

Q4  
2020



RESULTS PRESENTATION

**GRUPO SURA**

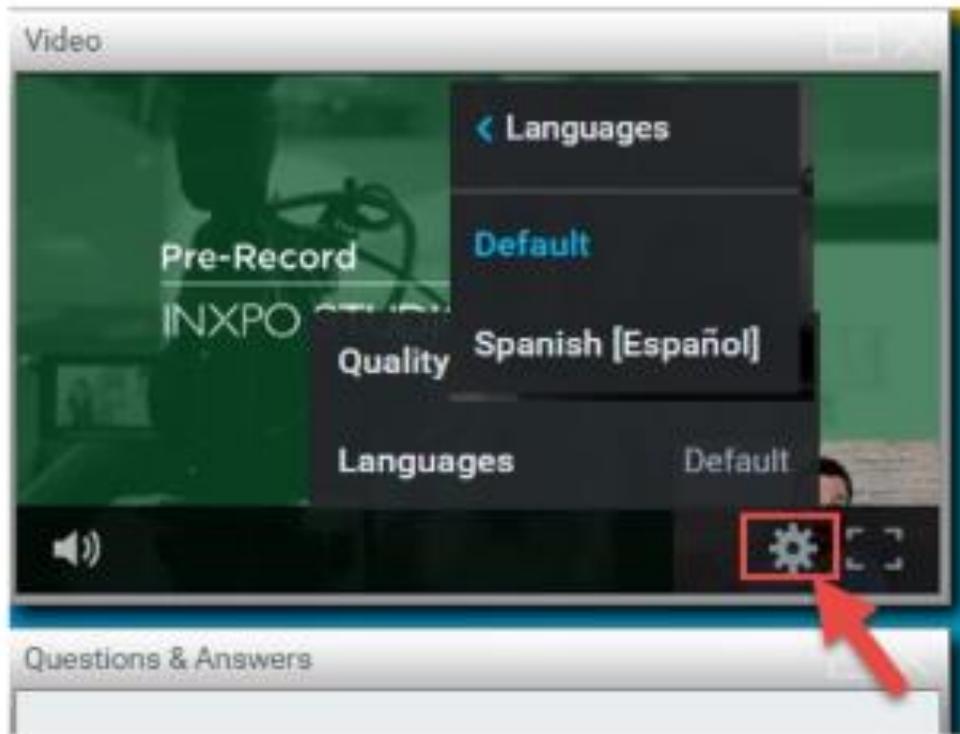
## DISCLAIMER

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.

# Language selection

Webcast



To change the audio language, click the player settings icon.

Para cambiar de idioma, haga clic en icono configuración del reproductor de video.

