at subsidiary level, which in turn drove up the organic growth of their respective lines of business.
- The increase in revenues received from its associates via the equity method, particularly Bancolombia and Protección.
- The increase in investment returns, given the positive performance of the portfolios belonging to the pension fund management firms (legal reserves) and insurance companies.

Another contributing factor worth noting is that revenues rose at a higher rate compared to expenses. The latter increased by 12.3%, and included significant investments made by the Companies in their business transformation projects. Consequently, operating earnings rose by 19.5% to COP 3 trillion (USD 920.4 million), and consolidated net income rose to a record high of COP 1.72 trillion (USD 523.8 million), for a year-on-year increase of 27.9%.

SURA Asset Management contributed a net income figure of COP 724,989 million (USD 221 million) to Grupo SURA's consolidated results, this corresponding to a year-on-year increase of 95.4%, driven by higher returns on investments and the growth of fee and commission income for its mandatory pension (8.3%) and voluntary savings (17.7%) lines of business.

Consolidated Results Grupo SURA - 2019

Revenues:
COP 21.9 trillion ↑ 13.3%
(USD 6,679.1 million)

Expense:
COP 18.9 trillion ↑ 12.3%
(USD 5,758.7 million)

Operating earnings:
COP 3.0 trillion ↑ 19.5%
(USD 920.4 million)

Net income:
COP 1.7 trillion ↑ 27.9%
(USD 523.8 million)



Capital reallocation opportunities were identified within Grupo SURA and its subsidiaries, for close to COP 2.5 trillion (USD 763 million), before taxes.



On the other hand, Suramericana maintained a sound growth of 10.9% in revenues from written premiums, along with a growth of 23.6% for its health care services in Colombia. It is also worth noting the good levels of operating performance in Central America and the Caribbean, with significant progress made in Panama, El Salvador and the Dominican Republic, in both the Life Insurance and Property and Casualty segments.

However, Suramericana's consolidated net income decreased by 25.6%, to end up at COP 390,327 million (USD 119 million), this due to various external factors such as the macroeconomic and market impacts on Suramericana's Argentinean operations; the new VAT tax levied on life insurance commissions in Colombia, and a higher claims rate for the EPS SURA healthcare provider, given the situation of Colombia's health care system. Also, our insurance business was affected by the social protests that took place mainly in Chile.

Another important driver for the Group's overall performance in 2019 was the amount of net income posted by Grupo Bancolombia, this totaling COP 3.12 trillion (USD 950 million), for a growth of 17.2%. This included a 24% increase in its consumer lending portfolio and a ROE that rose from 11.5% to 12.1%. Similarly, it is worth noting the growth in Grupo Bancolombia's total client base, which now numbers 14 million in all four countries where present. In the case of Nequi, its on-line banking facilities, its client base went from 700 thousand to a total of 1.8 million.

Finally, Grupo SURA's separate financial statements showed a net income figure of COP 932,190 million (USD 284 million), on which the proposed distribution of dividends is based, this for a year-on-year increase of 43.7%.

Chapter 3 of this Report provides more details on the financial results obtained by our subsidiaries, as well as Bancolombia, our industrial investments and Grupo SURA's portfolio companies that are currently in a growth phase (see page 56).

GOING BEYOND THE CONFINES OF OUR BUSINESS TO THE DIFFERENT SOCIAL DEVELOPMENT INITIATIVES CURRENTLY UNDERWAY

As part of our firm commitment to the sustainable development of Latin American citizens, we are fully aware of the importance of our role as leaders and co-managers of social transformation initiatives. Consequently, in 2019, 342 thousand people and 2,400 organizations throughout the region were benefited by a social investment of COP 82 billion (USD 25 million), which included the funds channeled through the SURA Foundation and those allocated by the Companies belonging to the Business Group to initiatives, partnerships and commercial sponsorships that are having a positive community impact.

Through the SURA Foundation, present in Colombia, Mexico and Chile, we made a social investment totaling COP 20,458 million (USD 6.2

Furthermore, our corporate volunteer program benefited a total of 42,286 people and 73 community and social development organizations.



SURA Asset Management and Subsidiaries became signatories of the Principles for Responsible Investment (PRI) initiative which involves extending their investment assessments and decisions to include environmental, social and governance (ESG) issues.

COP 50,000 million (USD 15.3 million) has been invested, over the last 5 years, in initiatives aimed at improving the Quality of Education, which is one of the Company's strategic investment focus of our social investment, benefiting more than 700 thousand Latin Americans.

million) thereby improving the living conditions of 122 thousand people and the sustainability of 940 organizations in all ten countries where SURA is present. We also wish to underscore our commitment to enhancing the Quality of Education, this being a strategic focus for our social investment efforts, and over the last 5 years we have managed to mobilize COP 50 billion (USD 15.3 million) for the benefit of more than 700 thousand people in Latin America. These funds have been invested in meaningful, life-long, learning initiatives for educators, students and their families alike.

Our corporate volunteer program also benefited 42,286 people and 73 social and community organizations throughout the region, thanks to the efforts of 8 thousand of our employees and their friends and families, all of whom dedicated 46 thousand hours to a total of 56 initiatives.

Finally, we would like to make special mention of the fact that 75% of our total social investment was directly provided by our SURA companies, this for the purpose of enhancing people's well-being, promoting healthy, lifestyle habits and encouraging art and culture in different communities.

OTHER HIGHLIGHTS

Below is a series of other important aspects of our performance in 2019, which are discussed

in greater detail in subsequent chapters of this Annual Report:

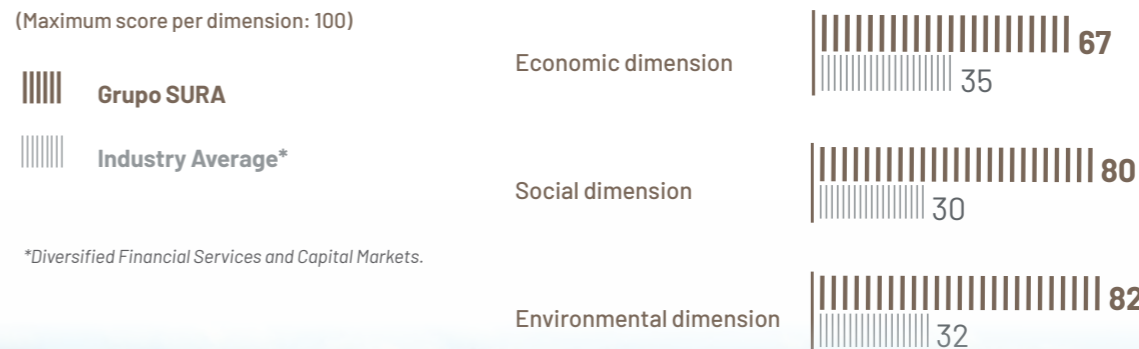
A more sustainable Business Group

For the ninth year running, Grupo SURA was ranked as one of the three global companies with the Best Sustainability Practices from the Diversified Financial Services and Capital Markets sector, this according to the Dow Jones Sustainability World Index, which tracks 318 top-performing companies on a global level. Upon evaluating our performance as a Business Group, special mention was made of our leadership in terms of financial inclusion and social reporting, as well as the progress made with participating in public policy-making and anti-crime policies and measures.

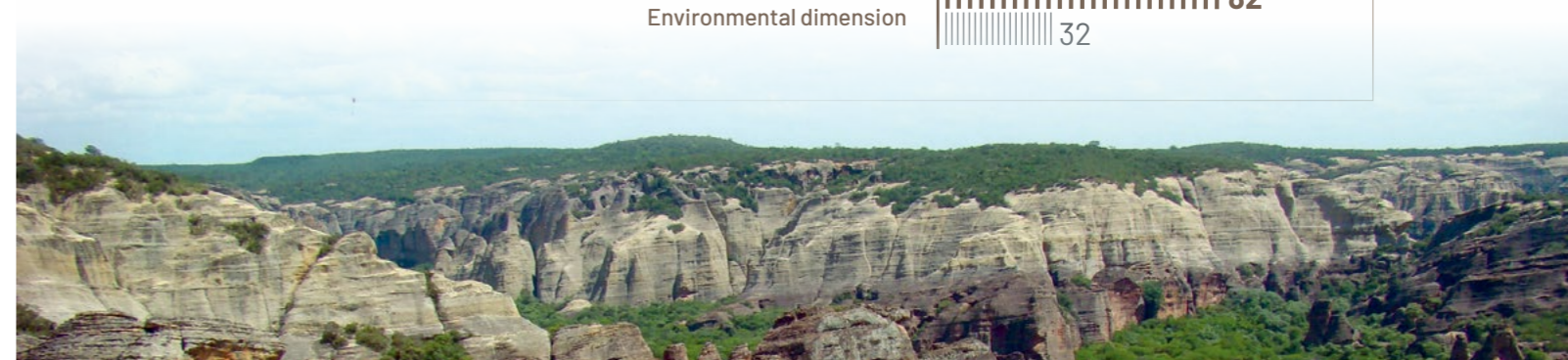
Another important highlight was the decision made by SURA Asset Management and its main subsidiaries operating in the various countries throughout the region, to adhere to the Principles for Responsible Investment (PRI) initiative which involves extending the analysis of investment decisions to include environmental, social and governance (ESG) issues. This was a major decision, since SURA AM is one of the most important players in the Latin American asset management sector.

Similarly, Suramericana has made headway with incorporating the ESG criteria in its insurance underwriting processes, and has

DJSI Assessment Results for 2019
(Maximum score per dimension: 100)



*Diversified Financial Services and Capital Markets.



been reinforcing its guidelines for sectors that are sensitive to environmental impacts.

In terms of sustainability, we also would like to underscore the social commitment on the part of the Companies belonging to the SURA Business Group, by providing their knowledge and skills to the Latin American people, so that they can make proactive and conscious decisions for enhancing their financial well-being. Over this last year, 1.8 million Latin Americans have benefited from 32 financial education initiatives along with another 356 thousand beneficiaries of 18 products and solutions focused on extending financial inclusion, in all 10 countries where SURA is present.

Conglomerate regulation and corporate governance

In complying with our commitments as the Holding Company of the SURA-Bancolombia Financial Conglomerate, here at Grupo SURA we are making progress with the implementation of the regulatory requirements, which require the coordinated efforts of all our companies and include aspects such as corporate governance, appropriate levels of capital and exposure limits, as well as risk management and evaluation, among other factors.

As far as Ethics and Corporate Governance are concerned, we continue to consolidate our strategies for raising awareness and extending our training programs. In 2019, we extended the scope of these initiatives to cover almost 57 thousand suppliers and service providers of the Companies belonging to the Business Group, this in order to reinforce performance standards and continue building relationships based on trust with our various stakeholder groups.

Finally, the findings of the external and independent performance evaluations of Grupo SURA's Board of Directors evidenced that it is indeed a sound, governing body in terms of its performance, structure and experience offered. The auditing firm PricewaterhouseCoopers (PwC) assisted with these evaluations

CONTROL ARCHITECTURE AND LEGAL ASPECTS

Grupo SURA's Corporate Internal Auditing Department carried out its risk-based work plan, this under international standards. This plan has been approved and supervised by the Board of Directors' Audit and Finance Committee which, in keeping with best practices, is made up entirely of independent members.

This Committee ensures objective and unrestricted audits on the part of our Internal Auditing Department and, based on the findings obtained and the gaps identified, provides feedback to Senior Management for the purpose of reinforcing the Company's Internal Control System. The audits thus completed in 2019, reasonably abide by all applicable institutional and legal principles and standards.

The gaps that were identified do not represent any material risk for the Company or its stakeholders, this according to the opinions of our external auditors. The recommendations issued have been attended in a timely manner by Senior Management and follow-ups were conducted by the Internal Auditing Staff, the Management Committee and the Audit and Finance Committee.

As for legal issues, Grupo SURA hereby states that it has faithfully complied with all applicable intellectual property and copyright legislation, both in terms of its products as well as the software used for its normal day-to-day running. Also, the use of its brands and distinctive symbols have been duly registered before the corresponding authorities.

Similarly, in compliance with that stipulated in Article 29 of Law 222, the Company has drawn up the SURA Business Group's Special Report, which addresses the economic relations existing in 2019 between the Companies making up the Group. This report has been made available to the Shareholders both at the Company Secretary's Office as well as on the Company's website. It can

also be found as a digital appendix to the printed Annual Report.

Furthermore, and pursuant to that provided by Law 1676 of 2013, the Company hereby states that did not obstruct the free circulation of invoices as issued by its vendors or suppliers.

GRATITUDE

2019 allowed us not only to obtain positive results, but also move forward with the implementation of our strategy. This was also a year that marked the end of a stage of transformation and growth for Grupo SURA, under the leadership of our Chief Executive Officer, Mr. David Bojanini.

Gaining greater international scale, with both SURA and Bancolombia, present in 11 countries and attending 52.4 million clients; 76%*, or the bulk of our portfolio, corresponding to companies belonging to the financial sector; and the Business Group continuing to consolidate its diverse lines of business, bringing to bear a corporate culture deeply committed to sustainable management, these being just some of the main features of his legacy.

The achievements obtained are unquestionable as are the challenges that markets, business dynamics and the environment still pose. But

*Portfolio valuation based on the latest appraised value of SURA AM carried out for the purpose of the latest share purchase transaction (CDPQ); Suramericana at 1.8x its Shareholders' Equity; and listed companies at their year-end market values.

we know that the Organization has a deeply-committed staff, well aware of social realities and exhibiting the highest professional and human qualities, who shall continue in charge of guiding us along the path to greater growth and generating shared value.

Our gratitude goes out to all of our staff, because thanks to their efforts it has been possible for SURA to be recognized today in Latin America as a Group that creates well-being and sustainable development for people, organizations and society alike.

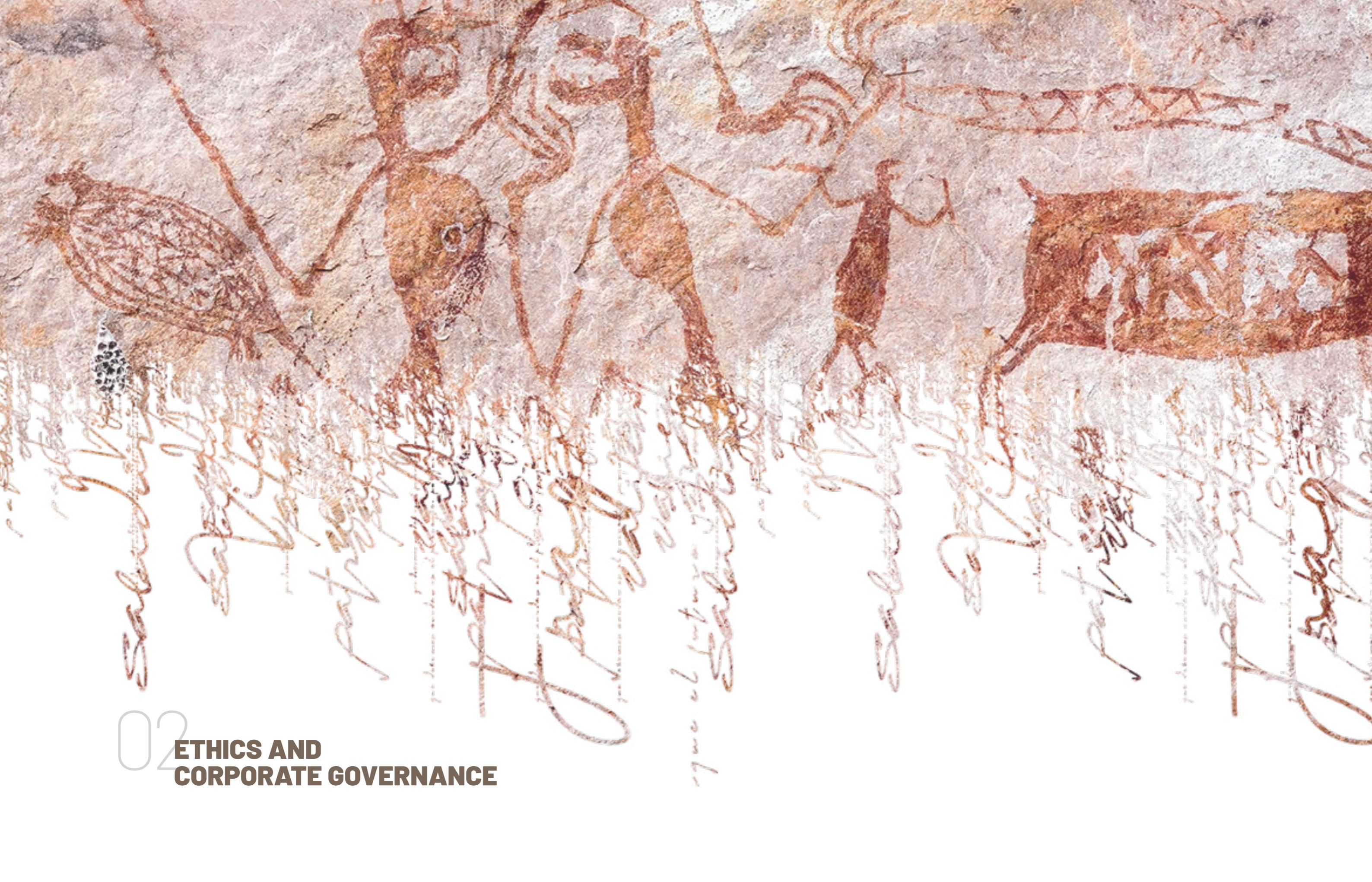
Many thanks to you all,

Luis Fernando Alarcón Mantilla,
Chairman of the Board of Directors

Jaime Bermúdez Merizalde,
Vice-chairman of the Board of Directors

Carlos Antonio Espinosa Soto
Sergio Michelsen Jaramillo
Alejandro Piedrahíta Borrero
Carlos Ignacio Gallego Palacio
Jorge Mario Velásquez Jaramillo

David Bojanini García
Chief Executive Officer - Grupo SURA.



02 ETHICS AND CORPORATE GOVERNANCE

02 ETHICS AND CORPORATE GOVERNANCE

103-1

Aware of the role of the corporate sector in consolidating a competitive, productive, and sustainable environment, Grupo SURA has defined as its purpose: "To create wellbeing and sustainable development for people, organizations, and society". Coherently, the company seeks to promote a responsible corporate performance, to favorably impact development of countries in which the Company is present, and promote better life conditions for people, recognizing the importance to engage other society's stakeholders into the achievement of such goal.

Therefore, Grupo SURA has developed an "Ethics and Corporate Governance System" that is rich and dynamic, which evolves and consolidates every day as an enabling tool of the Organization's strategy, seeking to transcend by contributing to stakeholders' performance, engaging them in the consolidation of a more sustainable surrounding, building trusting relationships, and generating mutual value.

Our staff, investors, clients, suppliers, and other stakeholders are a key part of the Organization's Strategy and the achievement of its objectives. Hence, during 2019, they were key to guiding

the work intended to consolidate and make the Company's Ethics and Corporate Governance System evolve, to strengthen transparent and long term relationships, as well as keep conjointly contributing to society's growth and development.



2019 HIGHLIGHTS

103-3

- External audit to Grupo SURA's Board of Directors was carried out by PricewaterhouseCoopers (PwC).
- Advancements in the implementation of the legislation that regulates financial conglomerates in Colombia (Law 1870 of 2017), applicable to Conglomerado Financiero* SURA-Bancolombia)
- 143 out of 148 recommendations issued by the Financial Superintendence of Colombia were adopted in the Código Pais survey.
- Staff, suppliers, and senior management teams were trained on the Ethics and Corporate Governance System.
*Financial Conglomerate

2019 RELEVANT ASPECTS

102-28

Board of Directors' External Audit

Grupo SURA had its Board of Directors external and independent audit done by PricewaterhouseCoopers (PwC), which in this particular occasion was carried out along with some of the Corporate Group's main companies.

Audit results show a solid entity in terms of structure and experience, with efficient and disciplined performance, and it stresses out its main strengths and opportunities for excellence. An Audit Executive Summary and main findings and recommendations is available in: gruposura.com.

Legislation Enforcement as Financial Conglomerate

Grupo SURA moved forward on implementing its corporate governance to fulfill its duties as holding company of Conglomerado Financiero SURA-BANCOLOMBIA, particularly with the following:

Capital. The methodology was built to calculate technical and adequate capital for the financial conglomerate, effective since November 2019.

Exposure and Concentration boundaries. Guidelines for the management of such boundaries between conglomerate and its affiliates were created, effective since February 2020.

Conflicts of interest. A policy for the identification, management, and disclosure of the conglomerate's conflicts of interest, effective since February 2020, approved by Grupo SURA's Board of Directors.

Risks. The building of a Risk Management Framework (MGR - by its acronym in Spanish) for strategic, concentration, and contagion risks as a conglomerate which will become effective starting June 2021.

Interaction, internal structure, and technology Agreements. Grupo SURA strengthened its Risk Department, and is in the process of subscribing Service Agreements with the companies that comprise its Financial Conglomerate. Technological improvements are also being implemented during 2020 for information management and report purposes.

Five years of Código Pais

Grupo SURA submitted the Best Corporate Practices Survey (Código Pais) of year 2018, in which the Company reported the adoption of 143 out of 148 recommendations issued by the Financial Superintendence of Colombia. Information available in: gruposura.com.

On the occasion of the 5th anniversary of Código Pais, Grupo SURA participated in the celebration summoned up by the Financial Superintendence of Colombia, in its role as holding company of Conglomerado Financiero SURA-Bancolombia, where key aspects of the Ethics and Corporate Governance System were introduced.

Awareness and Training on Ethics and Corporate Governance

The Organization carried out meetings addressed mainly to staff, suppliers, and senior management teams aimed to strengthen an ethical culture, supported upon corporate values of Responsibility, Respect, Equality and Transparency.

Among these scenarios the Soy Proveedor SURA meeting (held in October 2019 with the



SURA-Bancolombia Financial Conglomerate is comprised by 80 financial entities, located in 11 Latin American countries.



KEY INDICATORS:

56 thousand suppliers attuned with the Ethics and Corporate Governance System. 800 of them attended the Soy Proveedor SURA* meeting (I'm a SURA Supplier- by its slogan in Spanish)

96.62% recommendations were adopted to the Código Pais* Survey (*Code of Best Corporate Practices published by the national financial supervisor)

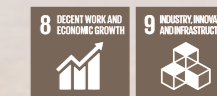
RELEVANT STAKEHOLDERS:

- Shareholders and Investors
- State
- Internal Audience
- Community
- Suppliers

MATERIAL TOPICS:

- Corporate Governance
- Regulation

RELEVANT SDGS:



Company's suppliers), and the Presidents' Panel from Grupo SURA, Suramericana, and SURA Asset Management (held in December 2019), are to be stressed out, and were broadcasted in real time to Corporate Group staff, on how ethics and corporate values are experienced within the Organization.

102-27 Board of Directors conformation

Members of Grupo SURA Board of Directors regularly partake in training activities, which allows them to foresee social, economic, and political phenomena that affect the development of a corporate strategy, and to identify the sector's new trends in Colombia and other countries.

During 2019, the Board of Directors' annual training plan considered issues regarding macro-economics, corporate governance, reputation, innovation and new business models, environment, and sustainability. Therefore, some members engaged into such events as the 2019 Directors League, XVII International Seminar of Retirement Fund Administrators (FIAP- by its acronym in Spanish), and the Investment Stewardship and Sustainability Seminar, organized by BlackRock.

Acknowledgments during 2019

Dow Jones Sustainability World Index. The 2019 inclusion by ninth consecutive year of Grupo SURA in this index, regarded the evaluation of the Company's corporate governance, in its economic dimension.

IR Award. Given its practices in terms of information disclosure, and investor relations, Grupo SURA was awarded, for the seventh consecutive time, with the Investors Relationship Award from the Colombian Stock Market.

ALAS 20 Acknowledgement. Grupo SURA was chosen as Grand Prix ALAS 20 Institution in this event's latest edition, given its "leadership, consistency, and excellence in the public disclosure of its performance in terms of Investors Relations, sustainable development, and corporate governance", according to GovernArt, a Chilean organization leading the Sustainable Leaders Agenda 2020 (ALAS 20- by its acronym in Spanish). Also, Grupo SURA was acknowledged in Colombia as a Leading

Institution in Corporate Governance, and Sustainability Research.

102-16 ETHICS AND CORPORATE GOVERNANCE SYSTEM

Grupo SURA holds an Ethics and Corporate Governance System that helps consolidate performance routing, efficiency, and transparency, generating value in its relationships and building trust with stakeholders (see page 41).

The system is founded upon corporate principles, standards, and agencies which focus on ensuring coherence between the commitments stated and corporate performance, as to provide an ethical and corporate governance action framework, and allow to move forward in the implementation of new and best practices, thus enforcing the Organization's purpose.

102-17 Ethical Line

Ethical lines of Grupo SURA and its affiliates, are a confidential and safe mechanism, available for the public to report via e-mail, about situations that oppose ethics and corporate values which must be observed by all staff.

Each case reported in the Ethical Line is analyzed under strict confidentiality standards, by the companies' ethics committees, in charge of monitoring the Code of Conduct's enforcement, and promoting a culture of ethics within the Organization.

GRUPO SURA ETHICAL LINE:
lineaetica@gruposura.com.co

Additionally, the Boards, through their Auditing, Financial, and Sustainability and Corporate Governance committees, will give regular follow-up to the Ethics and Corporate Governance System in the SURA Corporate Group; they also gather as Ethics Committees to check cases were first-level members of the Organization may be involved.

During 2019, Grupo SURA informed of an anonymous report, which was timely handled and overruled by the Ethics Committee, which followed formal procedures established in the Code of Conduct and the Committee's Operating Regulations.

205-1, 205-3, 419-1

Furthermore, no corruption cases were introduced, nor complaints regarding non-compliance of laws and standards in social and

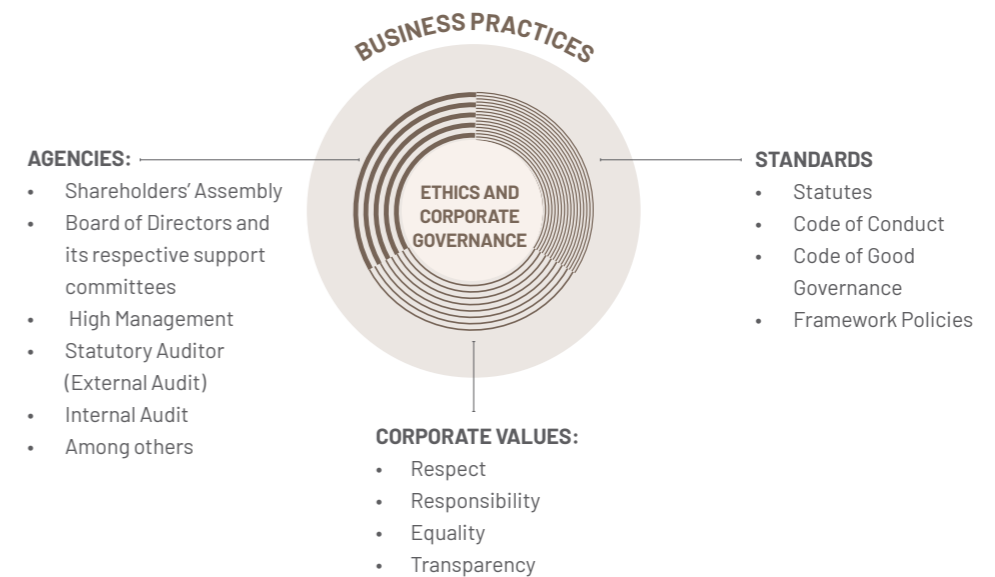
economic aspects, and no other complaints regarding inappropriate behavior were brought to the Corporation's Ethics Line or Committee. It must be stressed that SURA is constantly evaluating risks regarding corruption.

102-15

Internal Control and Risk Management Systems

Grupo SURA's Internal Control System (SCI -By its acronym in Spanish) is comprised, besides the set of standards, activities,

Pillars of the ethics and corporate governance system



See the full version of the 2019 Corporate Governance Report, an integral part of this Annual Report as a digital annex.



policies, and procedures, by its corporate philosophy, values, beliefs, and convictions, which seek to cause a positive impact on stakeholders, not only reaching its goals based on the proper risk management and effective control implementation, but also contributing to society's growth, in a balance with the environment.

Grupo SURA's SCI performs by applying the reference framework of "Committee of Sponsoring Organizations of the Treadway Commission" (COSO 2013), and being monitored through assessments from areas such as Risk, IT Security, Compliance, and Internal Audit, as well as independent evaluations from external firms when regarded necessary. Such monitoring activities are submitted to the Board's knowledge, which performs as the Corporation surveillance through its Support Committees, particularly: Auditing and Financial, Risks, and Sustainability and Corporate Governance Committees.

Identified control weaknesses are submitted to the Auditing and Financial Committee, and based on them, improvement plans to strengthen SCI are established on each existing process. Relevant control weaknesses originated in affiliated companies, are scaled up to Grupo SURA's Auditing and Financial Committee, once after being submitted to corresponding Committees from such companies, considering Grupo SURA's capacity of holding company.

Detail of SCI report is part of the performance report, in the section about control architecture (chapter about Internal Control from the Corporation's Annual Report), available in: gruposura.com.

Control Architecture Report. Grupo SURA's control architecture performs from the Corporation's governance, with a three lines of defense model. This articulates assurance components to achieve a more efficient use of resources, and a timely report to the different Corporation's governance bodies, such as the Directive Committee, and the Board's Support Committees, particularly Sustainability and Corporate Governance, Risks, and Auditing and Financial Committees.

First line of defense. It comprises functional areas performing business activities, they manage their risks and implement controls to enable the achievement of the Company's goals, ensuring suitable compliance with internal and external legal framework, as well as providing timely follow-up to performance indicators, aligned with the corporate strategy. It firstly reports to Directive Committee, which in turn reports to the Board of Directors or its Supporting Committees, in accordance with Grupo SURA Governance structure.

