

Corporate Presentation

# Grupo SURA

Q2-2020

## **LEGAL** **DISCLAIMER**

The forward-looking statements contained herein are based on Management's current forecasts and outlook.

For better illustration and decision-making, figures for Suramericana, SURA Asset Management and its subsidiaries are administrative rather than accounting, and therefore may differ from those presented to official entities. Thus, Grupo de Inversiones Suramericana assumes no obligation to update or correct the information contained in this presentation.

Figures from income statement are converted to USD with an exchange rate of 3,690.82 COP/USD (average exchange rate for 1H-2020), other financial figures are converted to USD with an exchange rate of 3,756.3 COP/USD (rate for end of period Q2-2020) only for re-expression purposes.



A person wearing a bright yellow jacket and a hat stands on a rocky ledge in the lower-left foreground, looking out over a vast, rugged mountain range. The mountains are characterized by sharp, jagged peaks and steep, rocky slopes. The scene is illuminated by warm, golden light, suggesting either sunrise or sunset. The sky is a clear, pale blue with a few wispy clouds. A large, black, rounded rectangular frame is superimposed over the upper portion of the image, containing the text 'Grupo SURA'.

# Grupo SURA

Corporate Presentation

Strategy



# DIVERSIFIED INVESTMENT PORTFOLIO

46.1% stake\*



**#1** bank in Colombia and a leader in Central America

35.2% stake\*

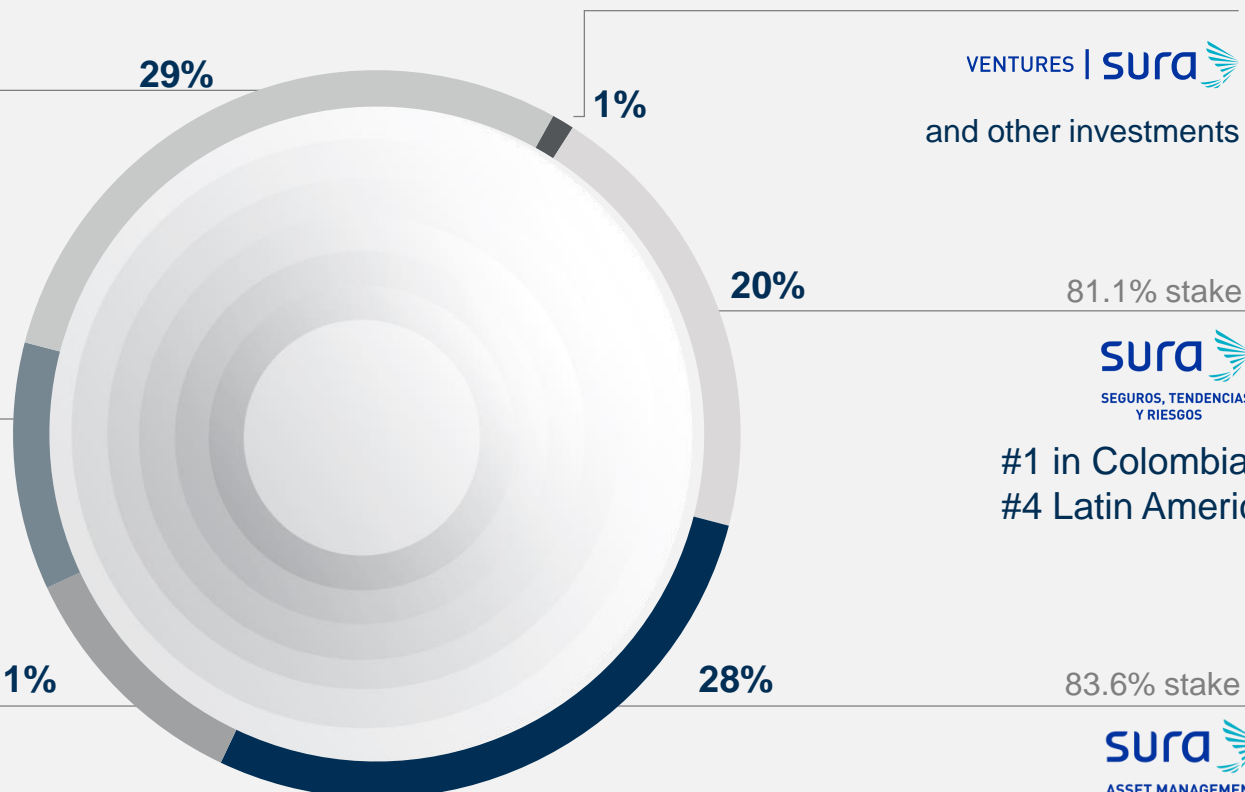


**#1** in Colombia and a leader in the region

35.2% stake



**#1** in Colombia and a leader in the region



and other investments

81.1% stake



**#1** in Colombia y **#4** Latin America

83.6% stake



**#1** Pension Fund Manager in the region

**78%**  
in financial services

**51%**  
in publicly listed companies

**Note:**

Valuation as of December 31, 2019. Suramericana is valued at 1.8x book value, SURA AM at implied valuation from CDPQ transaction and listed companies at market value.

\*Stakes in common (voting) shares

**MARKET CAP.**

**COP 10.5 tn**

June 30, 2020

**INVESTMENT GRADE:**

FITCH **BBB (Int)**  
**AAA (Col)**

S&P **BBB-**

**11** countries

**+52** million clients

**~60,000** employees

**BRAND RECOGNITION**

**~60%**

# HISTORY AND GROWTH STAGES



1944 / 1990

**LEADERSHIP IN INSURANCE**  
in Colombia



1990 / 2007

**FINANCIAL SERVICES**  
Leader in Colombia



2007 / 2016

**INTERNATIONAL EXPANSION**  
Multi Latin, financial services group



2017-

**FOOTPRINT OPTIMIZATION**

- Divestment of Annuities business (Ch., Pe., Mx)
- Life Insurance (Mexico)
- Non-core investments

**USD +500 MM**



**FINANCIAL STRENGTH AND INVESTMENT CAPACITY**



**TRANSFORMATION AND EVOLUTION OF OUR BUSINESSES**



**DELIVERING GREATER VALUE TO OUR CLIENTS**

# GEOGRAPHIC

## FOOTPRINT

### CLIENTS

**52MM**

IN 11 COUNTRIES

### POPULATION

**520MM**

+1.1% CAGR (2000-2018)

### FINANCIAL SERVICES



### PENETRATION\*

#### INSURANCE

**2.8% vs. 7.8%**

Developed countries

#### PENSION FUNDS

**~30% vs. >80%**

in US and UK

#### BANKING

**~51% vs. >130%**

in US and UK

### DRIVERS



**ECONOMIC GROWTH**



**MIDDLE CLASS FORMATION**



**DEMOGRAPHICS**



**UNDERPENETRATED SECTORS**



**FORMALIZATION OF THE ECONOMY**

\*Source: Sigma Explorer – Swiss Re, IMF World Economic Outlook, OCDE, World Bank. Penetration measured as Premiums/GDP of the countries where Suramericana has presence, AUM/GDP in the countries where SURA AM has presence and loans/GDP in Colombia.

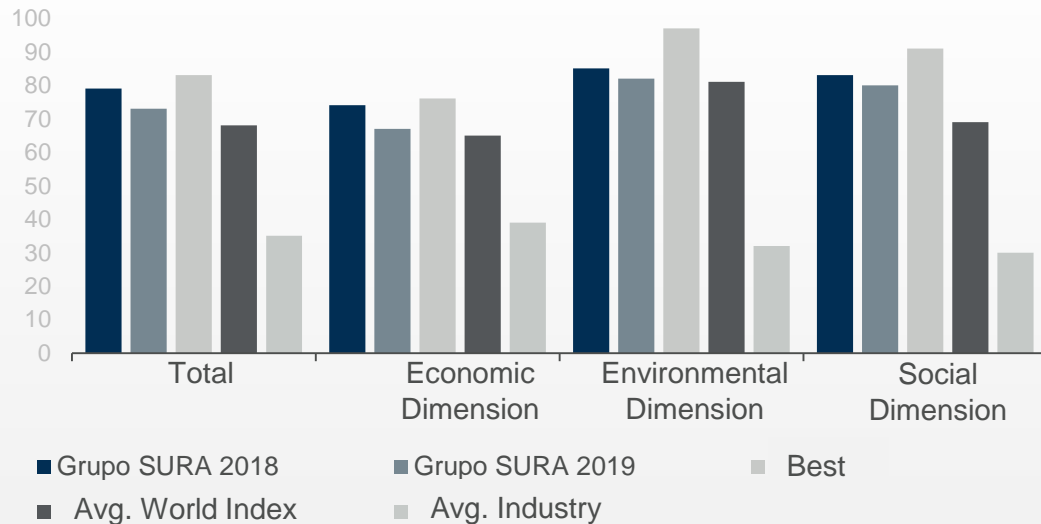
## ESG Ratings Evolution

Index / Standard	2016	2017	2018	2019
DJSI (max. 100)	83	75	79	73
FTSE4GOOD (max. 5)	3.5	3.9	3.8	4.1
MSCI (max. AAA)	BBB	BBB	BB	BBB
ISS ESG		C+	C+	C

## Other Initiatives / Standards



## DJSI Results



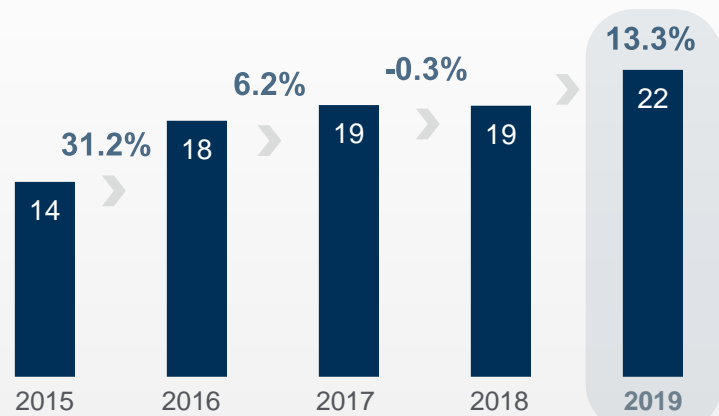
## Prioritized SDG



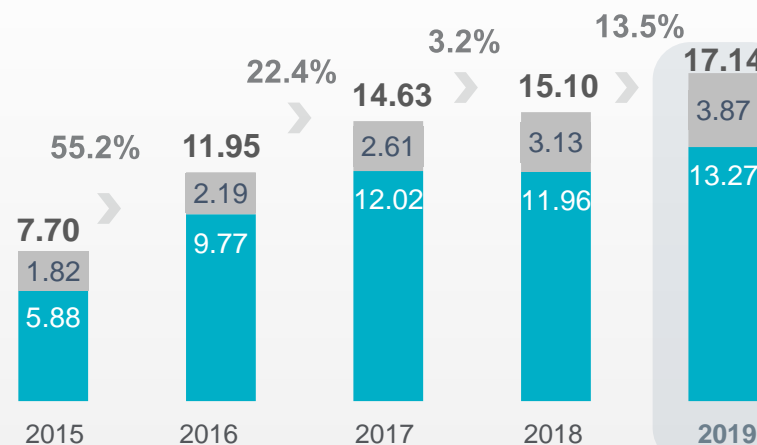
# EVOLUTION FINANCIAL METRICS GRUPO SURA

## CONSOLIDATED REVENUES

■ Total revenues (COP trillion)



## SURAMERICANA OPERATING REVENUES (COP tn)



■ Insurance GWP

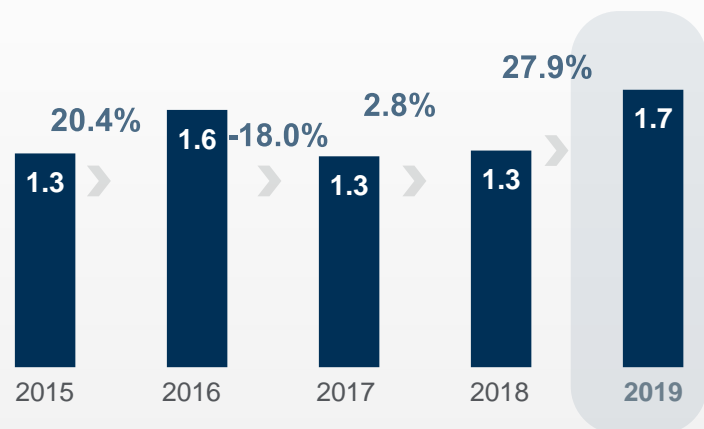
■ Health Care revenues

### CAGR 2015-19

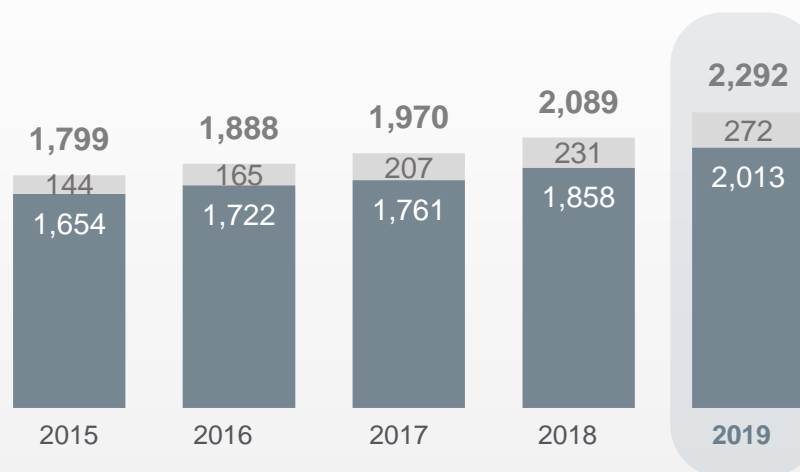
Insurance GWP **22.5%**  
Health Care Revenues **20.8%**

## CONSOLIDATED NET INCOME

■ Net income (COP trillion)



