

GRUPO SURA recorded a growth in operating earnings, but the losses sustained on the capital markets coupled with the depreciation of the Colombian peso had a consequent effect on the Group's net income.

In spite of the current situation, the Company saw sustained growth in revenues from insurance premiums, health services and asset management fees during the first quarter of this year.

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QUARTERLY HIGHLIGHTS »



New Board of Directors and Board Committees for the period 2020 - 2022

For more information regarding the newly-appointed members of the Board of Directors and Support Committees

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Our shareholders show their solidarity with Latin America through various initiatives

Our Companies have joined forces with the SURA Foundation on various fronts to mitigate and overcome the current pandemic.

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Fitch endorses Grupo SURA's international long-term rating

This ratification reflects the Group's creditworthiness taking into account its stable streams and well-diversified sources of dividend income.

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Under the present lockdown, our Empresas SURA program has seen a 150% increase in the demand for its services on the part of SMEs throughout the region

Suramericana's regional SME initiative has been transformed to provide small entrepreneurs with the services they need during these difficult times.

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qiip, a new digital platform aimed at ensuring the financial well-being of the Colombian people

This latest initiative on the part of SURA Asset Management has now been launched in Colombia in partnership with Protección, having been operating in Mexico for the past six months.

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SURA sponsors discussions and reflections on the post-pandemic world

In alliance with the Hay Festival and as part of SURA Asset Management's campaign entitled "Possible futures", we are helping to drive diverse ideas regarding the challenges facing society and the lessons to be learned.

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IN SPITE OF THE FINANCIAL IMPACT OF THE CURRENT PANDEMIC, GRUPO SURA CONTINUES TO MAINTAIN A ROBUST FINANCIAL POSITION WHILE CARRYING OUT DIFFERENT MEASURES TO BENEFIT THE LATIN AMERICAN PEOPLE

Before proceeding to discuss our financial results at the end of Q1 2020, the following are just some of the priority measures being taken by the Companies belonging to our Business Group so as to be able to respond in a timely manner to our stakeholders during these exceptional times. These measures only go to underscore **the important role that Suramericana and SURA Asset Management are playing** not only during the lockdown, but now that the region's productive sectors are gradually being started up, these including:

- **Safeguarding jobs:** protecting the jobs and health of more than 30 thousand people in 10 countries.
- **Support for suppliers:** changes in payment conditions to ensure the sustainability of our distributors, suppliers and partners, the majority of these being SMEs.
- **Business continuity:** operating adjustments for **assisting, providing knowledge and facilitating access to our clients** (both private individuals and companies) by prioritizing our on-line channels and digital tools.
- **Insurance:** more flexible means and conditions for taking out insurance policies and paying premiums, having included this pandemic in the Health Care and Life Insurance coverage, where before this was not specifically provided. This also included more assistance and services for people and companies.
- **Pensions, savings and investment:** bringing forward pension payments, increasing our on-line transaction channels, providing more advice and support to our clients along with regular market updates and evaluations of other investment options.
- **Health care and occupational risk (Colombia):** increased health care capabilities, expedited COVID-19 testing in terms of taking samples and lab processing; a well-differentiated model for facilitating occupational care measures for both employees and employers both before and

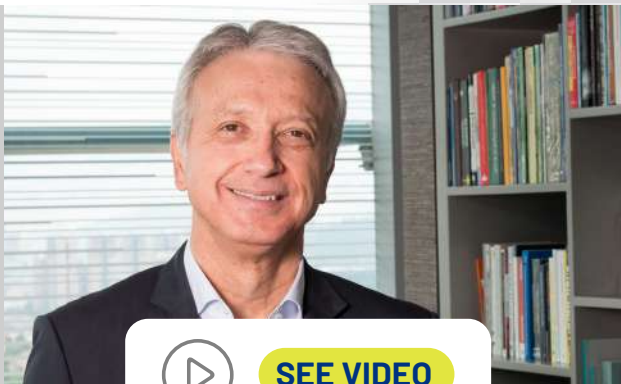
after different industries return to work, this on a staggered basis.