Second line of defense. It comprises the areas of Risk and Compliance. Its responsibilities are related with prevention and paring with the first defense line, as well as defining guidelines, by providing the needed methodologies and tools, for functional leaders to carry out a proper identification, evaluation, control, and monitoring of risks originated within their processes. Second line of defense performance is supervised by the Board's Risk Committee, which in turn approves the annual working plan, and is reported about relevant aspects of the Company's risk management system.

Third line of defense. It corresponds to Grupo SURA's Internal Corporate Auditing, the purpose of which is to objectively and independently assess and evaluate the suitable and efficient application of SCI. Therefore, it designs a risk based auditing plan, having international standards in the matter as performance reference, issued by the Institute of Internal Auditors (IIA).

The working plan is approved quarterly, and supervised by the Board of Directors' Auditing and Financial Committee, comprised only by three members outside the Company's Board of Directors, and looking that Internal Auditing implements assurance and query activities with independence and objectivity, and to perform its tasks without limitations.

During 2019, and following Auditing and Financial Committee statements and guidelines, Internal Auditing carried out evaluations to organizational processes, which concluded into a reasonable adherence to institutional and legal values and standards of corporate management models. Control deviations or

weaknesses reported to management did not represent tangible risks to the Organization nor its stakeholders, whilst being timely assisted through relevant improvement plans, which additionally had follow-up from Internal Auditing, Directive Committee, and Auditing and Financial Committee.

Given the company's features, one of the main performance focuses for Internal Auditing was to continue strengthening the corporate role with its affiliates: Suramericana, SURA Asset Management, and ARUS, to ensure sensitive risks for the group, such as strategic, contagion, and reputation risks. Another focal management point is restructuring the capabilities and skills of the auditing team members, as well as the adaptation to digital transformation derived from the implementation of emerging technologies within the Organization, particularly automation and robotics, to enhance assurance processes, and make them more timely, accurate, and enhance the self-control, self-management, and self-regulation culture.

As main challenges for 2020 it is established to pair with the management on consolidating and enhancing self-control, self-management, and self-regulation culture, through the development of Internal Auditing mechanisms that promote and support transition, as a part of a road map, to boost SCI level of maturity. Likewise, auditing tests deployment will continue, being supported on automation and robotics, both for Grupo SURA and its affiliates, adjusting auditing model to legal demands from Financial Conglomerates, and to implement an optimal combined assurance model that blends the different Organization's lines of defense.

THE COMPANY'S OWNERSHIP STRUCTURE

102-5

Legal Nature

Grupo SURA is an anonymous company, of private nature, established in Colombia; it is a securities issuer, listed in the Colombian Stock Market (BVC- by its acronym in Spanish); It also has a level 1 ADR program.

Social capital and ownership structure

Grupo SURA has two kinds of shares:

Ordinary Shares. Which grants title owners with full economic and political rights, in accordance with each issuance statutes and regulations. This information is available in: gruposura.com.

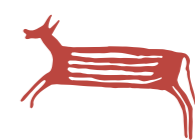
Preferred Shares. Conferring shareholders with full economic rights and voting rights in three occasions: preferred shares conversion into ordinary; adjustments that may deteriorate preferred shares conditions or rights; and change of social purpose.

AUTHORIZED CAPITAL:
COP 112,500,000,000
divided into 600,000,000 stocks

SUBSCRIBED CAPITAL:
COP 109,120,790,250
divided into 581,977,548 stocks

PAID CAPITAL:
COP 109,120,790,250
divided into 581,977,548 stocks

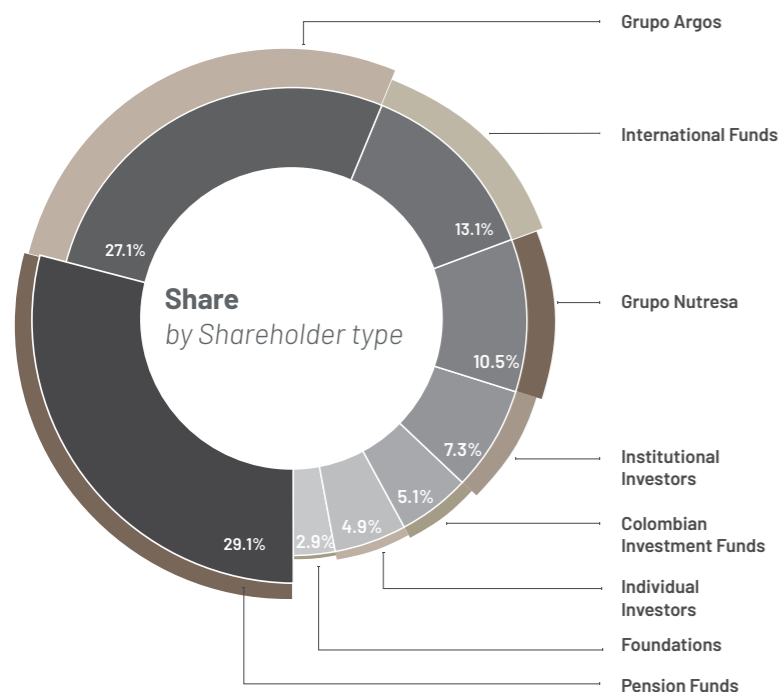
ORDINARY SHARES
469,037,260
PREFERRED SHARES.
112,940,288



Shareholders with meaningful company stocks at the closing of 2019



SHAREHOLDER	TOTAL	% PART
Grupo Argos S.A.	129,721,643	22.29%
Grupo Nutresa S.A.	61,021,436	10.49%
Proteccion Mandatory Retirement Fund - Moderate	49,608,442	8.52%
Porvenir Mandatory Retirement Fund - Moderate	47,499,236	8.16%
Cementos Argos S.A.	28,183,262	4.84%
Fondo Bursatil iShares Colcap	20,242,311	3.48%
Colfondos Mandatory Retirement Fund - Moderate	17,720,343	3.04%
Grupo Argos Foundation	10,685,767	1.84%
Old Mutual Mandatory Retirement Fund - Moderate	10,170,058	1.75%
Colombiana de Comercio S.A. Corbeta and/or Alkosto S.A.	10,000,000	1.72%
Porvenir Mandatory Retirement Fund - Higher Risk	6,847,024	1.18%
Other minority shareholders	190,278,026	32.70%
TOTAL	581,977,548	100.00%

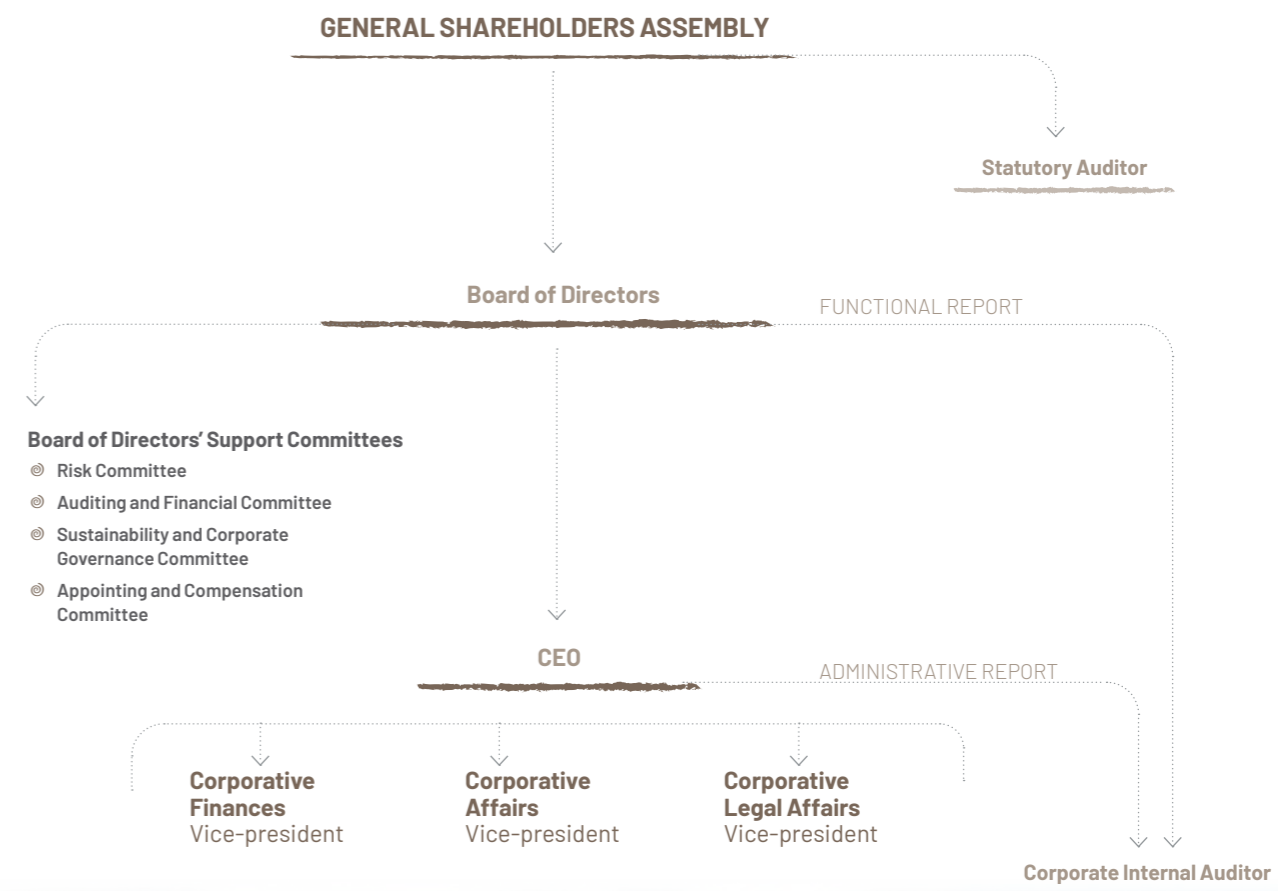


Grupo SURA states:

- There are no founding families, nor governmental or public nature entities among its main shareholders with shares above 5%.
- Grupo SURA, and its affiliates keep commercial relationships with some important shareholders, such as Grupo Nutresa, Grupo Argos and Cementos Argos. Operations with the mentioned companies are carried out under market conditions and respond to an objective contracting criteria.

102-18 GRUPO SURA MANAGEMENT STRUCTURE

Grupo SURA Governance Structure



General Shareholders' Assembly

It is the Highest Administration Body of the Company. It holds regular meetings once a year and, extraordinary meetings when required, in accordance with its Statutes. The following are some of its main functions:

- Approval of the general compensation policy for the Board of Directors and High Management.
- Approval of the Board of Directors' succession policy.
- Approval of the Company' segregation (inappropriate splitting).
- Evaluation, approval, or disapproval of the Company's Financial Statements.
- Evaluation of Reports from the Company's Board of Directors, and the President, regarding business status.
- To freely elect or remove Board members and Statutory Auditor, as well as the appointing of their tasks.
- To generally adopt all measures regarding compliance to statutes or the interests of the Company, among others.

Other duties relevant to General Shareholders' Assembly, its structure, and other elements, are found in the Company's Social Statutes, Regulation, and other Internal Standards, available in: gruposura.com.

During 2019, the Company provided its shareholders with:

- Timely, accurate, and sufficient information in the website relevant to the Assembly.
- Assembly's meeting convening was issued with a prior notice of 30 calendar days.
- A Proxy form to enable Assembly's representation.
- Quarterly Performance Reports from the Company paired with phone conferences via streaming.

Main decisions made in 2019. The Company's General Shareholders' Assembly approved:

- The Board and the President's Performance Report.
- Separate and consolidated Financial Status as of December 31st, 2018.
- Profit Distribution of Financial year: 2018.

- Amendment to Social Statutes.
- The Board of Directors and Statutory Auditor fees for the period of April 2019 and March 2020.

Means of response to shareholders. They can submit requests or concerns about the Company, its stocks, dividend payment dates, and certificates issuance among others, through the following means:

Company Secretary's Offices

Shareholder Service Office
(Fiduciaria Bancolombia)

Investors Relations Office:

Address:
carrera 43A #5A - 113, Medellín, Colombia.

e-mail:
gruposura@gruposura.com.co
ir@gruposura.com.co

Customer Service line:
01-8000-521555

102-22, 102-23

Board of Directors

Structure of the Board and its Committees, and identification of their members' background. It is the High Administration Body of the Company, elected by Shareholders' General Assembly during its 2018 ordinary meeting, for an active period of two(2)years(2018 - 2020). It is composed by seven (7)main directors, four(4)of which are independent, representing the 57% of total members. Both the Board of Directors Chair and Vice-president hold an independent nature(see profiles of its members on Page 48).

102-26, 102-29, 102-30, 102-31, 102-32, 102-33

Board of Directors' Duties and key issues. As the high administration body, Grupo SURA Board of Directors has a deliberative, professional nature, and is a guarantor to shareholders' rights. This entity has essential and inalienable tasks regarding the Company' strategy, monitoring of key issues for its development and sustainability -including the assessment of Environmental, Social, and Corporate Governance dimensions(ASG- by its acronym in Spanish)- as well as business control, governance, and risk management.

As defined upon the Board's Social Statutes and Regulation, it can deliberate and lawfully decide upon presence and voting of its members' majority, except when the Company is to warrant or endorse any of its affiliates' obligations, which may demand unanimity of Board's members.

Board of Directors' Committees

The Board supports its performance on four committees, comprised by members, according to their experience and training. Committees established by the Board are:

- Sustainability and Corporate Governance Committee.
- Appointments and Compensations Committee.
- Risks Committee.
- Auditing and Financial Committee.

Detail about Board Committees' duties are registered on their respective regulations, and available in: gruposura.com

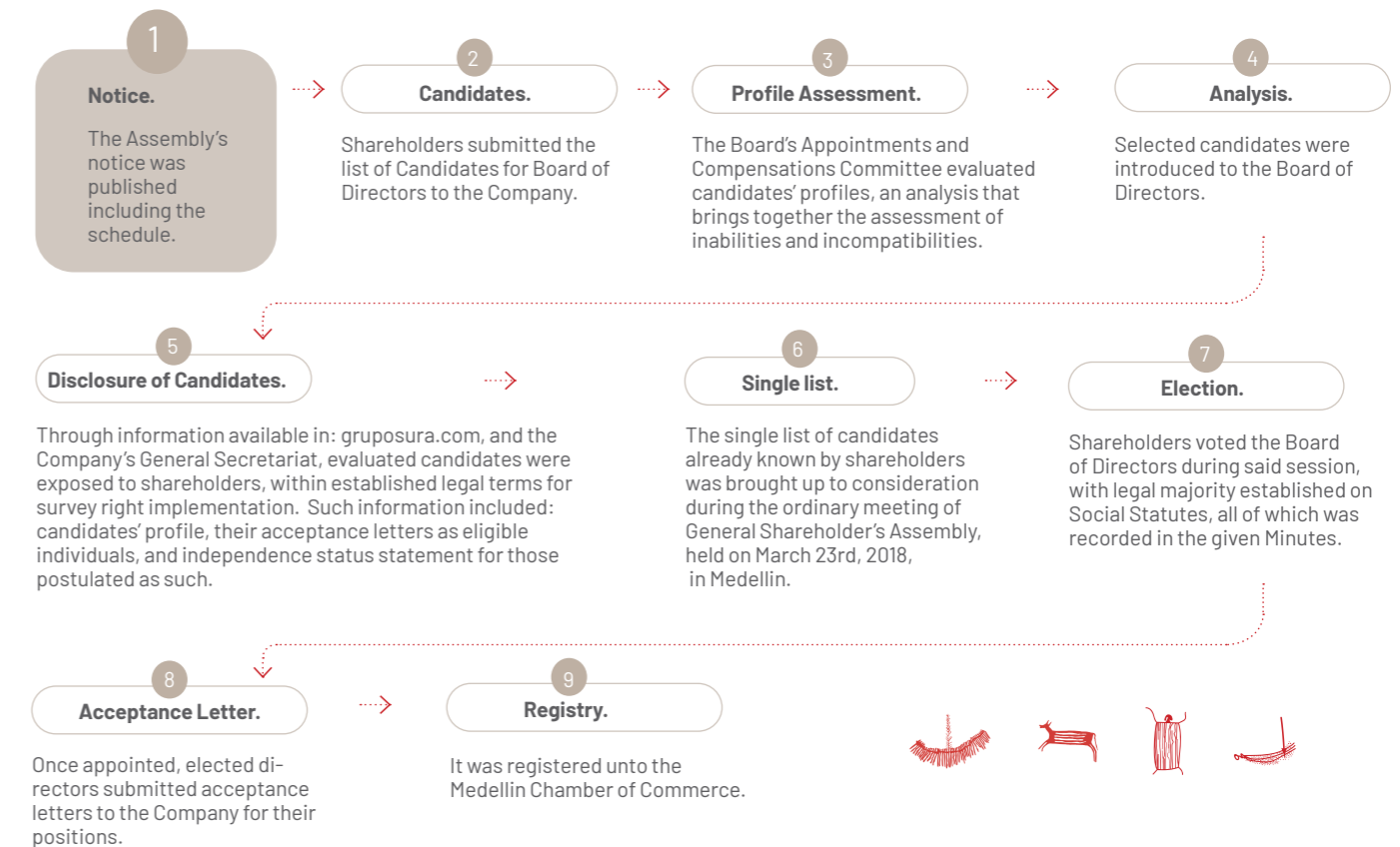
2019 Board's Performance figures

Number of sessions:	15
On-site Sessions:	12
Remote Sessions with written voting:	3
Percentage of quorum sessions to deliberate:	100%
Directors' Average attendance:	99.6%

102-24

Appointing process of Board's members 2018-2020

Appointing took place in 2018 by the General Shareholders Assembly, for a two-year period(2018 - 2020). Up next, the summarized description of election process, based on legal and Corporate Governance guidelines from Grupo SURA:



CHAIRMAN OF THE BOARD OF DIRECTORS 2018-2020



LUIS FERNANDO ALARCÓN MANTILLA
Board of Directors Chair*
Independent Member

A Civil Engineer from Los Andes University with a Postgraduate Degree in Economy from the same university, and a Master of Science on Civil Engineering from the Massachusetts Institute of Technology -MIT-. Participated from the Advanced Management Program at the Oxford University. Performed as General Manager for ISA, Chair of Asofondos Colombia, and Vice-ministry and Ministry of Treasury for the Republic of Colombia.

Date of first appointment:
March 26th, 2015

Age:
68 years old

Board of Directors' attendance:
15 out of 15 sessions

Board of Directors' committees and attendance:

Auditing and Financial:
4 out of 4 sessions

Appointments and compensations:
4 out of 4 sessions

MEMBER OF OTHER BOARDS:

Commercial companies:
Exito S.A. Department stores (issuer of securities), Emgesa S.A. E.S.P., and Frontera Energy Corp.

Non-profit entities:
Plan Foundation, and Superior Council and Directive Committee of Los Andes University.

Company stocks ownership (by 31/12/2019)

Ordinary: 1,061
Preferred: 1,617

Total shares: 2,678
Total ownership: 0.0005%

*Non-executive position.



JAIME BERMÚDEZ MERIZALDE
Vice-Chairman of the Board of Directors

A Lawyer from Los Andes University and Ph. D on Political Sciences from Oxford University (England), with a specialty on public opinion. Performed as consultant for the President of the Republic of Colombia (1991 - 1993) and for the Ministry of Foreign Affairs (1993 - 1994). Observer for the United Nations during the 1994 presidential elections in South Africa; Executive Director for the Iberoamerican Consortia for Market Research (CIMA- by its acronym in Spanish) in 1996; private consultant on communication strategies, public affairs, and crisis management for multinational companies and public entities; Communication Advisor for the Colombian Administration (2002 - 2006); Colombian Ambassador in Argentina (2006 and 2008); Chancellor for the Colombian Administration (2008-2010). He is currently Chair for Lazard Colombia Investment Banking.

Date of first appointment:
March 29th, 2011

Age:
53 years old

Board of Directors' attendance:
14 out of 15 sessions

Board of Directors' committees and attendance:

Auditing and Financial:
3 out of 4 sessions

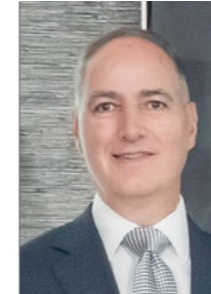
Risks:
3 out of 3 sessions

MEMBER OF OTHER BOARDS:

Commercial Companies:
Lazard Colombia S.A.S., Tecnoquimicas S.A., and Amarilo S.A.S.

Non-profit entities:
Genesis, and Ideas para la Paz Foundations, and Superior Council of Los Andes University.

Company Stocks ownership:
0



SERGIO MICHELSEN JARAMILLO
Independent Member

A Lawyer from Los Andes University with a Masters in Commercial Law from the University of Paris, and studies on American Legal and Compared Law Regime from the University of Texas; also complementary studies at Los Andes University, Euromoney Institute of New York, and Harvard. Performed as guest partner from the Miami firm of Hughes Hubbard & Reed LLP; has worked for different companies of Shell multinational in Colombia; performed as General Secretary for the Bogota Stock Market; foreign partner for the American Firm Baker and Botts; partner in Cavalier Attorneys at law; and as Official to the Exchange Control Superintendence. He is currently a partner of Brigard & Urrutia Attorneys at Law, being in charge of Mergers and Acquisitions, Equity Management, and TMT.

Date of first appointment:
March 26th, 2015

Age:
60 years old

Board of Directors' attendance:
15 out of 15 sessions

Board of Directors' committees and attendance:

Sustainability and Corporate Governance:
3 out of 3 sessions

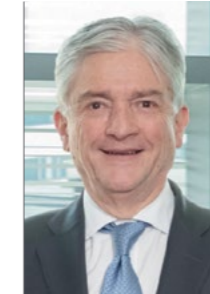
Risks:
3 out of 3 sessions

MEMBER OF OTHER BOARDS:

Commercial Companies:
Publicaciones Semana S.A., Inversiones San Emilio S.A., and Avianca Holdings S.A.

Non-profit entities:
Roberto Michelsen Lombana, and Cardioinfantil Foundations, and Superior Council of Los Andes University.

Company Stocks ownership:
0



CARLOS ANTONIO ESPINOSA SOTO
Independent Member

An Economist from the Louisiana University, with studies on High Management from La Sabana University Business School (INALDE), and university programs from Wharton School, and Harvard Business School. Performed as Chair to Acegrasas S.A. He is currently performing as Chair for the Espinosa Group and Racafe & CIA. S.C.A.

Date of first appointment:
March 21th, 2013

Age:
70 years old

Board of Directors' attendance:
15 out of 15 sessions

Board of Directors' committees and attendance:

Auditing and Financial:
4 out of 4 sessions

MEMBER OF OTHER BOARDS:

Commercial Companies:
Inversiones Bejuquero S.A., Inversiones Laurelco S.A.S., and Inversiones Macaguana S.A.

Non-profit entities:
Cardioinfantil Foundation, Fedesarrollo, and Corporacion Colombiana Internacional.

Company Stocks ownership:
0

BOARD OF DIRECTORS MEMBERS 2018-2020



JORGE MARIO VELÁSQUEZ JARAMILLO
Patrimonial Member
(Independent by Dow Jones Standards)

A Civil Engineer from the Antioquia School of Engineering. Pursued an Industrial Operations specialization with emphasis on cement in England; CEO's Management program from Kellogg School of Management; a Supply Chain Strategist from Stanford University. Pursued specialization courses and studies in the High Governance School from Los Andes University; was General Manager of Nare Cements, CEO to Paz del Rio Cements, and Logistics Vice-President of Argos Cements, a company he would later Chair. He is currently Grupo Argos CEO.

Date of first appointment:
March 26th, 2015

Age:
59 years old

Board of Directors' attendance:
15 out of 15 sessions

Board of Directors' committees and attendance:

Sustainability and Corporate Governance:
3 out of 3 sessions

Appointments and compensations:
4 out of 4 sessions

MEMBER OF OTHER BOARDS:

Commercial companies:
Cementos Argos S.A., Celsia S.A. E.S.P., Odinsa S.A., and Grupo Nutresa S.A.

Non-profit entities:
Argos Foundation, Proantioquia, National Business Association of Colombia (ANDI -by its acronym in Spanish), and Superior Council of the Antioquia School of Engineers University (EIA- by its acronym in Spanish).

Company Stocks ownership:
0



CARLOS IGNACIO GALLEGO PALACIO
Patrimonial Member
(Independent by Dow Jones Standards)

A Civil Engineer from Eafit University, and Masters in Business Administration from said university. Pursued studies on Supply Chain Management and Strategy Massachusetts Institute of Technology (MIT), as well as the Marketing Program from the Kellogg Business School at the Northwestern University, and the CEO's program from said university. He joined Compania Nacional de Chocolates S.A. in 1991, performing in such positions as Industrial Vice-President, Nutresa S.A.S Business President, and Strategic South Region Vice-President of said company. He is currently CEO of Grupo Nutresa S.A.

Date of first appointment:
March 27th, 2014

Age:
59 years old

Board of Directors' attendance:
15 out of 15 sessions

Board of Directors' committees and attendance:

Sustainability and Corporate Governance:
3 out of 3 sessions

Appointments and compensations:
4 out of 4 sessions

MEMBER OF OTHER BOARDS:

Commercial companies:
Grupo Argos S.A., and Tresmontes Lucchetti S.A. (Chile).

Non-profit entities:
Pueblo de los Ninos Corporation, Pablo Tobon Uribe Hospital, Proantioquia, San Pablo Corporation, SURA Foundation, National Business Association of Colombia (ANDI -by its acronym in Spanish), Eafit University, and Javeriana University.

Company Stocks ownership:
0



ALEJANDRO PIEDRAHITA BORRERO
Patrimonial Member
(Independent by Dow Jones Standards)

A Business Administrator from Eafit University, Masters in Policy Development Sciences from the London School of Economics; has pursued studies in High Business Management from La Sabana University, and a Management program from Harvard University. Has performed as Economic Research Director, Manager of Derivative Product Structuring, and Vice-president of Capital Market Structuring in Bancolombia. He is currently the CFO for Grupo Argos.

Date of first appointment:
March 31st, 2016

Age:
47 years old

Board of Directors' attendance:
15 out of 15 sessions

Board of Directors' committees and attendance:

Risks:
3 out of 3 sessions



MEMBER OF OTHER BOARDS:

Commercial companies:
Odinsa S.A., Cementos Argos S.A., Aceros Mapa S.A. y Premex S.A.S.

Non-profit entities:
Corporacion Ruta N.

Company Stocks ownership:
0

102-25

Operations with related parties and a process to prevent conflicts of interest

The Board of Directors defines general guidelines for operations with related parties, to be held in terms of transparency, equality, and impartially, and having suitable procedures in place for the management of possible conflicts of interest.

In that regard, transactions between companies of SURA Corporate Group are subject to guidelines contained in the Related Parties' Operations Framework Policy. Should conflicts of interest rise between companies, during normal operations development, they must be addressed in observance to SURA Corporate Group's Codes of Good Governance and Conduct (available in: gruposura.com), and other internal policies and procedures from relevant companies.

Companies are to disclose SURA Corporate Group's companies about their contractual agreements and most important operations mutually engaged into during the year, with all other involved parties as well, in the Special Report of the Corporate Group, and the note regarding the closing legal year's financial statements. Said documents are a comprehensive part of this report, and are available for enquiry in the Company's website.

Occasional Abstentions and Conflicts of Interest at the Board of Directors. In 2019, Directors abstained from engaging into conversations or decision making that could cause an occasional conflict of interests between their particular interests and those of the Company. Such situations are further detailed in the Annual Report of Corporate Governance.

Access the Corporate Governance Report of the Company, 2019, which has as annexes the management reports of each Committee of the Board of Directors of Grupo SURA. There are detailed functions, periodicity of meetings and performance evaluation

102-19, 102-20

Senior Management

Grupo SURA Board of Directors is responsible to appoint the Company's Chair, Vice-presidents, General Secretary, and Internal Auditor. The High Management is comprised by the Chair

and Vice-presidents who receive the Board's delegation for the daily business management. Up next, the High Management team is introduced, and their areas of responsibility.



1 David Bojanini García
CEO

2 Tatyana María Orozco de la Cruz
Vice-president of Corporate Affairs (CAO)

- Departments:
- Planning and Strategy.
 - Risks.
 - Human Talent.
 - Corporate Responsibility (Sustainability and Social Performance).
 - Internal and Shared Services.

3 Ricardo Jaramillo Mejía
Vice-president of Corporate Finances (CFO)

- Departments:
- Investors Relations.
 - Accounting.
 - Cash Management.
 - Fiscal Affairs.
 - Investment Management.
 - Projects and New Businesses.

4 Juan Luis Múnera Gómez
Vice-president of Corporate Legal Affairs and General Secretary (CLO)

- Departments:
- Corporate Legal affairs
 - Financial Legal affairs and Investments
 - Compliance
 - General Secretariat

5 Mónica Guarín Montoya
Communications Manager

6 Jhon Jairo Vásquez López
Corporate Internal Auditor

Note:

The Communications and Corporate Identity Management reports directly to the CEO. Internal Auditing will functionally report to the Board of Directors, and administratively to the President.

102-35, 102-36

Compensation

Board of Directors. The General Appointment, Compensation, and Succession Policy for the Board of Directors, approved by Grupo SURA's General Shareholders Assembly, defines guidelines to ensure appointed Board directors or members are suitable to lead the Company, in accordance with duties assigned to such directorial body; it also, tends for appropriate compensations, according to positions' level of responsibility, personal and professional qualities, experience, and time requested for appointed activity. This policy may be enquired in: gruposura.com.

102-37

At the 2019 General Assembly, shareholders approved each Director's monthly fees on COP 7,632,000, and also a COP 1,580 million general budget for the Board's performance, having completed COP 1,341 million of it.

High Management. To remunerate the High Management, Grupo SURA applied the Compensation Policy approved by the Board of

Directors, which defines minimum criteria to have fair and equitable compensation system, with a compensation established by objective values, in order to ensure staff alignment to Company's strategy. Under such parameters, the Appointments and Compensations Committee also defined and validated High Management's performance indicators compliance.