## SURA AM COMMISSION INCOME (COP bn)



■ Mandatory Pensions

■ Voluntary Savings and Investments

### CAGR 2015-19

Pensions **5.0%**  
Voluntary **17.2%**



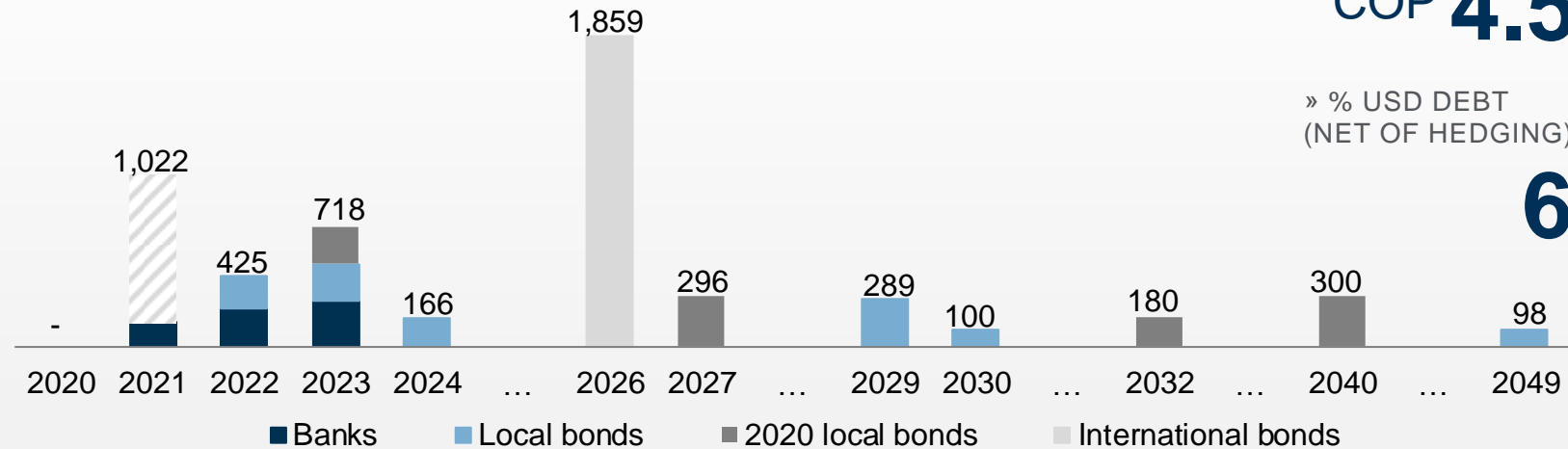
# LIABILITY MANAGEMENT HOLDING COMPANY



Successful bond issue allows early management of 2021 maturities

## DEBT PROFILE AFTER ISSUANCE »

Figures in COP billion



» NET DEBT

COP **4.5** bn

» % USD DEBT (NET OF HEDGING)

**6%**

## INDICATORS

NET DEBT/ DIVIDENDS (12M)

**3.9x**

Max. 5x

CASH FLOW COVERAGE

**1.3x**

Min. 1.2x

## SUCCESSFUL LOCAL BOND ISSUANCE – AUGUST 2020

AMOUNT ISSUED

**COP 1 tn**

BID TO COVER

**2.23x**

AVERAGE DURATION

**10.9 yrs**

AVERAGE COST

**4.89%**

With current reference rates

LEVERAGE (LTV)

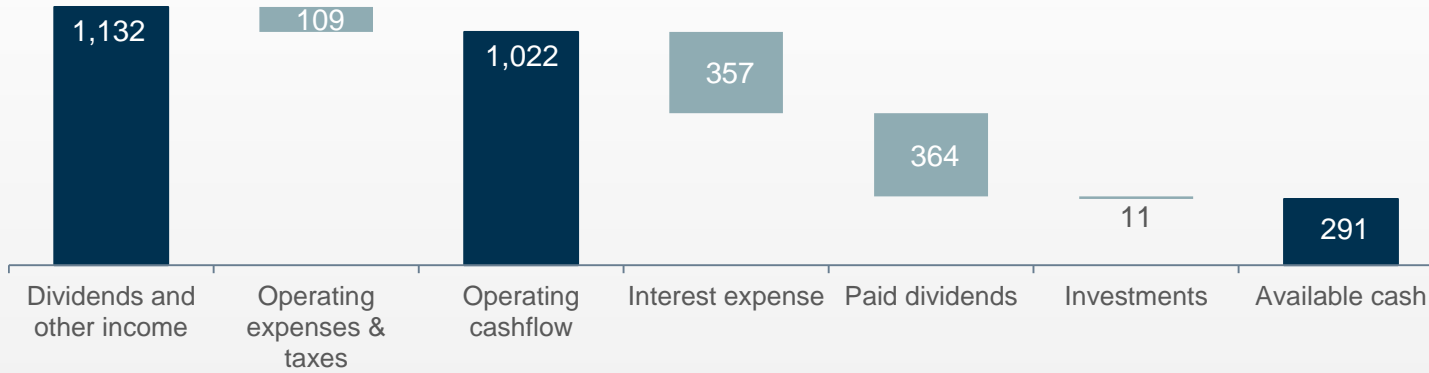
**15.3%**

Max. 25-30%

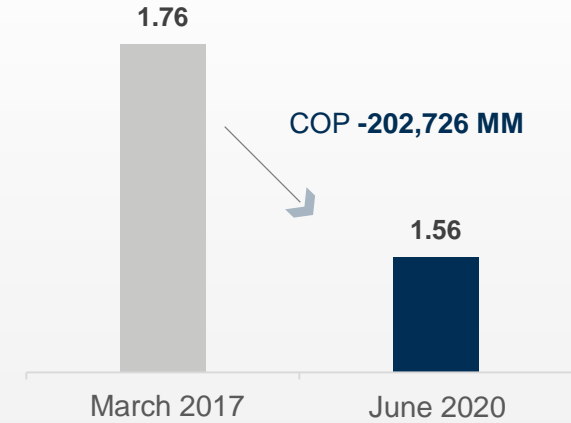
\*USD denominated debt converted at hedge rates. Current administrative information

### GRUPO SURA (HOLDING) 2020 CASHFLOW

Figures in COP billion

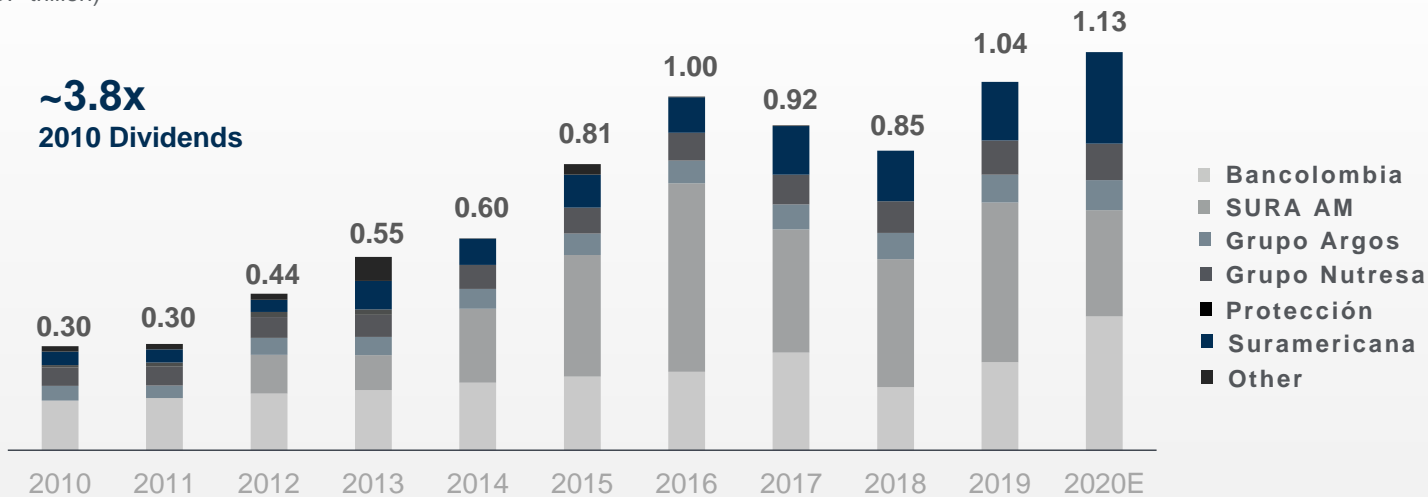


### COP DENOMINATED DEBT REDUCTION (in COP tn)

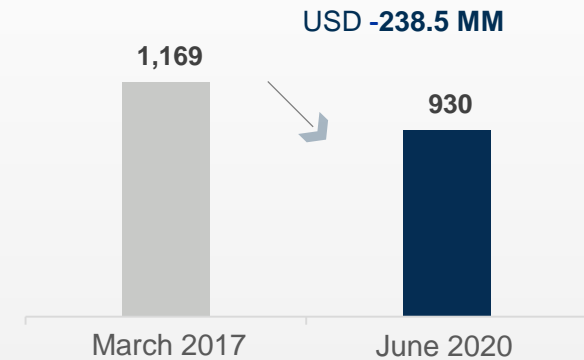


### GRUPO SURA (HOLDING) RECEIVED DIVIDENDS

(COP trillion)



### USD DENOMINATED DEBT REDUCTION (in USD MM)



# COVID-19

## CRISIS MANAGEMENT



### EMPLOYEES

Preserve their wellbeing



### CLIENTS AND BUSINESSES

Moment to be relevant



### SOCIETY

Working together to be part of the solution



### RISKS AND OPPORTUNITIES

Update on risks and opportunities



### FINANCIAL

Focus on liquidity and solvency



## EMPLOYEES

Preserve their wellbeing

+1,500 new hires of health professionals in Colombia.

Gateway: 20% of administrative employees reassigned to serve customers.



## SOCIETY

Working together to be part of the solution

Active participation in search of the general solution.

Learnings and proprietary knowledge shared with public entities and competitors.



## CLIENTS AND BUSINESS

Moment to be relevant

### Suramericana

**Covid-19 tests:** +200,000 tests processed (~ 13% of the country's total) and a 200% increase in daily processing capacity.

**Oxygen therapy:** +14,000 patients attended; 1.7% have been hospitalized and 0.39% to ICU.

### Support in economic reactivation:

- Workers' Compensation (ARL): +109,000 companies advised on biosafety protocols; +14.3 million protection elements delivered.
- Empresas SURA: +44,500 companies contacted.

### New solutions adapting to the needs of customers:

- Plan Elige, Salud Digital (health care), Vida Digital (individual life).
- Plan Complementario 60 más (complementary plan to mandatory health).
- Mobility: usage-based insurance.

**Autos SURA** in Uruguay: Acquisition of companies for mobility assistance.

### SURA Asset Management

Launch of **real estate funds** (Col and Peru) and financing for SMEs (Col)

Incorporation of a **SICAV in Luxembourg.**

**Fiduciaria SURA:** closing of the acquisition of a fiduciary in Colombia.





## RISKS AND OPPORTUNITIES

Update on risks and opportunities

Increase in sales effectiveness.

### Suramericana

Higher demand of Life and Health insurance solutions.

### SURA Asset Management

Regulatory changes in mandatory pension systems:

- Chile.
- Colombia.
- Mexico.
- Peru.

**Savings relevance:** voluntary savings and net Flow reached COP 1.9 tn in 1H 2020.



## FINANCIAL

Focus on liquidity and solvency

We maintain capital above regulatory requirements and focus on preserving liquidity

### Grupo SURA

- Payment of 2020 debt maturities with own cash generation: COP 131,000 MM.
- Fx hedging: debt in USD is now equivalent to 6% of the total.
- Issuance of local bonds ensuring resources for 2021 maturities.

### Suramericana

- Payment of local bonds in June for COP 150,000 MM.
- AAA rating ratified for Suramericana and Seguros SURA Colombia.

### SURA Asset Management

- Baa1 international rating by Moody's (Jun 2020).

# RESILIENT GROWTH IN MAIN BUSINESS LINES

Despite recovery in Q2, net income is still affected by market returns

## CONSOLIDATED INCOME STATEMENT

	jun-20	jun-19	Var\$	Var%
Retained premiums	5,374	5,329	45	0.9%
Commission income	1,352	1,334	18	1.3%
Revenues from services rendered	2,289	1,905	384	20.2%
Investment income	723	1,090	(367)	-33.7%
Equity method – associates	153	673	(519)	-77.2%
Other revenues	142	123	19	15.4%
<b>OPERATING REVENUES</b>	<b>10,033</b>	<b>10,453</b>	<b>(420)</b>	<b>-4.0%</b>
Retained claims + Adj. Reserves	(2,715)	(3,187)	472	-14.8%
Costs of services rendered	(2,202)	(1,847)	(355)	19.2%
Admin. expenses	(4,194)	(3,897)	(297)	7.6%
<b>OPERATING EXPENSES</b>	<b>(9,110)</b>	<b>(8,931)</b>	<b>(179)</b>	<b>2.0%</b>
<b>OPERATING INCOME</b>	<b>922</b>	<b>1,522</b>	<b>(599)</b>	<b>-39.4%</b>
Financial Result	(428)	(323)	(106)	32.8%
<b>EARNINGS BEFORE TAXES</b>	<b>494</b>	<b>1,199</b>	<b>(705)</b>	<b>-58.8%</b>
Taxes	(236)	(255)	18	-7.3%
Discontinued operations	(12)	6	(19)	
<b>NET INCOME</b>	<b>245</b>	<b>951</b>	<b>(705)</b>	<b>-74.2%</b>
<b>SHAREHOLDERS' NET INCOME</b>	<b>169</b>	<b>847</b>	<b>(677)</b>	<b>-80.0%</b>