Staying close to each of our clients in these volatile, uncertain times is an immediate response that shall **ensure the sustainability of our business**, by driving a greater degree of customer loyalty, obtaining efficiencies based on our digitalization initiatives, diversifying our insurance and investment portfolios (mandatory pensions and voluntary savings) as well as identifying more opportunities arising from the current environment.

Current projections and risk assessments show that Grupo SURA and its subsidiaries maintain **adequate liquidity and solvency, thanks to the sound cash position enjoyed by all three Companies;** as well as a lower exchange rate exposure and the expected dividends on the part of the holding, the liquidity of the portfolios held by Suramericana and the solvency of SURA Asset Management, related to the amount of Assets under Management (AuM).

"In the midst of the global pandemic, we are substantiating our Business Group's capabilities in safeguarding the jobs of 30 thousand people, ensuring our business continuity and creating added value for all our clients throughout the region. Furthermore, our assessments of the current situation show that we have the strength, liquidity and solvency to tackle and overcome these challenging times for all mankind",

Gonzalo Pérez
Chief Executive Officer of Grupo SURA.



SEE VIDEO



FINANCIAL STRENGTH, RESILIENT GROWTH AND EXTERNAL SHOCKS

For Q1 2020, Grupo SURA's consolidated operating revenues came to COP 4.7 trillion (USD 1,339.4 million), for a drop of 6.6 % compared to the same period last year. The most salient factors here included:

- ▶ **A sustained growth in operating income** from insurance premiums (9.9%), asset management fees and commissions (6.4%) and health care services (25.4%).
- ▶ **Lower income due to investment returns** (-104.21%), given the widespread depreciation of financial assets, which had a specific impact on the performance of our pension fund management firms.
- ▶ **Decrease in revenues from associates via the equity method:** in the case of Bancolombia, due to higher loan provisions, and with regard to Proteccion, given lower returns obtained from its legal reserve.

Key figures

Growth in operating earnings driven by:

RETAINED PREMIUMS

▲ 9.9%

COP 2.7

trillion (USD 771.5 million)

HEALTH CARE SERVICES

COP 1.2

trillion (USD 329 million)

FEE AND COMMISSION INCOME

▲ 6.4%

COP 695,506

million (USD 196.7 million)

Consolidated expense rose by 6.3%, which was lower than the increase in operating revenues, from insurance premiums, asset management fees and health care services, this due to a lower claims rate and a greater focus on efficiency and expense controls on the one hand and higher health care costs (in Colombia) on the other. Consequently, **operating earnings stood at COP 244,128 million (USD 69 million), 71.1% lower** than those recorded the same period last year.

The depreciation of the Colombian peso, coupled with the aforementioned factors, produced **a net loss amounting to COP 75,956 million (USD 21.5 million)**, which was 114.9% lower than the net income figure posted for the same period last year.

Grupo SURA's separate financial statements (which serve as a basis for dividend distribution), showed **a net income figure of COP 360,222 million (USD 102 million)**, which was 45.8% lower than for the same quarter last year, mainly given lower earnings on the part of SURA Asset Management and the accounting impact of the exchange difference as explained above.

Bottom line affected by:
(Non-cash accounting effects, changes vs. Q1 2019)

DEPRECIATION OF INVESTMENTS - SURA AM

COP -369,496

million

REVENUES FROM ASSOCIATES

COP -126,733

million

DEPRECIATION

COP -115,452

million

VERSUS USD

*Re-stated figures in USD, at the average exchange rate for Q1 2020: COP 3.535.78

SUBSIDIARY PERFORMANCE

Suramericana

This subsidiary, which specializes in insurance and trend/risk management, obtained total revenues from premiums issued and services rendered amounting to COP 4.3 trillion (1,219.6 million), which was 14.6% more than for the same period last year, this driven by **growths obtained with the Life (18%), Property and Casualty (6.1%) as well as Health Care (25.3%) insurance segments.**

Suramericana's technical result reached COP 643,679 million (USD 182 million), for a 6.1% growth for the quarter, thanks to higher revenues, a slight increase in the claims ratio for the Property and Casualty Insurance segment and an increase in the cost indicator for the Health Care segment. **Net income closed at COP 106,697 million (USD 30.2 million),** for a drop of 9.8%, this mainly due lower investment income, given the effect of the pandemic on prices of fixed-income assets.