Disbursements amounts in behalf of directive staff, is disclosed by the Company in the Financial Statement Annex, in compliance with Section 446 from the Colombian Code of Commerce. Detail on High Management compensation structure is registered in the Corporate Governance Report, which is a comprehensive part of the annual report, as an attachment.

Statutory Auditor. In accordance with Social Statutes, the General Shareholders Assembly must appoint Statutory Auditor's compensation. 2019 fees were COP 304,978,448.



Grupo SURA holds a General Appointment, Compensation, and Succession Policy for the Board of Directors, which defines parameters for the suitable appointing of its members.



CHALLENGES AND OPPORTUNITIES 2020

- Implementing a new version of the online training course on Ethics and Corporate Governance, aimed to all SURA staff in the region.
- Checking and adopting better corporate governance standards, and strengthening the involvement of the Board of Directors on the different issues relevant to Grupo SURA and its Business Group, including topics related to emerging risks, cybersecurity, and corporate governance.
- Participating in the 2020 version of the Colegio de Supervisores, which is the annual meeting held between the SURA-Bancolombia Financial Conglomerate

companies and its regulators in Latin America, to learn more widely about such companies' activities in terms of corporate governance, risks, and other relevant issues.

- Continue with the implementation of financial conglomerate regulations, to fulfill legal duties of Grupo SURA in Colombia, as the Conglomerado SURA-Bancolombia holding company.
- To play a part in governmental initiatives that promote and strengthen capital markets and financial industry in the region, through the implementation of sustainability and corporate governance standards.



03 **FINANCIAL
STRENGTH**

03 FINANCIAL STRENGTH

103-1

We continued, in 2019, to make significant achievements with our Financial Resource Management strategy, mindful of the fact that our financial strength and investment capacity is a strategic priority for Grupo SURA.

This Chapter contains more detailed information regarding Grupo SURA's consolidated financial performance, including each of the financial service companies that form part of our strategic focus, as well as other industrial investments and the growth of our portfolio. Later, we shall go into the more significant advances obtained over the last year with the different components of what we have called our Comprehensive Financial Resource Management Cycle (Please refer to the diagram on Page 61).

103-3

FINANCIAL RESULTS

At year-end 2019, 76%* of Grupo SURA's total investment portfolio was made up of companies belonging to the financial service sector, namely our Subsidiaries Suramericana and SURA Asset Management (including the latter's stake in Proteccion), together with the Group's non-controlling interest in Bancolombia. The following are the Company's consolidated

results at year-end 2019, as well as its main investments.

Consolidated Results

Generally speaking, Grupo SURA's consolidated financial results at year-end 2019 were driven by higher levels of operating performance for our core Subsidiaries, as well as our Associates, the recovery seen on the capital markets, this partially offset by an increase in the claims rate compared to 2018 in certain countries throughout the region.

Operating revenue. Totaled COP 21.9 trillion (USD 6,679 million), for a year-on-year growth of 13.3%. These were driven by growths of + 4.5% in retained insurance premiums, + 9.2% in fee and commission income and another + 22.3% in health care services rendered in Colombia.

Another significant driving factor was the 60% increase in returns on our own investments underpinning our insurance and pension lines of business, this coming in stark contrast to the slump observed in this regard the previous year, thanks to a recovery with the global capital markets and, in the case of Latin America, of the region's main stock exchanges.

As for revenues from associates via the equity method, these rose by 18.6%, to COP 1.26 trillion

(USD 382.6 million), 60% of which corresponded to Bancolombia. We would also like to make special mention of the recovery seen with the amount of revenues obtained from Proteccion, which rose by 93.6% year-on-year, for a total of COP 203,515 million.

Operating expense. Rose by 12.3% to COP 18.9 trillion (USD 5,758.7 million), due to a 12.3% year-on-year increase in retained claims, as well as another 24.1% increase in the cost of health care services provided in Colombia.

As for administrative expense, this rose by 10.2%, taking into account that this item includes significant investments in strategic projects that our Subsidiaries are carrying out to boost their profitable growth, obtain efficiencies and further their core lines of business, this as part of the Group's operating consolidation efforts throughout the region.

Operating earnings and net income. With revenues rising at a faster rate than expense, operating earnings posted a year-on-year increase of 19.5% totaling COP 3 trillion (USD 920.4 million) at year-end 2019.

Finally, Grupo SURA obtained the highest consolidated net income figure in its entire history, that is to say, COP 1.7 trillion (USD 523.8 million), for a year-on-year increase of 27.9%. Consequently, the Parent's net income came to COP 1.5 trillion (USD 464.9 million), having risen by 29% compared to year-end 2018.

This reflects the benefits of having diversified our investment portfolio, especially in what was after all a challenging environment, taking into account the impact of Argentina's complex macroeconomic reality on our operations in this part of the world, recent social protests in Chile

and the situation of the Colombian health care system.

Statement of financial position. The Company's assets totaled COP 69 trillion (USD 21,066 million), which was 2.9% less than at year-end 2018, this due to various divestitures that shall be discussed in greater detail further on in this Chapter. Liabilities, on the other hand, declined by 7.3%, to COP 40.9 trillion (USD 12,494.7 million), as a result of the aforementioned divestitures and our current deleveraging strategy; while shareholders' equity rose by 4.4% to end up at COP 28.1 trillion (USD 8,571.8 million), this driven by a higher consolidated net income.

Consolidated Results Grupo SURA - 2019

Revenues:

COP 21.9 trillion (USD 6,679 million) **▲13.3%**

Operating earnings:

COP 3.0 trillion (USD 920.4 million) **▲19.5%**

Net income:

COP 1.7 trillion (USD 523.8 million) **▲27.9%**



HIGHLIGHTS FOR 2019

- Adjusted return on equity increased from 9.11% (2018) to 9.66% (2019), in keeping with our targeted profitability in the mid-term.
- We undertook a capital optimization initiative that allowed us to define a plan for reallocating a pre-tax figure of almost COP 2.5 trillion (USD 763 million), before taxes, throughout Grupo SURA and its subsidiaries, both in 2019 and subsequent years.
- We have already made significant progress with our deleveraging goal, set a few years ago, having reduced Grupo SURA's individual indebtedness by COP 853,698 million (USD 260.5 million) since 2017.

* Portfolio valuation based on the latest appraised value of SURA AM carried out for the purpose of the latest share purchase transaction (CDPO); Suramericana at 1.8x its Shareholders' Equity; and listed companies at their year-end market values.

KEY INDICATORS:

27.9%

increase in Grupo SURA'S Consolidated Net Income, for a total of COP 1.72 trillion (USD 523.8 million)

55 bp

growth in the Company's Adjusted Return on Equity, reaching 9.66% at year-end 2019.

4.4%

increase in Grupo SURA'S Consolidated Shareholders' Equity which at year-end came to COP 28.1 trillion (USD 8,571.8 million).

COP 853,698 million reduction in Grupo SURA's individual debt since 2017, this corresponding to USD 260.5 million.

90%

of Grupo SURA's individual debt is exposed to the COP, which mitigates exchange rate risks against the dollar.

STAKEHOLDER GROUPS:

Shareholders and investors

MATERIAL ASPECTS:

Strategic capital allocation
Capital structure

RELATED SDGS:



SURA Asset Management recorded year-on-growths of 8.3% and 17.7% in fee and commission income from its Mandatory Pension and Voluntary Savings lines of business respectively.



Performance of our investments in the financial sector

Sura Asset Management. This Subsidiary, a specialized player in the regional pension, asset management, savings and investment industries, produced a gratifying level of financial results, having obtained higher returns on its own investments (legal reserve) as well as a good level of operating performance as a regional leader in the pension fund management sector. It also expanded its savings and investment line of business to include more private individuals and consolidated the SURA Investment Management (SURA IM) Business Unit as an asset management platform for both our institutional and corporate clients.

At year-end 2019, this Subsidiary posted a growth of 15.5% in Assets under Management (AuM), these totaling COP 483.5 trillion (USD 147,536 million), while its client base reached 20.5 million, that is to say, 3.5% more than at year-end 2018.

Net operating revenues (including insurance margin) increased by 35.1% to COP 3.22 trillion (USD 980.4 million), driven by higher returns from legal reserves, an 8.3% growth in fee and commission income from the mandatory pension business and a 17.8% growth in the voluntary savings business (including the Savings and Investment and the SURA IM lines of business). Another driving factor were revenues obtained via the equity method, which rose by 114.1% compared 2018, thanks to the results obtained from Protección.

On the other hand, operating expense rose by 14.2%, reaching COP 1.79 trillion (USD 544.5 million), this due to having consolidated SURA IM's team of staff, higher selling expense on higher sales activities as well as amounts invested in projects aimed at securing greater operating efficiencies, such as having expanded

the on-line channel for our mandatory pension business, as well as having automated and redesigned our processes.

Operating earnings rose by 75.2% year-on-year reaching COP 1.43 trillion (USD 435.9 million), driven by higher operating income and a firm control over the growth in expense. Consequently, SURA AM's, consolidated net income came to COP 628,884 million (USD 191.7 million), for year-on-year increase of 116.1%.

Finally, this Subsidiary contributed a total of COP 724,989 million (USD 221 million) to Grupo SURA's consolidated net income figure, for an increase of 95.4% compared to 2018. The difference between the net income figure that SURA AM contributed to Grupo SURA's results and that reported by SURA AM in its own financial statements corresponds to the positive conversion effect into Colombian pesos, this being Grupo SURA's reporting currency

Suramericana. This Subsidiary, which specializes in the insurance as well as the trend and risk management industry, continued to consolidate its Seguros SURA insurance operations in all nine countries while diversifying the range of solutions offered. This level of positive operating performance was driven by regional growths in the Life Insurance segment, especially with the Health Care solution, as well as for Transport insurance, as part of the Property and Casualty segment, together with the growth in services rendered with Colombia's Health Care segment.

All of this helped to offset, in part, the impact of a higher claims rate in Argentina, particularly with car insurance, this due to the prevailing macroeconomic conditions, which also affected portfolio valuations, returns on investment, inflation adjustments and the local depreciation of the ARS versus COP.

Likewise, the amount of severity events produced with the social protests that took place in Chile in late 2019 drove up the claims rate; this was also affected in Colombia by higher costs of the health care services provided by the EPS SURA, given an increase in its membership base numbering 559,000, which was much higher than expected, this due to the voluntary migration of users with pending treatments and users that were reassigned by the Colombian Government given the amount of EPS health care providers being wound up. The new VAT tax levied on life insurance commissions, also in Colombia, was another contributing factor.

Against this backdrop, Suramericana's consolidated operating revenues (written premiums plus services rendered) rose by 13.5% year-on-year for a total of COP 17.1 trillion (USD 5,224 million), including increases of 10.9% increase in written premiums and another 23.6% in revenues from health care services provided in Colombia.

Nevertheless, due to aforementioned factors, the retained claims rate rose from 51.5% to 53.8%, the cost of health care services rendered rose by 25.9% and the Company's technical result showed a slight year-on-year decline of 0.5%, to end up at COP 2.4 trillion (USD 730.5 million), this also affected by the exchange rate effect, given the region's local currency depreciation against the dollar.

As for consolidated administrative expense, this rose by 10.9%, to a total of COP 2.61 trillion (USD 796.6 million), producing a 15.2% ratio over operating revenues compared to 15.6% at year-end 2018. This was in keeping with intelligent resource management efforts to increase our efficiency and productivity.

Consequently, Suramericana's net income came to COP 390,327 million (USD 119 million), for a decline of 25.6%; which if we were to exclude the negative impact of our Argentinean operations, the overall decline would have been 10.3%. Net income was driven by earnings from the Life Insurance segment which rose by 10.2% thereby partially offsetting the drops in Property and Casualty insurance (-114.7%) and health care services rendered (-69.1%)

Bancolombia. This Company, forming part of Grupo SURA's strategic focus on the financial

service industry, was able to take advantage of the opportunities arising from an improved economic environment as well as more auspicious conditions for the financial sector. Consequently, it was able to remain on a path to greater profitability and growth reaching a net income figure at year-end 2019 of COP 3.12 trillion (USD 950.1 million), for a year-on-year increase of 17.2%; all of which produced a Return on Equity (ROE) of 12.1% for the year.

The Bank's consolidated gross loan portfolio rose by 4.9%, reaching COP 182.3 trillion (USD 55,622 million), mainly driven by consumer and housing loans. Commercial lending fell slightly by 0.4%, given the amount of early repayments and the effect of currency depreciation on the dollar-denominated balances.

This growth went hand in hand with an improvement in the quality of the overall loan portfolio, which was reflected in a 1.9% cost of credit, even with certain non-recurring events occurring during the fourth quarter of last year, this compared to 2.3%, at year-end 2018. 90-day past-due loans dropped to 2.9%, having improved by 14 bp producing a coverage ratio of 194.3%. On the other hand, fee and commission income rose by 9%, thanks to the bancassurance and debit/credit card segments which increased by 23% and 13%, respectively.

The 16.2% growth in operating expense mainly corresponded to the depreciation of the Colombian peso against the dollar as well as the property and goods received in lieu of payment. It should be noted that the Bank's capital position remains strong and above the limits set by the regulatory authorities, having obtained a basic solvency ratio of 9.57% with its total solvency ratio reaching 12.82%.

In terms of the Bank's business strategy, it is worthwhile noting the importance of its on-line channels as well as their contribution to the overall growth figure, since 63% of all clients from the Personal segment and 59% of those from its SME segment were active in these channels at the end of 2019. Also, both segments are recruiting more and more clients through both channels, thereby demonstrating the effectiveness of the Bank's on-line strategy.



Suramericana's operations in all nine countries went 2% above the budgeted consolidated revenues for 2019.

Net income - 2019

SURA Asset Management*:

COP 724,989 million

(USD 221 million)

▲ **95.4%**

Suramericana:

COP 390,327 million

(USD 119.0 million)

▼ **25.6%**

Bancolombia

COP 3.12 trillion

(USD 979.7 million)

▲ **17.2%**

*Amount contributed to Grupo Sura's Consolidated Net Income figure

The Bank's consolidated gross lending portfolio rose by 4.9%, mainly driven by consumer and housing loans.

Against this backdrop, Bancolombia has now extended its client base to a total of 14 million, which includes its operations in Colombia, Panama, Guatemala and El Salvador, while posting a year-on-year growth of 8.2% in its consolidated shareholders equity, this amounting to COP 26.9 trillion (USD 8,203.5 million).

Industrial investments. It is also important to mention the performance of the industrial investments that form part of Grupo SURA's portfolio:

Grupo Argos. This Company made much headway in 2019 with consolidating its strategy as an asset manager, leading and enhancing the value creation capabilities of its cement, energy, road and airport concession lines of business. This was amply evident in Argos' consolidated financial results, having obtained double-digit growth rates for its core lines of business.

It is important to note the 17.5% increase in revenues, these rising to COP 16.8 trillion (USD 5,120 million), while growth in EBITDA came to 21.3%, for a total of COP 4.8 trillion (USD 1,459 million). Consequently, consolidated net income rose by 5.2% to COP 1.26 trillion (USD 382.8 million), with the Parent's net income figure totaling COP 689,565 million (USD 210.2 million).

Furthermore, Grupo Argos led the different trades that took place in 2019, this including new issues on the securities market as well as an asset turnover worth more than COP 10 trillion, which was an important boost for the Colombian economy as well as for the overall development of all 18 countries where Grupo Argos is currently present.

Grupo Nutresa. In 2019, Grupo Nutresa posted an outstanding sales performance, for a 10.5% growth in consolidated sales, these totaling COP 9.96 trillion (USD 3,036 million). Operating earnings came to COP 959,621 million (USD 292.5 million), for a year-on-year increase of 13%, which upon excluding the effects of having applied the new IFRS 16, would have come to 9.2%.

As a result of higher revenues and a firm control over costs and expense, consolidated EBITDA rose by 19.6% to COP 1.35 trillion (USD 410.6 million), this corresponding to a net margin of 13.5% on total sales. If we were to exclude the effects of applying the new IFRS 16, EBITDA would have reached COP 1.2 trillion, for a growth of 6.2% and corresponding to a net margin of 12% on total sales.

Net income came to COP 506,388 million (USD 154.3 million), that is to say 0.2% higher than for year-end 2018, this representing 5.1% of consolidated sales. If we were to exclude the effects of applying the new IFRS 16, net income would have reached COP 533,810 million, for a year-on-year increase of 5.6% and corresponding to net margin of 5.4% on total sales.

Growth investments. Our portfolio also includes the following companies which are still at a growth stage, and which are supplementing the range of solutions and products offered by the SURA Business Group.

ARUS. IN 2019, this Company, dedicated to providing integrated solutions in the fields of technology, information and knowledge, managed to consolidate its ambidextrous model aimed at structuring its capacity to generate seamless innovation while, at the same time, maintain its leadership with the more traditional BPO products and services.

In this sense, Arus extended its portfolio to cover new services based on artificial intelligence, robotics and cloud solutions that allow clients to expend less effort in performing complex operations automatically while transforming its processes and services.

In this way, ARUS has become a benchmark for creating added value for its clients, facilitating their understanding, while experimenting with and adopting new technology from the digital universe. From a financial standpoint, Arus posted revenues totaling COP 249,970 million (USD 76.2 million) as well as an EBITDA margin of 8.71%.

Hábitat. In 2019, this Company, specialized in assisted housing for the elderly, posted a 11.3% year-on-year growth in revenues. In April, Hábitat inaugurated the second stage of its headquarters in the Loma de Los Bernal district in Medellín. In 2020, it is scheduled to launch its new Hábitat at Home service, so that more users can receive specialized care within the comfort of their own homes.



FINANCIAL RESOURCE MANAGEMENT

On the other hand, Grupo SURA in its role as Holding Company continued to deploy projects and initiatives with regard to the different components that make up what we now call the Comprehensive Financial Resource Management Cycle:

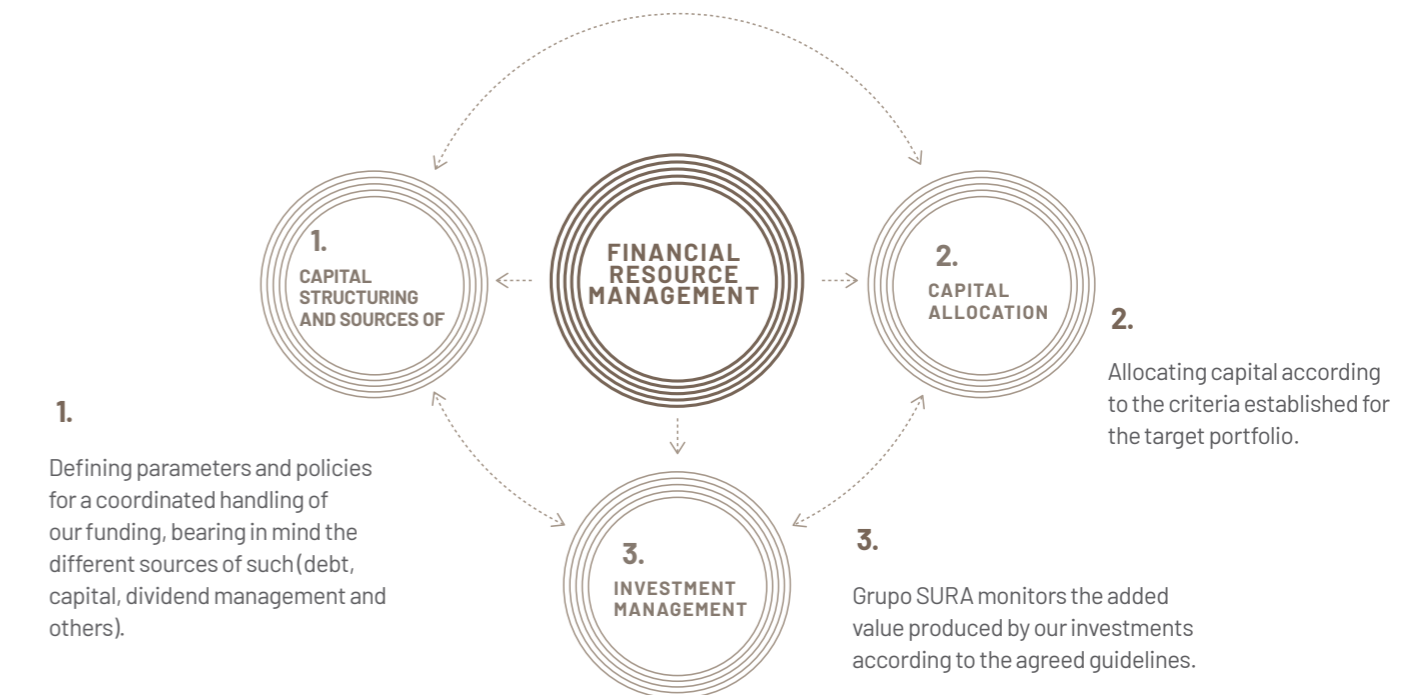
- **Appropriate Capital Structuring and Sources:** this consists of having at our disposal options for different sources of funding, both capital and indebtedness, this in order to provide a capital structure that is appropriate for the Business Group's requirements, by ensuring that the terms and risk exposure of our indebtedness are in line with our expected cash flows and defined risk appetite.

- **Capital allocation:** in order to optimize our invested capital, we have set out to build a rigorous capital allocation process for our different investments.

- **Investment Management:** we also methodically monitor the performance of our investments to ensure that they continue on the path towards maximizing their value creation capabilities.

These three components are underpinned by a comprehensive financial function that begins with the coordinated handling of such on the part of the Accounting, Tax Management, Treasury, Investment and Investor Relations (IR) Departments.

Grupo Sura's Comprehensive Financial Resource Management Cycle



COMPREHENSIVE FINANCIAL FUNCTION: Coordinated management with the Accounting, Tax Management and Investor Relations (IR) Departments of the Companies belonging to the Business Group.

Here, the performance targets set for 2019 focused on generating added value by consolidating and maximizing the profitability of Grupo SURA's portfolio; achieving an adequate capital structure and mitigating the risks relating to exchange rate exposure; while continuing to make headway with achieving the targeted portfolio; and seeking excellence in the comprehensive financial function of the Business Group as a whole.

An adequate capital structure

Over the last year we continued with the same deleveraging strategy that was first deployed in 2017. Grupo SURA's individual financial indebtedness was reduced by COP 379,781 million using our own cash resources, specifically, obligations with financial institutions and peso-denominated bonds; and in the case of the latter, payments were made amounting to COP 157,778 million on the 2009 and 2014 issues. International bond issues maintained the same balance as for 2018 (USD 850 million).

Consequently, the Company's individual indebtedness totaled COP 4.63 trillion (excluding hedges), of which COP 678,861 million corresponded to debt held with financial entities, COP 1.17 trillion to local currency bonds and another COP 2.78 billion to dollar-denominated bonds.

With respect to its foreign currency-denominated debt, it is important to note that Grupo SURA upholds an exchange and interest rate hedging strategy aimed at mitigating these types of market exposure as well as the volatility of its results. Here, the current currency exposure of the Group's dollar-denominated debt, net of exchange rate hedges, comes to 10%. Furthermore, hedge accounting has been applied pursuant to that stipulated in IFRS 9.

Finally, the Company has different lines of funding at its disposal, including ample credit facilities with local and international financial institutions, the capacity to access debt markets and a liquid portfolio on which strategies can be structured in order obtain liquidity, thus allowing us to comply with the corresponding debt maturity profile as well as our growth strategy.

Capital allocation

In 2019 we made advances with a regional project aimed at structuring and executing initiatives focused on optimizing capital distribution among the different SURA operations. This has enabled us to obtain a significant amount of funding for reinvesting in our profitable growth, increasing our financial flexibility and also contributing to our gradual deleveraging efforts.

Opportunities were identified for reallocating resources within Grupo SURA and its Subsidiaries, which came to a pre-tax figure of almost COP 2.5 trillion (USD 763 million). This amount includes opportunities for distributing or reinvesting surplus assets, as well as resources released through different divestitures.

Similarly, through this project we have been able to strengthen the methodologies used for reviewing and defining optimal equity levels for our operations, as well as establishing an agenda for discussing, identifying and monitoring different issues so as to be able to continue mobilizing resources as efficiently as possible, while maintaining sound solvency levels and financial strength.

102-10

Progress made with mergers, acquisitions and divestitures. In 2019, we continued to divest all those operations that we considered to be beyond our strategic focus and/or risk appetite, this being consistent with our proactive portfolio management function and the path outlined for our capital allocation and targeted portfolio strategy.

In this same vein, it was agreed to transfer the portfolio of assets and liabilities corresponding to the annuity business handled by Pensiones SURA México, a subsidiary of SURA Asset Management. This divestiture, first announced in November and continues subject to regulatory approvals being approved in this part of the world, shall allow us to free up assets worth almost COP 230,000 million. Also, in March 2019, this same Subsidiary obtained approval for ending its operations and proceeding with the divestiture of its life annuity business in Chile. Both transactions,

plus the sale of SURA Asset Management's life annuity business in Peru (in 2017), represented a total of COP 1.54 trillion (USD 471 million) in freed up assets.

Furthermore, we continued to drill down on the portfolios of our core lines of financial services, having divested the minority stakes held in Administradora de Riesgos de Salud ARS Palic, in the Dominican Republic for USD 18 million and in Sodexo's operations in Colombia for COP 74,066 million (USD 21.6 million). This concluded, in both cases, the fruitful, long-term relationships with our co-investors, which, in addition to having obtained excellent financial results, allowed us to contribute to the overall development of these countries.

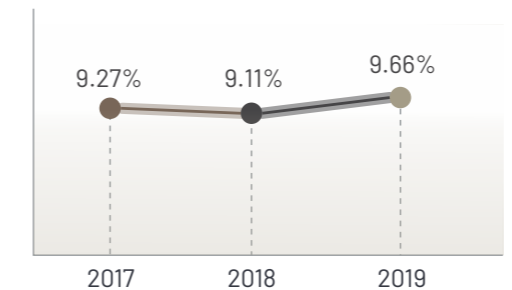
103-3

Active Investment Management

Consolidation and profitability are one of our priorities. In order to be able to measure our Adjusted Return on Equity, we developed a model that monitors the returns obtained from different investments using granular metrics, this based on the understanding that Grupo SURA's profitability is the end result of the sum of the parts of its investment portfolio.

Consequently, our Adjusted Return on Equity went from 9.11% (2018) to 9.66% (2019). This consolidated level of performance is yet another step towards the goal we have set ourselves, that is to say to reach and sustain a double-digit growth in our profitability in the mid-term.

Grupo SURA's Adjusted Return on Equity



When calculating our Adjusted Return on Equity we bear in mind that: adjusted net

income is based on the Parent's net income, excluding amortization expense on intangibles corresponding to acquisitions as well as expense that does not represent cash outlays or real economic operating costs; and that adjusted equity is equivalent to the economic share held in the operating book equity of our main investments, minus net liabilities on the part of the Holding Company.

This adjusted calculation allows us to measure the consolidated operating performance of our different businesses, without the distortions that are mainly caused by including market valuations on the opening IFRS balance sheet for investments in associates.

We continued to monitor the trajectory and granular performance of our operations, as well as how their respective value drivers, competitive positions and prospects are evolving. All this forms a guide for us to use when evaluating the performance paths while cross referencing these with our profitability and value creation goals, being careful not to pursue short-term results that could impair or make us give up on the task of building upon the capabilities we need to remain sustainable.

103-3

Integrated management of the financial function

In 2019, Grupo SURA and its Subsidiaries made it a priority to continue working to achieve excellence in the quality of our financial reporting and internal controls. In this way, we deployed initiatives aimed at strengthening our capabilities and improving our processes, as part of the Organization's ongoing willingness to measure itself against the highest global standards.

Accounting function. We also advanced with our process efficiency efforts, as well as complying with new regulatory requirements, through initiatives that include the following:

- We held the first regional meeting of the Accounting and Tax Departments of all the SURA Companies, helping our staff to connect up with the Business Group's strategy as well as our process transformation initiatives



The divested life annuity lines of business in Mexico, Chile and Peru, over the last three years, produced almost COP 1.54 trillion (USD 471 million) in freed up assets.



Grupo SURA's individual indebtedness was reduced by COP 379,781 million, at year-end 2019.

- We also concluded the migration of SURA Asset Management to the single accounting consolidation application, with other Companies belonging to the Business Group already making headway in this regard.
- We also applied the new IFRS 16 (financial leases) and progress is being made in conjunction with Suramericana with applying the new IFRS 17 (insurance contracts), this in keeping with the Colombian and international regulatory framework
- We also designed the formats for reporting the technical equity of the SURA-Bancolombia Financial Conglomerate, in compliance with the requirements of the Colombian regulatory authorities.

Tax function. Grupo SURA continued to implement its Taxation Framework Policy, that contains guidelines for the strategy, engagement, governance, reports and disclosures of the entire Business Group.

Together with other areas relating to the tax management function of the Companies belonging to the Business Group, progress was made with: drawing up tax reports that provide greater traceability for taxes, rates and contributions, paid and accruing; a litigation and contingency matrix was produced for all those tax issues that are material for the Companies; as well as the measures taken to recover tax balances in favor of Grupo SURA, Suramericana and SURA Asset Management.

Likewise, and in compliance with the legislative and regulatory frameworks of the countries where we are present, each of the Companies that make up the Business Group complied with their tax obligations.

102-43

Investor Relations (IR). We focused on strengthening our internal processes and capabilities so as to provide our current shareholders with a better service and become more efficient with our efforts to make our Company more visible to potential investors.

The main advances made in this respect had to do with gaining a greater knowledge of our investors, simplifying our messaging and developing new tools, so as to facilitate their understanding of our Company and its financial figures.

In 2019, we held a total of 192 meetings, which maintained a level of visibility for the Company on the international markets, while increasing our contacts with the local market, including private individuals. We also explored new geographies and initiated 74 conversations in the 39 days that we dedicated to our IR events.

We also developed a new channel that, through an on-line platform, allows us to contact international funds directly. This increased our availability and minimized the effect of the MIFID II legislation, which entered into full force and effect on January 3, 2018.