GRUPO  
SURA



## The year 2020 allowed to reaffirm the strategy

### RESULTS AND FINANCIAL POSITION

**Better than expected** at the start of the pandemic

**Liquidity and solvency**

**Diversification**

**Capacity to adapt**

### CONTINUE BEING RELEVANT

**COP 1.4 tn**  
Invested to attend clients during the pandemic

**Covid-19 fatality rate**  
**0.6%** SURA  
**2.6%** Colombia  
**2.2%** World

**Pension: Value of individual savings systems**

**COP 91.1 bn**  
Social investments

### CASH FLOW MANAGEMENT

**Capital optimization**

**Liability management** and debt reduction

**Efficiency and operating models**

**Growth in dividend payment**  
**+3.5% vs. 2020**

## Positive commercial trends

With favorable evolution in operating indicators in Q4

### CONSOLIDATED INCOME STATEMENT

	dec-20	dec-19	Var\$	Var%
Written premiums	19,330	17,761	1,569	8.8%
<b>Retained earned premiums</b>	<b>15,534</b>	<b>14,727</b>	<b>807</b>	<b>5.5%</b>
Commission income	2,846	2,732	114	4.2%
Investment income	1,638	2,094	(456)	-21.8%
Revenues from the equity method	362	1,255	(893)	-71.1%
Other	458	520	(62)	-11.9%
<b>TOTAL REVENUES</b>	<b>20,838</b>	<b>21,328</b>	<b>(490)</b>	<b>-2.3%</b>
Retained claims	(10,319)	(9,934)	(385)	3.9%
Operating expenses	(8,911)	(8,512)	(399)	4.7%
<b>TOTAL EXPENSES</b>	<b>(19,230)</b>	<b>(18,446)</b>	<b>(784)</b>	<b>4.3%</b>
<b>OPERATING EARNINGS</b>	<b>1,608</b>	<b>2,882</b>	<b>(1,275)</b>	<b>-44.2%</b>
Financial result	(811)	(626)	(186)	29.7%
<b>EARNINGS BEFORE TAXES</b>	<b>796</b>	<b>2,257</b>	<b>(1,460)</b>	<b>-64.7%</b>
Taxes	(454)	(651)	197	-30.3%
Discontinued operations	(7)	113	(119)	
<b>NET INCOME</b>	<b>336</b>	<b>1,719</b>	<b>(1,382)</b>	<b>-80.4%</b>
<b>SHAREHOLDERS' NET INCOME</b>	<b>225</b>	<b>1,526</b>	<b>(1,300)</b>	<b>-85.2%</b>

### WRITTEN PREMIUMS AND COMMISSION INCOME (COP tn)



Other = other revenue + revenues from services rendered.

Operating expenses = Administrative expenses + brokerage commissions + insurance costs and expenses + costs of services rendered + fees + depreciation and amortization + other expenses.

Figures in COP billion. Var\$ and Var% are FY variations compared to 2019.

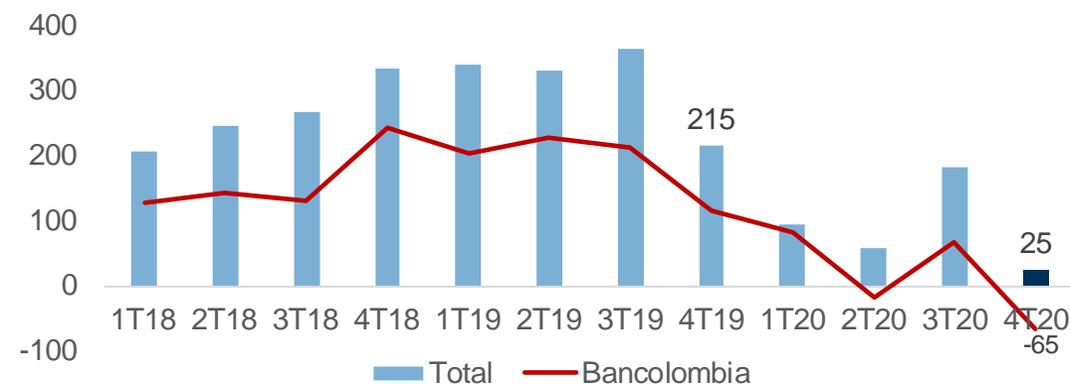
## Diversified portfolio

Diminishes impact of lower net income in financial services companies

### Equity method

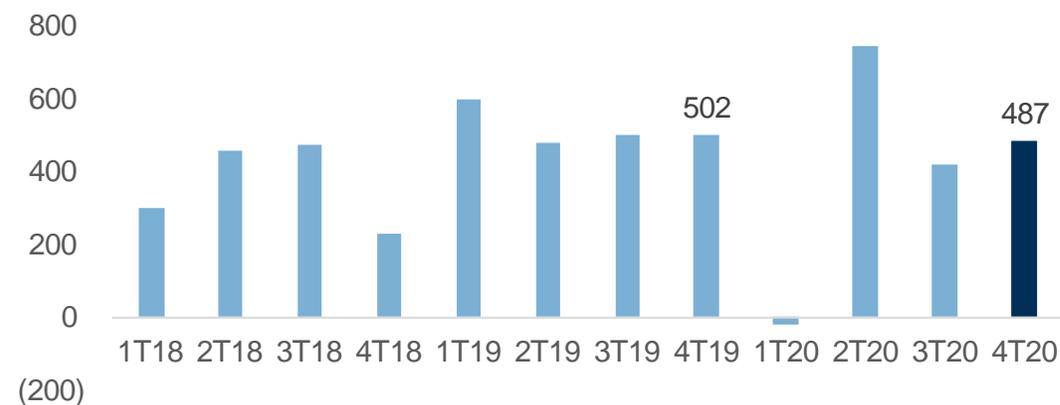
	dic-20	dic-19	Var\$	4T2020	4T2019	Var\$
Bancolombia	68	762	(694)	(65)	115	(180)
Grupo Argos	(46)	90	(136)	(20)	22	(42)
Grupo Nutresa	204	178	26	38	33	5
Protección	129	204	(75)	70	48	22
Otros	8	22	(14)	3	-2	5
<b>TOTAL</b>	<b>362</b>	<b>1,255</b>	<b>(893)</b>	<b>25</b>	<b>215</b>	<b>(190)</b>