"Amid this contingency we are accelerating our strategy in our role as a trend and risk management company while having adapted to this current new reality in terms of our business operating model, as well as developing and enhancing the portfolio of solutions offered. Our focus is on delivering the skills and knowledge that people and companies need as we continue to provide our support not only in the past lockdown but now as we are gradually reactivating our productive activities".

Juana Francisca Llano
CEO of SURA Asset Management

SURA Asset Management

On the other hand, SURA Asset Management recorded a total of **20.5 million clients** at the end of Q1 2020, which was 3.5% more than a year ago, and the volume of AUM held obtained a growth of 6.5%, for a total of COP 473.6 trillion (USD 116,512 million).

The Company also recorded **sustained growths of 4.5% and 19.8% in fees and commission income from its Mandatory Pension and Voluntary Savings** lines of business respectively, which came to COP 577,732 million (USD 163.4 million). However, it did sustain a net loss, thereby subtracting COP 129,870 million (USD 36.7 million) from Grupo SURA's final consolidated bottom line, this due to the depreciation of the investments belonging to the Company's own portfolios in the Mandatory Pension business (legal reserve).



"Although our results have been impacted by the recent volatility on the global capital markets, taking a long-term view and diversifying the portfolios and funds we manage is now acquiring a greater relevance. Meanwhile, we have reacted promptly in adapting our operations and channels so as to remain close at hand to our clients throughout the region in providing our advisory services and recommending different savings and investment alternatives".