We thus ended the year with a total of 508 international funds in our shareholder base, 483 of which hold ordinary shares, 146 preferred

shares and 120 both types of shares. These funds account for 13.1% of Grupo SURA's total share capital.

Finally, the Company is working on various initiatives to increase the liquidity of its shares, and thus boost their price discovery on the stock markets.



CHALLENGES AND OPPORTUNITIES 2020

- To continue making headway with the profitability of our operations and progressively reduce our leverage, this in order to achieve our value creation goals and increase our financial flexibility.
- To deploy initiatives allowing for a better price discovery of the Company's share prices on the stock markets.

Tax, rate and contribution payments on the part of Grupo SURA and its Subsidiaries

Company	Grupo SURA		SURA Asset Management		Suramericana	
	2018	2019	2018	2019	2018	2019
Argentina					21.47	24.42
Brazil					2.29	8.74
Chile			27.85	73.49	5.31	3.65
Colombia	30.76	-2.66	6.16	43.19	116.05	132.14
El Salvador					2.99	6.56
Spain			0.19			
Mexico			63.45	69.01	20.58	13.31
Panama					4.12	1.51
Perú			42.33	38.91		
Dominican Republic					14.14	15.95
Uruguay			4.90	5.52	12.27	11.44
Total	30.76	-2.66	144.88	230.12	199.22	217.73

Total 2019
USD 445.19
million

Total 2018
USD 374.86
million

(Stated in USD millions)
Exchange rate for 2019
COP 3.281.09 per US dollar

Note: The tax, rate and contribution payments reported for both fiscal periods do not include advance third-party payments. For the tax year of 2018, an exchange rate of COP 2,956.43 per US dollar was applied.



04
**HUMAN TALENT
AND CULTURE**

04 HUMAN TALENT AND CULTURE

103-1

The human talent management system of Grupo SURA is primarily based on a long-term vision and prevails as a major pillar of the Group's overall strategy. Indeed, the company believes that its employees personally develop the organizational skills which lead to transform and provide sustainability throughout our businesses in Latin America.

Our talent management system places the human being at its core, while alongside learning, aims to have the best teams for their competence, diversity, flexibility and commitment; leading to build together a positive experience and to encourage every employee to keep growing within the companies of the Business Group. Consequently, major efforts are made so that those that decide to work with us remain with us, convinced that they can contribute with high-impact projects in the societies where we operate.

Keeping this in mind, the idea is to grow along with our employees and to build ties based on a genuine interest focused on persons: we listen to them, we invest in their training, we assist in the development of their skills, while we analyze

the context to anticipate and to adapt to the development of trends related to human talent.

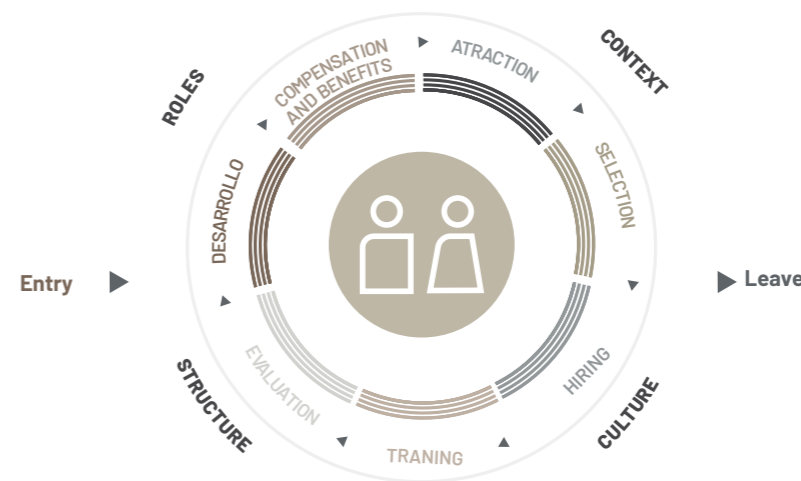
In addition, we promote collective leadership which rises not from hierarchy or authority, but instead from knowledge, discussions, and the capability to inspire and to boost others to work towards common goals. We also facilitate responsible autonomy so that the decision-making process will stem from our corporate principles of Fairness, Respect, Responsibility and Transparency. These principles are the basis of the SURA culture which values differences, promotes inclusion and creates collaborative settings; a culture which is sensitive to the contexts and understands that beyond the results per se, our interest truly lies on how we can attain them.

All of the above contributes to the fact that our talent is our competitive edge, backed of course by the experience of our employees -usually given their vast background- and facing opportunities with increased responsibilities. In short, an experience in which we seek their personal purpose connected to our organizational purpose.



All figures that refer to SURA Business Group include the holding company and its two major affiliates: Suramericana and SURA Asset Management. These figures exclude Bancolombia and other companies of Grupo SURA's portfolio.

SURA Employee Value Proposition



103-2

We are certain that our contribution to the well-being of the 30,285 persons belonging to the SURA Business Group stems from facilitating a significant experience for the employees, that is, playing a role their development, taking care of them and driving them towards success (see General labor indicators of the SURA Business Group on pages 70 and 75-77).

Indeed, our priority is to have persons that are capable, motivated, knowledgeable of the business, all with profound ethics. When our human talent shares these convictions, we give way to a business culture which acknowledges human beings to guide our relations and actions, and the foundation of the management made by each SURA business in Latin America.



2019 HIGHLIGHTS

103-3

- Segmentation of the differentiating salary policy, based on the development of work methods and talent needs.
- Implementation of new work methods, focused on functional teams, work cells and by projects
- Commitment to youth employability: 21% of collaborators hired and 10.5% of sales force are younger than 25.
- Incorporation of a measurement and compensation model for sales teams.
- Progress made to determine development models and plans based on policies and procedures.



KEY INDICATORS:

6.25%

increased the number of employees, totaling 30,285 within Grupo SURA, Suramericana and SURA Asset Management

11.35%

increased the total amount invested to train our talent in the companies of the Business Group, averaging USD 230 per person.

53.9%

of the 3,407 senior positions of the SURA Business Group by the end of 2019 are held by females.

RELATED STAKEHOLDERS:

- Internal audience
- Community
- Business customers

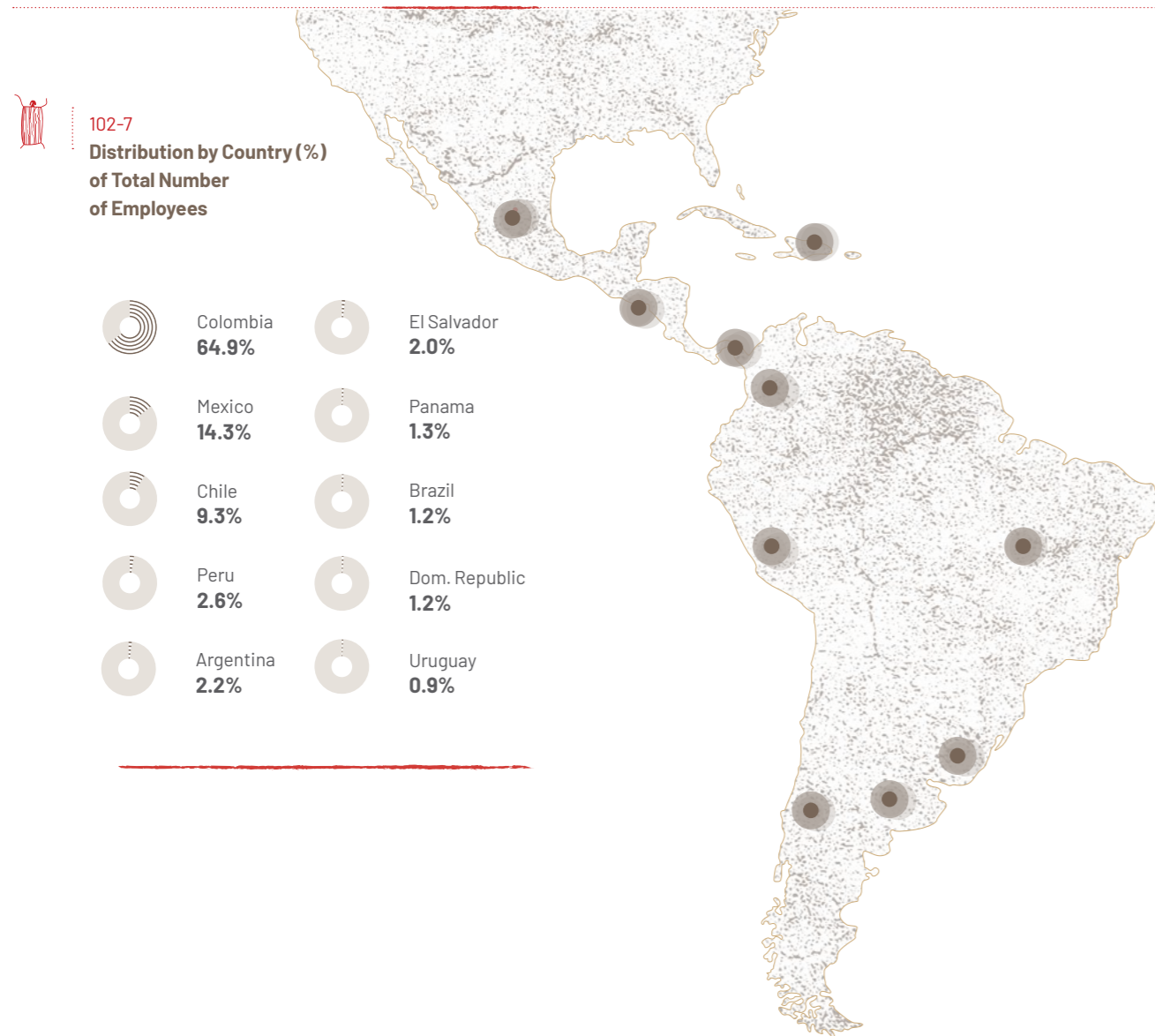
MATERIAL MATTERS:

- Talent attraction, development and retention
- Business culture
- Knowledge management

RELATED SDGs:



GENERAL LABOUR INDICATORS OF SURA BUSINESS GROUP IN 2019



102-7 Employees per Type of Employment Contract

	Business Group		Grupo SURA		Suramericana		SURA AM	
	2018	2019	2018	2019	2018	2019	2018	2019
Total number of Employees*	28,504	30,285	75	84	19,861	20,957	8,568	9,244
% of Employees with indefinite contract	87.8%	90.1%	98.7%	95.2%	86.7%	87.9%	90.4%	95.1%
% of Employees with fixed-term contract	12.2%	9.9%	1.3%	4.8%	13.3%	12.1%	9.6%	4.9%
Persons with other types of contracts	724	577	3	2	584	521	137	54

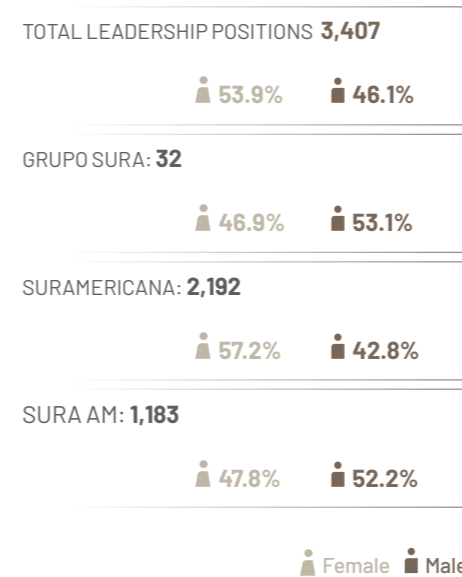
*Calculation formula changed with regards to 2018, including the sales force/advisors. Excludes persons belonging to the Business Group for academic purposes but no employment contract.

2019 MANAGEMENT FOCUS

404-2 Leadership Enhancement

During 2019, we focused on developing our leaders to provide tools to spark new ways of creating sustainable value and to build trust, based on their integrity, coherence and self-awareness. These and other behaviors stand out among the leaders of an Organization experiencing on-going development and transformation, which boosts innovation and knowledge within teams, with the purpose of encouraging them to meet the challenges of working in ever-changing contexts.

102-8 LEADERSHIP POSITIONS PER GENDER



Organizational Culture

During 2019, the company diagnosed the current status of its organizational culture. The purpose was to shed light on the changes required to meet the strategy of every company of the Business Group: We acknowledged desired behaviors; we developed programs to create commitments as well as identification and alignment with these behaviors; we determined the skills required by leaders as a vehicle to transform the culture; and we established points to align systems and processes which lead to settings based on trust and collaboration.

The foregoing diagnosis led us to prepare a short, medium and long-term road map to enhance our organizational culture as our competitive edge. In addition, it helped identify the aspects that set the company apart in the development of our human talent, and to state and evidence the common grounds of the Business Group's identity, acknowledging the particulars of businesses processes and organizational structures.

The common grounds are summarized below:

- Company strategies with a take on the future, alongside the dynamics of their context.
- Relevance of employee development and well-being, based on several principles that create increased commitment.
- Flexible organizational structure guidance, to facilitate a better response to business challenges and opportunities.

Meeting Trends

We have identified four major trends to guide our management, and to anticipate and adapt to an ever-changing context:

From jobs to "super-jobs". This trend refers to the combination of human and technological capabilities in which the work made by employees adds more value.

Transformation of leadership and of the role of leaders. This is key to provide a timely response to the needs of the organizations, a context to encourage and inspire the individual development of leaders and their teams, and to enhance, under a shared purpose, any collaboration geared towards the results expected by the Organization.

From a work experience to a human experience. We are aware that the first step is to get to know our employees, to understand their ambitions, challenges, tastes, features, to be able to provide purpose and more value to their job. The above allows us to connect to them and to assist them in their journey through our Organization.

At the SURA Business Group we are committed to youth employability. In 2019, 21% of our employees hired and 10.5% of our commercial advisors are younger than 25.



We focus on closely getting to know our employees to adapt our management and to effectively meet the human talent trends.

**IP3, 404-1
TRAINING AT SURA
BUSINESS GROUP**

TOTAL INVESTMENT
USD 6,977,582

TOTAL HOURS
973,624

AVERAGE INVESTMENT PER
EMPLOYEE
USD 230

AVERAGE HOURS
OF TRAINING
32.1

GRUPO SURA:
58.6
SURAMERICANA:
21.7
SURA AM:
55.5

Our value proposition to the employee focused on being an Organization that promotes influence and leadership, which enables having a prospective and strategic vision of the business, and on a regional level and on a long-term basis, which contributes to the solution of high-impact challenges in society.

Acknowledging Individuality. Although persons belong to an organization, they demand to be acknowledged as individuals for their drive, talent, opportunity for development, momentum and life project, among other aspects prevailing in their identity.

To manage these trends, we shall focus on a short-term basis on expanding our employees' knowledge in order to design compensation schemes and tailor-made benefits, and to engage the SURA culture from a flexibility and adaptation viewpoint.

On a medium-term basis, we shall also seek to provide custom value offers in settings of increased empowerment, new increasingly general work forms and acknowledgment mechanisms that include these new capabilities required as well.

**404-1, 404-2
Developing Our Talent**

Technological developments have a powerful impact on our capability to learn, to spread knowledge and to increase the speed of changes regarding the capabilities and skills required for diverse roles. This momentum demands an on-going learning process, and people not only prioritize what to learn, but at what pace.

Within this context, we have been working in 2019 on the enhancement of self-development and adapting to an ever-changing context, known as "VICA" (Volatile, Insecure, Changing and Ambiguous), a drive that creates value and enhances individual and team development. Accordingly, different types of trainings were provided in the Companies to reinforce the knowledge and skills needed to leverage meeting our strategy, all aligned with the organizational skills and capabilities model.

Relevant Programs. These are several of the relevant training courses provided to employees of different levels within the companies of the Business Group during 2019:

- SURA Asset Management Swift Development Program: 350 leaders from commercial areas worked on eight skills to manage sales teams.
- Suramericana Generic Direction Competencies (CDG) Training Program: 32 employees developed conversational and leadership skills in different teams.
- Grupo SURA Middle and Senior Management Training Course: 20 leaders of the holding company developed key skills on decision-making and handling ambiguity.
- SURA Asset Management Global Leadership Program: 32 high-potential employees implemented initiatives with a social impact.

A Distinct Model to Attract and Retain

After understanding the dynamics of our employees, the companies and their contexts, SURA Business Group has implemented different initiatives to attract and retain its talent, which in turn contributes to the consolidation of SURA as a brand that hires in Latin America. (See table on next page.)

In this respect, our value proposition to the employee focused on being an Organization that promotes influence and leadership, which enables having a prospective and strategic vision of the business, and on a regional level and on a long-term basis, which contributes to the solution of high-impact challenges in society.

Consequently, in 2019, we focused on expanding our comprehension of the employees' changes and needs, all to create in 2020 a relevant value proposition for each employee, based on understanding their individuality as of day one in the companies of SURA in the region.

We have policies and processes that rule monetary and non-monetary benefits which include, in addition to legal and extralegal benefits, loans, agreements, aids and special events. Today we set out to loosen and reset these benefits so they can adapt to the specific



SURA: A BRAND THAT HIRES

To SURA, brands are built inside-out and are the expression of the organizational identity, thus turning into a strategic process. Our corporate value proposition for the talent we wish to attract and retain involves enhancing coherence and consistency within the traits of our culture, how we project ourselves and place before internal and external audiences as a place where people want to work, and to acknowledge the trends and expectations of persons in terms of their work experience and professional development.

This is why we made a cross-section of the employee's journey, to strengthen his or her identity with the traits shared by the companies of the Business Group, which leads to informed, trained and committed persons. Consequently, our management as a brand that hires focuses on a three-dimensional structure of experiences

used to promote the employee's emotional engagement:

- **Sensory:** Seeks the working conditions be nice and to boost work settings that encourage emotional ties with what SURA represents.
- **Emotional:** Targets enjoying work experiences to find a connection between the quality of their work life and SURA.
- **Intellectual:** Provides tools to boost the talent of every employee and to receive a gratifying working experience, with opportunities of new ways to find professional and personal development.



needs and in turn, promote their drive and commitment to the Organization.

In 2019, we conducted a survey over the organizational morale at the Holding of Grupo SURA, whereby the Pride & Respect index was 90.9% among 100% of the employees.

On the other hand, the companies of SURA Asset Management ranked under Great Place to Work as follows: Peru (ranked 7th), Uruguay (8), Chile (18), El Salvador (19), Colombia (19) and Mexico (48). The evaluation kept in mind sound practices that drive aspects such as the employee's perception towards the leaders and the Organization, fellowship, among others. It is worth underlining that 81% of the employees surveyed stated satisfaction in their vision of the Company as a whole.

**401-2
Increased Well-being.** Part of the distinct model to attract and retain the best talent includes seeking the well-being of our employees, understanding more extensively their needs, interests and expectations at different moments of their life. Hence, we surpass the minimum legal benefits in the Companies and acknowledge the changes in talent demographics of SURA along with diverse life styles and the benefits of using technological developments related to work method alternatives.

In 2019, different types of consultations were conducted in the companies of the Business Group to join the interests of each employee with the options of flexible work, non-localized work, teams for projects, physical condition revamping, and more assistance in mental health and custom benefits related to well-being.

401-2
TELEWORKERS
(SURA Business Group)

TOTAL EMPLOYEES:
1,462

Female **888**
Male **574**

In addition, we created significant moments in every company of SURA in the region, which underline the behaviors of the SURA Culture, encourage open communications and inspire workers. Indeed, the companies of the Business Group share celebrations such as Family Day, which unites employees with their families; acknowledgements for years of service (5-year terms) highlighting commitments, and celebrations on Christmas, Children's Day and other special dates.

Healthcare and safety at work. We have a Management System of Security and Healthcare at Work (or SGSST) promoted by Senior Management. In this case, there are practices and policies that seek healthy and safe settings to carry out processes as well as the persons' well-being and care. In 2019, we conducted activities to prevent emergencies, incidents, accidents and labor-related diseases which may hurt employee integrity.

This System has been expanded with complementary well-being initiatives to adapt to the new trends of flexible organizations to the ever-changing contexts, to consolidate prevention, self-care and healthy life styles. With this in mind, we have reconsidered means, forms and models for the timely management of risks related to each work method.

On-going and flawless discussions. We stand for constitutional, legal and conventional standards in our labor relations, and we are convinced of the role of our company as a key player of the corporations it operates and of its contribution to the development of Latin America.

This is why we promote open, on-going and direct discussions through the areas of Human Talent, with the employees who are union members, The purpose is to reach common goals relative to labor rights, trade-union freedom and collective bargaining.

The discussions held with trade-union organizations address common grounds such as

labor well-being, compliance with our corporate principles, acknowledgement of trade-union rights, and the results of the Organization.

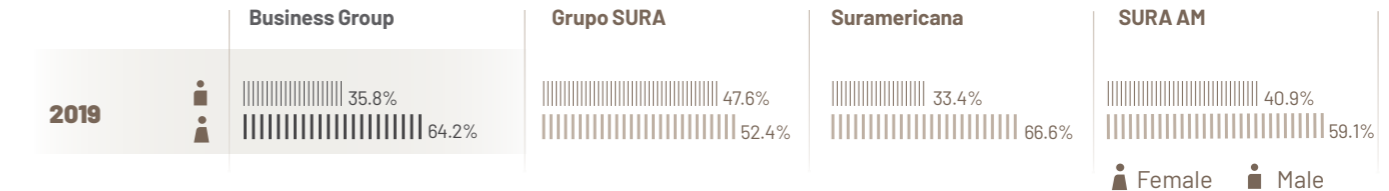
CHALLENGES AND OPPORTUNITIES IN 2020

- Continue consolidating our culture through a management system that promotes sound labor practices and contributes to innovation as well as talent attraction and commitment.
- Design employee experience processes to connect every person to our culture, increasing the commitment not only to its work but to the strategy of our companies and to the higher purpose of the SURA Business Group.
- Boost the measurement system used for predict and descriptive analytics of our human talent, to make strategic decisions.
- Develop high-potential talent programs to guarantee the sustainability and competitiveness of the companies.
- Identify, attract and retain new work profiles required by the transformation of SURA businesses in the region.

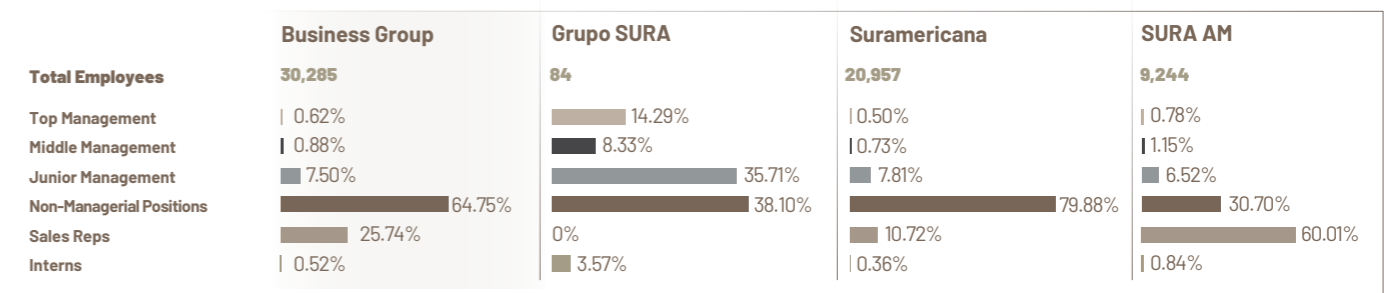


GENERAL LABOR INDICATORS OF SURA BUSINESS GROUP IN 2019*

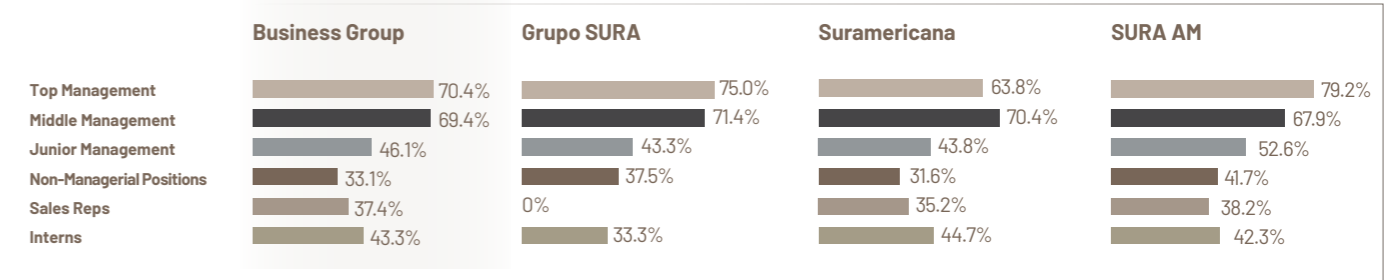
102-8
Gender distribution



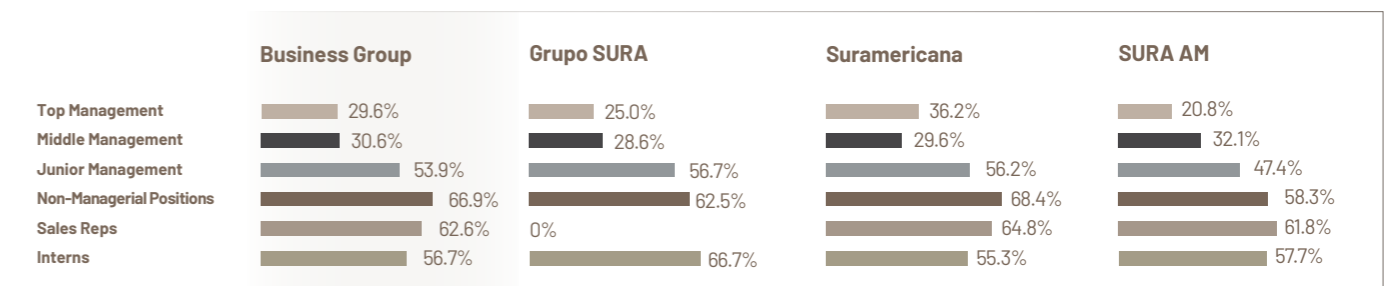
102-8
Employees by job Category and Gender



Details - Male

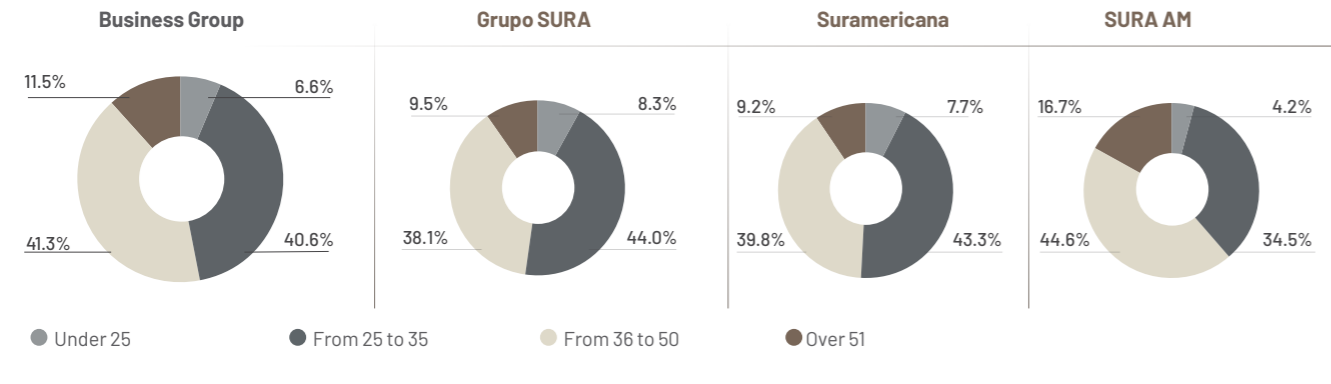


Details - Female



*All figures referred to the SURA Business Group include the holding and its two major affiliates: Suramericana and SURA Asset Management. These figures exclude Bancolombia and other companies of the portfolio of Grupo SURA.

102-8
Age distribution



401-1
Employee turnover

Employees*	Business Group	Grupo SURA	Suramericana	SURA AM
Employee turnover (Total)	11.0%	7.1%	9.7%	17.8%
Employee turnover (Total)	6.4%	3.6%	5.7%	10.0%
Hiring Rate	16.4%	15.5%	15.4%	21.9%

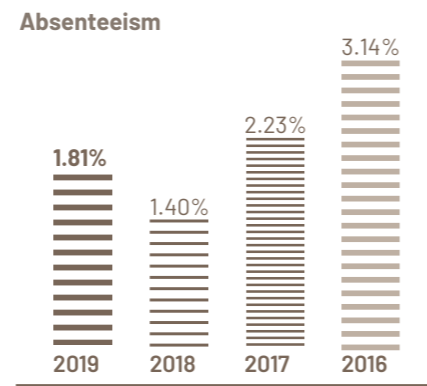
*Data calculated based on number of Employees as of December 31, 2019

Sales Reps*	Business Group	Suramericana	SURA AM
Employee turnover (Total)	34.4%	23.5%	38.9%
Employee turnover (Voluntary)	18.1%	16.4%	18.7%
Hiring Rate	40.8%	22.6%	48.1%

* Data calculated based on number of Employees as of December 31, 2019

403-2
Healthcare and security at work indicators

	Male	Female	Total
Total accidents	218	601	819
Days of absence due to accidents	922	1,827	2,749
Number of sick leave due to common disease	5,763	19,283	25,046
Days of sick leave due to common disease	23,854	69,789	93,643
Total hours worked	16,146,794	29,427,701	45,574,495
Total days worked	1,885,730	3,449,574	5,335,304



401-1
Hiring rate by age group

Employees	Business Group	Grupo SURA	Suramericana	SURA AM
Total Hires	3,699	13	2,877	809
Under 25	790	4	580	206
From 26 to 35	1,975	4	1,550	421
From 36 to 50	873	5	703	165
Over 51	61	0	44	17
Female	2,471	6	2,047	418
Male	1,228	7	830	391

Sales Force / Reps	Business Group	Suramericana	SURA AM
Total Hires	3,176	507	2,669
Under 25	334	96	238
From 26 to 35	1,398	284	1,114
From 36 to 50	1,168	124	1,044
Over 51	276	3	273
Female	1,802	326	1,476
Male	1,374	181	1,193

IP4
Employee mobility

	Business Group	Suramericana	SURA AM
Interns	108	98	10
On Mission	26	15	11
Expatriates	2	2	0
In-location and New Hire	3	2	1
Total Employees Mobilized	139	117	22

405-1
Employee diversity in governing bodies

	Business Group	Grupo SURA	Suramericana	SURA AM
Total	83	4	8*	71
Female	31.3%	25.0%	25.0%	32.4%
Male	68.7%	75.0%	75.0%	67.6%
Under 30	0%	0%	0%	0%
From 31 to 50	67.5%	75.0%	37.5%	70.4%
Over 50	32.5%	25.0%	62.5%	29.6%

*Information reported only for Suramericana's corporate office.