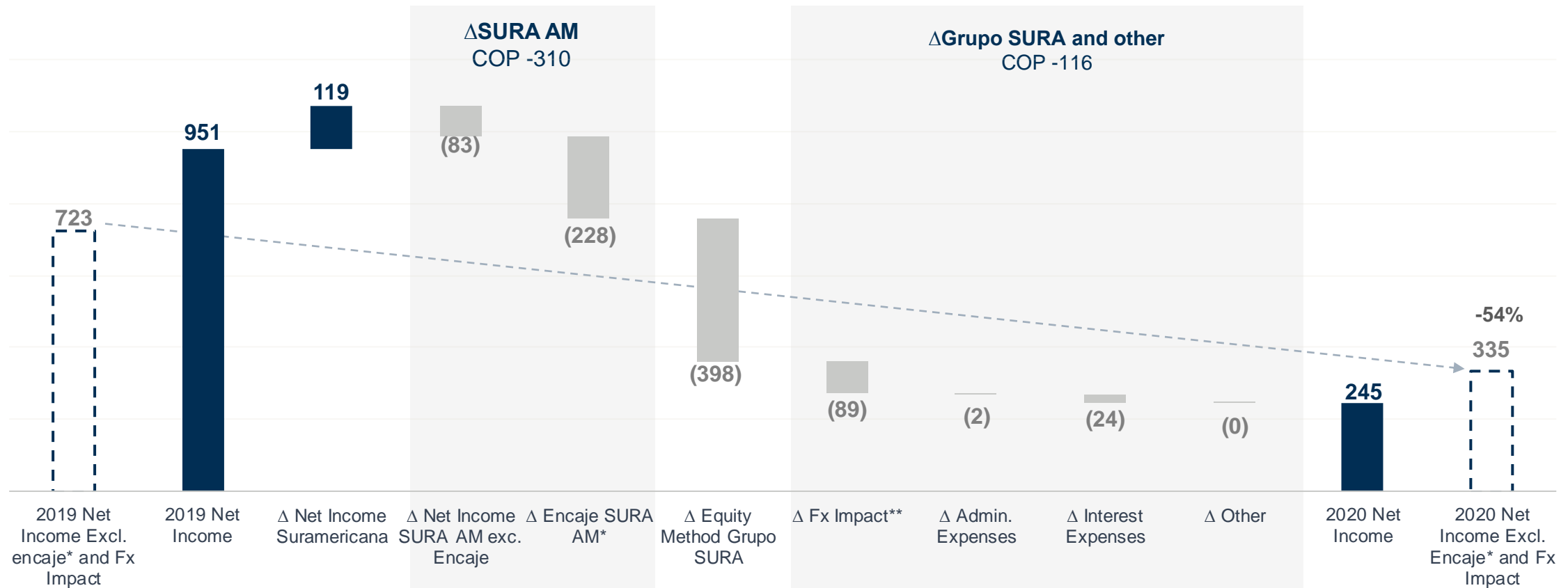
- Growth in revenues from premiums, commissions and services rendered, even with negative impacts in Q2 due to economic slowdown.
- Investment income decreased in the first half of the year because of a lower return on legal reserves from mandatory pension funds.
- Revenues from equity method affected by lower income from Bancolombia and Protección.
- Focus on efficiency and cost control; Investments are maintained despite costs associated with the pandemic.

Other revenues = Other revenues + Dividends  
 Admin. expenses = Administrative expense + Employee benefits + Depreciations + Amortizations + Brokerage commissions + Fees + Other expenses + Impairment

Figures in billion COP. Var\$ and Var% correspond to variation against 1H-2019

# NET INCOME ADJUSTED FOR MARKET EFFECTS

Decreases by 54% due to a lower contribution from the equity method

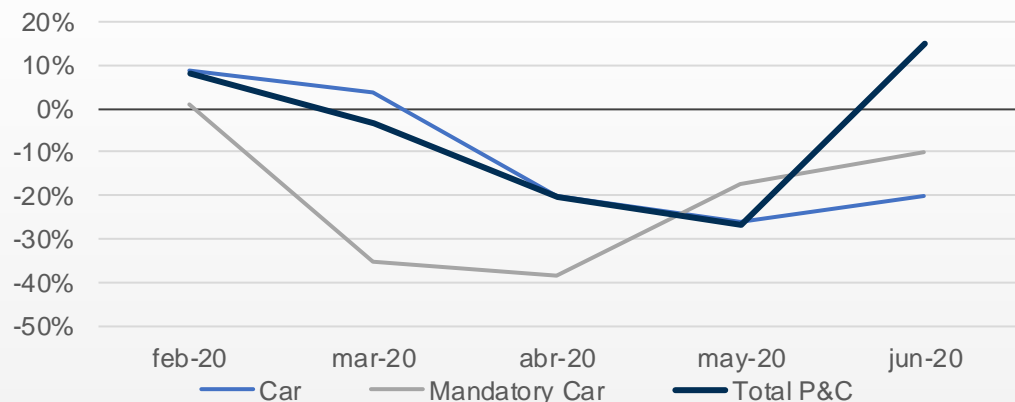


\*SURA AM's return on "encaje" (legal reserves) is net of its related deferred tax and includes the return on legal reserves from Proteccion, adjusted for SURA AM's stake

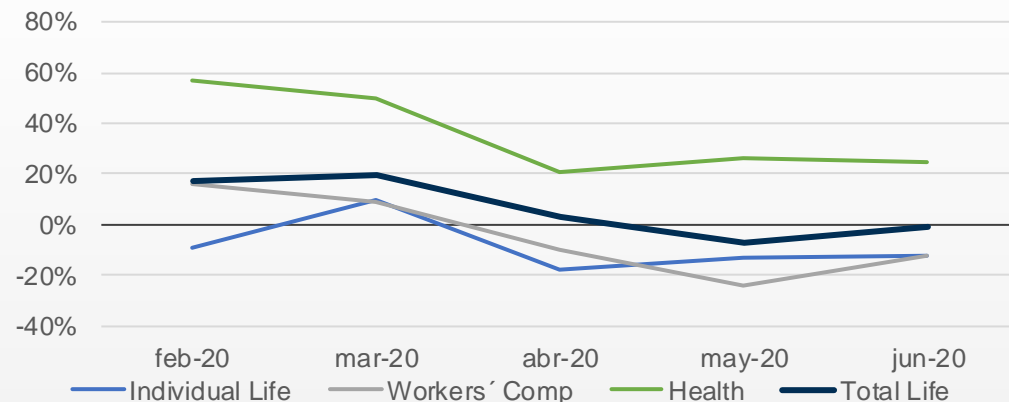
\*\* Exchange difference + valuation of hedging derivatives, net of associated deferred tax

# EVOLUTION OF REVENUES SHOWS PARTIAL RECOVERY IN JUNE

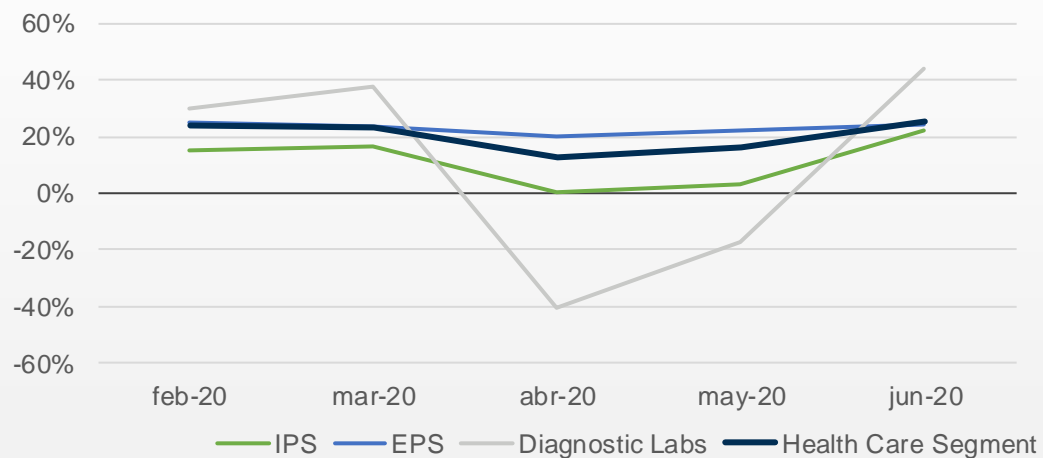
**P&C SEGMENT** (var% vs. same month of 2019)



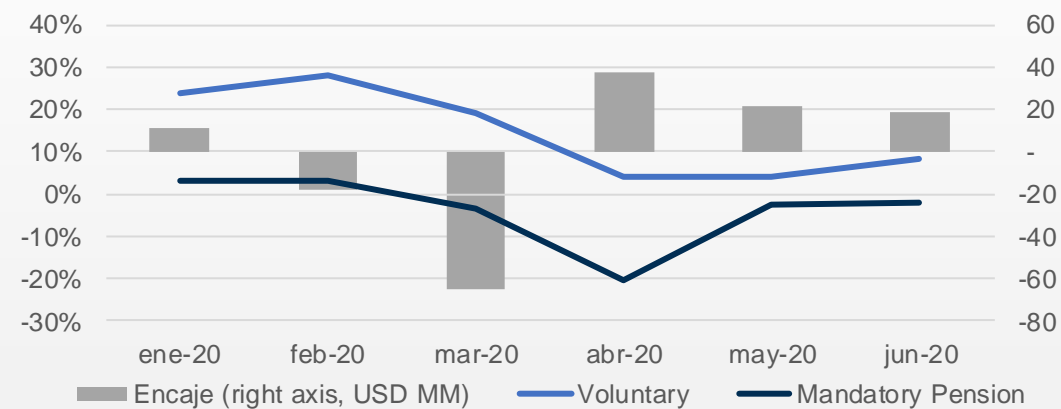
**LIFE SEGMENT** (var% vs. same month of 2019)



**HEALTH CARE SEGMENT** (var% vs. same month of 2019)



**SURA AM: COMMISSION INCOME** (var% vs. same month of 2019) **AND** **RETURN ON LEGAL RESERVE** (monthly revenue)





A photograph of two mountaineers climbing a rocky mountain peak at sunset. The sun is low on the horizon, creating a warm, golden glow. The sky is filled with soft, white clouds. The mountain is rugged and rocky, with some snow patches. The two climbers are in the foreground, silhouetted against the bright sky. They are wearing helmets, backpacks, and climbing gear. One climber is slightly ahead of the other, and they are both looking towards the right. A white, rounded rectangular frame is overlaid on the left side of the image, containing the text 'Our Investments'.

# Our Investments

**Subsidiaries**

**Associates**



**SEGUROS, TENDENCIAS  
Y RIESGOS**

**21,000**  
EMPLOYEES

**17.9 million**  
CLIENTS

**COP 5.2 tn**  
EQUITY

**#4 LATAM INSURANCE GROUP**  
with an established growth platform in 9  
countries

**MULTICHANNEL APPROACH**  
developing new channels  
throughout the region

**24,800**  
ASESORES

**#1 INSURANCE COMPANY**  
in Colombia with top 5 positions in 4  
Latam countries

**DIVERSIFIED BUSINESS MODEL**

BY GEOGRAPHY

BUSINESS LINES

**34%**  
of GWP outside  
Colombia

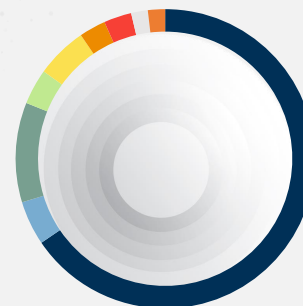
47% P&C

30% Life

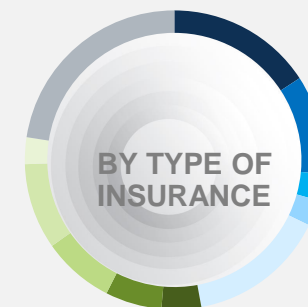
23% Mandatory Health

**WRITTEN PREMIUMS 2019 »**

**COP 17.1 tn**  
(+13.5%)



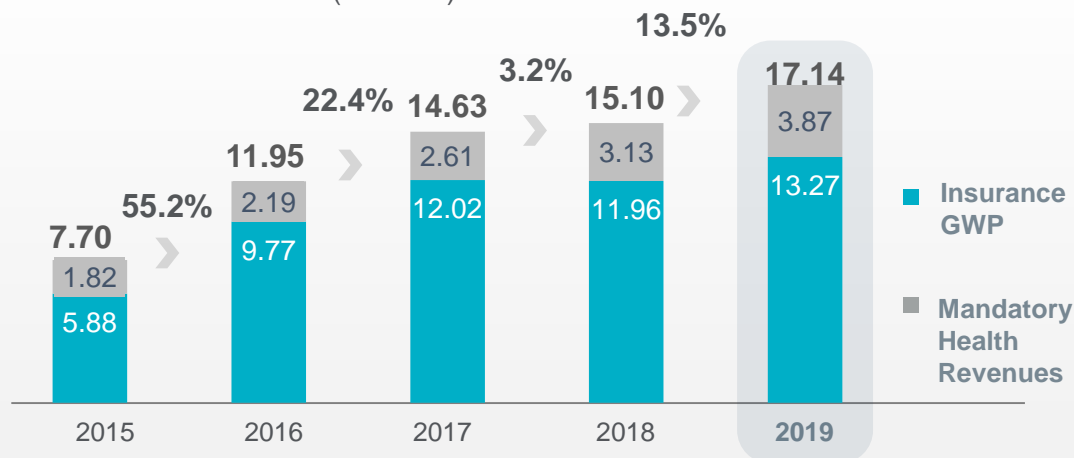
- 66% COLOMBIA
- 5% ARGENTINA
- 11% CHILE
- 4% BRAZIL
- 6% MEXICO
- 3% PANAMA
- 3% EL SALVADOR
- 2% URUGUAY
- 2% REP. DOMINICANA



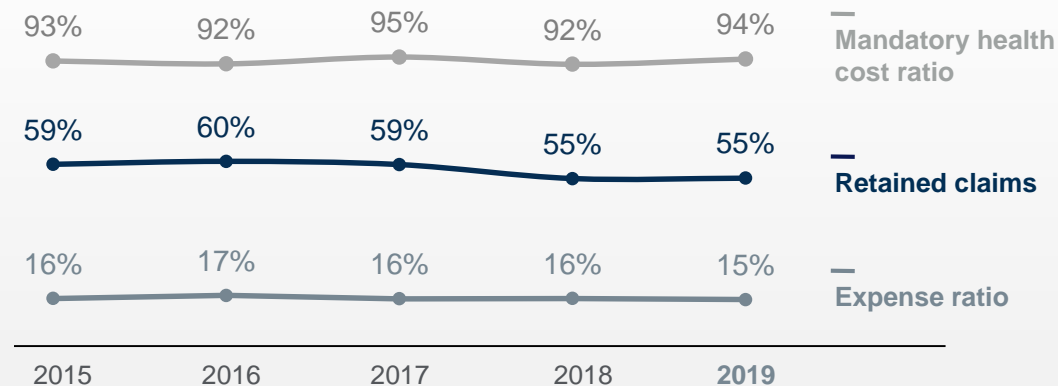
- 16% AUTO
- 11% FIRE
- 3% MANDATORY CAR
- 3% TRANSPORT
- 15% OTHER NON-LIFE
- 4% INDIVIDUAL LIFE
- 6% GROUP LIFE
- 8% HEALTH
- 9% ARL (WORKERS' COMP.)
- 3% OTHER LIFE
- 23% MANDATORY HEALTH (COL)