### Quarterly evolution



### Investment income

	dic-20	dic-19	dic-18	4T2020	4T2019	Var\$
Suramericana	1,197	1,190	1,030	217	331	(114)
SURA AM	431	869	336	267	138	128
Grupo SURA (holding)	10	34	104	4	33	(28)
<b>TOTAL</b>	<b>1,638</b>	<b>2,094</b>	<b>1,470</b>	<b>487</b>	<b>502</b>	<b>(15)</b>



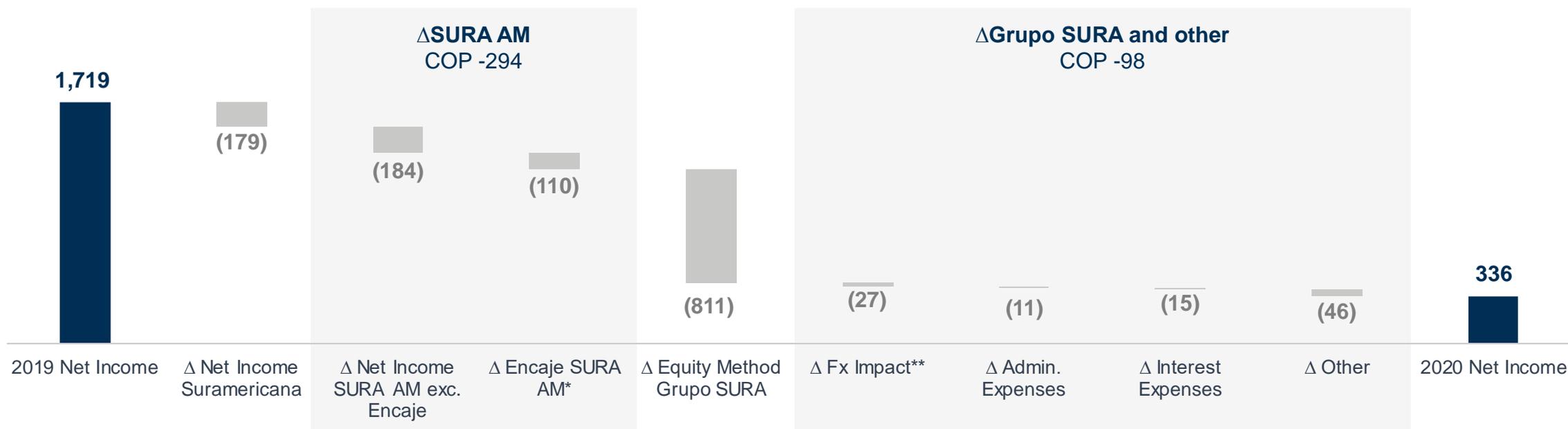
# Positive net income figure for the year

With negative impacts in Q4 at Suramericana and the equity method

## CONTRIBUTION TO CONSOLIDATED NET INCOME

	dic-20	dic-19	Var%	4T2020	4T2019	Var%
Suramericana	211	390	-46%	(91)	90	
SURA AM	431	725	-40%	174	43	303%
Grupo SURA (holding) y Otros	(307)	603		(145)	92	
<b>Ut. Neta</b>	<b>336</b>	<b>1,719</b>	<b>-80%</b>	<b>(61)</b>	<b>226</b>	