05 **TRANSFORMATION
AND INNOVATION**

05 TRANSFORMATION AND INNOVATION

Grupo SURA has stood out for developing long-term plans. In the past we worked on international growth and business expansion whereas in the present, and for the future, we are working on transformation and sustainability.

But, what is Transformation? What do we want to transform into? And why is the mindset important to achieve it? Transformation always involves breaking paradigms, changing the way of thinking and doing things. Innovation and transformation present opportunities and challenges which, in turn, require anticipating and understanding the needs of society.

103-1
TRANSFORMATION TO CREATE LONG-TERM VALUE

Grupo SURA's transformation strategy seeks to create an integrated ecosystem that contributes to people's wellbeing throughout their life cycle by connecting them to a complete range of tailored solutions and services achieved by foreseeing, through deep understanding of the clients, their needs and expectations and providing them with a superior experience.

This requires to develop a dynamic mindset allowing us to assume leadership positions in the face of rapid changes in technology and business models. Also, we must be visionaries to create new businesses, products, and services. In addition, we need to look for strategic alliances around shared purposes. Thus, transformation is driven by the creativity and entrepreneurial spirit that gave birth to our Organization and now represent the future of Grupo SURA.

103-2, 103-3
Our innovation system is based on the engagement of platforms: Observatory, Alliances, Acceleration, Entrepreneurship, and SURA Ventures (corporate venture program).

ALLIANCES FOR TRANSFORMATION

This is one of the most important components of the Innovation System, and a strategic pillar for Grupo SURA. Two pilots were implemented in 2019 with Seguros SURA Colombia --the main operation of our affiliate Suramericana --, ZenDrive and Pager, these two companies from SURA Ventures portfolio; we are moving along with a project between the Group's companies

to approach the senior citizen industry, go deeper into the longevity trend, and turn it into an opportunity. The lessons learned from the alliances between Bancolombia and SURA Asset Management (SURA AM) with Alkanza were documented. Those alliances are discussed below.

Alliance with Zendrive

This Company aims to improve road traffic safety by understanding driver's behavior and determining accident risk by applying an advanced data analytics technology that uses sensors in users' smart phones and runs risk analysis algorithms.

The alliance between ZenDrive and Seguros SURA Colombia's mobility business was signed in early 2019, the pilot aimed to test ZenDrive's integration with the Company's platform and gather data to fine tune the algorithms to the mobility conditions in Colombia.

The data produced indicate the transportation means (motorcycle, car, bicycle, skateboard, etc.) and detect whether the person is the driver or a passenger. Once the algorithms are developed with sufficient data, it will be possible to offer solutions or functionalities such as personalized insurance quotes.

Alliance with Pager

This Company created a platform improving access to health services in a cost-efficient way by using AI to remotely and digitally make the patient's triage, thus optimizing the relation with the health system (insurers, clinics, medical professionals, etc.). For example, it allows doing remote consultation with solutions that include diagnostics, prescriptions, and sick leaves, in order to avoid unnecessary visits to emergency rooms.

Pager's alliance with Seguros SURA Colombia aims to transform people's health care experience and provide them with better results in less time by using a remote tool, and without compromising patient's safety. This will generate significant savings for the Colombian health system and prevent crowded brick and mortar facilities (SURA IPSs or outsourced service provider network) with long waiting times.

The model operates through the Seguros SURA app and applies equally to voluntary and mandatory insurance. Operation started in December 2019 and the SURA virtual IPS was inaugurated to serve clients throughout the country. There were over 10,000 chat interactions in the platform during December 2019.

Project "Senior 2.0"

This project seeks to develop a wellbeing ecosystem for current and future senior citizens, manage the needs and opportunities during that stage of life, and offer senior citizens solutions through alliances that provide a safe, stable, and exciting experience.

This is a transversal project that includes all the Companies in Grupo SURA's strategic focus (SURA AM, Suramericana, Protección, and Bancolombia) and will be an important area to explore in 2020 by creating new businesses, products, and services through strategic alliances.

The project started by understanding the seniors' demographic trends in Latin America and the world, such as longevity and new family configurations, in addition to an insufficient and atomized solutions for adults during the successive stages in their lives.

2019 HIGHLIGHTS

- There are two on-going alliances between the Companies in Grupo Sura's strategic portfolio which are part of SURA Ventures. Their purpose is to boost the transformation of the businesses. By doing so, the strategic returns of this corporate venture program turn into reality.
- There are 30 on-going pilots and implementations associated with innovation in Companies from our affiliate SURA Asset Management.
- Priority was given to six capabilities to evolve, diversify, and consolidate Suramericana's portfolio in the region: Health, Autonomy, Mobility, Competitiveness, Connectivity, and Habitat.
- Two new businesses in Grupo SURA advanced in their consolidation as a response to the long-term plans of the holding company.

KEY INDICATORS:

174 on-going projects in Suramericana for business development, portfolio, channels, customer experience, and technological transformation.

6 on-going programs for cooperation between SURA Asset Management and startups.

2 consolidated early-stage intra-enterprises, with commitments to invest a total of USD 3.5 million.

RELATED STAKEHOLDERS:

- Boards of Directors
- Employees
- Shareholders and investors

MATERIAL ISSUES:

- Business development
- Innovation

RELATED SDG'S:





SURA's Virtual IPS is expected to handle 262,000 calls (1.6% of the total) during 2020. Over 100 thousand users have updated the Seguros SURA Colombia app, which includes the integration with ZenDrive.

Alkanza

This financial technology company developed a *robot-advisory* software that creates and manage customized investment portfolios. The software uses AI to explore, understand, and invest, according to the users' financial goals and risk tolerance.

During 2019, some of the Companies that are part of Grupo SURA's strategic portfolio offered products that use the Alkanza technology. Under a licensing model, Bancolombia offered the product under the name "InvesBot", and SURA AM launched "Protección Smart" (Colombia) and "Invertec" (Mexico). These products reached USD 202 million in assets under management (AUM) and helped to democratize access to investments in the capital market for more people and with increasingly smaller tickets and in a quick and simple way.

Unfortunately, Alkanza shut down its operations in December 2019 due to financing challenges and the strategy used for scaling in their business model. It left important for Grupo SURA, its companies and the Innovation System by teaching that innovations involve different risk levels and success probabilities.

The cooperation with Alkanza led to the exploration into fully digital, innovative and significantly scalable solutions. Grupo SURA still sees the opportunity to innovate using technology and disruptive business models and will continue exploring these innovative solutions.

Muverang

Given the importance and the great potential that mobility in everyday life has in order to provide well-being for individuals, competitiveness for companies, and more sustainable cities, SURA, Celsia and Bancolombia worked together on an initiative to build mobility solutions in Colombia. After a year's work we published our brand Muverang and defined 3 work fronts to start with:

Muverang Activa. A shared electrical mobility system aimed at creating communities of companies in major cities around the country to solve their employees' transportation problems

in a sustainable, safe, and efficient manner. The system already has a community of over 700,000 users from SURA, Bancolombia and Celsia, 6 charging stations in Medellín and 3 in Bogotá, and has facilitated more than 6,000 trips using bicycles and electric skateboards. The system will soon add electric 2-seat vehicles.

Muverang Impulsa. A subscription model promoting the penetration of electrical mobility and the pay-per-use system by providing electric vehicles for personal use, through a monthly fee and without minimum permanence clauses. It offers other benefits, such as home delivery, accessories rental, and maintenance and tax-free vehicles.

Muverang Conecta. A platform integrating every mobility alternative available for a company's employees through which companies will have greater control and empowerment over mobility decisions, achieve economic and operating efficiency by using the services more intelligently, and improve their employees' wellbeing through access to different services (taxi cabs, special services, public transportation, or the employees' own vehicles).

Through this type of solutions, we will make a differential contribution to individuals, companies, and cities, in line with our purpose as companies. Further details about this initiative can be found at muverang.com.co.

INNOVATION AND DEVELOPMENT OF CAPABILITIES

At Grupo SURA we understand innovation as the transformation of current businesses and the exploration and creation of new businesses. This is possible through a deep understanding of the clients, the use of technology, and the creation of a flexible, adaptable, and transforming culture, with a solid commitment to creating wellbeing for society.

We are aware that the speed at which the world moves, determined greatly by technological changes, overwhelms the response capacity of small groups or individual visionaries. Therefore,

networking, motivation and commitment by human talent are required. Innovation implies each member of the Organization's ability to constantly reinvent, question, and think, from what might be considered small evolutions to major disruptions.

Managing trends and risks is key to understanding the current environment and making the best of the opportunities involved. It is also important to create the capabilities to help adapt to and meet the needs and realities of individuals and companies. In this respect, the Companies in Grupo Empresarial SURA worked on several fronts during the past year.

Advances in pensions, savings, and investment

There are currently 16 on-going activities related to entrepreneurship and intra entrepreneurship in the operations of our affiliate SURA Asset Management, where close to 1000 employees were trained and sensitized in the areas of innovation, associated methodologies, and transformation.

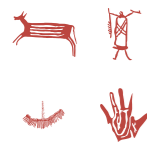
Moreover, alliances with startups are being implemented, in addition to the ones with companies in the SURA Ventures portfolio. One of those alliances in Mexico is with Guschat,

which developed and operates the bot for customer service through Facebook Messenger, Portal and WhatsApp; another alliance is with Gestopago, so that a percentage of a purchase payment made by clients through the Afore mobile app becomes a contribution to their voluntary savings plan.

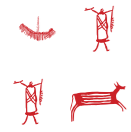
There is an ongoing pilot to promote savings in Chile using a digital solution developed by the startup Übank in which, after choosing the rules and setting a savings goal, clients of AFP Capital create automatic micro contributions to their voluntary savings account. Another alliance in that country is with the company Genomawork, which used an AI algorithm to detect personality and cognitive traits used to identify and describe innovation profiles among the employees.

Some other significant initiatives during 2019 included:

Colombia. Protección consolidated the Innovation Mobilizers (Movilizadores de Innovación) program where the participants take on a different roles within the company, most of them being in leadership positions. The innovation model was also redesigned to create capabilities vis-à-vis the challenges associated with the current



Grupo SURA continues looking for alliances and cooperation with different key players offer better solutions and provide wellbeing and development for more individuals and companies.



SURA Asset Management's affiliates in Mexico and Chile implement alliances with startups for customer service and promotion of voluntary savings.

business model. There is also an innovation laboratory team that looks into new business models in environments with a higher degree of uncertainty. Besides, the internal-use portal "Mi mejor error" (My Best Mistake) was created to let employees share what they have learned.

Chile. The program "Embajadores de Innovación" (Innovation Ambassadors) was launched to decentralize innovation capabilities. The challenge "Más allá de la Pensión" (Beyond Pension Funds) was also launched and it selected three employee-created initiatives for implementation and sought to improve the management of clients who are close to retirement or are already pensioners. In addition, initiatives on new ways to promote and increase savings, and to attract independent workers were produced.

Mexico. The Comisión Nacional del Sistema de Ahorro para el Retiro - Consar (National Commission of the Retirement Savings System) recognized Afore SURA as one of the most active fund administrators in proposing solutions to reach new market segments. Besides, the application Findo was launched to promote a savings culture among minors.

El Salvador. AFP Crecer created the Centro de Excelencia de Innovación (Center for Excellence in Innovation) and received the "Regional Choice Latinoamérica" award for the implementation of Laserfiche to automate and reduce time and paper use in document management processes.

Advances in insurance: innovation as a capability 174 regional projects were implemented during 2019 which contributed to the strategy of transforming Suramericana's insurance, trends, and risks businesses in nine countries around the region. Also, six capabilities to diversify and consolidate the portfolio were prioritized: Health, Autonomy, Mobility, Competitiveness, Connectivity, and Habitat. The main achievements in these prioritized capabilities as the center of its strategy are shown below:

Health. This capability seeks to improve people's ability to manage their health by empowering them over their own self-care, and to contribute to social and economic development. During 2019 new risks were identified to design new proposals aimed at segmenting niches in order to and create a portfolio. Current Health solutions in Mexico and El Salvador were analyzed to identify opportunities, and a Health solution was designed for the Panamanian market.

Mobility. This is defined as people's freedom to be and to do, through their movement, whatever they deem valuable. Progress was made in this capability during 2019 with actions such as participation in the development of the first autonomous vehicle in Latin America (Chile); development of solutions for those who travel on bicycles (Brazil); prototypes for electric mobility solutions; contact with 31 key-mobility players such as Waze, Uber, Cabify, Grin, Bike & Park, and others; and strengthening the ecosystems through several allied service providers.

Competitiveness. This term has been defined as an organization's ability to systematically maintain advantages that enable it to achieve, maintain, and improve its position in the market. During this past year, Suramericana implemented the Empresas SURA regional program to leverage the competitiveness of micro-, small, and medium-sized companies by managing their current and future human talent, finance, markets, technology, and regulatory environment risks. The initiative has eight physical facilities in Colombia, Panama, Brazil, Argentina, Chile, the Dominican Republic, El Salvador and Mexico, where entrepreneurs have free access to knowledge, customized assistance, and specialized advice.

In addition, 2019 brought about advances in the creation of prototypes for managing and financing company competitiveness in various segments (light, digital nomads, and SME's); and a new intangible assets solution was developed in Colombia for light companies.

Autonomy. This is people's ability to make conscientious decisions with respect to themselves and to their environment that lead to sustainable results for their lives, by managing internal and external resources. In 2019, the product Vida en Chile (Life in Chile) was developed along with the commercialization beginning of a solution in Argentina, and the design of another solution that started in Brazil.

Connectivity and Habitat. Both capabilities are still under conceptualization, action-area definition and deepening, and development of solutions to complement the current portfolio.

Other regional projects. Suramericana and its operations moved forward with other relevant initiatives during 2019:

Franchises. The concepts to implement partial and total franchises through strategic allies were developed. The purpose is to develop markets and reach new territories. To that end, 17 franchise models were implemented in the region, which produced USD 1.1 million in new premiums. For 2020, the plan is to implement 64 franchises to add another USD 25.4 million in production.

Borderless Client. The pilot operation of this initiative, which dilutes traditional territorial borders for coverage and assistance, started in December 2019. During the initial stage, the idea is to reach 440 thousand voluntary (individual and group) insurance clients who have had at least one active solution during the past six months (auto, home, SME, life, or health) with Seguros SURA. These people will receive, at no additional cost, the benefit of health and legal assistance during their travels around the region (except for Venezuela and Cuba, for logistics reasons).

A mobile app makes the interaction between the traveler and the Regional Operations Center (ROC) easier. The ROC activates the appropriate ally, whether internal or part of Seguros SURA (in the nine countries where it has its own operation). Clients who are not part of this level of service can also access assistance and information should they need to. The plan for 2020 is to expand the base of beneficiary clients and the coverage offered.

Grupo SURA: entrepreneurial holding

Our Innovation System seeks to develop key elements that drive the systematic creation and/or consolidation of new companies that reflect our vision for the future and the needs of the clients. To that end, during 2019 we continued to consolidate a group of employees with entrepreneurial functions who were trained to produce new ideas (hypotheses), test them (experiment), and design business plans that lead to new companies (prototypes). Two new early-stage projects were born:

Nubloq. This project's objective is to connect financial institutions and fintechs to facilitate their integration and cooperation, and develop a robust ecosystem that enables greater innovation among its players, eliminates friction, and increases value for the people.

Viliv. This initiative seeks to transform the realities of medium and small companies (SME's) so they can reach their greatest potential through knowledge and connections, thus facilitating their operation, growth, and sustainability.



Suramericana prioritized six capabilities to diversify and consolidate its regional portfolio: Health, Autonomy, Mobility, Competitiveness, Connectivity, and Habitat.





TRENDS THAT IMPACT OUR INDUSTRY

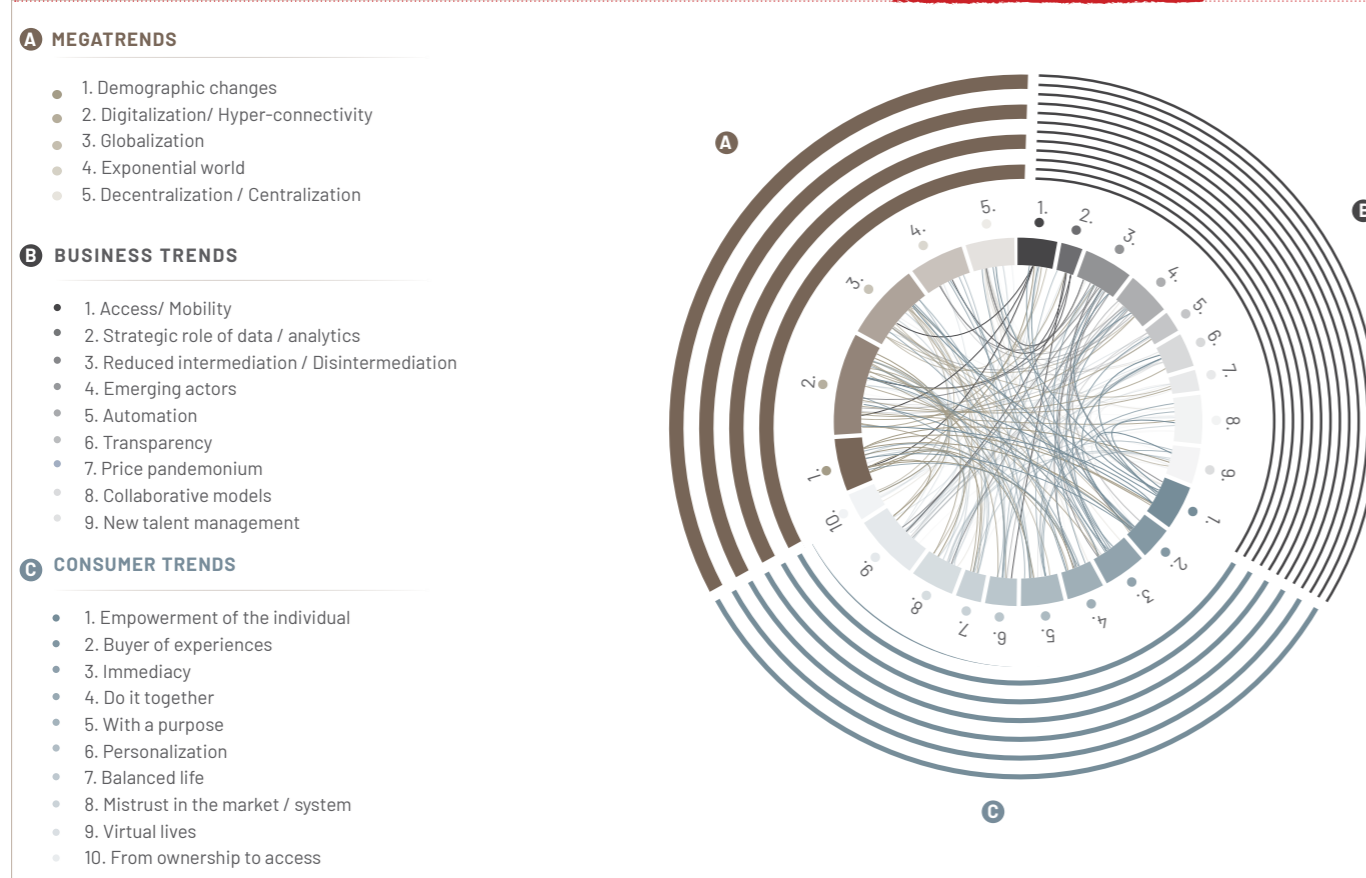
Reading the environment is vital for Grupo SURA. Hence, by using the methodological support from our affiliate in charge of trends and risks, Suramericana, we systematically identify trends that impact our industry and define the purpose

of our strategy. It is important to analyze and internalize this information to update our strategy and implement specific plans that help leverage our transformation and our long-term sustainability.



Grupo SURA trend analysis

This internal analysis includes methodological elements from our affiliate Suramericana for Trend and Risk Management.



CHALLENGES AND OPPORTUNITIES FOR 2020

- Leverage alliances and synergies according to a holistic and integrated vision of ecosystems that contribute to well-being and help us maximize the value of being a Business Group.
- Exploring Asia and the Middle East as part of SURA Ventures' consolidation as a transformation program for Grupo SURA.
- Dealing with people's longevity trend to create opportunities in the senior citizen industry that translate into products and services offered by the companies in the strategic portfolio.
- Leveraging our current and potential customers' knowledge about pension funds, savings, and investments to provide better experiences and services. Similarly, implementing new service models to leverage operational efficiency, and to have initiatives and solutions that promote savings and customer loyalty.
- Creating digital capabilities and skills related to the 4.0 industries by attracting the necessary talent to assist with the evolution of our businesses.
- Strengthen the insurance portfolio to give people and companies in the region the prioritized capabilities in terms of Health, Autonomy, Mobility, Competitiveness, Connectivity, and Habitat.





06 RISKS AND OPPORTUNITIES

06 RISKS AND OPPORTUNITIES

102-15

Risk management at the SURA Business Group is a dynamic process that backs its strategic, administrative and functional decision-making, and is intended to achieve sustainable growth and development for the Companies. Understanding trends alongside internal and external risks makes it possible to challenge the company and anticipate uncertainty to deal with the challenges of a changing environment.

Risk management has been defined as one of the enabling factors to achieve the strategy. Therefore, during 2019, the risk management systems in each company of the Business Group were strengthened, and work was done on the management of shared risks.

As for the second line of defense, each Company's risk area works on prevention, assisting the first line, and defining guidelines. These areas are led by the CRO's (Chief Risk Officer) in Suramericana and SURA Asset Management, and by the CAO (Chief Corporate Affairs Officer) at Grupo SURA. The CRO's and CAO report to the CEO of each company and provide regional guidelines to their businesses, contributing to the strategy of the Business Group.

Risk management is supervised by the Board of Directors or its Risk Committee, which act as a fourth line of defense and are responsible for defining policies, roles and responsibilities, risk appetite, and for supervising the Internal Control System, among other functions. Some relevant aspects of the activities carried out during 2019 are discussed below.

FINANCIAL CONGLOMERATES REGULATION

After law 1870 of 2017 and its further regulations were issued by the Colombian government for Financial Conglomerates in Colombia, the principal risk-related activities carried out during 2019 were focused on the following affairs:

Capital adequacy

Grupo SURA and the companies that make up the SURA-Bancolombia Financial Conglomerate collaborated in the information consolidation process from their businesses, developing quantitative models and adapting internal processes to meet regulatory requirements.

As part of the regulation implementation process, the technical document that determined the financial statements and capital regimes that were to be used by each company for the capital adequacy estimation was submitted successfully to the Financial Superintendence of Colombia (Superintendencia Financiera de Colombia - SFC). This process was followed by official test calculations that were carried out during October and November, which concluded that the Financial Conglomerate has adequate capital levels.

Risk concentration

During 2019, work plans focused on consolidating and analyzing the exposures among Companies in the Financial Conglomerate, and between these Companies and its related parties. These evaluations provided the information needed to determine the risk exposure and concentration risk levels of the Financial Conglomerate. Also, during this time, the Risk Concentration Policy for the Financial Conglomerate was developed by incorporating international standards in the matter, and results obtained from further evaluations developed with other Companies of the Conglomerate.

STRATEGIC RISKS

After considering the importance of managing strategic risks for the sustainability of the Companies, and in accordance with the requirements of Conglomerates Law, the shared strategic risks of the SURA-Bancolombia financial conglomerate were updated.



The Companies in the SURA-Bancolombia Financial Conglomerate worked in coordination to adapt internal processes to meet the regulatory requirement.

This was done by analyzing items such as each Company's strategy and its assumptions, trends, and the dynamics of the environment. The result was an updated list of the Conglomerate's strategic risks and their definitions (see table).

In addition, in 2019 each Company carried out specific activities intended to continue developing their strategic risk management systems, with an emphasis on identifying, understanding and monitoring those risks.

Suramericana developed quantitative models to understand the speed and impact of trends and their phenomena. The trends modeled include demographic changes, urbanization, mobility, and hyper connectivity.

During 2020, we will continue to evaluate the Financial Conglomerate's shared risks based on their interconnection, their identification and deep understanding, each a necessary aspect for effective management in each case.



KEY INDICATORS:

9 Strategic risks identified for the SURA-Bancolombia Financial Conglomerate.

11 Risks associated to climate change identified for the SURA Business Group.

RELATED STAKEHOLDERS:

Shareholders and investors
Government

MATERIAL ASPECTS:

Regulations
Business development

RELATED ODG'S:





102-15

Strategic risks of the SURA-Bancolombia Conglomerate

Environment. External factors, situations and trends in the political, economic, regulatory, or social environment which might alter the Conglomerate's competitive conditions.

Climate change. Business impact derived from changes in socioeconomic systems that arise as a result of phenomena associated with climate variability and change.

Corporate governance. Adequate governance structures, processes, and bodies that ensure correct decisions and transparency in information, to build trust among investors and other stakeholders.

Capital market. Impacts on the nature, stability, and development of the Conglomerate's business derived from the structure, depth, and dynamics of the capital market.

Reputation. Practices, events, and trends that affect the stakeholders' trust and perception of the Conglomerate's Companies.

Business creation and transformation.

To evolve quickly, interpreting trends and the environment in an appropriate manner to transcend, remain current over time, create value, and meet the strategic guidelines.

Human talent. Having human talent capable of adapting and reacting quickly to changes in the environment, with the ability to understand and commit to the strategic definitions.

Consolidation and sustainable growth. Achieve the expected competitive position, take advantage of scale and scope, and leverage the profitability of the acquired operations.

Value generation. Achieve the purpose of being a conglomerate, creating superior value for the stakeholders through the aggregation of knowledge, capabilities, and value propositions.



EMERGING RISKS

Climate change

The sustainability, business, and risk areas in the Companies that belong to the SURA Business Group worked to shed light on the risks associated with the variability of climate change, which might affect the sectors where they operate. The results of this study made it possible to identify 11 climate change-related risks for the Business Group. The uncertainty scenarios derived from climate change for the economic, social, political, and cultural environments of Latin America were used as the basis, in addition to the analysis of the business opportunities that arise from managing this problem.

As a result of this study, we began to determine the magnitude of the impact that the materialization of climate change-related risks could have on the companies in the Business Group, and the challenges and opportunities that arise. Possible impacts will be reflected in the portfolio of products and services to be offered by the Companies, and in the investments they make.

Management activities focus on including environmental risk analysis in the due diligence processes for investments, and on developing solutions to mitigate climate change and adapt to it in the insurance business.

In 2020, the Business Group will continue to work to develop a climate change strategy that will enable the group to design tools with which to respond appropriately to the new realities of this context in the short, medium, and long terms.

Cybersecurity

With the increased penetration and adoption of digital technology around the world, companies are increasingly exposed to cybersecurity risks. Due to the growing importance of technology in strategic processes and operations, the materialization of cyber risk could even produce impacts that threaten the achievement of the business strategies. The Companies in the SURA Business Group are not immune to these phenomena and they are aware of the impact they could have

on different areas, such as reputation, legal, financial, and operational.

Therefore, the companies are working to identify, evaluate, manage, and monitor this type of risk. Specifically, in 2019 Suramericana modeled quantitative cybersecurity scenarios that provide information to help anticipate the risks and define action plans. SURA Asset Management deployed the information security and cybersecurity model as a frame of reference to be implemented in the affiliates. Finally, cybersecurity tests were carried out in all the Companies in the SURA Business Group, as part of proactive management of this phenomenon.

FINANCIAL RISKS

During 2019, Grupo SURA focused on managing the financial risks of capital adequacy, market, interest rate, and liquidity. The following should be noted about the Companies' activities:

Suramericana

Investment portfolio management. A regular analysis of the portfolio composition was included, as well as a control of the credit risk level within a well-structured reporting and governance framework.

Reinsurance. The exposures of each domestic and international counterpart and their credit ratings were monitored. In addition, the relationship between these exposures and the cash flows expected for each organization was closely analyzed.

Asset and liability management. Work was done to deploy this activity in the affiliates. The efficient frontier model was implemented based on the internal solvency model for the operations in Brazil, Colombia, Chile, El Salvador, Mexico, and Uruguay, to establish a decision-making system that connects assets and liabilities. The Company also identified the sensitivities of contingent liabilities using different macroeconomic and technical scenarios.



SURA Business Group Companies continue to work to identify, evaluate, manage, and monitor cyber risks.

Internal solvency model. The model was redefined searching for an appropriate estimate of risk-based capital.

Optimal capital and equity management. Progress was made in a detailed understanding of the balance sheets to quantify the optimal capital requirements.

Reserves risk. The Company identified the differences in the application of various accounting methodologies such as IFRS4 and IFRS17.

SURA Asset Management

Risk appetite. The Company worked on the framework, development, and quantification of risk appetite for mandatory pensions, savings and investment business, and investment management. This was done in an attempt to identify risks from the point of view of profitability and balance to find metrics that help quantify the magnitude of the risk, provide a framework for monitoring the business from the point of view of risk and return, and to determine plans for action and for communicating to the respective governance bodies about the risk profile, according to the risk appetite defined by the Company.

Market, interest rate, and liquidity risks. The remaining financial risks of the business were monitored as a whole to ensure that the exposure created did not compromise the Company's stability. As a result of this exercise, no critical situations were identified that would necessitate changes to the risks management procedures or methodologies.