Ignacio Calle
CEO of SURA Asset Management

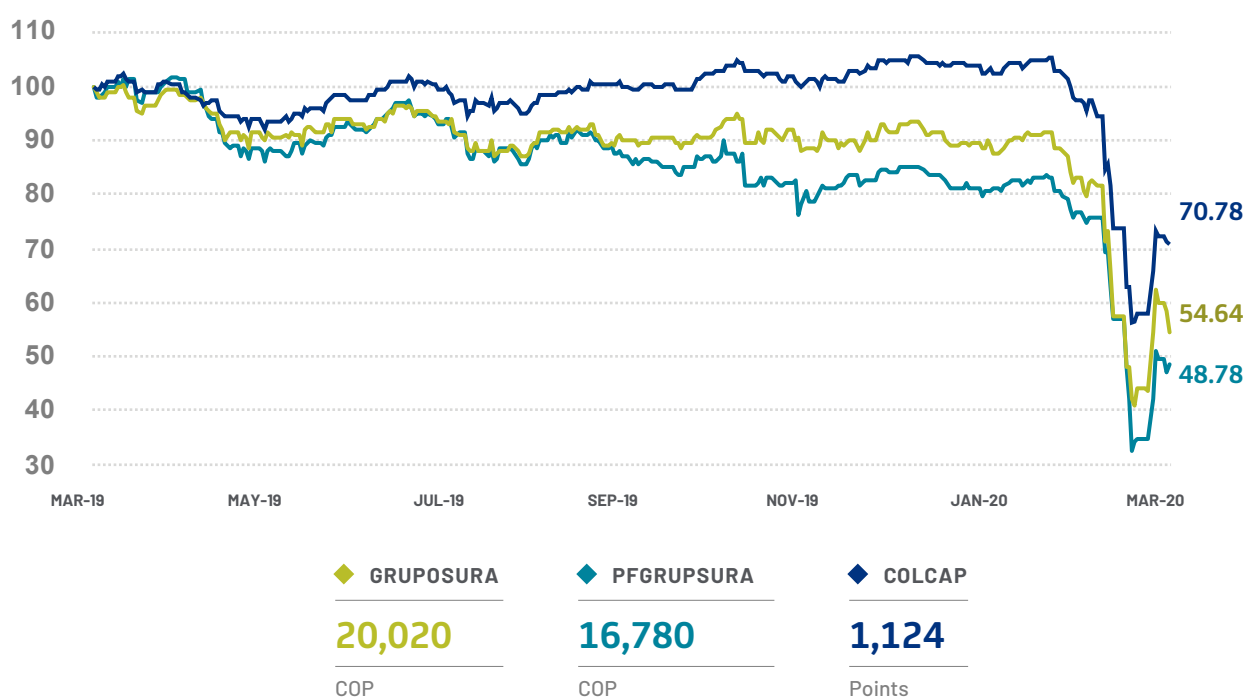


SHARE INFORMATION

The GRUPOSURA ordinary share closed at COP 20,020 on March 31, 2020, for a QoQ decline of -41.1% and a YoY decline of -45.4%.

The PFGRUPSURA preferred share closed at COP 16,780 at the end of the first quarter of the year with a QoQ decline of -42.7% and a YoY decline of -51.2%.

PERFORMANCE OF BOTH SHARES ON THE COLOMBIAN STOCK EXCHANGE



501

INTERNATIONAL FUNDS

holding a combined

12.6%

stake in Grupo SURA

	Q1 2020	QoQ % CHANGE	YoY % CHANGE
GRUPOSURA	20,020	-41.1%	-45.4%
PFGRUPSURA	16,780	-42.7%	-51.2%
COLCAP Stock Index	1,124	-32.4%	-29.2%



NEW BOARD OF DIRECTORS AND BOARD COMMITTEES FOR THE PERIOD 2020 - 2022

The General Assembly of Shareholders appointed a new Board of Directors for the period 2020-2022, which this year included two new members, both of whom enjoy an independent status, who shall bring to bear their own specialized skills and knowledge to this corporate governance body. These new members are:

Lina María Echeverri Pérez, holding a PhD in Economics who has amassed extensive experience in corporate responsibility and sustainability strategies; and **Maria Carolina Uribe Arango** who specializes in business law and is an expert in capital markets. She is also a founding partner of the law firm, Uribe Henao Abogados.

They succeed Luis Fernando Alarcón Mantilla and Carlos Antonio Espinosa Soto, whom the Shareholders thanked for their strategic contributions as independent members serving on the Board of Directors for the last five years.



**Lina María
Echeverri Pérez**



**Maria Carolina
Uribe Arango**

On April 23rd of this year, the Company publicly announced that the new Board of Directors, at its first board meeting held this year, appointed **Jaime Bermúdez Merizalde** as its new Chairman. Mr. Bermudez previously served as the Board's Vice-Chairman during the previous period.

This 53-year-old independent member has served on Grupo SURA's Board of Directors since March 2011. He is a lawyer by profession, (Universidad de los Andes, Colombia), and holds a PhD in Political Science (University of Oxford, England). He is currently the President of the Lazard Investment Bank in Colombia, having previously served as Chancellor of Colombia (2008-2010) and Communications Advisor to the Colombian President (2002-2006).



**Jaime
Bermúdez
Merizalde**

Sergio Michelsen Jaramillo, also an independent member, was appointed as the Board's Vice Chairman for this same period. This 60-year-old lawyer has been a member of the Board since March 2015, and is a partner in the law firm Brigard & Urrutia Abogados, in charge of Mergers and Acquisitions, Asset Management and TMT.