## CHANGE IN 2020 NET INCOME



\*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

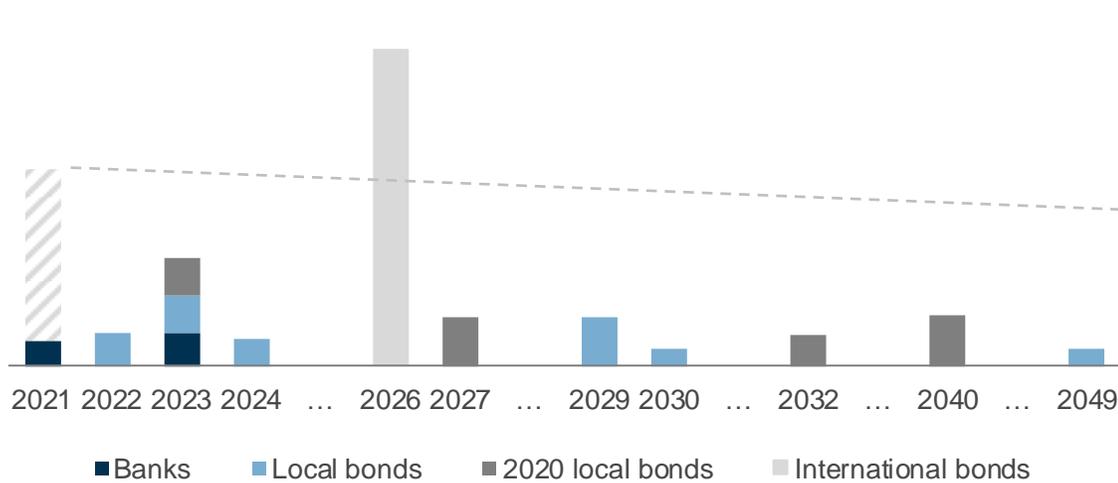
Figures in COP billion

# Liquidity and solvency

Financial strength and debt reduction

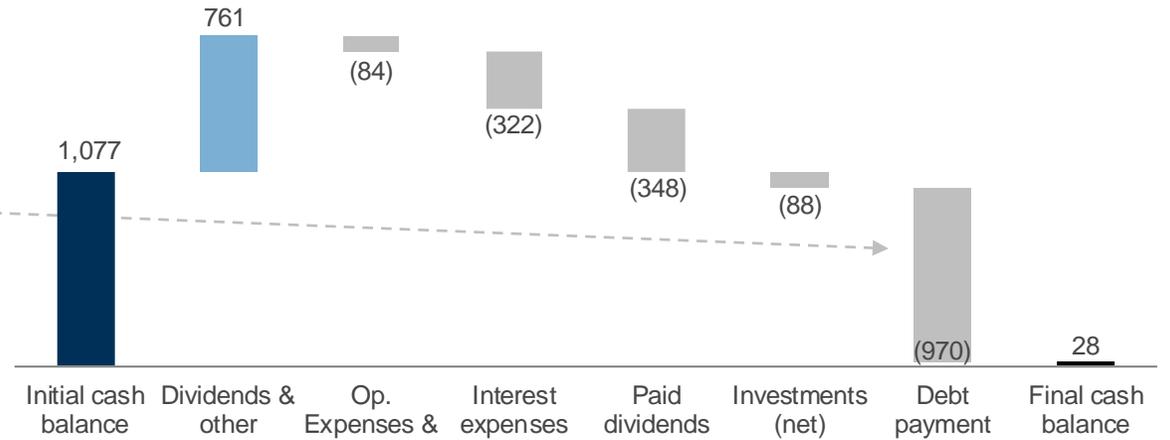
## Liability management to anticipate 2021 debt maturities

- Lower cost and USD exposure



## 2021 Cash flow management

- Debt reduction in 2020: COP 140 billion



\*Expected 2021 cash flow for Grupo SURA (holding)