FUNCTIONAL RISKS

Functional risks are those associated with the operation of each Company, according to its nature, structure, business model, and other characteristics inherent to its processes. The advances in the holding and its affiliates Suramericana and SURA Asset Management are presented below:

Grupo SURA

Compliance. The company continued to strengthen the culture of ethics and compliance, through different activities, including dissemination and training for employees about the ethics and conduct standards defined by the Business Group. These actions actively involve Top Management and the CEOs of the Companies who disseminate the values that characterize the corporate culture.

In addition, being aware of the importance of the suppliers, with whom we share the purpose of generating value and trust, the Company designed strategies to discuss the corporate philosophy.

Furthermore, the risks associated with fraud, corruption, and ML/TF in each process in the Company were identified. The risks were then evaluated, and action and mitigation plans were drawn up for each risk. Those plans will be implemented during 2020.

Business continuity. The business continuity plan was updated based on a new methodology. The critical processes and associated risks were identified according to the operation enablers: people, infrastructure, and technology. Each of those risks will be evaluated during 2020 and the action plans to mitigate the findings from this exercise will be prepared.

Information risks. The company did an inventory of the information assets for each area of the Company, and the associated risks were identified. The risks will be evaluated, and action plans will be defined during 2020.

Suramericana

Operations interruption risk. The business continuity plan for some affiliates was updated and continuity tests were performed.

Fraud, corruption, bribery, and money laundering and terrorist financing (ML/TF). The actions were focused on promoting the culture of event prevention, detection, response and reporting. In addition, the most highly exposed positions were identified, and risk and control matrices were built.

Information technology risks. The mechanisms to identify and manage the risk were

strengthened associated with having and using information technology, with an emphasis on the relationship between the strategic and operational elements.

SURA Asset Management

Process risks. The operating risks were updated according to the Company's value chain. In addition, existing controls were reinforced and those deemed necessary were designed for effective mitigation of the exposures discovered.

Relevant suppliers. The process of identifying and measuring risks included evaluation of third parties who impact the company's operations and the compliance with the internal control system, to determine risk mitigation and treatment actions.

Business continuity. Planned tests were performed intended to prevent events that lead to an operative or technological contingency.

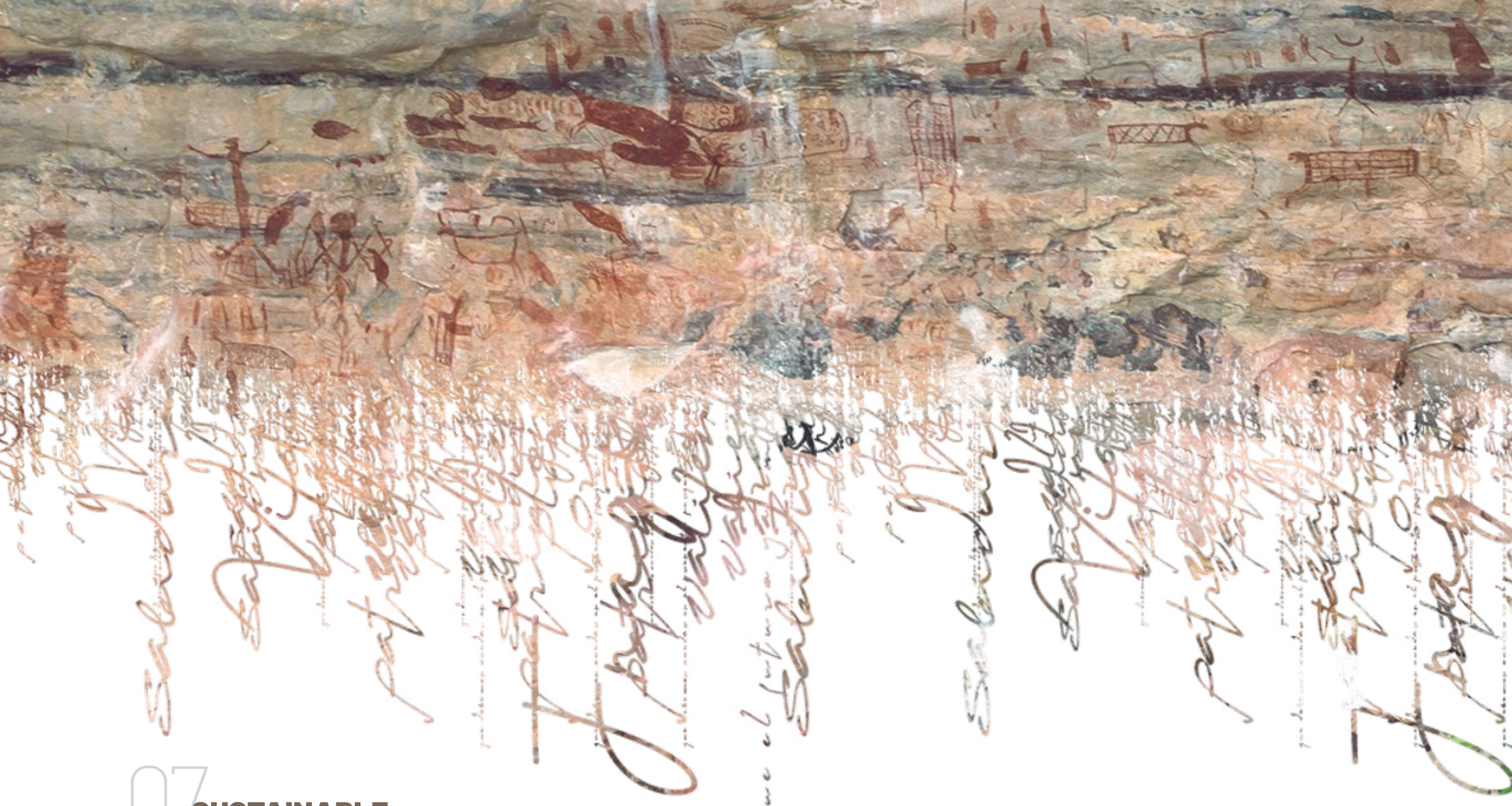
All this was done to monitor and manage the risk profile defined by the Company, which includes plans to remediate those risk factors and events that were identified.



CHALLENGES AND OPPORTUNITIES FOR 2020

- Generate the capabilities and structure the procedures needed to ensure compliance with the obligations derived from the implementation of the Conglomerates Regulation, especially those that have to do with capital adequacy, conflicts of interest, and control of exposure limits and risk concentration. In addition, further study and create the principles that will govern the framework to control the risks of the SURA-Bancolombia Financial Conglomerate.
- Articulate and develop any activities that lead to a deep, shared understanding of each strategic risk identified for the Conglomerate, and prepare the necessary action plans to deal with them jointly, and to develop metrics that help manage these risks in a conscious and informed manner.
- Continue strengthening the emerging risk management system, by consolidating the importance of trends and environment analysis for the Business Group, as part of the job of anticipating and managing uncertainty in the Group's business.





07 **SUSTAINABLE
MANAGEMENT**

07 SUSTAINABLE MANAGEMENT

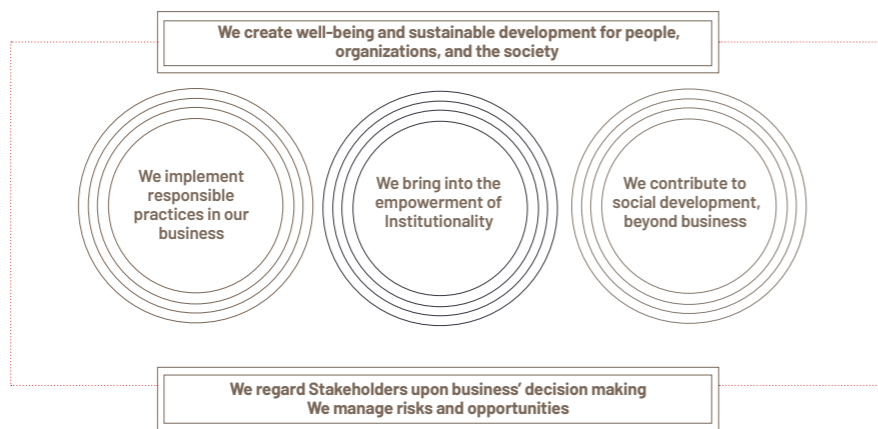
In Grupo SURA, we believe the value of our operation consists on reducing human being's uncertainty regarding present and future. And we work on it, by delivering products and solutions which, in addition to providing financial protection, allow to empower growing capabilities, goal achievement, greater freedom for decision making, harnessing surrounding opportunities, and being more competitive.

We understand our corporate success has been possible due to a coherent operation throughout

the years, and the capability to respond to changing surroundings' demands. Hence, we have defined sustainability as the ability to rethink ourselves, anticipate, ask ourselves the right questions, and manage risks to face the challenges of a competitive environment, based on our corporate values.

During 2019, we implemented projects to help us understand our stakeholders' context needs and to remain relevant in time, through five sustainability lines for Grupo SURA (see outline).

Five sustainability lines for Grupo SURA



In Grupo SURA, we are committed with Sustainable Development Goals (SDG) by generating opportunities that benefit our stakeholders' life quality.

OUTSTANDING INICIATIVES OF 2019, IN THE FRAMEWORK OF SUSTAINABILITY LINES PROMOTED BY SURA CORPORATE GROUP COMPANIES

We manage risks and opportunities

13 CLIMATE ACTION **Climate risks**
Framework for assessment and management of Climate Change, which will allow us to identify which climate risks are we exposed to as Corporate Group, and possible business ventures.

9 DECENT WORK AND ECONOMIC GROWTH **SURA Ventures**
A Grupo SURA program to invest in highly innovative companies with scalable models (Fintech, Insurtech y Healthtech) to learn about disruptive business models, generate partnerships, and leverage the corporate group's transformation.

9 DECENT WORK AND ECONOMIC GROWTH **SURA Companies**
Suramericana program promoting start-ups competitiveness, by siding with them on strategic risk management, based on a service and solutions' ecosystem.

3 GOOD HEALTH AND WELL-BEING **GeoSURA**
It provides, integrates, and connects information regarding physical risks from multiple sources, to ease decision making, business leverage, and to attract and retain Suramericana clients.

9 DECENT WORK AND ECONOMIC GROWTH **SURALab**
Suramericana Insurance Lab incubates and expedites projects to assess their viability within the market, in response to people and companies' needs, while transforming the portfolio.

8 DECENT WORK AND ECONOMIC GROWTH **Sumanti**
Educational Fund joined by SURA Asset Management, to aid into talent specialization of disciplines applied to digital environments, through quick training programs.

We adopted responsible business practices

8 DECENT WORK AND ECONOMIC GROWTH **BIFI**
Operation and Intervention Model from Suramericana to provide people with the visibility of their financial reality, to transform their behavior and play a part into their own well-being.

8 DECENT WORK AND ECONOMIC GROWTH **Talent 360**
Intended to transform people interaction with Human Talent areas, and impact leaders' roles in Suramericana. This will positively affect the organization's culture.

3 GOOD HEALTH AND WELL-BEING **Safe Mobility**
Prevention and resilience program, regarding road incidents, addressed to insured companies and people, to create mobility awareness and competences.

8 DECENT WORK AND ECONOMIC GROWTH **Digital Ecosystem**
It enables Suramericana's digital ecosystem platforms, that will promote value proposition's proximity and accessibility with people.

8 DECENT WORK AND ECONOMIC GROWTH **Sustainable investment**
A Corporate Group strategy to incorporate environmental, social, and governance* aspects (ESG) in assessment processes and decision making of investment portfolios.

4 QUALITY EDUCATION **Afore SURA**
A saving education program from SURA Asset Management Mexico, which offers specialized services relevant to subsidiaries' retirement fund purposes.

INSET OUTSTANDING FACTS OF 2019

- Grupo SURA Companies promoted 50 initiatives linked to products and solutions to promote financial inclusion, and encourage financial education in the region.
- SURA Asset Management, and its subsidiaries, Afore SURA (Mexico), AFP Integra (Peru), AFP Capital (Chile), 'Proteccion' (Colombia), and SURA Investment Management business unit, adhered to Principles for Responsible Investment (PRI).
- Suramericana and SURA Asset Management implemented the Corporate Group's Social Investment Policy. Hence, guidelines, approaches, and performance indicators in the matter are validated.
- The Corporate Volunteering Program favored 42,286 people, and 73 organizations from 7,944 SURA's employees' attendance.
- Corporate Group's Carbon footprint was reduced a 15% in scope 1 (emissions produced by direct power sources, owned or controlled by companies).

KEY INDICATORS:

1.83 million people trained from 32 financial education initiatives and 356 thousand accessed 18 solutions and products focused on financial inclusion.

USD 6,2 million was the total social investment made by Corporate Group Companies through SURA Foundation, established in Colombia, Mexico, and Chile.

COP 16,712.7 million totaled the insurance premiums issued by Suramericana in wind and solar energy solutions, energy efficiency, digital leasing and sustainable construction.

RELEVANT STAKEHOLDERS:

Shareholders and Investors, Internal Audience, Providers, Community, Business' Clients, State, Guilds, Multilateral Organizations, Academia.

TANGIBLE MATTERS:

Social Investment, Environmental Impact Management, ESG Focused Investment, Human rights.

RELEVANT SDGS:





In 2019, a total of 2,18 million Latin Americans were favored by programs, solutions and products focused on financial education and inclusiveness, which are carried out by Corporate Group Companies in 10 countries.

INCLUSIVENESS AND FINANCIAL EDUCATION

Building capabilities in the citizens for them to independently make proactive, rational, sensible, and suitable decisions, that allow them to have a healthy financial life, Grupo SURA commitment, which we embody in solutions, investments, and projects, by being aware of the need to help more Latin Americans access quality financial products and services, according to their needs.

Main projects in 2019

Both, Suramericana and SURA Asset Management innovate on financial solutions and products, linked to an information and consultancy service that is efficient, timely, qualified, and always more tailored, for clients to gain further understanding, and to make the right decisions regarding their risk management, retirement fund savings, and savings and investment goals.

Financial Education. Suramericana, and SURA Asset Management (SURA AM) have several ventures playing a part in this particular. 32 of them stand out, for having brought a positive impact to 1,826,197 people in the region. We highlight the following:

Employability workshops. This Integra AFP enterprise takes place in Lima (Peru), with young people (18 to 29 year-olds) and clients (30 to 50 year-olds), with the purpose to increase employability and youngsters' basic financial knowledge, with emphasis on those with lower income. This plays a part in facilitating their formal working market insertion, and in providing tools for people to thrive, and acknowledge the importance of saving and the benefits of the private pension system.

Hablemos de pensiones. We developed the Afore SURA program in Mexico, which discloses the importance of saving, and the main challenges of saving systems for retirement.

Talento sí hay. This platform from 'Proteccion', Colombia helps partner with young people to develop their skills, in order to be given access into the working world and entrepreneurship.

This venture has had great acceptance: 18 podcasts were hosted in several digital platforms, with more than 12,8 million plays, having contents of life stories and young people cases that are changing the world.

Financial Inclusion. Several endeavors were implemented from Suramericana and SURA Asset Management operative companies. 18 of these particular activities favored a total of 356,049 people. We highlight three of these ventures:

Más Protección. A simple voluntary savings product developed in Colombia, which enables to build an additional pension income from today, and preserve life quality beyond retirement.

Tailored solutions. Solutions for entrepreneurs and start-ups (pymes- in Spanish), intended to protect their patrimony from fire, natural events, accidents, as well as cyber risks, and loss of information. Progress was also made regarding solutions that protect people in case of losing their working ability due to accidents or diseases.

Empresa SURA. This Suramericana regional program aims to deliver competitiveness to start-ups and medium size companies (mipymes- in Spanish), through a specialized and customized partnership in the management of strategic risks related to regulation, finances, human talent, technology, and markets.

103-1, 103-2, 103-3

RESPONSIBLE INVESTMENT

We are aware of the relevant role played by financial services industry in facilitating the transition towards a low-carbon economy, by capital allocation to companies, sectors, and projects that are attuned with sustainable development commitments, as well as from creation and implementation of instruments, products, and solutions that enhance people life quality and companies' sustainability regarding climate risks.

Hence, we have a Grupo SURA Framework on Responsible Investment for, which delivers general guidelines to incorporate Environmental, Social, and Governance* criteria (ESG- in Spanish*) in analysis and decision making processes regarding investments.

ESG Criteria commitment

During 2019, follow-up was done to this policy's implementation from the Responsible Investment Board, led by Grupo SURA. It must be highlighted that local Boards from SURA AM operative companies approved their ESG manual for the Mandatory Business; also, SURA Investment Management (SURA IM) already developed its Responsible Investment manual, approved by its Board. Likewise, the Regional Investments and Risks Committee included ESG criteria within its regular schedule, to give follow-up to progresses made in this regard.

It is worth mentioning that SURA AM and its subsidiaries Afore SURA (Mexico), AFP Integra (Peru), AFP Capital (Chile), Proteccion (Colombia), and SURA IM business unit, adhered to Principles for Responsible Investment (PRI). This global initiative partnered by United Nations promotes the incorporation of ESG issues on investment processes and decisions.

Additionally, in 2019 long term incentives were created for investment directors (CIO) and their reports, which promotes investment inclusiveness, with specific focus on sustainability of portfolios managed by SURA AM Companies.

Suramericana has also progressed on incorporating ESG criteria on subscription processes. SURA Colombia defined non-objective risks and criteria to scale up a commercial subscription, when renewal conditions are subject to sensitive issues. Furthermore, there are more rigorous subscription guidelines in areas with more environmental impact.

This Suramericana subsidiary, in turn, offers discounts on premiums linked to sustainable construction certificates, as well as training

for clients to manage risks in these kinds of projects.

Merging to investment decisions

Conversely, Suramericana progressed on analysis tools, used for incorporating ESG criteria on issuers' selection, as part of the very portfolio management of insurance companies.

For that, surveys enquiring about issuers operation were improved, for subjects such as corporate governance, risk management, environmental performance, reputation, working practices, and human rights, with the purpose to enable new quotas, or give continuity to current ones.

Each issuer's quota analysis from risk management areas of Suramericana companies, also include internal rankings of 100% of titles, which consider ESG variables regarded in credit risk models, used to determine the amount of authorized quotas.

Also, negotiations started in 2019 with one of the most relevant ESG data global providers. Improvements with access to their tools will be leveraged on: Incorporating ESG criteria to direct investments on equity and/or fixed income issuers; having a better understanding about carbon footprint and climate change exposure factors, that may have either positive or negative impact on managed funds; as well as the effect of those investments regarding climate change issues.

Portfolio Investments that meet ESG Criteria

(SURA Colombia Insurance - 2019, in million COP)

Type of Investment	Issuer	Issuer Nominal Value	Market Value
Green bonds	Bancolombia	2,500	2,562.3
Green bonds	Bancoldex	6,500	6,705.7
Social bonds	Bancoldex	12,000	11,993.7
	TOTAL	21,000	21,261.7



SURA Asset Management and its main Companies, adhered to the global Principles for Responsible Investment endeavor by the end of 2019.



In Grupo SURA, we are committed with Sustainable Development Goals (SDG) by generating opportunities that benefit our stakeholders' life quality.

Skills Development

Grupo SURA and its financial services companies, Suramericana, SURA AM and Bancolombia, joined the United Nations Climate Change Conference (COP 25) for the first time, held in Madrid (Spain) in December 2019. The 22 delegates from the Risk and Investment areas of the Company, took part from the Sustainable Investment Forum, which approached emerging countries challenges regarding ESG.

SURA AM, in the meantime, joined the 11 training sections where 40 employees participated, and completed 164 hours on topics such as incorporation of ESG factors on investments, global trends on corporate governance, LEED certification, among others.

Knowledge building in this regard is still a challenge, particularly financial teams specialized training. Therefore, it is one prioritized element as part of the implementation of our Responsible Investment Framework Policy.

103-1

CONTRIBUTIONS TO SOCIAL DEVELOPMENT

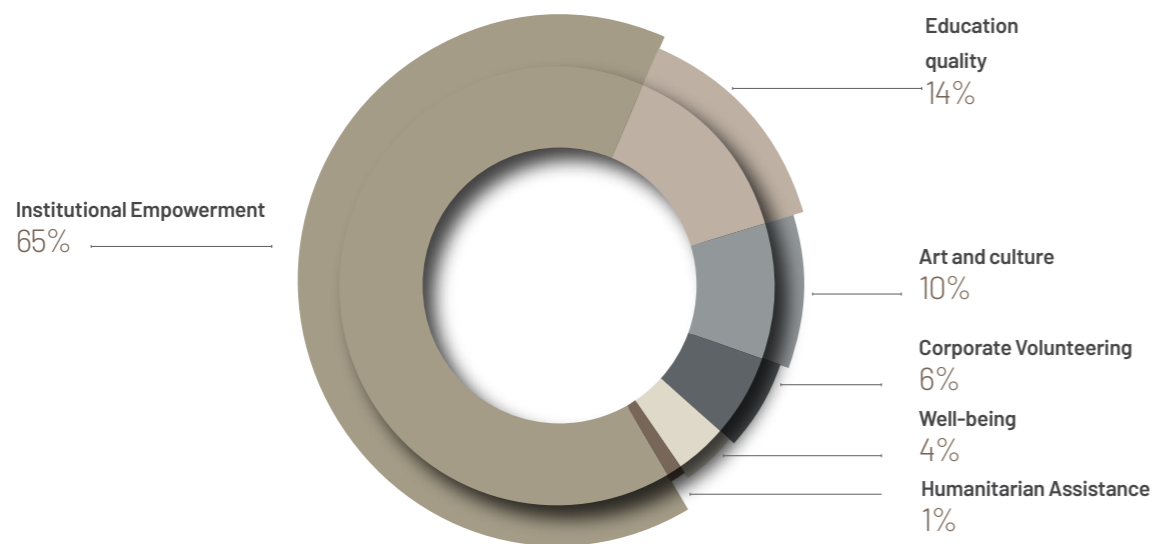
From Grupo SURA, we assume the commitment to play a long term part into social development. This is embodied by the social investment and operation of SURA Foundation in Colombia, Mexico, and Chile; as well as from funds dedicated by the Companies to linkages, sponsorships, and events with a favorable impact in the territories where we are present (see map).

103-2, 103-3, IP11

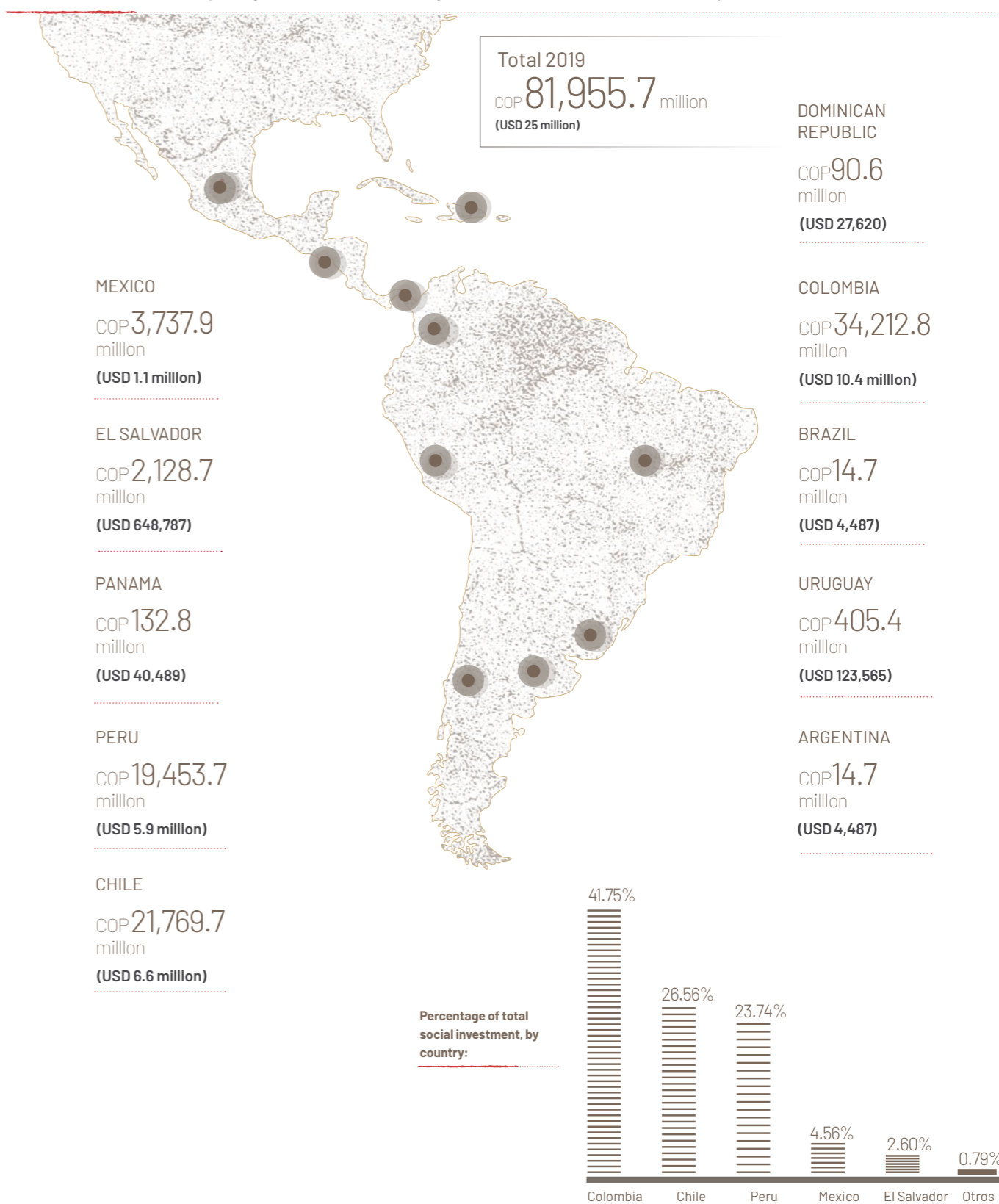
Social Investment Policy from the Grupo SURA, was implemented in 2019 by Suramericana and SURA AM, a breakthrough that allow the validation of guidelines, approaches, and performance indicators. In that extent, we are able to have a further scope in the mapping of favorable endeavors for communities, academia, guilds, and the State. This translated into 341,831 people and 2,045 organizations favored by a consolidated investment, between Foundation and Companies, which totaled COP 81,956 million (USD 25 million), 132% more than 2018.

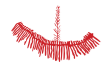
Investment Targets

(% from Foundation and Companies' total)



Investments with social impact by countries (Consolidating funds from SURA Foundation and Companies- in million COP)





From our investment in education quality we favored 39,822 people and 1,437 entities during 2019.

IP9

Education Quality

Learning and teaching processes that appreciate human capabilities and skills are our great input to bring into countries' competitiveness. Investment on quality education favored 39,822 people and 1,437 organizations, for which 14% of the region's total investment was dedicated during 2019.

From SURA's establishment. It led and assisted 38 educational endeavors in Colombia, Mexico, Chile, Dominican Republic, El Salvador, with an investment of COP 10,000 million (USD 3 million). Education quality is one of the Foundation's strategic approaches in Latin America: COP 50,218 million (USD 15 million) have been invested for the last six years. From 2019 performance we highlight:

We socialized the research: "Learning is more: Making the right to education a reality in Latin America", in Colombia, Mexico, and Dominican Republic. It was carried out in partnership with the Latin American Network of Civil Society Organizations for Education (REDUCA- by its acronym in Spanish). And it was also socialized in five Colombian cities with authorities, principals, teachers, education entities, and SURA employees.

The Felix and Susana program progressed on its implementation in Colombia, Dominican Republic, and El Salvador. It currently engages 44,465 teachers, and has generated nearly 1,300 innovative learning experiences. Our first educational practice exchange of 2019, was carried out with six teachers from Colombia and El Salvador, partnering three Dominican schools.

Also, the ongoing Laboratory endeavor in Chile, which supports training on digital topics for 52 women, as part of the consolidation of differentiating technical, technological, and professional training strategies, which are drawn from people skills and the modern corporate world's demands and trends.

From the Companies. SURA Corporate Group promotes the empowerment of educational systems with economic and knowledge resources, in addition to the high management

involvement in governance agencies from entities such as Businessmen Foundation for Education, and United Way Colombia, among others. In 2019 the investment was COP 1,335 million (USD 406,000).

IP9

Art and culture

In this social investment and institutional outreach hub, we play a part bringing about different endeavors, by understanding that in art and culture, multiple communities' expressions have historically come together, social transformation processes are cemented, being another specific way to contribute with Latin Americans well-being and life quality

With a consolidated strategy, in 2019, we encouraged conversations, and aimed to move about diversity, environment, heritage, identity, recollection, and cultural tradition. For that purpose, we invested COP 7,808 million (USD 2.3 million)

From the Foundation. In order to promote art and culture, three performance fronts have been prioritized: Empowerment of art and culture ventures; development of cultural ownership processes for museums to re-imagine their connection with communities and art; as well as delivering technical and financial resources for cultural centers and organizations sustainability. In that sense, The Foundation favored 48,498 people and 87 organizations in Colombia and Mexico during 2019, with an investment of COP 2,654 million (USD 809,000)

"El museo va a las comunidades*", (*The museum reaches communities - in Spanish), initiative led by the Queretaro Museum, in partnership with SURA Foundation in Mexico, enabled 138 boys and girls in the previous year, to connect with art and culture from a differentiating experience approach. Following that line, "Explorando Patrimonios*" program (*Exploring Heritage- in Spanish), developed a decade ago between the National Museum and the Foundation in Colombia, enabled 1,143 people from six educational institutions in Bogota, to go to the Museum, and this latter to get to its communities.

Moreover, 80 entrepreneur artists, and 39 cultural organizations from Antioquia's Uraba (Colombia) developed social-corporate skills and competences, as part of a partnership we have since 2016, with 'Comfama' -Family Welfare Fund-, and 'Interactuar Corporation'.