Note: Premiums include revenues from services rendered

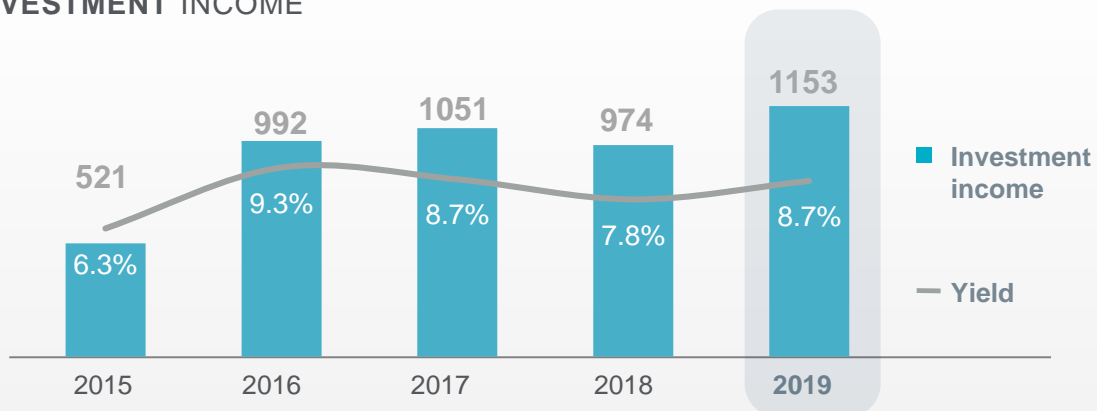
## OPERATING REVENUES (COP tn)



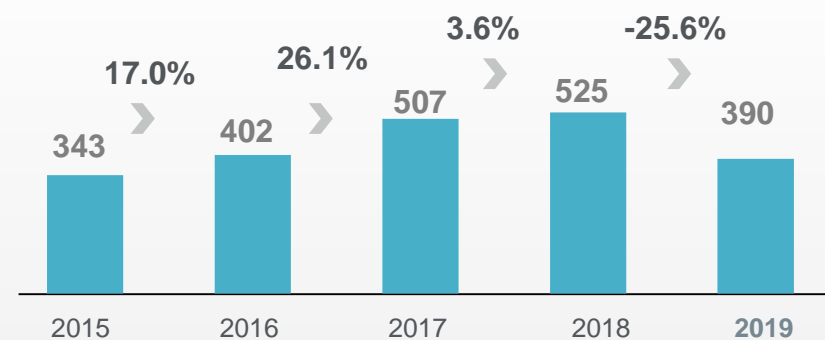
## CLAIMS AND EXPENSE RATIO



## INVESTMENT INCOME



## NET INCOME



Figures in COP billion



**MANDATORY PENSION**  
Stable cash flow business

**SAVINGS AND INVESTMENTS**  
Underpenetrated business with high growth potential

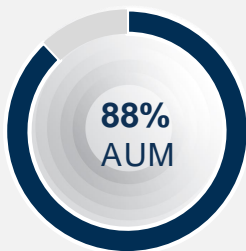
**INVESTMENT MANAGEMENT**  
Regional platform connecting Latam to the world

**COP 494 tn**  
AUM

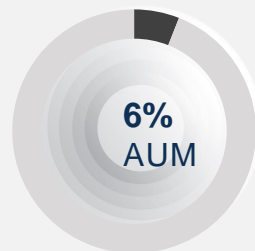
**20.5 MM**  
CLIENTS

**~23%**  
MARKET SHARE  
Mandatory Pension

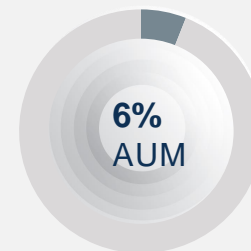
**COP 9.2 tn**  
EQUITY



AUM  
**COP 437 tn**  
CLIENTS  
**19 MM**



AUM  
**COP 37.8 tn**  
CLIENTS  
**1.5 MM**



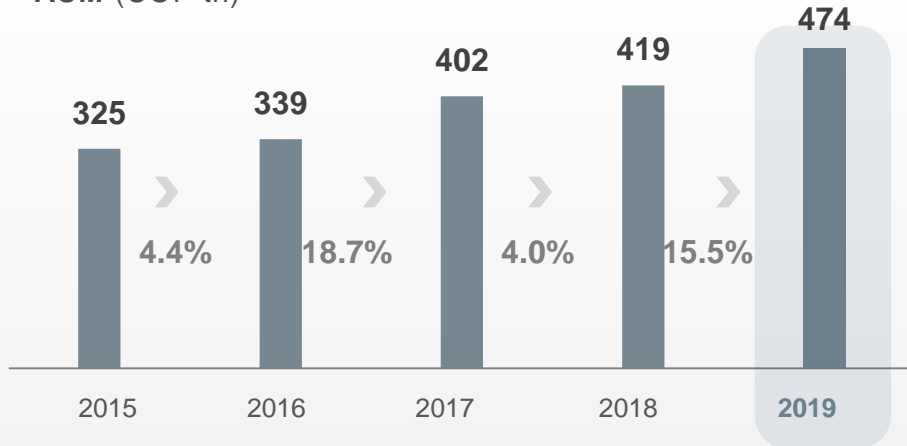
AUM  
**COP 34.5 tn\***

\*COP 15 tn from Savings & Investments business

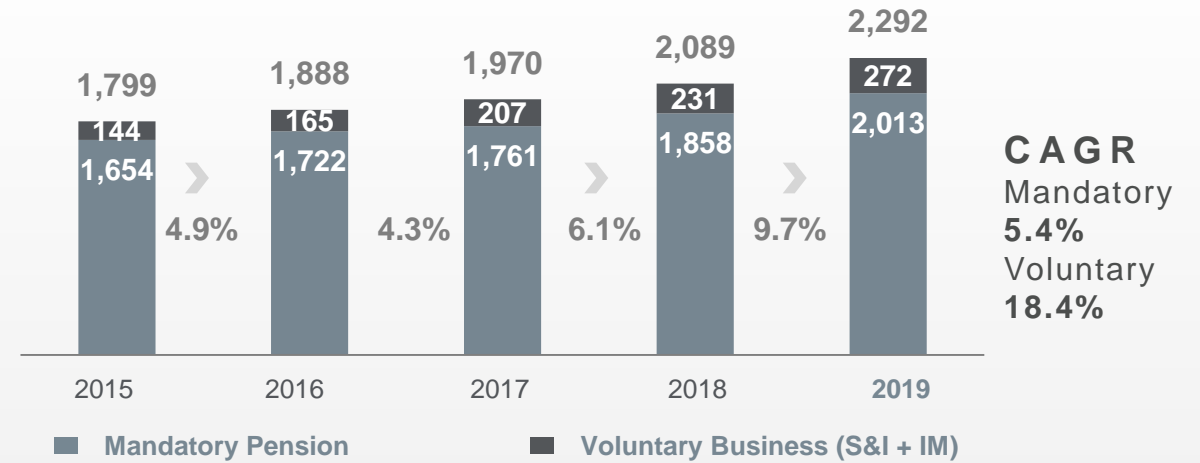
AUM (tn)							AM Unit
<b>494</b>	<b>157</b>	<b>113</b>	<b>106</b>	<b>66</b>	<b>11</b>	<b>22</b>	<b>35</b>



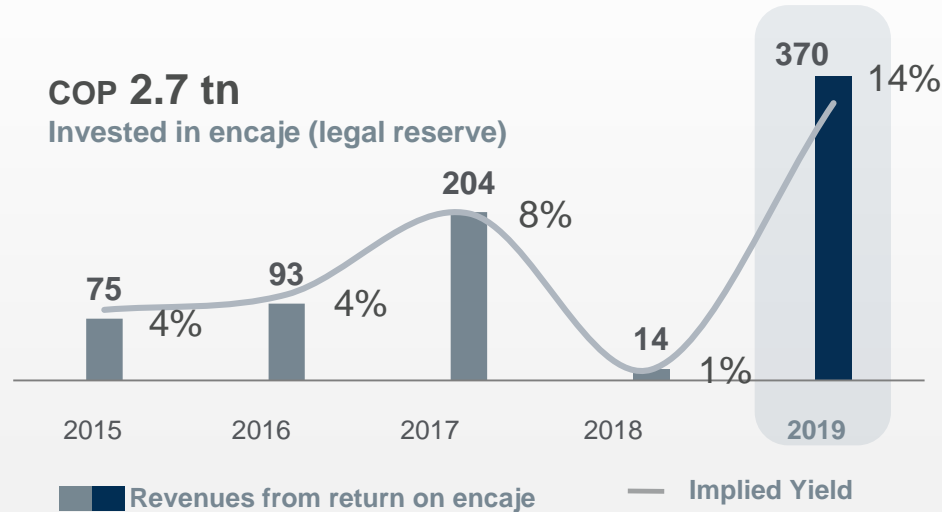
### AUM (COP tn)



### COMMISSION INCOME (COP bn)



### RETURN ON LEGAL RESERVE (COP bn)



### OPERATING EARNINGS (COP bn)



# INVESTMENTS IN LEADING PUBLICLY LISTED COMPANIES



## #1 BANK IN COLOMBIA

with a relevant presence in Central America

**+15 MM clients** with a strong distribution network and diversified sources of funding and loans

**COP 27.2 tn**  
Equity Q2-2020

**COP 23.4 tn**  
Market Cap.

### LOANS

- 65% Commercial
- 21% Consumer
- 13% Mortgage
- 1% Microcredit



## STRATEGIC FOCUS

in cement, energy and road and airport concessions

**SOLID TRACK RECORD**  
building regional platforms

**COP 4.8 tn**  
EBITDA 2019

**COP 8.0 tn**  
Market Cap.

### EBITDA

- 40.2% Cement
- 40.4% Energy
- 19.4% Concessions



**LARGEST PROCESSED FOODS GROUP IN COLOMBIA** with leading brands in the main categories

**PRESENCE IN 72 COUNTRIES** with 30 production plants in Colombia, 16 abroad and its own distribution network in 14 countries

**COP 1.3 tn**  
EBITDA 2019

**COP 9.6 tn**  
Market Cap.

### REVENUES BY REGION

- 62% Colombia
- 10% Central America
- 9% USA
- 8% Chile
- 3% Mexico
- 8% Other





# Results and Appendix

Q2-2020 Results

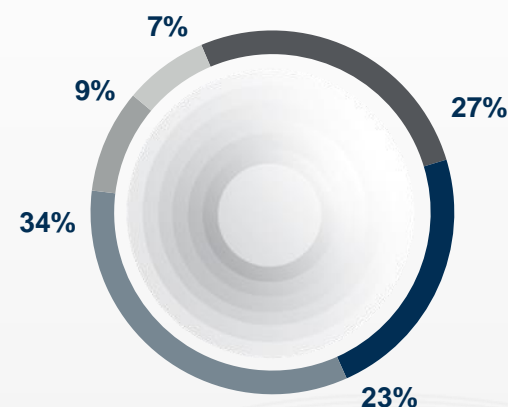
Appendix

## CONSOLIDATED FIGURES

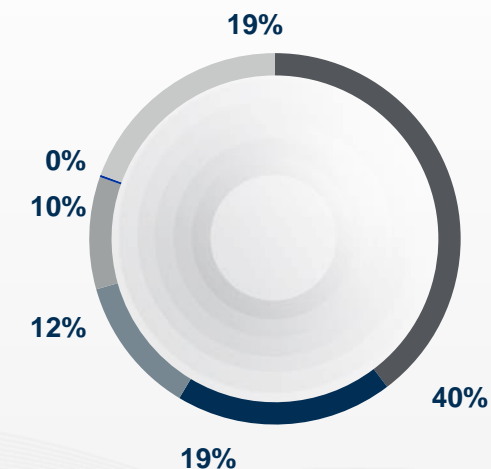
Country	Clients	Revenues	Net Income	Assets
<b>COLOMBIA</b>	28	58.8%	48.9%	54.4%
<b>CHILE</b>	4	15.2%	18.6%	21.8%
<b>MEXICO</b>	8	10.3%	22.1%	10.9%
<b>PERU</b>	2	2.3%	9.3%	4.6%
<b>ARGENTINA</b>	1	4.2%	-5.2%	1.8%
<b>PANAMA</b>	1	2.2%	2.6%	1.6%
<b>OTHER</b>	7	7.2%	3.7%	4.9%
<b>TOTAL</b>	<b>52</b>	<b>21.9</b>	<b>1.7</b>	<b>69.0</b>

## DIVERSIFIED SOURCE OF DIVIDENDS (2020E)\*

By Company



By Country



- SURA Asset Management
- Suramericana
- Bancolombia
- Grupo Nutresa
- Grupo Argos

- Colombia
- Chile
- Mexico
- Peru
- Uruguay
- Other

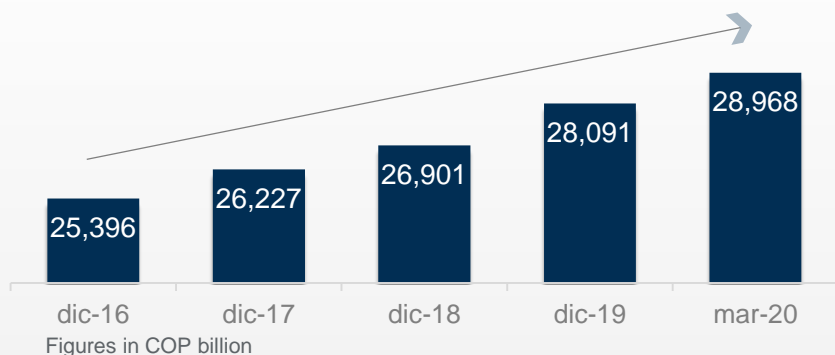
Figures in trillion COP as of December 31, 2019. Clients in million.