**Total Equity**  
COP 28.5 tn (+1.6%)

**Dividends +3.5%**

**Grow**  
2x Colombian inflation

**Yield**  
2.7% Common share  
3.1% Preferred share

# SURA- MERICANA

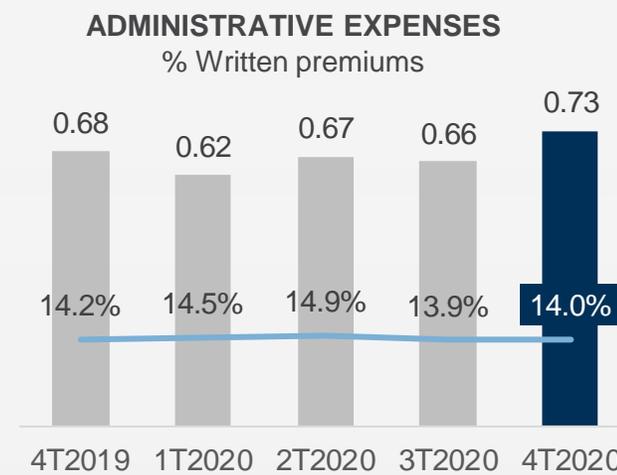
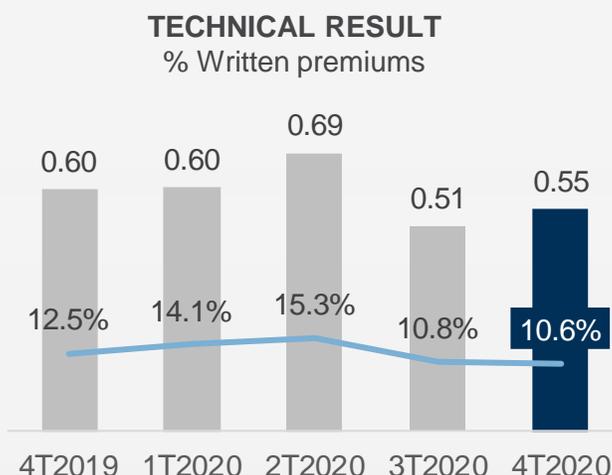
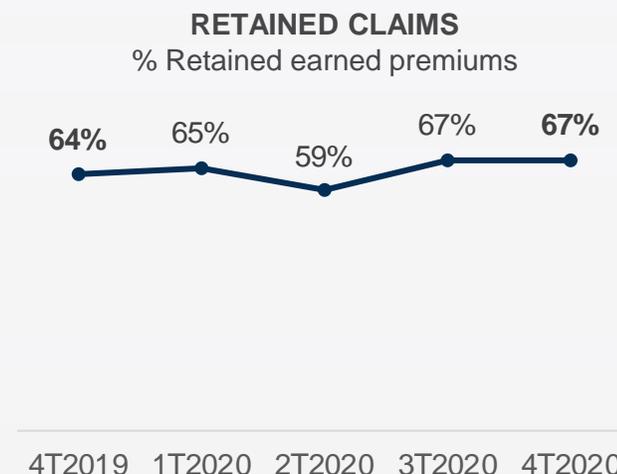
# Revenue growth and expense control

Offset higher claims ratio

	dic-20	dic-19	Var%
Written premiums	18,700	17,061	9.6%
<b>Retained premiums</b>	<b>15,359</b>	<b>14,358</b>	<b>7.0%</b>
Adjustments to reserves	(334)	(115)	191.1%
<b>RETAINED EARNED PREMIUMS</b>	<b>15,025</b>	<b>14,244</b>	<b>5.5%</b>
<b>Retained claims</b>	<b>(9,729)</b>	<b>(9,147)</b>	<b>6.4%</b>
Commissions (net)	(2,128)	(2,095)	1.6%
Services rendered (net)	(83)	(97)	-14.5%
Other operating income/expense	(660)	(622)	6.0%
Impairment	(70)	(12)	473.6%
<b>TECHNICAL RESULT</b>	<b>2,355</b>	<b>2,269</b>	<b>3.8%</b>
Operating expenses	(3,128)	(2,931)	6.7%
<b>UNDERWRITING RESULT</b>	<b>(773)</b>	<b>(662)</b>	<b>16.7%</b>
Investment income	1,139	1,106	3.0%
Interest expense	(111)	(122)	-9.2%
Other non-operating	85	121	-29.4%
<b>EARNINGS BEFORE TAXES</b>	<b>341</b>	<b>443</b>	<b>-23.1%</b>
Taxes	(129)	(52)	146.8%
<b>NET INCOME</b>	<b>211</b>	<b>390</b>	<b>-45.8%</b>

**NET COVID-19 IMPACT**  
(before taxes)

COP  
**466 bn**



Figures in COP trillion

\*Premiums and claims include health care revenues (before "services rendered")  
Figures in COP billion