From the Companies. Commitment with art and culture have been part of our Organization's history, first in Colombia, and then recently, in Latin America. We have promoted initiatives from several areas in the previous year, that favored 51,961 people, and communities from seven out of the ten countries where we have a presence. It is important to stress out SURA Cultural Committee's contribution in Colombia, to the generation of knowledge, artist outreach, and as custodians of our artistic heritage.

In addition, we also financed part of the research and full editorial production of the book: "Chiribiquete: la maloka cósmica de los hombres jaguar" ("Chiribiquete: the cosmic maloca of jaguar men"-in Spanish), written by anthropologist Carlos Castano-Urbe, and published in 2019, with the purpose to promote, preserve, and protect one of Latin America's largest natural reserves, which UNESCO stated as a World Heritage due to its cultural and natural richness.

Also in the preceding year, we accompanied the development of 41 cultural endeavors, which involved partnerships with organizations such as 'Hay Festival', 'Gabo Foundation', 'Julio Mario Santo Domingo Grand Theater' 'El Salvador Modern Art Museum' and 'Explora Park'.

We highlight the partnership between SURA Insurance Chile, and the Book and Reading Corporation, for enabling the Authors' Festival in Santiago de Chile, which gathered Latin American writers to share with more than 18thousand attendees, about their reflections on general interest topics, such as migration, climate change, behaviors and healthy life, among others.

IP9

Well-being and healthy life styles

In this regard, during the former year, 57 initiatives were promoted aiming to positively impact the behaviors of 150,668 people in nine

countries of the region, upon development of capabilities for a wholesome implementation of autonomy, self-awareness, and care.

From the Companies. With an investment of COP 3,051 million (USD 930,000), We lead processes of promotion, prevention, training, and ownership of practices relevant to care, aging culture, financial education and health, healthy life styles, among others. These endeavors empower company knowledge, and the possibility to partner with social organizations to approach athletes, boys and girls, young people, single mothers, among other communities.

Some of the most meaningful social performance efforts are education and financial health, with a communities' approach. Corporate Group Companies in six countries, led or attended 15 initiatives relevant to know-hows and practices regarding money, savings, life projects, and economic resources, as a mean, not as a goal.

Likewise, Grupo SURA and Bancolombia holding company, are promoting the design of a financial well-being project, to deliver youngsters from public schools the tools to become socially and economically active citizens. In 2019, COP 237 million (USD 72,000) were invested on a pilot which will soon be implemented.

IP9

Institutional Empowerment

Our commitment with social development represented 65% of our social impact investment in 2019, and it goes from helping to strengthen democratic processes, and the construction of social fabric, by the comprehension of social, economic, and political phenomena in each territory, all the way to dialogue and contribution to create public propositions regarding topics such as competitiveness, citizenship, peace, transparency, democracy, and justice.

From the Foundation. This line in SURA Foundation Colombia, was re-considered toward citizenship and democratic construction: In addition to keep supporting and prioritizing operation from important thinking centers in the country, it will



Nearly 151 thousand Latin Americans were favored through 57 well-being and healthy life style promotion initiatives carried out by the Companies in nine countries.



Last year, collective social investment in art and culture from SURA Foundation, and the Corporate Group Companies, increased to COP 7,808 million (USD 2.3 million).



The 'Sumando Voluntades*' (Adding of Wills- in Spanish*) campaign from October 5th, 2019, simultaneously moved 3,496 people (63% staff members) to upgrade 35 schools of 26 cities in 10 countries.

also focus investment resources on specific projects relevant to issues such as peace, citizenship, and democracy, among others.

In 2019 the investment was COP 2,750 million (USD 838,000), in partnership with 150 social organizations in Colombia, to generate knowledge and best democratic practices. Regarding Foundation's performance, we stress the "Alianza Soluciones" endeavor –a strategy aiming to working inclusiveness of people affected by Colombian armed conflict– with the partaking of the country's private and public entities: It favored 120 people and their families in the previous year, by pairing with them in their employability with a differential approach.

From the Companies. We highlight the Companies 'leaders' commitment to participate, with their knowledge and voice, in activities developed by organizations supported from this line, such as: Colombian-American Chamber of Commerce, Private Competitiveness Council, Global Compact Network Corporation, among others.

IP9, IP13

Corporate Volunteering

This program channels solidarity and social commitment of our employees and their families, via transformation experiences, where they share time, knowledge, and talent with different communities. In 2019, this particular favored 42,286 people and 73 organizations, through the participation of 7,944 SURA employees. The investment was COP 5,041 million (USD 1.5 million), an increase of 11% regarding prior year.

From the Foundation. The Corporate Volunteering program lead from the three countries upon where Foundation was established, with several strategies, moved 6,700 volunteers in 2019, 78% of which were employees in the regions' Companies. Our volunteers' efforts embodied into their devoting of 38,403 hours, 94.2% of which were non-working time.

We stress the regional volunteering "Sumando Voluntades", which was carried out in 26 cities of the region in its fourth edition, with the partaking of 3,496 volunteers, 63% of which were staff members. This simultaneous campaign of 2019, prioritized actions regarding educational quality

and sustainable communities, relevant to 2030 Global Agenda.

The company' staff also joined volunteering through Solidarity Funds with a contribution of COP 538 million (USD 164,000), for social projects prioritized by the Foundation, such as SURA Housing Fund in Colombia, which has favored 685 people in nine years of operation.

From the Companies. We highlight the efforts to contribute to corporate volunteering: It directly moved 2,070 participant employees from countries such as Colombia, Peru, Uruguay, among others; favored 525 people, and nine organizations in 2019. It also moved COP 580 million (USD 177,000), focused on the educational infrastructure upgrading, beach clean-up, tree planting, among other work campaigns.

Humanitarian Assistance.

Although not a strategic approach of social investment, we understand that our responsibility reaches the critical scenarios of endangered communities. Hence, we allocated COP 963 million (USD 293,000) in 2019, channeled through reputable social organizations.

103-1

ENVIRONMENTAL MANAGEMENT

In Grupo SURA we recognize the importance of incorporating climate change and its implications into strategic planning. Being a financial services organization, we pay specific attention to risks and opportunities relevant to climate.

103-2

The way we interact with economy sectors, through insurance, institutional investment, and credit activity, exposes us to several impacts linked to different industries; but it can also maximize value generation opportunities upon assuming our ethical liability as social agents, to mitigate climate change. In that regard, our environmental management focused on the following items during 2019:

201-2

Climate risks research

A study was carried out to identify top climate risks that may affect economies, and their different sectors, which will be an input to climate change profiling, as strategic risk. The analysis starts with an initial conceptual approach to phenomena, to then delve into the following scenarios:

Ecologic viability scenarios

- Rising of temperature.
- Changes on precipitation patterns.
- Glacial retreat.
- Rising of sea level
- Ocean acidification.
- Increase of hurricanes or tropical cyclones' intensity.
- Atmospheric contamination.
- Mudslides.
- Soil Degradation.
- Wildfires.
- Loss of species and ecosystem functions.
- Nutrient pollution of waterways.

Socioeconomic variability scenarios

- Food Security.
- Water Security.
- Energy Security.
- Environmental Migration.
- Coastal infrastructure loss or damage.
- Impact to transport sector.
- Impact to service infrastructure.
- Working productivity and welfare.
- Increase on morbidity and mortality.
- Conflicts.
- Regional and domestic economy.

103-3

Projects and solutions

Conversely, Suramericana progressed during 2019 consolidating its portfolio for a sustainable environment. Relevant premiums covering the following solutions, added USD 5,1 million:

Energy efficiency and generation. It ensures expected savings from implementing an energy efficiency project, or the expected generation of a photovoltaic or wind project. It promotes project development with less power consumption and aiming to make Colombian energy matrix more sustainable.

Digital Leasing. It enables digital solution procurement, preventing the use of at least, 50 pages per policy. This renders less direct impact upon the use of raw material, and other indirect impacts such as reducing steps on document fill-out.

Solar and wind power. It covers physical damage to equipment and components from power generation systems of non-conventional sources. Damage can be covered during transportation, assembly and operation phases.

Sustainable construction. A 10% discount on construction and compliance policies for EDGE, LEED, or CASA Colombia certified buildings.

Eco-efficiency

We focus our performance on reducing intensity of resource usage in the daily operation. Regarding carbon dioxide emissions, the Corporate Group reduced its carbon footprint in 15% on Scope 1 –related to direct power source emissions, owned or controlled by companies–, during the previous year; a reduction explained in part, by the decline in Suramericana and Grupo SURA, since footprint caused by the use of corporate airplane moved to Scope 3, after being purchased by a third party.

Regarding Scope 2 on carbon footprint, which considers indirect emissions resulting from power purchase, it had a slight decline of 0.3% for the whole Corporate Group in 2019, triggered by the growth of Suramericana operative branches in Colombia and Mexico.



A study was carried out to identify top climate risks that may affect economies, and their different sectors, an input for climate change profiling as strategic risk.

Carbon footprints of SURA Corporate Group Companies
(Given in equivalent tons to carbon dioxide: ton CO₂ e)

305-1

Direct emissions Scope 1

Company	2017	2018	2019	Annual Value
Grupo SURA	185	238	49	-79%
Suramericana	2,300	2,221	1,953	-12%
SURA AM	1,028	1,615	1,439	-11%
TOTAL	3,513	4,074	3,444	-15%

305-2

Indirect emissions Scope 2

Company	2017	2018	2019	Annual Value
Grupo SURA	19	26	0*	-100%
Suramericana	5,778	2,900	3,203**	10%
SURA AM	4,569	4,819	4,519	-6%
TOTAL	10,366	7,745	7,722	-0.3%

* Increase of certified power purchase -IREC.

**Expansion of Company branches in Colombia and Mexico.

Teams' outreach

Upon partaking of Sustainable Innovation Forum, held by Climate Action in the context of COP25, a Corporate Group's delegation referred best practices to incorporate climate change into investment operation, from aspects such as quantifying climate risks and scenarios, as well as portfolio decarbonization.

A report on climate change was also submitted to Grupo SURA's Board of Directors, arguing the relevance of incorporating this topic into the Company's strategic planning, not only from a risk perspective implied, but from an ethical standpoint embedded in the carrying out of relevant actions.



CHALLENGES AND OPPORTUNITIES 2020

- Pursuing synergies among Grupo SURA Companies to develop capabilities in clients, employees, and other stakeholders, through initiatives that equip them with needed skills and knowledge, for timely and sensible financial decision making.
- Pursuing synergies among Grupo SURA Companies to develop capabilities in clients, employees, and other stakeholders, through initiatives that equip them with needed skills and knowledge, for timely and sensible financial decision making.
- Playing an active role for investors, funds, and market analysts to start using decision making tools, that assess specific introduction of social, environmental, and corporate governance criteria into the conventional financial analysis. For that purpose, integrating and multi-criteria methodologies must be applied for objective decision making, which must be priority coherent, and attuned with broader society's values.
- Alignment of high management incentives with responsible investment goals, to expedite progress of working plans' implementation.
- To continue the alignment between areas in charge of the Companies' social investment processes, aiming to qualify its operation, validate governance processes, and comply with decisions regarding allocation of these resources.
- SURA Foundation: in Colombia - to start result measuring, and impact of operation aligned with a capabilities' development approach. In Mexico and Chile- to design measuring indicators for its contribution regarding compliance of the Organization's purpose in Latin America, and to establish specific operation and results' objectives for the next three years.
- To consolidate documentation, and social knowledge performance gained during social endeavors' partaking, for the Companies and SURA Foundation to ensure their future investment effectiveness, in pro of generating further impact and social return.
- To develop a governance framework that enables decision making regarding climate change and its impact to Corporate Group's business.





08

**CONSOLIDATED
FINANCIAL STATEMENTS**

08 CONSOLIDATED FINANCIAL STATEMENTS



CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The undersigned Legal Representative and Public Accountant, under whose responsibility the consolidated financial statements were prepared, certify:

That for the issuance of the statement of financial position, at December 31, 2019, and of the income statement, for the year, as well as, the statement of other comprehensive income, changes in equity Statement, and the cash flows statement, for the year ended on that date, which are in compliance with the norms, and are made available to shareholders and third parties, and whose information, contained in them, have been previously verified.

Said affirmations, explicit and implicit, are the following:

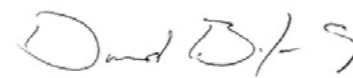
- Existence: The assets and liabilities of Grupo de Inversiones Suramericana S.A., exist on the cut-off date and the transactions recorded, have been realized, during the year..
- Integrity: All economic events have been recognized.

- Rights and obligations: The assets represent probable future economic benefits, and the liabilities represent probable future economic sacrifices, obtained or under the charge of Grupo de Inversiones Suramericana S.A., on the cut-off date.

- Valuation: All elements have been recognized, in the appropriate amounts.

- Presentation and disclosure: Economic events have been correctly classified, described, and disclosed.

In accordance with Article 46 of Law 964 of 2005, in my capacity as Legal Representative of Grupo de Inversiones Suramericana S.A., the financial statements, and other reports relevant to the public, related to the fiscal year ended December 31, 2019 and December 31, 2018, do not contain defects, inaccuracies, or errors, that prevent the knowledge of the true financial situation, and the operations, of the company.



DAVID BOJANINI GARCÍA
President



LUIS FERNANDO SOTO SALAZAR
Public Accountant
Profesional Card 16951-T

AUDITOR REPORT

To the Shareholders of
Grupo de Inversiones Suramericana S.A.

The consolidated financial statements of Grupo de Inversiones Suramericana S.A. and its subsidiaries for the years ended at December 31, 2019 have been prepared in accordance with Accounting and Financial Information Standards accepted in Colombia. Ernst & Young Audit S.A.S., acted as independent statutory auditors of the consolidated financial statements and its opinion was issued on February 27, 2020. My audit was conducted in accordance with International Standards on Auditing accepted in Colombia.

According to your request, I have prepared the English language translation of my report as independent statutory auditor of the accompanying consolidated financial statements.

Cordially,



Mariana Milagros Rodríguez
Statutory Auditor and Partner in charge
Professional Card 112752-T
Designated by Ernst & Young Audit S.A.S. TR-530

Medellín, Colombia
March 17, 2020



STATUTORY AUDITOR'S REPORT

To the Shareholders of Grupo de Inversiones Suramericana S.A.

Report on the audit of the consolidated financial statements

Opinion

I have audited the consolidated financial statements of Grupo de Inversiones Suramericana S.A., which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and its financial performance and its cash flows for the year then ended in accordance with Accounting and Financial Information Standards accepted in Colombia.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing accepted in Colombia. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Company in accordance with the International Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements in Colombia, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and I do not provide a separate opinion on these matters. For each matter below, my description of how my audit addressed the matter is provided in that context.

I have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the consolidated financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying consolidated financial statements.



KEY AUDIT MATTERS

AUDIT RESPONSE

Insurance Reservations

The insurance reserve liability represents 56.7% of total liabilities and the determination of its value requires the application of actuarial methodologies, judgments and significant estimates by management.

I believe that this is a key issue in my audit due to the magnitude of the balances, as well as the uncertainties and judgments used by management in the estimation of these insurance reserves.

The description of the methodology and assumptions used to estimate insurance reserves is presented in Note 2.3.5 and 9 of the accompanying consolidated financial statements.

- ⦿ Understanding the insurance reserves estimation process.
- ⦿ With the support of my actuarial specialists' team, I assessed the methodology and the reasonableness of the assumptions used by management in estimating the reserves.
- ⦿ I evaluated the quality and integrity of the information used in the estimation.

Impairment of goodwill

The goodwill represents \$4.7 billion at December 31, 2019 and the determination of its recoverable amount is complex and requires a high level of judgment by management given the different economic environments in which the Group operates. The most significant judgments arise from the forecast cash flows, the discount rate and the growth rate applied in the value in used measurement models.

A description of the methodology and assumptions used in the impairment of goodwill is presented in Note 15 of the accompanying consolidated financial statements.

- ⦿ Understanding of the management's process for determining the recoverable value for the cash-generating units.
- ⦿ With the support of internal specialists, I assessed the methodology and reasonableness of the cash flow projections and key assumptions used by management.
- ⦿ I evaluated the quality and integrity of the information used in the estimation.



Investments in associated companies

The determination of the recoverable amounts of the investments in associates is based on management's estimates of future cash flows and its judgment with respect to their performance. This is a key issue in my audit due to the uncertainty of forecasting and discounting future cash flows, the level of management judgment involved and the significance of the Group's investment in associates which represents 28.9% of total assets at December 31, 2019.

The description of the methodology and assumptions used in the determination of the recoverable value of the investments in associates is presented in Note 16.1 of the accompanying consolidated financial statements.

- ⦿ Understanding of the management's process for determining the recoverable value of investments in associates..
- ⦿ With the support of internal specialists, I evaluated the methodology and reasonableness of the cash flow projections and key assumptions used by management, comparing the estimates with externally available industry, economic and financial data.

IT control environment

Large amounts of data are currently generated and processed in the Group's IT environment as part of its daily operations. The IT environment is complex and includes multiple applications throughout the Group. The complex IT infrastructure requires processes to maintain key IT systems and controls that improve efficiency, consistency and control within processes. I focused on this area because the controls in the IT environment support key business processes and financial reporting and are key to mitigating the risk that some transactions or data used for financial reporting may not be captured on time or be complete.

- ⦿ I involved IT specialist auditors in my evaluation of the design and operation of IT controls.
- ⦿ Understanding of the IT environment and walkthroughs of the financial process to understand where IT systems are an integral part of the group companies' processes.
- ⦿ IT general controls testing for relevant applications.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Accounting and Financial Information Standards accepted in Colombia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; to select and apply appropriate accounting policies; and, to make reasonable accounting in the circumstances.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing accepted in Colombia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made based on these financial statements.

As part of an audit in accordance with International Standards on Auditing accepted in Colombia, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- ⦿ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ⦿ Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not with the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ⦿ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ⦿ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.





- © Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during my audit.

I also provided those charged with governance a statement that I have complied with relevant ethical requirements regarding independence and communicated with them all relationships and other matters that may reasonably be thought to affect my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and therefore are the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Issues

The consolidated financial statements under accounting and financial information standards accepted in Colombia of Grupo de Inversiones Suramericana S.A. as of December 31, 2018, which are part of the comparative information of the accompanying financial statements, were audited by me, in accordance with Accounting and Financial Information Standards accepted in Colombia, on which I expressed an unqualified opinion on February 28, 2019.

MARIANA RODRIGUEZ

Auditor and Partner

Professional Card - 112752-T

Designated by Ernst & Young Audit S.A.S. TR-530

Medellín, Colombia
February 27, 2020



GRUPO DE INVERSIONES SURAMERICANA S.A.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2019 (with comparative figures at December 31, 2018)
(Values expressed in millions of Colombian pesos)

	Note	December 2019	December 2018
Assets			
Cash and cash equivalents	6	2,346,157	1,878,040
Investments	7.1	23,982,370	22,696,482
Trade and other accounts receivable	7.1	6,334,838	6,547,376
Current accounts receivable from related parties and associates	7.1	109,153	102,081
Technical reserves of insurance, reinsurer parties	9.1	4,103,398	3,562,157
Inventories	10	11,920	10,886
Current tax assets	11.2	231,720	308,039
Non-current assets held for sale	17	5,212	5,539,261
Other financial assets	7.1	594,249	318,287
Other non-financial assets	19.1	124,654	144,323
Investment properties	13	169,287	156,847
Properties and equipment	14	1,309,173	1,235,912
Assets by right of use	8	645,484	-
Intangible assets other than goodwill	15.2	4,188,717	4,397,823
Goodwill	15.1	4,721,695	4,798,703
Investments accounted for using the equity method	16	19,965,689	19,170,040
Deferred tax assets	11.5	194,114	207,115
Total assets		69,037,830	71,073,372



GRUPO DE INVERSIONES SURAMERICANA S.A.

CONSOLIDATED STATEMENT OF FINANCIAL POSITIONAt December 31, 2019 (with comparative figures at December 31, 2018)
(Values expressed in millions of Colombian pesos)

	Note	December 2019	December 2018
Liabilities			
Other financial liabilities	7.3.1	1,889,749	2,141,755
Finance lease liabilities	8	666,663	-
Trade and other accounts payable	7.3.2	3,613,429	3,253,165
Accounts payable to related entities	23	81,949	77,348
Technical reserves	9.4	23,215,289	22,199,074
Current tax liabilities	11.2	464,723	580,672
Provisions for employee benefits	18	533,657	539,787
Non-current liabilities held for sale	17	-	4,871,855
Other non-financial liabilities	19.2	594,700	594,311
Other provisions	20	227,155	249,558
Securities issued	21	8,203,145	8,305,019
Deferred tax liabilities	11.5	1,456,369	1,359,916
Total liabilities		40,946,828	44,172,460
Equity			
Share capital issued	22.1	109,121	109,121
Share premium	22.2	3,290,767	3,290,767
Net income		1,525,537	1,182,880
Retained earnings		14,080,389	13,466,180
Other equity interest	24	2,396,714	2,519,074
Reserves	22.3	4,234,232	3,905,725
Equity attributable to the holders of the controlling interest		25,636,760	24,473,747
Non-controlling interest	25	2,454,242	2,427,165
Total equity		28,091,002	26,900,912
Total assets and liabilities		69,037,830	71,073,372

The notes are an integral part of the financial statements.

David Bojanini García
Legal Representative

Luis Fernando Soto Salazar
Accountant
T.P. 16951-T

Mariana Milagros Rodríguez
Auditor
T.P. 112752-TDesignated by Ernst & Young Audit S.A.S. TR-530
(See my report of February 27, 2020)

GRUPO DE INVERSIONES SURAMERICANA S.A.

CONSOLIDATED INCOME STATEMENTYear that ended on December 31, 2019 (with comparative figures at December 31, 2018)
(Values expressed in millions of Colombian pesos except net earnings per share)

	Note	December 2019	December 2018
Premiums issued	9.2	13,956,772	13,264,954
Premiums		13,576,909	12,936,557
Complementary insurance services		379,863	328,397
Premiums ceded	9.2	(2,737,502)	(2,530,106)
Retained premiums (net)		11,219,270	10,734,848
Commission income	27.1	2,733,630	2,503,860
Provision of services	28.1	4,026,799	3,293,319
Dividends		7,181	5,824
Investment income		1,090,921	1,103,116
Earnings at fair value - investment		957,865	341,761
Profit from interest, the Equity Method, associates and joint ventures	16.1	1,255,222	1,058,183
Profits from the sale of investments		309,475	13,953
Income from investment properties	13	14,866	24,259
Other income	30.1	299,554	270,698
Operational income		21,914,783	19,349,821
Total claims	9.3	(8,847,520)	(7,616,796)
Reimbursement claims	9.3	2,244,668	1,748,992
Retained claims		(6,602,852)	(5,867,804)
Production reserves, net	9.4	(285,563)	(678,355)
Costs for the provision of services	28.2	(3,846,072)	(3,098,715)
Administrative expenses	32	(1,925,216)	(1,748,422)
Employee benefits	18	(2,123,552)	(1,924,147)
Fees	33	(518,025)	(456,117)
Broker commissions	27.2	(2,439,073)	(2,155,307)
Amortization	15	(291,338)	(277,283)
Depreciation	14	(212,431)	(81,110)
Other expenses	30.2	(629,418)	(512,224)
Impairment		(21,399)	(23,171)
Operational expenses		(18,894,939)	(16,822,655)



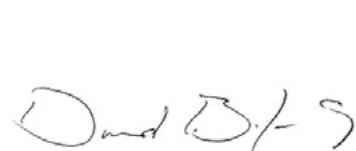
GRUPO DE INVERSIONES SURAMERICANA S.A.

CONSOLIDATED INCOME STATEMENT

Year that ended on December 31, 2019 (with comparative figures at December 31, 2018)
(Values expressed in millions of Colombian pesos except net earnings per share)

	Note	December 2019	December 2018
Operating profit		3,019,844	2,527,166
Gains at fair value - Derivatives	29	(6,300)	69,711
Exchange differences (net)	29	96,870	(292,056)
Interest	29	(716,162)	(625,181)
Financial result		(625,592)	(847,526)
Pre-tax profits		2,394,252	1,679,640
Income tax	11.3	(683,746)	(273,289)
Profit, net continuing operations		1,710,506	1,406,351
Discontinued operations	17	8,172	(63,063)
Net Profit		1,718,678	1,343,288
Controlling income		1,525,537	1,182,880
Non-controlling income		193,141	160,408
Earnings per share			
Net earnings per share from continuing operations	34	2,677	2,215
Net income (loss) per share from discontinued operations	34	15	(113)

The notes are an integral part of the financial statements.



David Bojanini García
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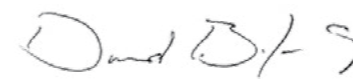
GRUPO DE INVERSIONES SURAMERICANA S.A.

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

Year ended December 31, 2019 (with comparative figures at December 31, 2018)
(Values expressed in millions of Colombian pesos)

	Note	December 2019	December 2018
Profit for the period		1,718,678	1,343,288
Other comprehensive income, losses of investments in equity instruments, net of taxes	24	11,416	(5,793)
Other comprehensive income, profit from revaluation, net of taxes	24	67,653	17,587
Other comprehensive income, losses from new measurements of defined benefit plans, net of taxes	24	(9,779)	370
Total other comprehensive income that will not be reclassified to the results of the period, net of taxes		69,290	12,164
Profit (loss) for translation exchange differences, net of taxes	24	(397,439)	(2,349)
Profit (loss) for cash flow hedges, net of taxes	24	130,039	(99,165)
Profit from hedges of derivatives of net investments abroad, net of taxes	24	(62,780)	615
Participation of other comprehensive income of associates and joint ventures, accounted for using the equity method, that will be reclassified to income for the period, net of taxes	24	92,147	(173,913)
Total other comprehensive income that will be reclassified to the results		(238,033)	(274,812)
Total other comprehensive income		(168,743)	(262,648)
Total comprehensive income		1,549,935	1,080,640
Comprehensive income attributable to:			
Controlling interest		1,403,177	936,581
Non-controlling interest		146,758	144,059

The notes are an integral part of the financial statements.



David Bojanini García
Legal Representative



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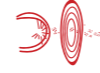
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ending on December 31, 2019 (with comparative figures December 31, 2018)
(Values expressed in millions of Colombian pesos)

	Issued capital	Share premium	Retained earnings	Other interest in equity (OCI)	Legal reserve	Occasional Reserve	Total reserves	Net income	Equity attributable to controlling interest	Non-controlling interests	Total equity
Balance at January 1, 2018	Note	3,290,767	12,955,902	2,765,373	138,795	3,313,309	3,452,104	1,256,254	23,829,521	2,397,040	26,226,561
Other comprehensive income	24	-	-	(246,299)	-	-	-	-	(16,349)	(16,349)	(262,648)
Reserves for revaluation of property and equipment		-	-	14,943	-	-	-	-	14,943	2,644	17,587
Adjustment for translation of net foreign investments		-	-	1,704	-	-	-	-	1,704	(4,053)	(2,349)
Financial instruments with changes to the OCI		-	-	(5,641)	-	-	-	-	(5,641)	(152)	(5,793)
Losses from new measurements of defined benefit plans, net of taxes		-	-	336	-	-	-	-	336	34	370
The equity method of associates recognized in equity		-	-	(174,226)	-	-	-	-	(174,226)	313	(173,913)
Hedges of cash flows of derivative instruments		-	-	(83,914)	-	-	-	-	(83,914)	(15,251)	(99,165)
Net investment abroad coverage		-	-	499	-	-	-	1,182,880	499	116	615
Net income		-	-	-	-	-	-	1,182,880	1,182,880	160,408	1,343,288
Total net comprehensive income for the period		-	-	(246,299)	-	-	-	1,182,880	936,581	144,059	1,080,640
Transfer to retained earnings		-	1,256,254	-	-	-	-	(1,256,254)	0	-	-
Distribution of results 2017		-	-	-	-	-	-	-	-	-	-
Dividends recognized as distributions to owners (518 pesos per share)	23	-	(301,464)	-	-	-	-	-	(301,464)	(104,704)	(406,168)
Reserves for protection of investments	22	-	(453,621)	-	-	453,621	453,621	-	-	-	-
Application effect new accounting standards		-	(5,438)	-	-	-	-	-	(5,438)	(704)	(6,142)
Minimum dividends, preference shares		-	30,471	-	-	-	-	-	30,471	-	30,471
Increases (decreases) from other equity Changes		-	(15,924)	-	-	-	-	-	(15,924)	(8,526)	(24,450)
Balance at December 31, 2018		109,121	3,290,767	2,519,074	138,795	3,766,930	3,905,725	1,182,880	24,473,747	2,427,165	26,900,912



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ending on December 31, 2019 (with comparative figures December 31, 2018)
(Values expressed in millions of Colombian pesos)

	Issued capital	Share premium	Retained earnings	Other equity Participation (OCI)	Legal reserves	Occasional reserves	Total reserves	Net income	Equity attributable to controlling interest	Non-controlling interests	Total equity
Balance at January 1, 2019	Note	3,290,767	13,466,180	2,519,074	138,795	3,766,930	3,905,725	1,182,880	24,473,747	2,427,165	26,900,912
Other comprehensive result	24	-	-	(122,360)	-	-	-	-	(122,360)	(46,383)	(168,743)
Reserve for revaluation of properties and equipment		-	-	54,533	-	-	-	-	54,533	13,120	67,653
Adjustment for conversion of net investment abroad		-	-	(328,065)	-	-	-	-	(328,065)	(69,374)	(397,439)
Financial instruments with changes to the OCI		-	-	10,612	-	-	-	-	10,612	804	11,416
Losses due to new measurements of defined benefit plans net of taxes		-	-	(8,411)	-	-	-	-	(8,411)	(1,368)	(9,779)
Participation method associated		-	-	91,838	-	-	-	-	91,838	309	92,147
Coverage of flows - Derivative instruments		-	-	109,603	-	-	-	-	109,603	20,436	130,039
Net investment coverage abroad		-	-	(52,470)	-	-	-	-	(52,470)	(10,310)	(62,780)
Earnings from the year		-	-	-	-	-	-	1,525,537	1,525,537	193,141	1,718,678
Total Net income for the period		-	-	(122,360)	-	-	-	1,525,537	1,403,177	146,758	1,549,935
Transfer to accumulated earnings		-	1,182,880	-	-	-	-	(1,182,880)	-	-	-
Distribution of 2018 results According to the minutes of the Shareholders' Meeting No. 24 of March 29, 2019		-	-	-	-	-	-	-	-	-	-
Dividends recognized as distributions to owners (550 pesos per share)	23	-	(320,088)	-	-	-	-	-	(320,088)	(129,163)	(449,251)
Reserves for investment protection	22	-	(328,507)	-	-	328,507	328,507	-	-	-	-
Shareholder dividend withholding effect		-	(13,425)	-	-	-	-	-	(13,425)	-	(13,425)
Dividend minimum preference shares		-	40,628	-	-	-	-	-	40,628	-	40,628
Increases (decreases) due to other changes, Equity		-	52,721	-	-	-	-	-	52,721	9,482	62,203
Balance at December 31, 2019		109,121	3,290,767	2,396,714	138,795	4,095,437	4,234,232	1,525,537	25,636,760	2,454,242	26,091,002

The notes are an integral part of the financial statements.