**Sergio
Michelsen
Jaramillo**



BOARD SUPPORT COMMITTEES

There are four committees that provide their support to the Board of Directors, which for the period 2020-2022 are made up of the following board members:



Finance and Audit Committee:

Jaime Bermúdez Merizalde – Chairman
Lina María Echeverri Pérez
María Carolina Uribe Arango



Sustainability and Corporate Governance Committee:

Sergio Michelsen Jaramillo – Chairman
Jorge Mario Velásquez Jaramillo
Carlos Ignacio Gallego Palacio



Appointments and Remuneration Committee:

Jaime Bermúdez Merizalde – Chairman
Jorge Mario Velásquez Jaramillo
Carlos Ignacio Gallego Palacio



The Risk Management Committee:

Sergio Michelsen Jaramillo – Chairman
Jaime Bermúdez Merizalde
Alejandro Piedrahita Borrero



THROUGH ITS SOLIDARITY PROGRAMS AND INITIATIVES, SURA IS HELPING TO COMBAT THE PANDEMIC THROUGHOUT THE REGION

Aware of the role played by companies in today's society, Grupo SURA and its subsidiaries Suramericana and SURA Asset Management, through the SURA Foundation or directly through the Companies themselves, have donated almost COP 13,278 million (USD 3.32 million) to tackle and overcome the effects of the COVID-19 pandemic throughout the region. This donation was made in the name of more than 12 thousand shareholders of Grupo SURA.



Colombia: 28 university and non-profit charitable hospitals received supplies for the care and protection of their medical personnel; intensive care capacity was increased in two hospitals in Medellín; 100,000 underprivileged families in 18 cities have received 200,000 free deliveries of grocery staples, through a partnership between the SURA, Bancolombia, Nutresa and Grupo Argos Foundations; donations were also made to the day-long campaigns staged by the mayors of Bogotá, Medellín and Barranquilla.



Mexico: 28 indigenous communities in the states of Veracruz and Chiapas are benefiting from improved hospital and health center facilities, thanks to a donation made by the SURA Foundation in Mexico, which shall also include 6 mechanical ventilators for a hospital in Mexico City.



Uruguay: the #We Care for Each Other initiative received a donation from Seguros SURA Uruguay, Afap SURA and the SURA Foundation (Colombia) which shall be used to procure medical supplies for hospitals.



El Salvador: the Ministry of Health in El Salvador shall receive three mechanical ventilators destined for ICU use, thanks to a donation from Asesuisa and AFP Crecer, this channeled through the SURA Foundation in Colombia.



Chile: students from the Belén Educa Foundation shall be able to continue their studies thanks to a purchase of 100 computers on the part of the SURA Foundation in Chile.



Peru: AFP Integra made a donation to the social venture, Pixed, which prints out personal protective gear in 3D for medical and hospital personnel.



Brazil: the Hospital das Clínicas da Universidade de Medicina in Sao Paulo received a donation from Seguros SURA Brasil for improving the care and treatment of patients infected with COVID-19.



Argentina: the Austral University Hospital (non-profit), in Buenos Aires, shall improve its infrastructure and health care services thanks to a donation from Seguros SURA Argentina.



Panama: the Ministry of Health and the National Hospital shall receive specialized medical equipment, thanks to donations from Seguros SURA Panama as well as the SURA Foundation in Colombia.



The Dominican Republic: hospital care improvements thanks to a donation from Seguros SURA for an initiative spearheaded by the Santiago Business Association.

SURA employee solidarity



SEE VIDEO

The employees of the SURA Companies in Colombia have voluntarily donated a total of **COP 422 million**, through the SURA Foundation, is being channeled to providing deliveries of free groceries to families whose income has been affected by the contingency, this in addition to much needed medical supplies for hospitals



FITCH RATINGS CONFIRMS GRUPO SURA'S

RATING AT BBB WITH A STABLE OUTLOOK

Fitch Ratings announced in early April that it has maintained the holding company's international long-term rating as an issuer of foreign and local currency debt at 'BBB', with a stable outlook, taking into account its strong cash position and credit ties with its two main subsidiaries, SURA Asset Management and Suramericana.