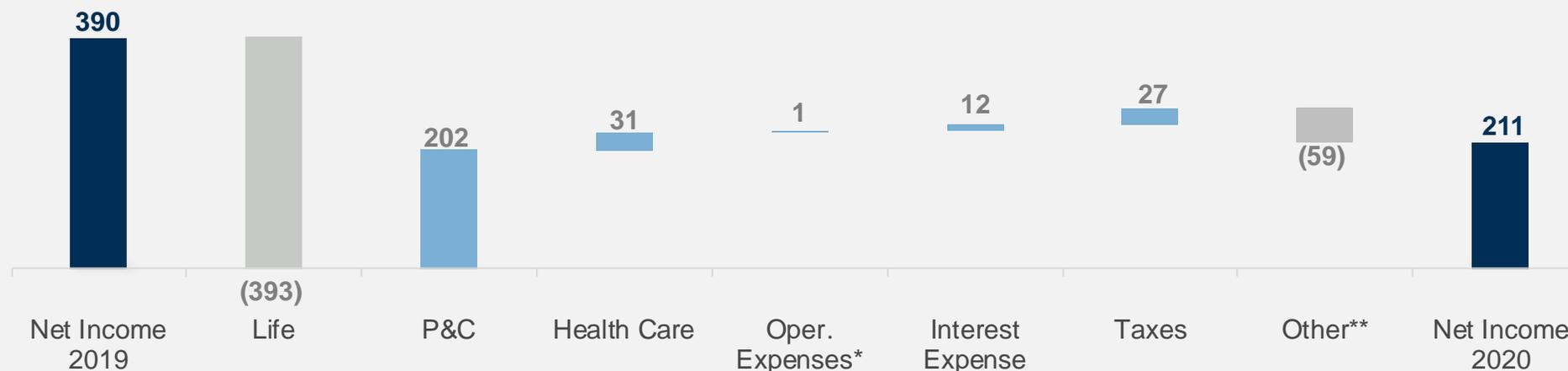
# Positive results in the year

Despite net loss in Q4-2020

## CONTRIBUTION TO NET INCOME BY SEGMENT

	dec-20	dec-19	Var\$	Var%	Q4-2020	Q4-2019	Var\$	Var%
Life	165	558	(393)	-70%	(32)	159	(190)	-120%
P&C	183	(18)	202	-1100%	(39)	(13)	(26)	201%
Health Care	52	21	31	146%	36	19	17	87%
Operating Expenses*	(103)	(103)	1	-1%	(35)	(32)	(4)	11%
Interest Expense	(67)	(79)	12	-15%	(13)	(21)	7	-35%
Taxes	(40)	(67)	27	-41%	(1)	(42)	41	-97%
Other	20	79	(59)	-74%	(6)	20	(26)	-128%
<b>Net Income</b>	<b>211</b>	<b>390</b>	<b>(179)</b>	<b>-46%</b>	<b>(91)</b>	<b>90</b>	<b>(181)</b>	<b>-200%</b>