David Bojanini Garcia
Legal Representative

Luis Fernando Soto Salazar
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T.P. 169517

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Designated by Ernst & Young Audit S.A.S. TR-530
(See my report of February 27, 2020)



GRUPO DE INVERSIONES SURAMERICANA S.A.

CONSOLIDATED CASH FLOWS STATEMENT

Year that ended on December 31, 2019 (with comparative figures at December 31, 2018)
(Values expressed in millions of Colombian pesos)

	Note	December 2019	December 2018
Period utility		1,718,678	1,343,288
Adjustments to reconcile net income			
Adjustments for income tax expenses	11	683,746	273,289
Interest	29	716,162	625,181
Adjustments for decreases (increases) in inventories		(1,036)	3,463
Adjustments for decreases (increases) in accounts receivable, insurance activity		177,809	(66,551)
Adjustments for the decrease of accounts receivable from trade sources		27,884	(279,248)
Adjustments for increases in other accounts receivable from operating activities		(4,568)	41,917
Adjustments for the increase of accounts payable from trade sources		244,592	120,190
Adjustments for the increase (decrease) in accounts payable, insurance activity		115,673	266,404
Adjustments for increases (decreases) in other operating accounts payable		(66)	11,459
Adjustments for depreciation and amortization expenses		718,099	448,465
Adjustments for impairment of value recognized in the profit and loss for the period		21,399	23,171
Adjustments for provisions		(39,782)	(19,340)
Adjustments for unrealized losses from foreign currency		(103,003)	(1,681,803)
Adjustments for fair value profit		(1,120,274)	(424,875)
Adjustments for undistributed profits from the application of the equity method	16	(1,255,222)	(1,058,183)
Other adjustments from items other than cash (Assessments of investments at amortized cost)		(17,753)	(49,899)
Adjustments for losses (Profits) from the disposal of non-current assets		679,494	(652,518)
Other adjustments (Valuation of investments at fair value)		(1,398,065)	(1,052,703)
Variations of reserves		474,974	(4,343,987)
		1,638,741	(6,472,280)
Dividends received, associates		517,833	421,022
Income tax paid (reimbursed)		(715,768)	(539,257)
Other non-financial assets		65,492	(110,890)
Net cash flows from operating activities		1,506,298	(6,701,405)



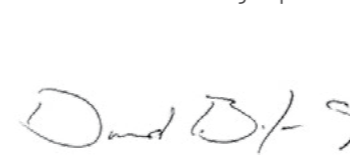
GRUPO DE INVERSIONES SURAMERICANA S.A.

CONSOLIDATED CASH FLOWS STATEMENT

Years ending on December 31, 2019 (with comparative figures December 31, 2018)
(Values expressed in millions of Colombian pesos)

	Note	December 2019	December 2018
Cash flows from (used in) investment activities			
Cash flows from the loss of control of subsidiaries or other businesses		34,587	18,790
Cash flows used to obtain control of subsidiaries or other businesses		(6,310)	(2,069)
Other charges from the sale of equity or debt instruments of other entities		8,400,160	14,290,428
Other payments to acquire equity or debt instruments of other entities		(7,969,142)	(9,869,502)
Imports from the sale of property, plant and equipment		44,707	41,862
Purchase of property and equipment		(193,175)	(149,355)
Imports from the sale of intangible assets		(125,085)	39,058
Purchase of intangible assets		(116,527)	(313,222)
Resources for sales of other long-term assets		27,502	837,901
Purchases of other long-term assets		(101,964)	(2,610)
Payments derived from forward, options, and swap contracts (swaps)		(316,374)	(268,751)
Collections from future contracts, forward contracts, options, and swap agreements (swaps)		-	10,074
Dividends received Financial instruments		910	1,507
Interest received		709,394	856,530
Net cash flows from (used in) investment activities		388,683	5,490,641
Amounts from the issuance of shares		40,628	30,471
Proceeds from loans		1,479,842	5,312,634
Loan repayments		(2,043,450)	(2,976,655)
Payment of financial lease liabilities		(94,801)	(11,810)
Dividends paid	23	(444,561)	(331,136)
Interest paid		(364,521)	(510,309)
Net cash flows from financing activities		(1,426,863)	1,513,195
Net increase in cash and cash equivalents		468,117	302,431
Cash and cash equivalents at the beginning of the period	6	1,878,040	1,575,609
Cash and cash equivalents at the end of the period	6	2,346,157	1,878,040

The notes are an integral part of the financial statements.



David Bojanini García
Legal Representative



Luis Fernando Soto Salazar
Accountant
T.P. 16951-T



Mariana Milagros Rodríguez
Auditor
T.P. 112752-T



SEPARATE FINANCIAL STATEMENTS

SEPARATE FINANCIAL STATEMENTS

RESPONSIBILITIES OF THE DIRECTORS OVER THE ACCOUNT

The Directors are required to prepare financial statements, for each financial period, that reasonably present the Company's financial position, results, and cash flows, at December 31, 2019, with comparative figures at December 31, 2018. For the preparation of these financial statements, the Directors are required to:

- Select appropriate Accounting Policies, and then apply them consistently.
- Present information, including Accounting Policies, that is relevant, reliable, comparable, and comprehensive.
- Make judgments, and reasonable, prudent estimates.
- State whether the applicable accounting standards have been followed, subject to

any significant deviation revealed, and explained in the accounts.

- Prepare the accounts based on the ongoing business unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm, that the accounts meet the above requirements.

In addition, the Directors consider, that they are responsible for maintaining appropriate accounting records, that reveal with reasonable accuracy, at any time, the financial situation of the Company. They are also responsible for safeguarding the assets of the Company and, therefore, for taking reasonable steps to prevent and detect, fraud, and other irregularities.



Consult the full report of the Separate Financial Statements of Grupo SURA 2019, with their respective notes.

DAVID BOJANINI GARCÍA
President

LUIS FERNANDO SOTO SALAZAR
Certified Public Accountant
Professional Card 16951-T



CERTIFICATION OF THE SEPARATE FINANCIAL STATEMENTS

The undersigned Legal Representative and Public Accountant, under whose responsibility, the separate financial Statements were prepared, certify:

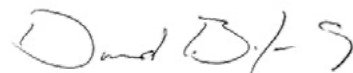
That for the issuance of the statement of financial position, at December 31, 2019, and of the income statement, for the year, as well as, the statement of other comprehensive income, changes in equity statement, and the cash flows statement, for the year ended on that date, which are in compliance with the norms, are made available to shareholders and third parties, and whose information, contained in them, have been previously verified.

Said affirmations, explicit and implicit, are the following:

- Existence: The assets and liabilities of Grupo de Inversiones Suramericana S.A., exist on the cut-off date and the transactions recorded, have been realized, during the year.
- Integrity: All economic events have been recognized.

- Rights and obligations: The assets represent probable future economic benefits, and the liabilities represent probable future economic sacrifices, obtained or under the charge of Grupo de Inversiones Suramericana S.A., on the cut-off date
- Valuation: All elements have been recognized, in the appropriate amounts.
- Presentation and disclosure: Economic events have been correctly classified, described, and disclosed.

In accordance with Article 46 of Law 964 of 2005, in my capacity as Legal Representative of Grupo de Inversiones Suramericana S.A., the financial statements, and other reports relevant to the public, related to the fiscal year ended December 31, 2019 and December 31st of 2018, do not contain defects, inaccuracies, or errors, that prevent the knowledge of the true financial situation and the operations of the Company.



DAVID BOJANINI GARCÍA
President



LUIS FERNANDO SOTO SALAZAR
Certified Public Accountant
Professional Card 16951-T

AUDITOR REPORT

To the Shareholders of
Grupo de Inversiones Suramericana S.A.

The separated financial statements of Grupo de Inversiones Suramericana S.A. for the years ended at December 31, 2019 have been prepared in accordance with Accounting and Financial Information Standards accepted in Colombia. Ernst & Young Audit S.A.S., acted as independent statutory auditors of the separated financial statements and its opinion was issued on February 27, 2020. My audit was conducted in accordance with International Standards on Auditing accepted in Colombia.

According to your request, I have prepared the English language translation of my report as independent statutory auditor of the accompanying separated financial statements.

Cordially,



Mariana Milagros Rodríguez
Statutory Auditor and Partner in charge
Professional Card 112752-T
Designated by Ernst & Young Audit S.A.S. TR-530

Medellin, Colombia
March 17, 2020



STATUTORY AUDITOR'S REPORT

To the Shareholders of Grupo de Inversiones Suramericana S.A.

Report on the audit of the separated financial statements

Opinion

I have audited the separated financial statements of Grupo de Inversiones Suramericana S.A., which comprise the separated statement of financial position as at December 31, 2019, and the separated statement of comprehensive income, separated statement of changes in equity and separated statement of cash flows for the year then ended, and notes to the separated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying separated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and its financial performance and its cash flows for the year then ended in accordance with Accounting and Financial Information Standards accepted in Colombia.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing accepted in Colombia. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Company in accordance with the International Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements in Colombia, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the separated financial statements of the current period. These matters were addressed in the context of the audit of the separated financial statements as a whole, and in forming the auditor's opinion thereon, and I do not provide a separate opinion on these matters. For each matter below, my description of how my audit addressed the matter is provided in that context.

I have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the separated financial statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the separated financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying separated financial statements.



KEY AUDIT MATTERS	AUDIT RESPONSE
Investments in associated companies	
<p>The determination of the recoverable amounts of the investments in associates is based on management's estimates of future cash flows and its judgment with respect to their performance. This is a key issue in my audit due to the uncertainty of forecasting and discounting future cash flows, the level of management judgment involved and the significance of the Group's investment in associates which represents 49.3% of total assets at December 31, 2019.</p> <p>The description of the methodology and assumptions used in the determination of the recoverable value of the investments in associates is presented in Note 11.1 of the accompanying separated financial statements.</p>	<ul style="list-style-type: none"> ⊙ Understanding of the management's process for determining the recoverable value of investments in associates. ⊙ With the support of internal specialists, I evaluated the methodology and reasonableness of the cash flow projections and key assumptions used by management, comparing the estimates with externally available industry, economic and financial data.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the separated financial statements in accordance with Accounting and Financial Information Standards accepted in Colombia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; to select and apply appropriate accounting policies; and, to make reasonable accounting in the circumstances.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing accepted in Colombia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made based on these financial statements.



As part of an audit in accordance with International Standards on Auditing accepted in Colombia, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not with the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during my audit.

I also provided those charged with governance a statement that I have complied with relevant ethical requirements regarding independence and communicated with them all relationships and other matters that may reasonably be thought to affect my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and therefore are the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Issues

The separated financial statements under accounting and financial information standards accepted in Colombia of Grupo de Inversiones Suramericana S.A. as of December 31, 2018, which are part of the comparative information of the accompanying financial statements, were audited by me, in accordance with Accounting and Financial Information Standards accepted in Colombia, on which I expressed an unqualified opinion on February 28, 2019.

Report on other legal and regulatory requirements.

Based on the scope of my audit, I am not aware of situations indicative of failure to comply with the following obligations of the Company: 1) keep the books of minutes, register of shareholders and accounting, according to the legal and the accounting technical regulations; 2) perform operations in accordance with the statutes and decisions of the shareholder's Board and with the rules relative to the comprehensive social security; and 3) keep correspondence and account vouchers. Additionally, there is agreement between the accompanying financial statements and the accounting information included in the management report prepared by the Company's management, which includes management's certification on the free circulation of endorsed invoices issued by the vendors or suppliers. The report on the evaluation of internal control and compliance with the statutory and the Board of Partners provisions corresponding to the requirements of article 1.2.1.2 of Decree 2420 of 2015 was issued separately on February 27, 2020.

MARIANA RODRIGUEZ
 Statutory Auditor and Partner in charge
 Professional Card- 112752-T
 Designated by Ernst & Young Audit S.A.S. TR-530

Medellín, Colombia
 February 27, 2020



GRUPO DE INVERSIONES SURAMERICANA S.A.
(hereinafter referred to as the "Company")

PROPOSED DISTRIBUTION OF PROFITS

I. THE ALLOCATION OF PROFITS CORRESPONDING TO THE FISCAL YEAR OF 2019

Based on the balance of the net income account as shown on the Company's Statement of Financial Position for the fiscal year of 2019, the following profit distribution is proposed:

Income for the period	\$932,190,267,057
Freeing up the reserve for social outreach projects set up in 2019	\$5,775,000,000
Occasional Reserve	\$937,965,267,057

II. AMOUNT TO BE APPROPRIATED FROM THE COMPANY'S OCCASIONAL RESERVE

1. Proposal:

Appropriate an amount from the tax-exempt component of the occasional reserve set up using the profit produced until December 31, 2016, this to be distributed as follows:

In the form of ordinary dividend payments.	\$339,292,910,484
In the form of extraordinary dividend payments.	\$29,680,854,948

Appropriate an amount from the taxable component of the occasional reserve, this to be distributed as follows:

Setting up a reserve for repurchasing the Company's own shares	\$300,000,000,000
Setting up a reserve for social outreach projects.	\$6,063,750,000

EQUAL SUMS	\$1,613,002,782,489	\$1,613,002,782,489
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2. Form and date of payment:

The ordinary dividend payment shall consist of five hundred and eighty-three pesos (COP 583.00) per share and the extraordinary dividend shall be for fifty-one pesos (COP 51.00) per share, both to be paid from the dividends received by the Company from its subsidiaries and associates, this to be paid on a total of 581,977,548 ordinary and preferred shares, accruing just as soon as these are duly declared by the General Assembly of Shareholders at their Annual Meeting

The ordinary dividend payment shall become due and payable in cash as follows

One hundred forty-five pesos and seventy-five cents (COP 145.75) for each share on the following dates: April 20, 2020, July 1, 2020, October 1, 2020 and January 4, 2021.

The extraordinary dividend payment shall become due and payable in cash as follows:

Fifty-one pesos (COP 51.00) for each share in a single installment on July 1, 2020.

Both ordinary and extraordinary dividend payments shall be 100% tax exempt for the shareholder, in terms of both income tax as well as occasional gains tax, as stipulated in Articles 48 and 49 of the Colombian Tax Code.

Since the Company acts as a withholding agent in the Municipality of Medellín for Industry and Commerce Tax (known as "ICA" in Spanish), shareholders who are subject to this specific tax being withheld, shall have the amount of Industry and Commerce tax due withheld from their total cash dividend payment.

3. Ex-dividend period:

The ex-dividend period shall be comprised between the first trading day of the dividend payment period and the 4 trading days immediately preceding that date. Consequently, any shares that are traded during the ex-dividend period shall not entitle the buyer to the corresponding dividends.

Note: figures are expressed in COP.

February 27, 2020



GRUPO DE INVERSIONES SURAMERICANA S.A.

ANNEX TO THE BALANCE SHEET AT DECEMBER 31, 2019

ARTICLE 446 OF THE CODE OF COMMERCE
Expressed in thousands of COP

1 Extensions for the benefit of management	
Board of Directors' Fees	93,744
Management salaries and social benefits	9,599,236
Per diem, representation expenses, bonuses, transport and other remuneration of Directors	
There are no direct payments for these concepts, the Company assumes directly the necessary expenses for these items, to carry out its functions	
<u>Notes</u>	
1. For the trips that the executives make to the different offices in the performance of their duties, the Company pays the hotel bills, transportation, and other necessary expenses.	
2. For the services provided to visitors from abroad and from the interior of the country, the Company recognizes the value of the respective accounts.	
2 Fees for professional and technical advice	8,877,660
3 Fiscal Review and External Audit Fees	374,938
4 Assets and liabilities abroad	
Available USD	12,429
Investments in other National or Foreign Companies	
See details in the notes to the Separate Statement of Financial Position	28,545,476,446
5 Transfer of money and other goods free of charge	5,775,613
6 Advertising costs	3,053,513
7 Representation expenses	1,655.507



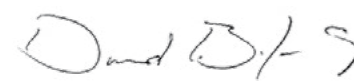


GRUPO DE INVERSIONES SURAMERICANA S.A.

SEPARATE STATEMENT OF FINANCIAL POSITION
 At December 31, 2019 (with comparative figures at December 31, 2018)
 (Values expressed in millions of Colombian pesos)

	Note	December 2019	December 2018
Assets			
Cash and cash equivalents	5	3,145	9,241
Investments	6.1	19,716	13,717
Trade and other account receivables	6.1	99,581	9,831
Current accounts receivable related parties and associates	6.1	108,851	101,569
Current tax assets	8.1	-	14,854
Other financial assets	6.1.4	305,660	144,379
Other non-financial assets		244	244
Property and equipment	9	3,413	25,178
Right of use assets	10	20,742	-
Investments in associates	11.1	14,392,657	14,392,657
Investments in subsidiaries	11.2-18	14,133,102	13,991,836
Deferred tax assets	8.2	62,961	70,462
Total assets		29,150,072	28,773,968
Liabilities			
Other financial liabilities	6.2	848,773	1,004,140
Financial lease liabilities	10	13,815	-
Trade and other accounts payable	6.2	149,804	4,294
Accounts payable to related parties	6.2	155,960	116,291
Current tax liabilities	8.1	2,765	-
Provisions for employee benefits	12	12,250	20,698
Other provisions	13	3,470	3,470
Securities issued	14	4,419,096	4,549,684
Total liabilities		5,605,933	5,698,577
Equity			
Share capital issued	15.1	109,121	109,121
Share premiums	15.2	3,290,767	3,290,767
Profit for the year		932,190	648,593
Retained earnings		11,793,652	11,766,134
Other comprehensive income	17	1,027,504	1,198,378
Reserves	15.3	6,390,905	6,062,398
Total equity		23,544,139	23,075,391
Total equity and liabilities		29,150,072	28,773,968

The notes are an integral part of these financial statements.


David Bojanini García
Legal Representative

Luis Fernando Soto Salazar
Accountant
T.P. 16951-T

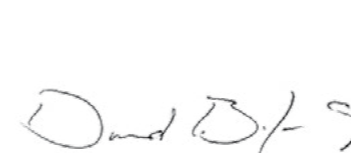
Mariana Milagros Rodríguez
Auditor
T.P. 112752-TDesignated by Ernst & Young Audit S.A.S. TR-530
(See my report of February 27, 2020)

GRUPO DE INVERSIONES SURAMERICANA S.A.

SEPARATE INCOME STATEMENT
 At December 31, 2019 (with comparative figures at December 31, 2018)
 (Values expressed in millions of Colombian Pesos, except net profit per share)

	Note	December 2019	December 2018
Dividends	11.1-18	435,403	406,064
Income from investments	18	2,273	1,508
Loss (profit) at fair value, net		24	(4,222)
Profit from the Equity Method of subsidiaries	11.2-18	935,566	698,957
Income from investments sales	18	-	364
Other income	18	323	4,433
Operational income		1,373,589	1,107,104
Administrative expenses	19	(33,634)	(30,670)
Employee benefits	12.4	(33,439)	(23,714)
Fees	20	(10,193)	(9,824)
Depreciation	9-10	(2,213)	(1,306)
Operational expenses		(79,479)	(65,514)
Operating profit		1,294,110	1,041,590
Gains at fair value - Derivatives	21	(4,527)	92,159
Difference in change (Net)	21	(17,354)	(274,556)
Interest	21	(357,207)	(304,591)
Financial result		(379,088)	(486,988)
Profit before tax		915,022	554,602
Income tax	8.1	17,168	93,991
Profit, net of continuing operations		932,190	648,593
Net profit		932,190	648,593
Earnings per share	22	1,672	1,184

The notes are an integral part of these financial statements.


David Bojanini García
Legal Representative

Luis Fernando Soto Salazar
Accountant
T.P. 16951-T

Mariana Milagros Rodríguez
Auditor
T.P. 112752-TDesignated by Ernst & Young Audit S.A.S. TR-530
(See my report of February 27, 2020)

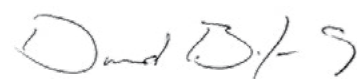


GRUPO DE INVERSIONES SURAMERICANA S.A.

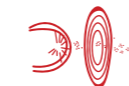
SEPARATE STATEMENT OF COMPREHENSIVE INCOMEYear ended December 31, 2019 (with comparative figures in year ended December 31, 2018)
(Values expressed in millions of Colombian pesos)

	Note	December 2019	December 2018
Profit for the period		932,190	648,593
Other comprehensive income, losses in equity instruments of equity, net of taxes	17	6,000	(3,947)
Other comprehensive income, losses from new measurement of defined benefit plans, net of taxes	17	(2,454)	152
Total other comprehensive income not reclassified to profit or loss, net of tax		3,546	(3,795)
Foreign exchange gain (loss), net of tax	17	-	(10,827)
Loss on cash flow hedges, net of taxes	17	5,604	(6,299)
Participation of other comprehensive income of associates and joint ventures accounted for using the Equity Method that is reclassified to profit or loss, net of tax	17	(180,024)	7,421
Total other comprehensive income to be reclassified to profit and loss		(174,420)	(9,705)
Total other comprehensive income		(170,874)	(13,500)
Total comprehensive result		761,316	635,093

The notes are an integral part of these financial statements.


David Bojanini Garcia
Legal Representative

Luis Fernando Soto Salazar
Accountant
T.P. 16951-T

Mariana Milagros Rodriguez
Auditor
T.P. 112752-TDesignated by Ernst & Young Audit S.A.S. TR-530
(See my report of February 27, 2020)

GRUPO DE INVERSIONES SURAMERICANA S.A.

SEPARATE STATEMENT OF CHANGES IN EQUITYYear ended December 31, 2019 (with comparative figures year ended December 31, 2018)
(Values expressed in millions of Colombian pesos)

	Note	Issued capital	Share premium	Retained earnings	Other equity holdings	Occasional reserves	Legal reserves	Total reserves	Profit for the period	Total equity
Balance at January 1, 2019		109,121	3,290,767	11,766,134	1,198,378	5,923,603	138,795	6,062,398	648,593	23,075,391
Other comprehensive income	17	-	-	-	(170,874)	-	-	-	-	(170,874)
Financial instruments with changes to OCI		-	-	-	6,000	-	-	-	-	6,000
Losses from new measurements of defined benefit plans, net of taxes		-	-	-	(2,454)	-	-	-	-	(2,454)
The Equity Method of subsidiaries, recognized in equity		-	-	-	(180,024)	-	-	-	-	(180,024)
Hedge flows - derivative instruments		-	-	-	5,604	-	-	-	-	5,604
Profit for the period		-	-	-	-	-	-	-	932,190	932,190
Total net comprehensive income for the period		-	-	-	(170,874)	-	-	-	932,190	761,316
Transfer to retained earnings		-	-	648,593	-	-	-	-	(648,593)	-
2018 Profit distribution in accordance with the Minutes No. 24, of the Shareholder's Meeting of March 29, 2019:										
Dividends recognized as distributions for owners (550 pesos per share)	16	-	-	(320,088)	-	-	-	-	-	(320,088)
Reserves for the protection of investments	15.3	-	-	(328,507)	-	328,507	-	328,507	-	-
Minimal dividends, preference shares		-	-	40,630	-	-	-	-	-	40,630
Withholding effect of the shareholders' dividend		-	-	(13,110)	-	-	-	-	-	(13,110)
Balance at December 31, 2019		109,121	3,290,767	11,793,652	1,027,504	6,252,110	138,795	6,390,905	932,190	23,544,139



GRUPO DE INVERSIONES SURAMERICANA S.A.
SEPARATE STATEMENT OF CHANGES IN EQUITY

Year ended December 31, 2019 (with comparative figures year ended December 31, 2018)
 (Values expressed in millions of Colombian pesos)

	Issued capital	Share Premium	Retained earnings	Other equity holdings	Legal reserves	Occasional reserves	Total reserves	Profit for the period	Total equity
Balance at January 1, 2018	109,121	3,290,767	11,799,493	1,211,878	138,795	5,469,982	5,608,777	755,085	22,775,121
Other comprehensive income	17	-	-	(8,346)	-	-	-	-	(8,346)
Adjustments for translation of foreign investments, net	-	-	-	(10,827)	-	-	-	-	(10,827)
Financial instruments with changes in OCI	-	-	-	(3,947)	-	-	-	-	(3,947)
Losses from new measurements of defined benefit plans, net of taxes	-	-	-	152	-	-	-	-	152
The Equity Method of subsidiaries, recognized in equity	-	-	-	12,575	-	-	-	-	12,575
Hedge flows - derivative instruments	-	-	-	(6,299)	-	-	-	-	(6,299)
Profit for the period	-	-	-	-	-	-	-	648,593	648,593
Total net comprehensive income for the period	-	-	-	(8,346)	-	-	-	648,593	640,247
Transfer to retained earnings	-	-	755,085	-	-	-	-	(755,085)	-
2017 Profit distribution in accordance with the Minutes No. 23, of the Shareholder's Meeting of March 23, 2018:									
Dividends recognized as distributions for owners (518 pesos per share)	-	-	(301,464)	-	-	-	-	-	(301,464)
Reserves for the protection of investments	15.3	-	(453,621)	-	-	453,621	453,621	-	-
Minimal dividends, preference shares	16	-	30,470	-	-	-	-	-	30,470
Impact of new accounting standards	-	-	-	(5,154)	-	-	-	-	(5,154)
Impact or merger of subsidiaries (GIS Panamá - Finance)	-	-	(63,829)	-	-	-	-	-	(63,829)
Balance at December 31, 2018	109,121	3,290,767	11,766,134	1,198,378	138,795	5,923,603	6,062,398	648,593	23,075,391

The notes are an integral part of these financial statements.

David Bojanini Garcia
 Legal Representative

Luis Fernando Soto Salazar
 Accountant
 T.P. 16951-T

Mariana Milagros Rodriguez
 Auditor
 T.P. 112752-T

Designated by Ernst & Young Audit S.A.S. TR-530
 (See my report of February 27, 2020)



GRUPO DE INVERSIONES SURAMERICANA S.A.

SEPARATE CASH FLOWS STATEMENT

Year ended December 31, 2019 (with comparative figures year ended December 31, 2018)
 (Values expressed millions of Colombian Pesos)

	Note	December 2019	December 2018
Profit for the period		932,190	648,593
Adjustments to reconcile profit			
Adjustments for income tax expenses	8	(17,168)	(93,990)
Adjustments for financial costs	21	357,207	304,591
Adjustments for decreases from accounts receivable from trade sources		(89,750)	9,993
Adjustments for increases in other accounts payable from operating activities		(435,360)	(343,905)
Adjustments for increases in accounts payable from trade sources		145,511	(10,432)
Adjustments for depreciation and amortization expenses		2,213	1,306
Adjustments for provisions		(10,121)	(12,326)
Adjustments for losses from unrealized foreign currency		5,177	221,649
Adjustments for fair value profit		(73,651)	(92,159)
Adjustments for undistributed profits from application of the Equity Method	11.2	(935,566)	(698,957)
Variations of investments		-	(364)
Total adjustments to reconcile net income		(1,051,508)	(714,594)
Net cash flows from operations		(119,318)	(66,001)
Dividends received, associates		1,054,947	781,457
Interest paid		(794)	(46,720)
Income tax paid		35,277	(57,556)
Other non-financial assets		3,828	(4,115)
Net cash flows from operating activities		973,940	607,065
Cash flows from (used in) investing activities			
Cash flows from subsidiaries or other businesses		-	4,829
Cash flows used in subsidiaries or other businesses		(12,592)	(869,515)
Other collections from the sale of equity or debt instruments of other entities		-	364
Amounts from the sale of property, plant and equipment		7	7,681
Property and equipment purchases		(514)	(8,181)
Purchases of other long-term assets		(682)	-
Payments arising from futures, forwards, options and swaps		(84,215)	(30,479)
Collections from futures, forwards, options and swaps		-	13,952
Net cash flows from (used in) investing activities		(97,996)	(881,349)



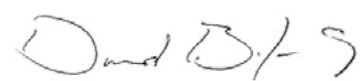
GRUPO DE INVERSIONES SURAMERICANA S.A.

SEPARATE CASH FLOWS STATEMENT

Year ended December 31, 2019 (with comparative figures year ended December 31, 2018)
 (Values expressed millions of Colombian Pesos)

	Note	December 2019	December 2018
Cash flows from financing activities			
Payments from issuance of shares		40,628	30,471
Proceeds from loans		704,631	4,561,795
Reimbursement of loans		(1,044,458)	(3,870,543)
Payment of financial lease liabilities	10	(1,784)	(1,651)
Dividends paid	16	(315,233)	(225,933)
Interest paid		(265,824)	(277,690)
Net cash flows from financing activities		(882,040)	216,449
Increases (decreases,) net of cash and cash equivalents, before the changes in the exchange rate		(6,096)	(57,835)
Impact of variations in the exchange rate on cash and cash equivalents		-	(720)
Net increase of cash and cash equivalents		(6,096)	(58,556)
Cash and cash equivalents at beginning of period		9,241	67,796
Cash and cash equivalents at end of period		3,145	9,241

The notes are an integral part of these financial statements.



David Bojanini García
 Legal Representative



Luis Fernando Soto Salazar
 Accountant
 T.P. 16951-T



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