\*Internal calculations based on net income by country of the listed companies of the portfolio.

# STRONG FINANCIAL POSITION OF GRUPO SURA AND SUBSIDIARIES



## STEADY GROWTH OF OUR EQUITY



## CREDIT RATINGS – GRUPO SURA



LOCAL  
**AAA**

INTERNATIONAL  
**BBB**

Stable perspective  
Feb-2020



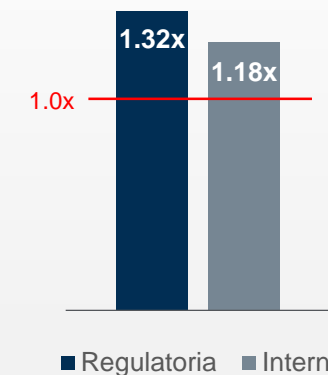
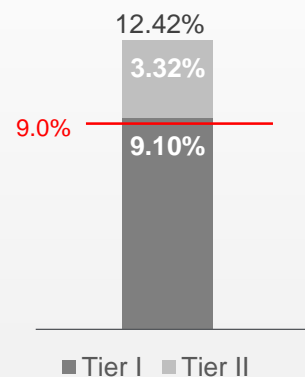
INTERNATIONAL  
**BBB-**

Negative Perspective  
Mar - 2020

## FINANCIAL STRENGTH AS OUR PRIORITY

- **Active liability management:** anticipation of maturities and exchange risk management
- **Active participation of Grupo SURA** in the construction of a solvency model for conglomerates in Colombia.
- **Available liquidity in SURA AM** of ~USD 200 million
- **Approval of spin-off of the Life portfolio in Colombia** generates cash for ~ COP 500 billion

## ADEQUATE SOLVENCY LEVELS IN OUR BUSINESSES



**SURA AM  
BBB+ (Int.)**

Fitch Ratings

**SURA  
AAA (Col.)**

BRC S&P

**Bancolombia  
AAA (Col) / BBB- (Int.)**

Fitch Ratings

# RECOGNIZED ISSUER IN LOCAL AND INTERNATIONAL MARKETS

## LOCAL BONDS »

ISSUER	YEAR	MATURITY	AMOUNT (COP MM)	BID TO COVER	ISSUANCE RATE	RATE OPTIMIZATION (pbs)
GRUPO Sura	2009	2019	54,500	8.16x	IPC + 4.40%	100
	2009	2029	98,000	4.84x	IPC + 5.90%	80
	2009	2049	97,500	4.16x	IPC + 6.98%	102
	2014	2016	223,361	2.80x	IBR + 1.20%	45
	2014	2019	103,278	3.18x	IPC + 3.24%	51
	2014	2023	223,361	2.11x	IPC + 3.80%	50
	2014	2030	100,000	5.87x	IPC + 4.15%	60
	2016	2020	100,000	1.99x	IPC + 3.55%	N/A
	2017	2022	193,549	2.46x	7.21%	44
	2017	2024	165,515	1.95x	IPC + 3.19%	41
	2017	2029	190,936	2.68x	IPC + 3.58%	37
	2020	2023	223,750	2.84x	IBR + 1.49%	51
	2020	2027	296,350	1.76x	IPC + 2.54%	46
	2020	2032	180,320	1.05x	IPC + 3.39%	41
	2020	2040	299,580	1.47x	IPC + 3.78%	42
Sura SEGUROS, TENDENCIAS Y RIESGOS	2016	2020	147,998	1.77x	IPC + 3.39%	
	2016	2023	257,145	1.11x	IPC + 3.90%	
	2016	2026	305,622	1.42x	IPC + 4.09%	
	2016	2031	289,235	2.90x	IPC + 4.29%	

## INTERNATIONAL BONDS»

ISSUER	YEAR	MATURITY	AMOUNT (USD MM)	BID TO COVER	YIELD
GRUPO Sura	2011	2021	300	17.3x	5.79%
	2016	2026	550	5.3X	5.65%
Sura ASSET MANAGEMENT	2014	2024	500	8.6x	4.88%
	2017	2027	350	8.0x	4.37%

Grupo SURA and its subsidiaries have a successful track record in local and international bond issuances



# RESILIENT GROWTH IN MAIN BUSINESS LINES

Despite recovery in Q2, net income is still affected by market returns

## CONSOLIDATED INCOME STATEMENT

	jun-20	jun-19	Var\$	Var%
Retained premiums	5,374	5,329	45	0.9%
Commission income	1,352	1,334	18	1.3%
Revenues from services rendered	2,289	1,905	384	20.2%
Investment income	723	1,090	(367)	-33.7%
Equity method – associates	153	673	(519)	-77.2%
Other revenues	142	123	19	15.4%
<b>OPERATING REVENUES</b>	<b>10,033</b>	<b>10,453</b>	<b>(420)</b>	<b>-4.0%</b>
Retained claims + Adj. Reserves	(2,715)	(3,187)	472	-14.8%
Costs of services rendered	(2,202)	(1,847)	(355)	19.2%
Admin. expenses	(4,194)	(3,897)	(297)	7.6%
<b>OPERATING EXPENSES</b>	<b>(9,110)</b>	<b>(8,931)</b>	<b>(179)</b>	<b>2.0%</b>
<b>OPERATING INCOME</b>	<b>922</b>	<b>1,522</b>	<b>(599)</b>	<b>-39.4%</b>
Financial Result	(428)	(323)	(106)	32.8%
<b>EARNINGS BEFORE TAXES</b>	<b>494</b>	<b>1,199</b>	<b>(705)</b>	<b>-58.8%</b>
Taxes	(236)	(255)	18	-7.3%
Discontinued operations	(12)	6	(19)	
<b>NET INCOME</b>	<b>245</b>	<b>951</b>	<b>(705)</b>	<b>-74.2%</b>
<b>SHAREHOLDERS' NET INCOME</b>	<b>169</b>	<b>847</b>	<b>(677)</b>	<b>-80.0%</b>

- Growth in revenues from premiums, commissions and services rendered, even with negative impacts in Q2 due to economic slowdown.
- Investment income decreased in the first half of the year because of a lower return on legal reserves from mandatory pension funds.
- Revenues from equity method affected by lower income from Bancolombia and Protección.
- Focus on efficiency and cost control; Investments are maintained despite costs associated with the pandemic.

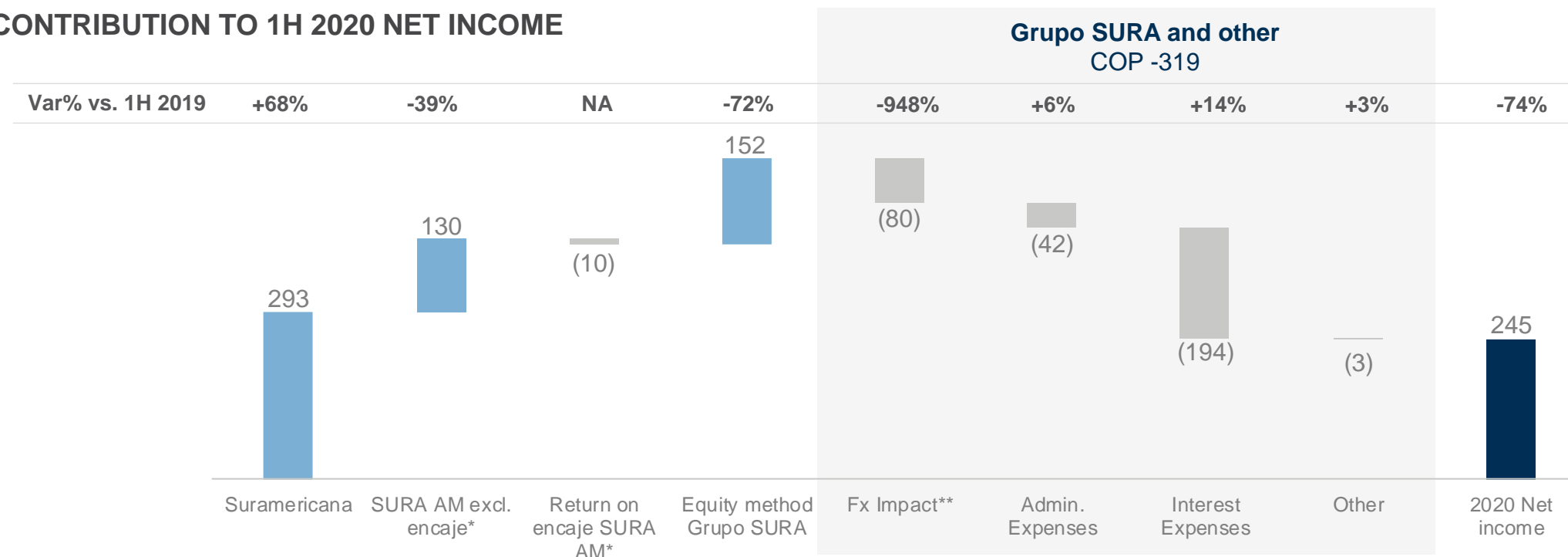
Other revenues = Other revenues + Dividends  
 Admin. expenses = Administrative expense + Employee benefits + Depreciations + Amortizations + Brokerage commissions + Fees + Other expenses + Impairment

Figures in billion COP. Var\$ and Var% correspond to variation against 1H-2019

# NET INCOME REFLECTS RECOVERY IN Q2

Return on *encaje* and equity method continue impacting results for 1H 2020

## CONTRIBUTION TO 1H 2020 NET INCOME



### Q2 RESULTS BY COMPANY

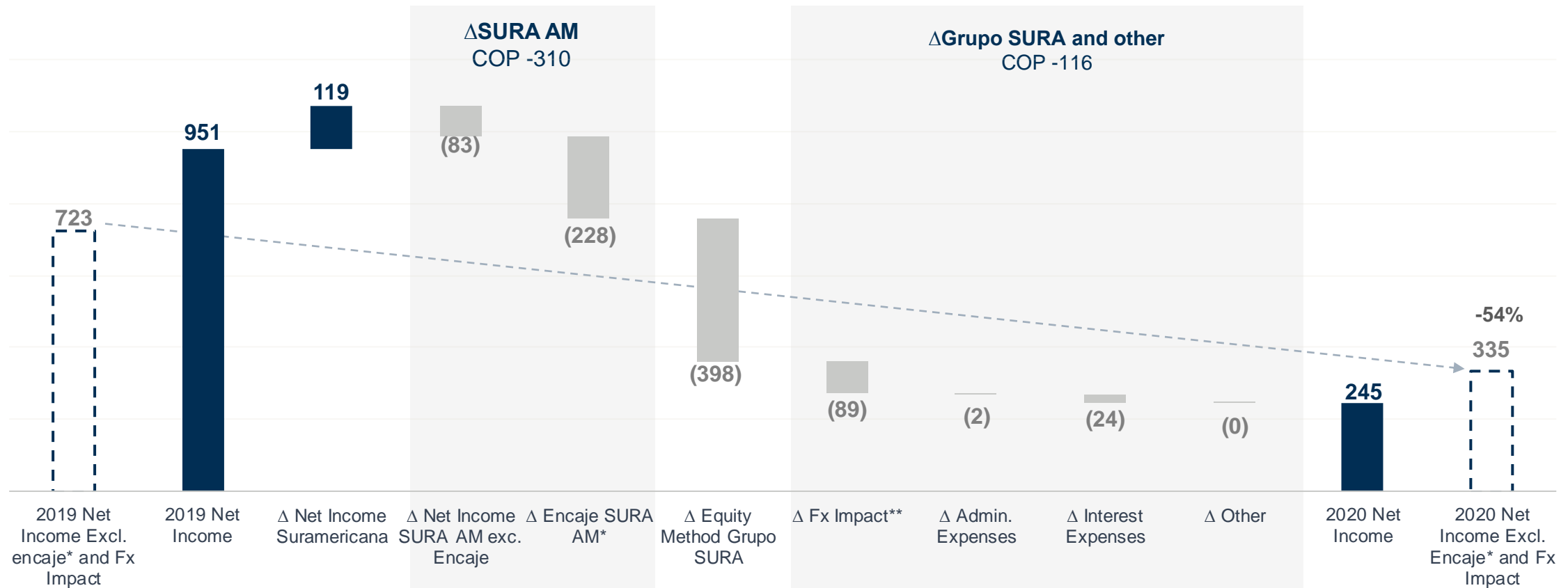
	Q2 2020	Q2 2019	Var\$	Var%
Suramericana	186	55	130	235%
SURA AM	250	202	48	23%
Grupo SURA (holding) y other	(115)	133	(247)	
<b>NET INCOME</b>	<b>321</b>	<b>390</b>	<b>(69)</b>	<b>-18%</b>

\*SURA AM's return on "encaje" (legal reserves) is net of its related deferred tax and includes the return on legal reserves from Proteccion, adjusted for SURA AM's stake

\*\* Exchange difference + valuation of hedging derivatives, net of associated deferred tax

# NET INCOME ADJUSTED FOR MARKET EFFECTS

Decreases by 54% due to a lower contribution from the equity method



\*SURA AM's return on "encaje" (legal reserves) is net of its related deferred tax and includes the return on legal reserves from Proteccion, adjusted for SURA AM's stake