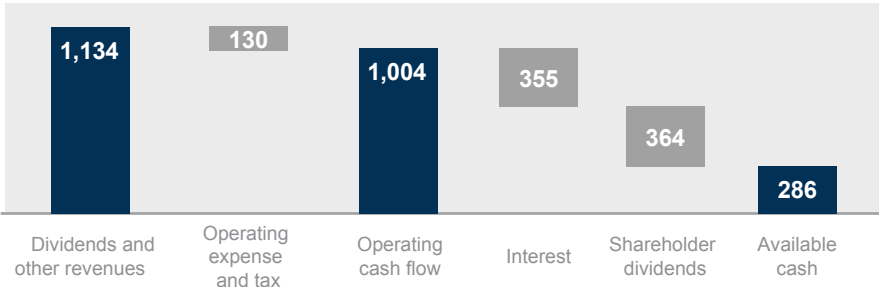
According to this rating agency, this endorsement was based on the Group's stable streams and well-diversified sources of dividend income. The stable outlook issued reflects the view that Grupo SURA shall maintain adequate levels of liquidity together with a moderately leveraged capital structure over the coming years.

The confirmation of the Company's rating occurred shortly after it issued a negative outlook for Colombia's sovereign credit rating, which was upheld at BBB. In this regard, Fitch explained that it specifically took Chile as a ceiling, since "the cash flow from this country (Chile) is sufficient to cover the interest expense of both companies"

The Company has made continuous efforts in recent years to gradually decrease its levels of leverage, as part of its response to one of its strategic priorities: financial strength and investment capacity.

Cash Flow 2020 - Grupo SURA (Holding)

(Estimated in COP millions)



“

Grupo SURA's ratings

reflect the average

creditworthiness of

its stable streams and

well-diversified

sources of dividend

income

”

Reporte de Fitch Ratings

(April 2020)



UNDER THE PRESENT LOCKDOWN, OUR EMPRESAS SURA PROGRAM HAS SEEN A 150% INCREASE IN THE DEMAND FOR THEIR SERVICES ON THE PART OF SMES

Since the beginning of the lockdown, due to the COVID-19 pandemic, our Empresas SURA program has provided **23,500 advisory** services to the region's small and medium-sized enterprises (SMEs), which corresponds to an increase of almost 150% in the natural demand for its services.

This regional initiative, being staged by Suramericana in all nine countries where Seguros SURA is present, is aimed at encouraging a greater level of competitiveness among SMEs. The program has been greatly extended to assist all those entrepreneurs that are having a tough time dealing with the effects of the present pandemic.

The Empresas SURA's service model for SMEs covers market issues, human talent, legal matters, finance, technology and processes and these have been adapted accordingly to help entrepreneurs tackle the issues they face today, with a special focus on all those concerns arising from the pandemic.



¡Infórmate sobre el COVID-19!

Pensando en atender tus inquietudes sobre el COVID-19, en SURA hemos creado un sitio web con información para ti, tu empresa, tu familia y tu salud mental.

Personas

Empresas

For each of the services provided by the SURA Enterprises program, there is a team of 40 specialized staff in charge of assisting with issues relating to technology, teleworking, on-line security, trust-building leadership, financial information regarding government announcements, among others.

PARTNERS IN THE UPCOMING ECONOMIC REVIVAL

The Empresas SURA program has become a partner of Seguros SURA Colombia's Occupational Risk subsidiary, ARL SURA in assisting with the gradual return to work on the part of Colombia's industrial and construction sectors. Almost 834 thousand workers from 137 thousand affiliated companies shall be benefitting from the latter Company's differential model for handling the risks relating to the COVID-19 pandemic, which now enjoys the knowledge and capabilities that the Empresas SURA program brings to the table.