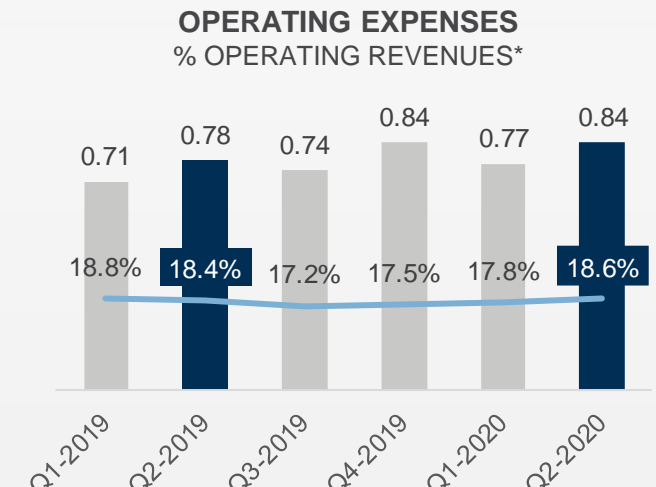
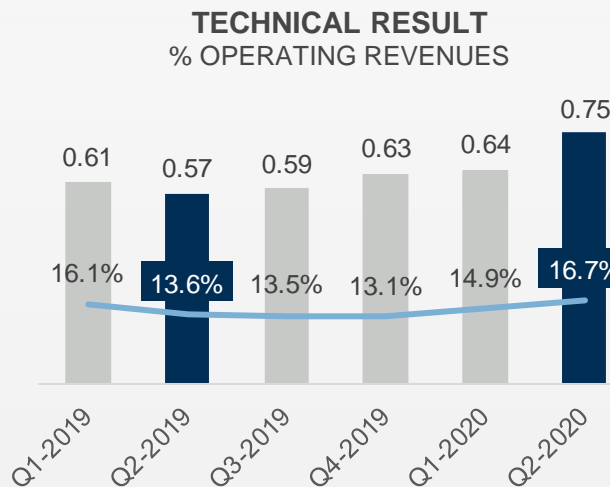
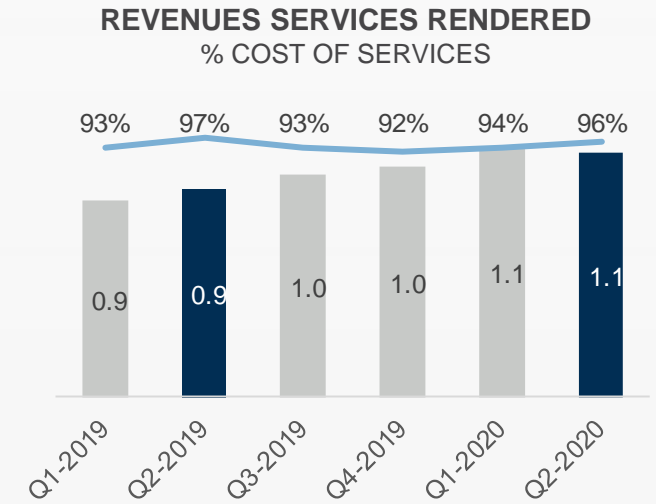
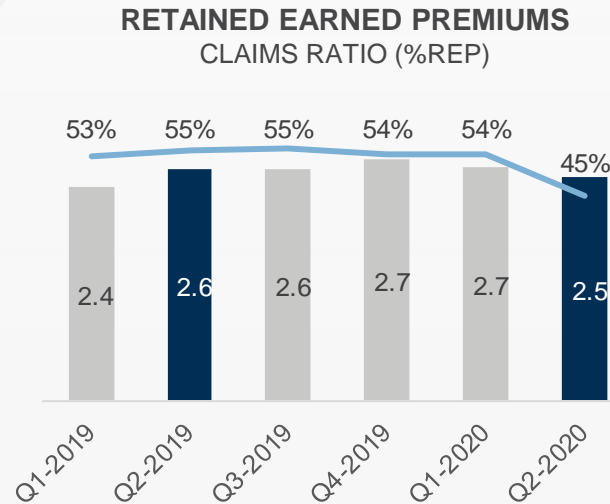
\*\* Exchange difference + valuation of hedging derivatives, net of associated deferred tax

# RESULTS DRIVEN BY LOWER CLAIMS RATIO

And expense control that compensate impacts associated to the pandemic

OPERATING REVENUES	COP		
1H 2020	8.8 tn	▲ 10.5%	
	jun-20	jun-19	Var%
Written premiums	6,596	6,160	7.1%
<b>Retained premiums</b>	<b>5,101</b>	<b>5,030</b>	<b>1.4%</b>
Adjustments to reserves	107	40	167.8%
<b>RETAINED EARNED PREMIUMS</b>	<b>5,208</b>	<b>5,070</b>	<b>2.7%</b>
<b>Retained claims</b>	<b>(2,584)</b>	<b>(2,745)</b>	<b>-5.9%</b>
Commissions (net)	(778)	(725)	7.3%
Revenues from services rendered	2,228	1,828	21.9%
Cost of services rendered	(2,110)	(1,742)	21.1%
Other operating income/expense	(571)	(506)	12.9%
<b>TECHNICAL RESULT</b>	<b>1,394</b>	<b>1,179</b>	<b>18.2%</b>
Operating expenses	(1,610)	(1,486)	8.3%
<b>UNDERWRITING RESULT</b>	<b>(216)</b>	<b>(307)</b>	<b>-29.5%</b>
Investment income	641	593	8.1%
Interest expense	(62)	(60)	3.6%
Other non-operating	44	(2)	
<b>EARNINGS BEFORE TAXES</b>	<b>407</b>	<b>224</b>	<b>81.5%</b>
TAXES	(114)	(50)	127.1%
<b>NET INCOME</b>	<b>293</b>	<b>174</b>	<b>68.3%</b>

Figures in COP billion

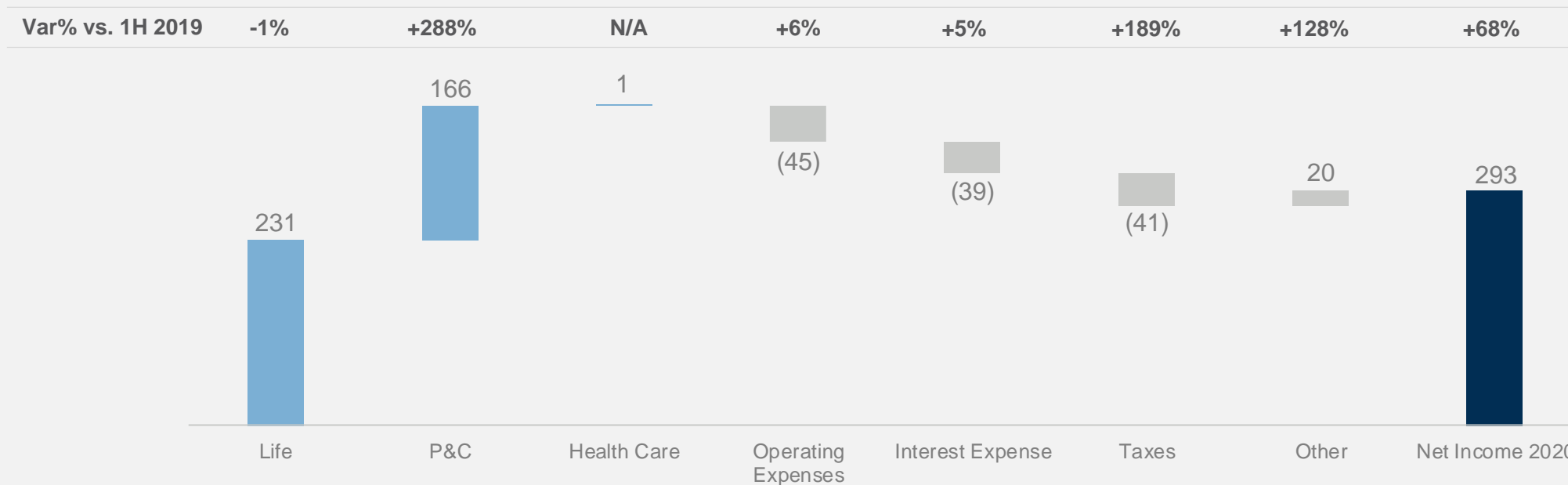


Figures in COP trillion

# POSITIVE CONTRIBUTION FROM ALL OPERATING SEGMENTS

To Suramericana's consolidated net income

## CONTRIBUTION TO 1H 2020 NET INCOME

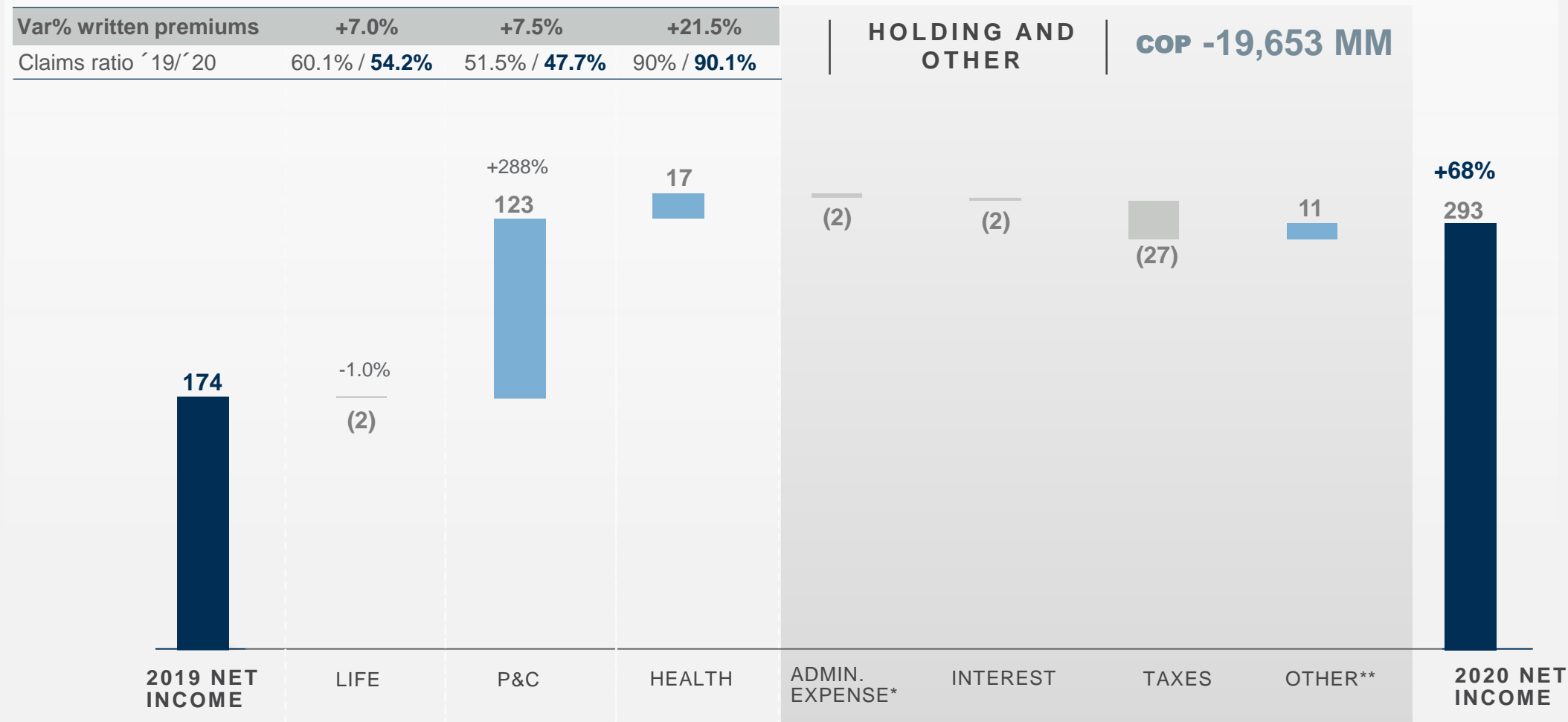


## Q2 NET INCOME

	Q2-2020	Q2-2019	Var\$	Var%
Life	108	116	(9)	-7%
P&C	163	15	147	960%
Health Care	(15)	(35)	20	-56%
Operating Expenses*	(22)	(20)	(2)	10%
Interest Expense	(19)	(19)	(0)	1%
Taxes	(33)	(10)	(24)	249%
Other	6	8	(2)	-26%
<b>Net Income</b>	<b>186</b>	<b>55</b>	<b>130</b>	<b>235%</b>

# INCREASE IN NET INCOME

Explained by better operating results



\*Admin. Expenses includes Administrative Expenses, Employee Benefits and Fees of the corporate segment.

\*\*Other variation mainly corresponds to the profit of the sale of Palic Salud and Sodexo.

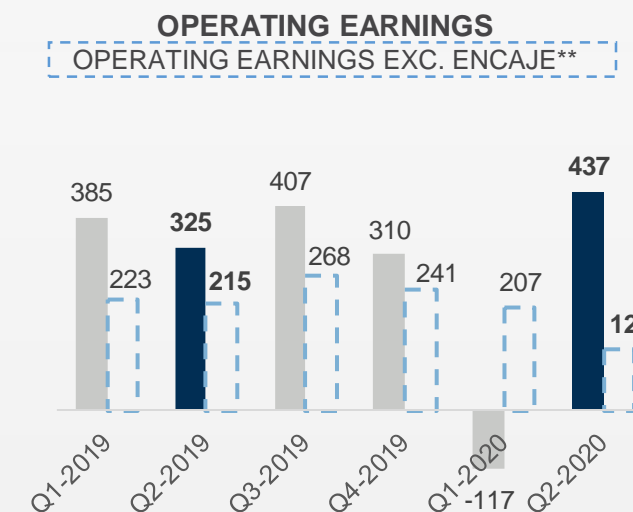
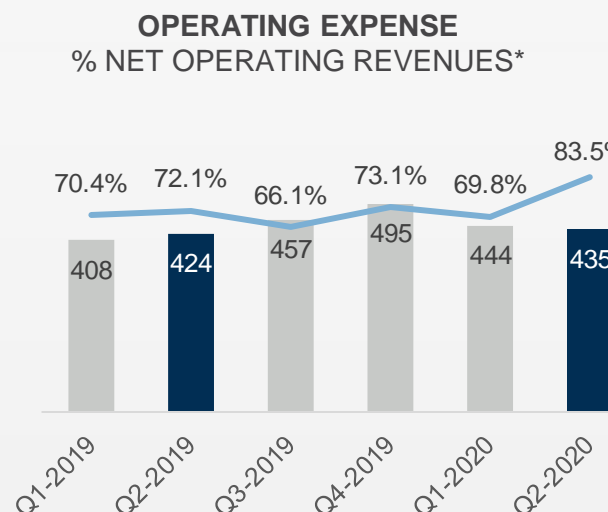
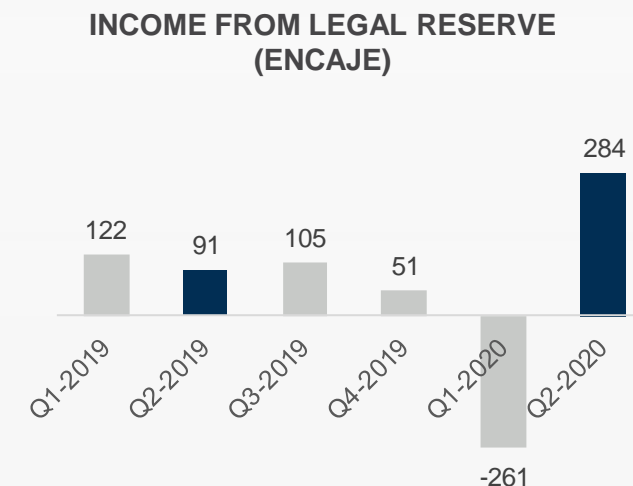
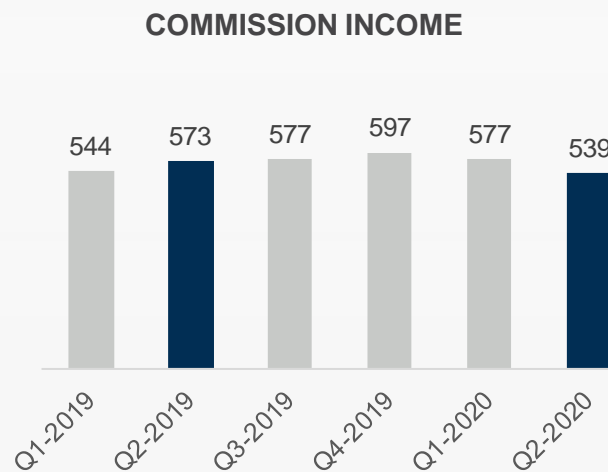
Figures in COP billion



# RESILIENCY IN COMMISSION INCOME THANKS TO AUM GROWTH

Return on legal reserve recovers from Q1-2020 loss, but is still lower than 1H 2019

	Q2-2020	Q2-2019	Var%	Var%LC
Commission income	1,116	1,118	-0.2%	-2.0%
Income from legal reserves	23	214	-89.2%	-89.3%
Equity method	1	118	-98.9%	-98.9%
Other	18	43	-57.3%	-56.8%
<b>Operating revenue</b>	<b>1,158</b>	<b>1,492</b>	<b>-22.3%</b>	<b>-23.5%</b>
<b>Total insurance margin</b>	<b>40</b>	<b>50</b>	<b>-20.0%</b>	<b>-16.7%</b>
Operating expense	(879)	(832)	5.6%	4.5%
<b>OPERATING EARNINGS</b>	<b>320</b>	<b>710</b>	<b>-54.9%</b>	<b>-55.6%</b>
Financial result	(38)	(89)	-56.9%	-57.1%
<b>EARNINGS BEFORE TAX</b>	<b>282</b>	<b>621</b>	<b>-54.6%</b>	<b>-55.4%</b>
Income tax	(149)	(197)	-24.2%	-25.7%
Net income from discontinued oper.	(12)	(90)	-86.1%	-85.5%
<b>NET INCOME</b>	<b>120</b>	<b>334</b>	<b>-64.1%</b>	<b>-65.2%</b>

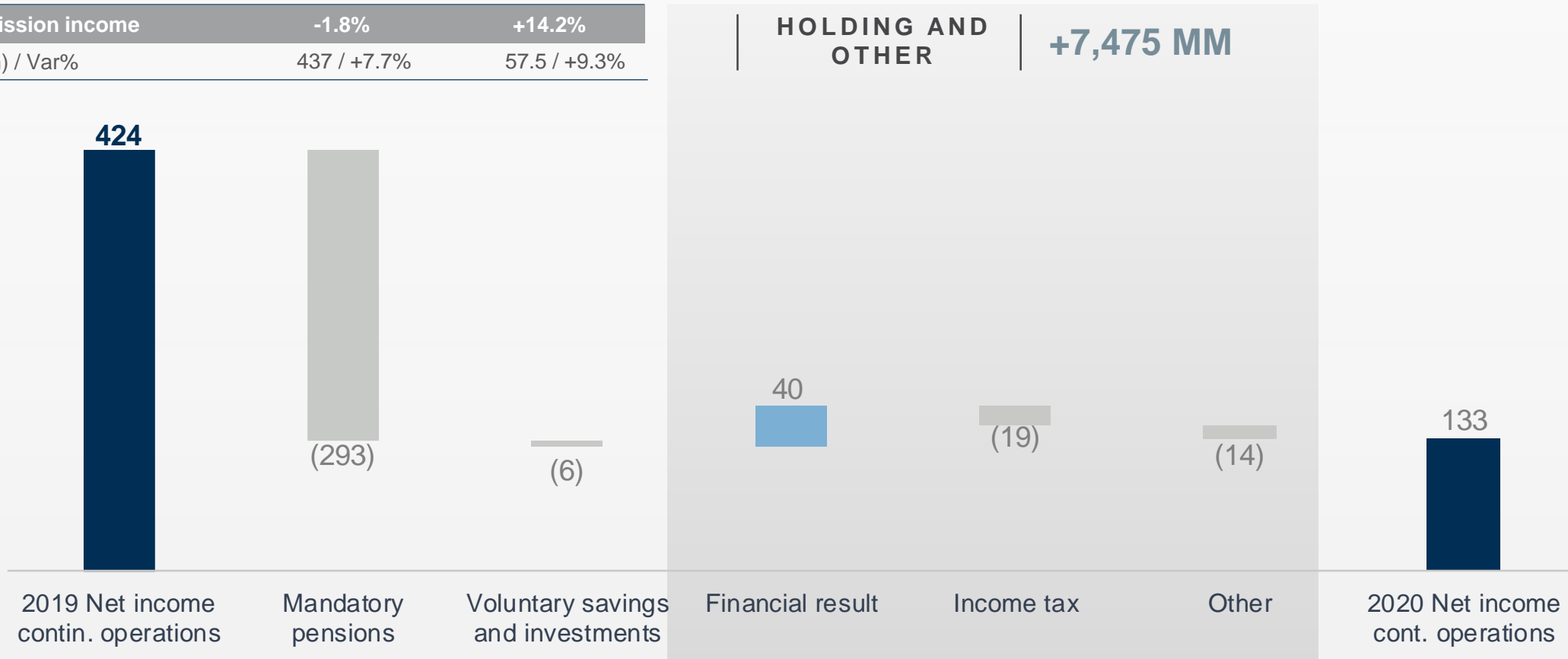


\* Net operating revenues = Commission income + Total insurance margin  
 \*\*Also excludes income from legal reserve of Proteccion, adjusted for SURA AM's stake.  
 Figures in COP billion

# NET INCOME IMPACTED BY MANDATORY PENSION BUSINESS

Due to lower return on legal reserves

Var% Commission income	-1.8%	+14.2%
AUM (COP tn) / Var%	437 / +7.7%	57.5 / +9.3%



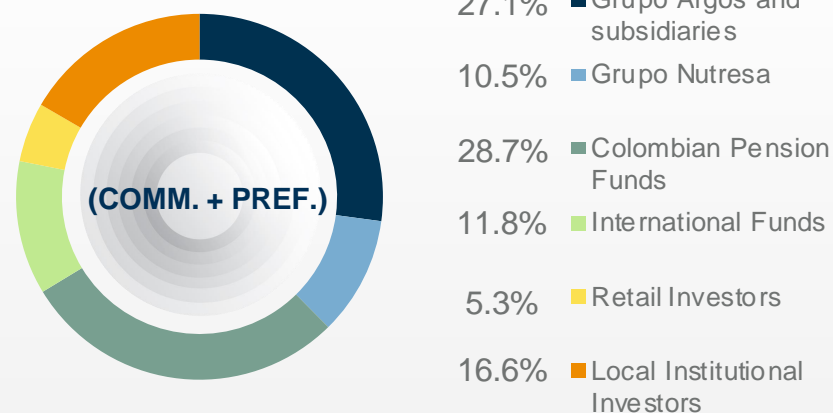
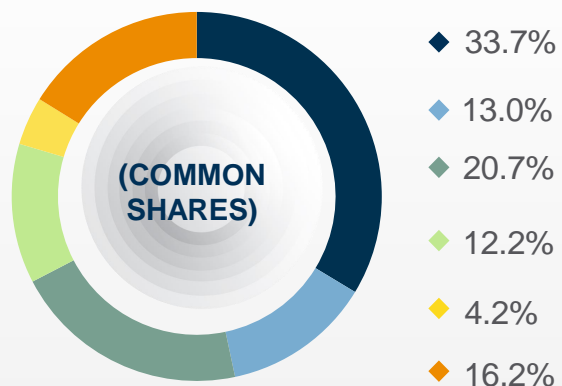
\* Net income excluding “encaje” (legal reserves) return from consolidated pension funds managers, net of related deferred taxes, and from Proteccion which is accounted via equity method

\*\*Financial result = Financial Income + Financial Expenses + Exchange Difference + Gains (losses) at fair value from hedging derivatives

\*\*\*Other includes the variation in net income from Annuities segment + other operating revenues and expenses from the corporate segment.

# SHAREHOLDING STRUCTURE

## SHAREHOLDERS



## TOTAL SHARES OUTSTANDING

**581,977,548**

Common Shares	Preferred Shares
<b>80.6%</b>	<b>19.4%</b>

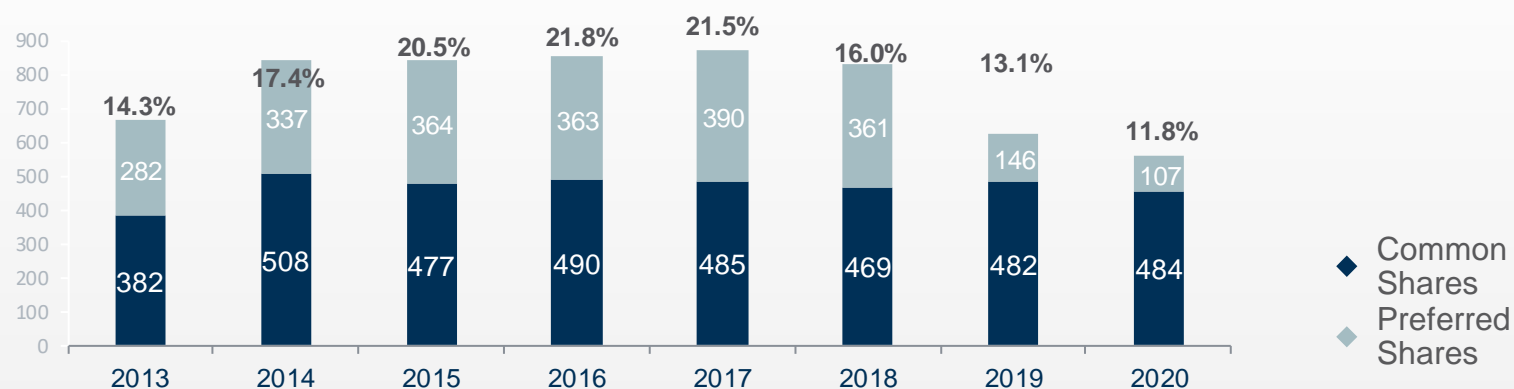
## MARKET CAPITALIZATION

**COP 10.6 tn**

## INTERNATIONAL FUNDS

**489**

## INTERNATIONAL FUND EVOLUTION»

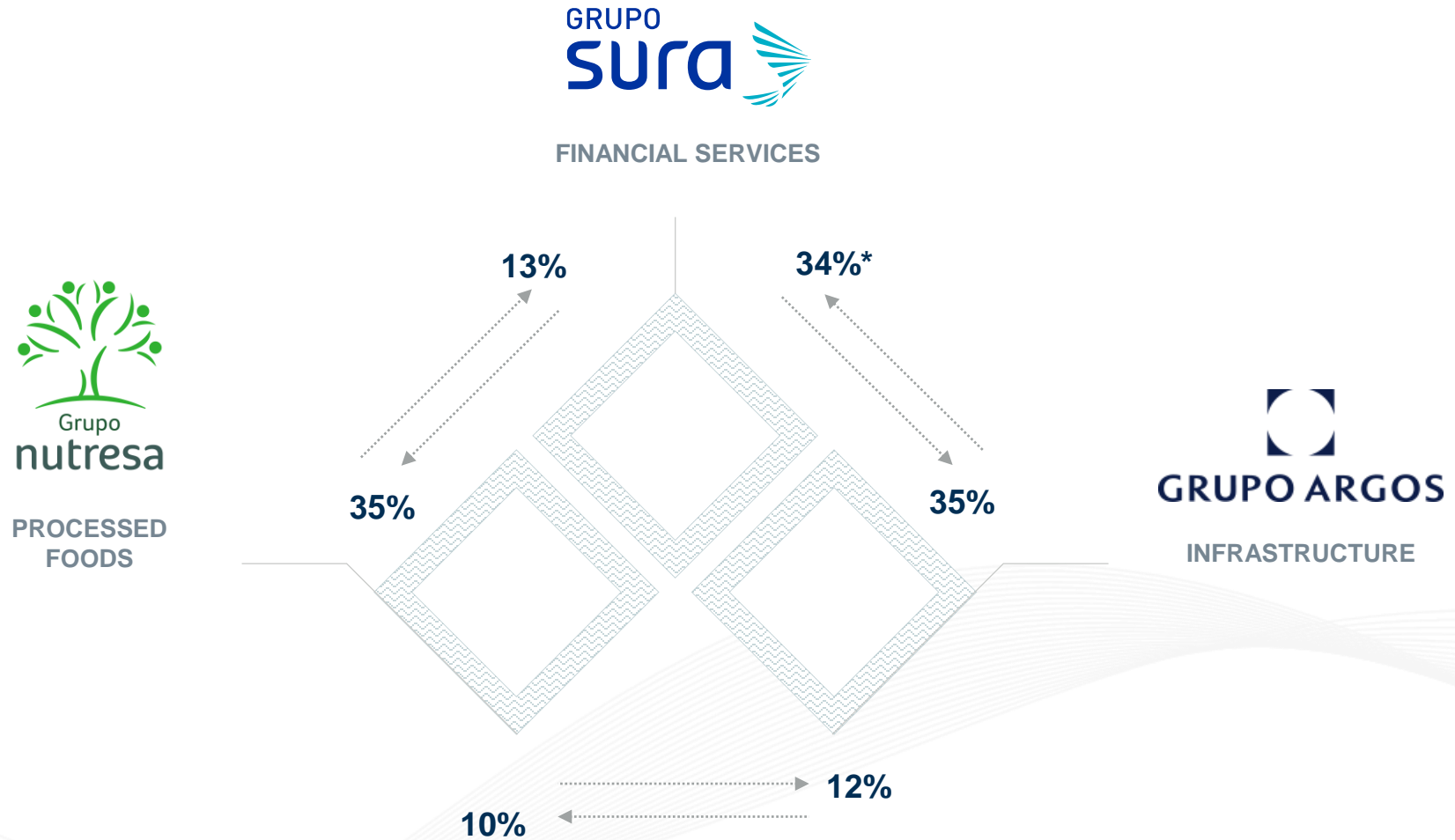


## NUMBER OF SHAREHOLDERS

**12,551**

ADTV common shares (12 months)	ADTV preferred shares (12 months)
<b>COP ~8,000 MM</b>	<b>COP ~5,000 MM</b>

# CROSS HOLDING STRUCTURE



Stakes in common shares

\*Includes stake held in Grupo SURA by Cementos Argos which owns 6% of Grupo SURA's common shares.