QIIP BEGINS TO DELIVER FINANCIAL WELL-BEING TO THE COLOMBIAN PEOPLE

In April, qiip, an on-line learning platform sponsored by SURA Asset Management, began operating in Colombia. Through its training and coaching facilities, it is effectively enhancing people's financial well-being, using tools that allow them to become more aware and knowledgeable with regard to their finances. This is an ideal option for users to receive free assistance, expert guidance and financial services.

Based on the B2B2C model, the purpose of the qiip platform is for companies to motivate their employees by connecting them up with an ecosystem of well-being and benefits, leading to an improved quality of life and better habits that shall have a positive effect on their daily lives.

"In just the initial stage, we have provided almost 50 thousand workers with tools and private coaching sessions, thereby allowing them to become more knowledgeable with regard to their finances. We hope to be able to scale up to more clients in the coming months".

Juan David Correa
Chief Executive Officer of Protection



"qiip's driving purpose is to help people in their daily mission in attaining greater financial health. In times of uncertainty, sound control over an individual's finances has become more important than ever, which is why we continue to provide tools for developing new habits".

Raúl Gallego
Regional Leader - qiip Platform

This new service encourages smart money management, and was launched in partnership with Protección, our pension and severance fund management firm, after operating in Mexico for the last six months. So far more than 115,000 people have benefited from this initiative, which now numbers 53,700 active users.

In partnership with qiip, Protección shall offer its client companies and their employees, free assistance in terms of financial well-being programs, along with expert guidance and services particularly tailored to the different stages of their lives.



SURA AND THE HAY FESTIVAL SHARE HOW 10 GREAT THINKERS IMAGINE THE POST-COVID WORLD.

In order to enrich public conversation and debate from different standpoints with regard to the current situation and what we can expect in the upcoming post-pandemic era, the Hay Festival and SURA began broadcasting a series of 10 talks with global thinkers from different spheres of knowledge, who from their own homes are expressing their points of view and proposals for living in the new post COVID - 19 world.

These video talks began with the Spanish philosopher Fernando Savater (May 4) and the Mexican journalist Lydia Cacho (May 11). To be published on a weekly basis until July 6, these talks shall feature well-known figures such as the writer Javier Cercas (Spain), the Nobel Prize winner in economics Paul Krugman (United States), the scientist Venki Ramakrishnan (India), the Nobel Prize winner in literature Jean-Marie Le Clézio (France) and the sociologist Saskia Sassen (Netherlands), among others.

These talks shall be made available at sura.com/artey-cultura, futuros.sura-am.com and hayfestival.com/imagina-el-mundo, as well as on the Hay Festival Spanish podcast channel. Also, through SURA and the Spanish-speaking social networks belonging to the Hay Festival, bearing the tag #imaginaelmundo, questions shall be collected for an interview with the respective figure to be broadcast by BBC Mundo during the week following the talk.



"Here at SURA we are reinforcing our partnership with the Hay Festival so as to encourage intelligent discussion, expand our horizons and stage new conversations in the light of different spheres of knowledge, especially at a time when we need to build greater confidence given the uncertain conditions that we are facing at the moment. This is an ideal opportunity to broaden our horizons with new ideas that are emerging in different latitudes and fields of knowledge".

Gonzalo Pérez
CEO of Grupo SURA

HOW DO WE IN LATIN AMERICA FEEL ABOUT THE FUTURE?

In the midst of the COVID-19 pandemic, which shall doubtlessly imply a drastic change in our way of living, SURA Asset Management has provided through futuros.sura-am.com an opportunity for the Latin American people to talk about how they now perceive the future.

"These conversations are helping us to join together and imagine the future, so that we are able to understand these times of change and turn this into an opportunity. Our aim is to reduce uncertainty and create well-being at the present time," stated Ignacio Calle, CHIEF EXECUTIVE OFFICER of SURA Asset Management. The "Imagine Possible Futures" campaign, newly launched in April, invites us to think about the challenges that the new post-pandemic world is likely to pose, so that we can better prepare ourselves for the challenges ahead.