### WE MANAGE

risks, trends and opportunities

Responsible Investment

Climate Change

Financial Inclusion

Innovation

Corporate Governance

Human Talent



### RESPONSIBLE

business practices

- Responsible investment policy
- ESG Management

- Portfolio decarbonization
- Geociencias

- “Mis Aliados”
- Direct sales
- “Más Protección”

- SURA Ventures

- Ethics and Corporate Governance System

- Leadership formation
- Employee benefits portfolio



### STRENGTHEN

public institutions



### STAKEHOLDERS

engagement to make decisions

- Materiality Analysis
- Reputation Study
- Relationship Objectives



### CONTRIBUTE

to social development

Education

Culture

Social Investment

- Framework policy
- Félix y Susana
- Volunteering program

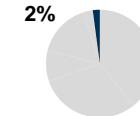
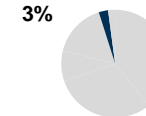
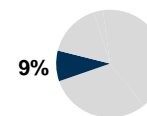
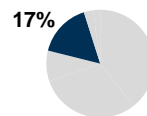
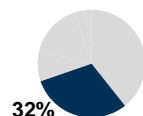
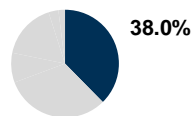
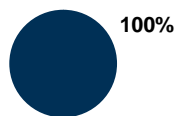
# LEADERS

## IN PENSION FUND MANAGEMENT IN THE REGION



	CHILE	MÉXICO	COLOMBIA	PERÚ	URUGUAY	EL SALVADOR
	<b>22.8%</b>	<b>19.2%</b>	<b>14.7%</b>	<b>36.7%</b>	<b>38.6%</b>	<b>47.5%</b>
	Ranking 1º	Ranking 4º	Ranking 3º	Ranking 2º	Ranking 2º	Ranking 2º
Metlife	9.3%	24.9%	0.0%			
Prudential	10.9%	28.0%			4.4%	
Principal	9.3%	19.0%	6.8%			
Banorte	7.4%		22.4%			
Grupo AVAL	6.8%			42.9%		
Citibank	5.9%		17.9%			
Scotiabank	4.3%			12.8%	25.5%	
Grupo BAL	4.8%		14.7%			
<b>Total AUM (USD Bn)</b>	<b>516</b>	<b>193</b>	<b>170</b>	<b>82</b>	<b>46</b>	<b>11</b>
<b>Number of Players</b>		<b>6</b>	<b>11</b>	<b>4</b>	<b>4</b>	<b>2</b>

**\$516 Bn**  
Industry AUM by country



Cifras al 31 de diciembre de 2018.

Fuente: Superintendencias financieras o de pensiones de cada país.

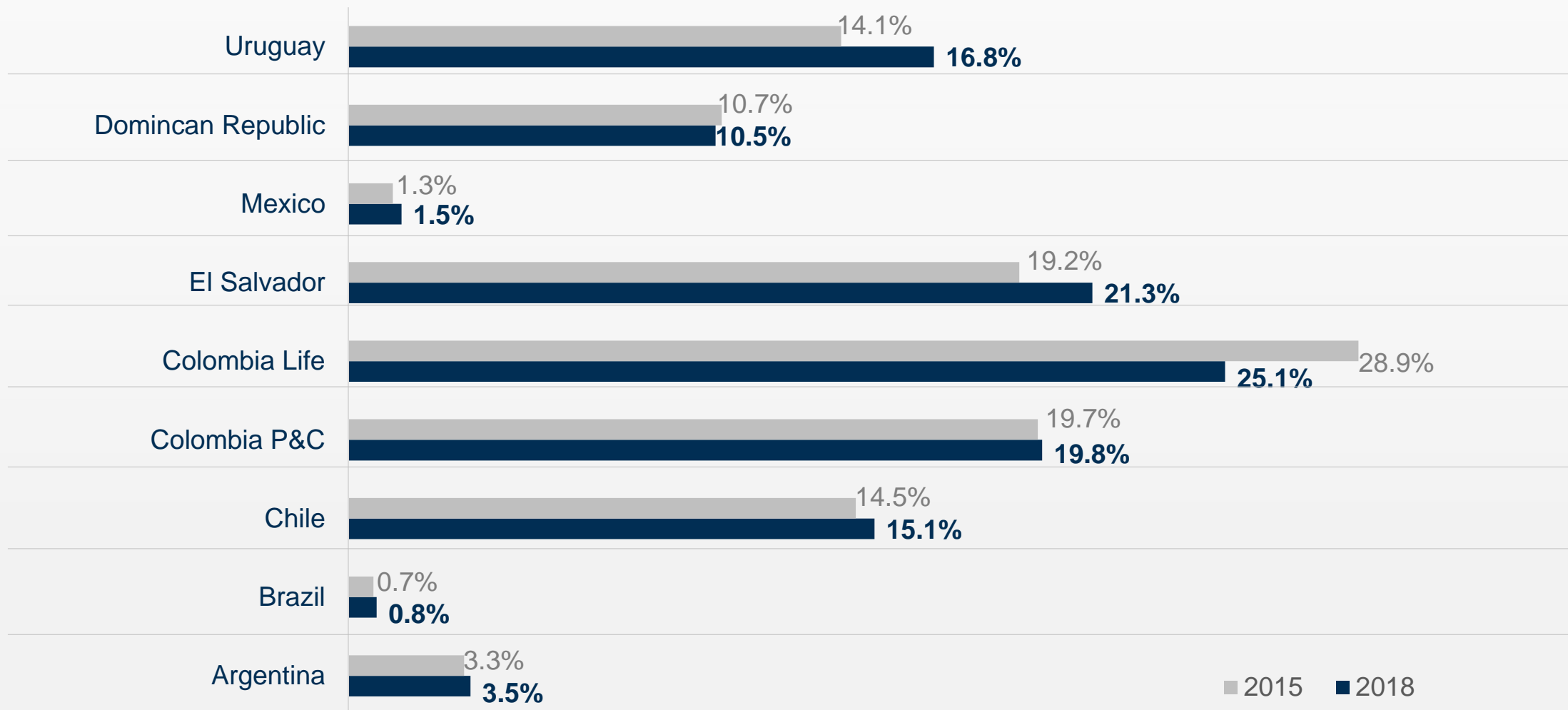


# RANKING INSURANCE COMPANIES IN LATAM

RKG	GROUP	COUNTRY	2009	2018	2019	Mkt. Share	2019 Var%	10 yr CAGR
1	Bradesco	Brazil	8,041	10,032	<b>10,132</b>	6.6%	1.0%	2.3%
2	Brasilprev1	Brazil	2,106	8,715	<b>9,942</b>	6.5%	14.1%	16.8%
3	Mapfre	Spain	5,626	8,421	<b>8,729</b>	5.7%	3.7%	4.5%
4	Zurich	Switzerland	1,671	7,608	<b>8,679</b>	5.7%	14.1%	17.9%
5	Cnp Assurances	France	2,106	5,977	<b>7,269</b>	4.7%	21.6%	13.2%
6	Metlife	USA	3,518	5,183	<b>4,784</b>	3.1%	-7.7%	3.1%
7	Itaú	Brazil	6,533	5,877	<b>4,309</b>	2.8%	-26.7%	-4.1%
<b>8</b>	<b>Suramericana</b>	<b>Colombia</b>	<b>1,129</b>	<b>4,430</b>	<b>4,226</b>	<b>2.8%</b>	<b>-4.6%</b>	<b>14.1%</b>
9	Grupo Nacional Provincial	Mexico	1,999	3,465	<b>4,017</b>	2.6%	15.9%	7.2%
10	Porto Seguro	Brazil	2,561	3,770	<b>3,495</b>	2.3%	-7.3%	3.2%
		<b>Top 10</b>	35,289	63,478	<b>65,581</b>	42.8%	3.3%	6.4%
		<b>Top 25</b>	55,167	95,868	<b>100,305</b>	65.5%	4.6%	6.2%
		<b>Total Market</b>	<b>101,047</b>	<b>150,143</b>	<b>153,113</b>	<b>100.0%</b>	<b>2.0%</b>	<b>4.2%</b>

Source: Fundación Mapfre, Ranking de Grupos Aseguradores en América Latina 2018

# MARKET SHARE OF SURAMERICANA BY COUNTRY



■ 2015 ■ 2018

Source: Latinoinsurance

Country	2008	2010	2015	2016	2017	2018
<b>ARGENTINA</b>	2.1%	2.0%	2.6%	2.6%	2.6%	2.4%
<b>BRAZIL</b>	2.8%	2.9%	3.8%	4.0%	4.1%	3.9%
<b>CHILE</b>	3.9%	3.8%	4.6%	4.9%	4.7%	4.6%
<b>COLOMBIA</b>	2.2%	2.3%	2.7%	2.8%	2.8%	2.8%
<b>MEXICO</b>	1.8%	1.9%	2.2%	2.2%	2.2%	2.2%
<b>PANAMA</b>	3.1%	3.1%	2.5%	2.3%	2.3%	2.5%
<b>URUGUAY</b>	1.7%	1.8%	2.4%	2.4%	2.7%	2.5%
<b>EL SALVADOR</b>	2.4%	2.1%	2.9%	2.9%	2.8%	2.8%
<b>DOMINICAN REPUBLIC</b>	1.3%	1.3%	1.1%	1.2%	1.4%	1.5%

Source: Sigma Explorer - Swiss Re, Latinoinsurance

Country	2008	2010	2015	2016	2017	2018
<b>ARGENTINA</b>	1.5%	1.7%	2.2%	2.2%	2.2%	2.0%
<b>BRAZIL</b>	1.5%	1.4%	1.8%	1.8%	1.8%	1.8%
<b>CHILE</b>	1.6%	1.5%	1.8%	1.8%	1.8%	1.8%
<b>COLOMBIA</b>	1.4%	1.6%	1.9%	1.9%	1.9%	1.9%
<b>MEXICO</b>	1.0%	1.1%	1.2%	1.2%	1.2%	1.2%
<b>PANAMA</b>	2.2%	2.3%	1.9%	1.8%	1.7%	1.9%
<b>URUGUAY</b>	1.3%	1.4%	1.6%	1.5%	1.5%	1.5%
<b>EL SALVADOR</b>	1.6%	1.4%	1.8%	1.9%	1.8%	1.8%
<b>DOMINICAN REPUBLIC</b>	1.2%	1.1%	0.9%	1.0%	1.1%	1.3%

Source: Sigma Explorer - Swiss Re, Latinoinsurance

Country	2008	2010	2015	2016	2017	2018
<b>ARGENTINA</b>	0.5%	0.3%	0.4%	0.4%	0.4%	0.3%
<b>BRAZIL</b>	1.3%	1.5%	2.1%	2.3%	2.3%	2.1%
<b>CHILE</b>	2.3%	2.3%	2.8%	3.1%	2.8%	2.8%
<b>COLOMBIA</b>	0.8%	0.7%	0.8%	0.9%	0.9%	0.9%
<b>MEXICO</b>	0.8%	0.8%	1.0%	1.0%	1.0%	1.0%
<b>PANAMA</b>	0.9%	0.8%	0.6%	0.6%	0.6%	0.6%
<b>URUGUAY</b>	0.3%	0.4%	0.8%	0.9%	1.1%	1.0%
<b>EL SALVADOR</b>	0.8%	0.7%	1.0%	1.0%	0.9%	0.9%
<b>DOMINICAN REPUBLIC</b>	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%

Source: Sigma Explorer - Swiss Re, Latinoinsurance

# PENETRATION AND MARKET SHARE

EVOLUTION OF KPIs	P&C Penetration		Life Insurance Penetration		SURA P&C		CAGR 3yr GWP	
	2008	2018	2008	2018	MKT. SHARE	RANKING	SURA	MARKET
<b>ARGENTINA</b>	1.5%	▲ 2.0%	0.5%	▼ 0.3%	3.3%	11	<b>36.0%</b>	33.6%
<b>BRAZIL</b>	1.5%	▲ 1.8%	1.3%	▲ 2.1%	0.9%	20	<b>7.6%</b>	3.5%
<b>CHILE</b>	1.6%	▲ 1.8%	2.3%	▲ 2.8%	14.9%	1	<b>6.7%</b>	5.4%
<b>COLOMBIA</b>	1.4%	▲ 1.9%	0.8%	▲ 0.9%	19.8%	1	<b>6.6%</b>	6.4%
<b>EL SALVADOR</b>	1.6%	▲ 1.8%	0.8%	▲ 0.9%	21.2%	1	<b>8.6%</b>	4.9%
<b>MEXICO</b>	1.0%	▲ 1.2%	0.8%	▲ 1.0%	1.4%	17	<b>15.6%</b>	9.0%
<b>PANAMA</b>	2.2%	▼ 1.9%	0.9%	▼ 0.6%				
<b>DOMINICAN REPUBLIC</b>	1.2%	▲ 1.3%	0.1%	▲ 0.2%	10.9%	5	<b>10.5%</b>	11.1%
<b>URUGUAY</b>	1.3%	▲ 1.5%	0.3%	▲ 1.0%	14.9%	2	<b>12.0%</b>	5.8%

Source: Sigma Explorer - Swiss Re, Latinoinsurance



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