## CHANGE IN NET INCOME 2020



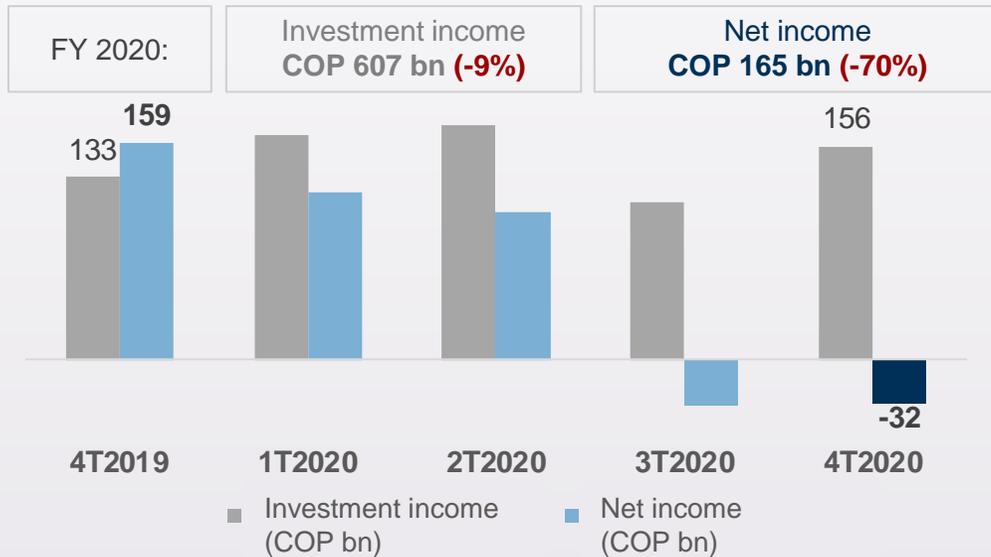
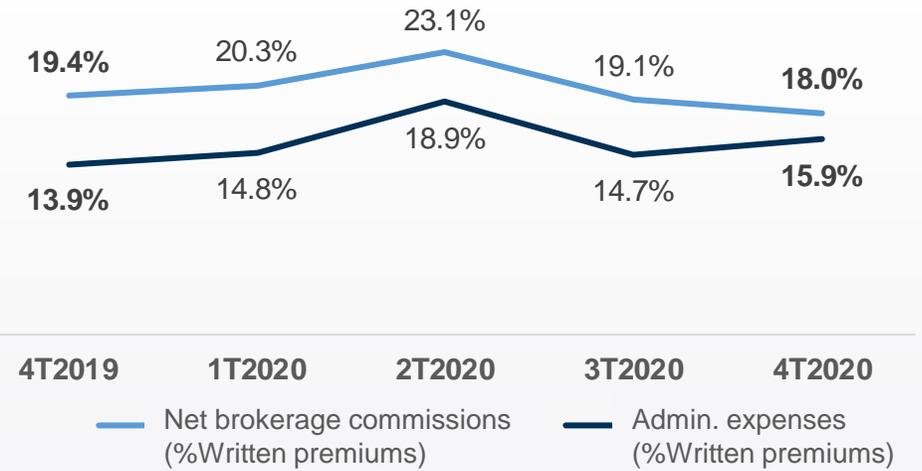
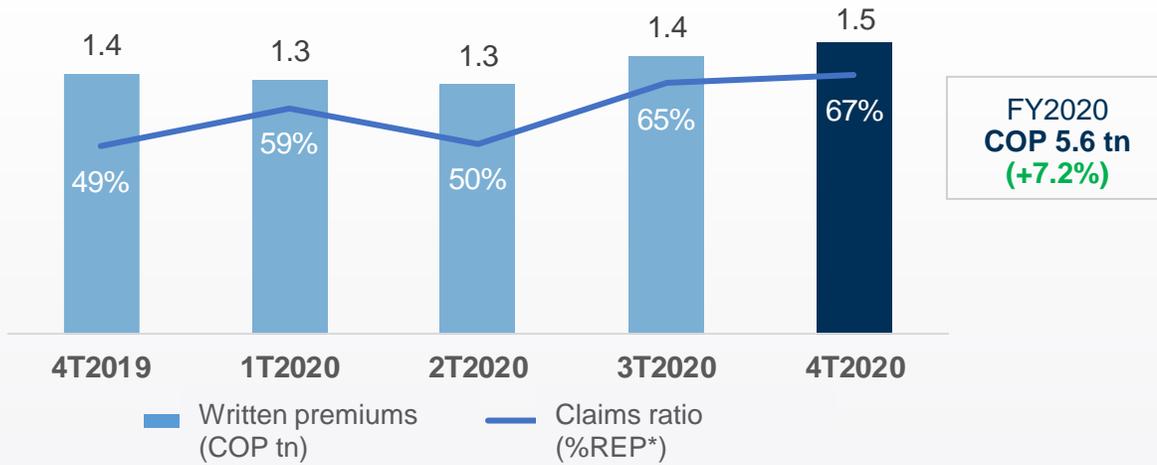
\*Operating expenses include Fees, Administrative Expenses, Impairment, depreciations and amortizations of the holding segment

\*\*Change in "Other" is mainly explained by the non recurrent income in 2019 related to the divestment of the stake in Palic Salud in 2019.

Figures in COP billion

# Life segment with Covid-19 impacts

Premiums grow while claims ratio of workers' compensation start to stabilize

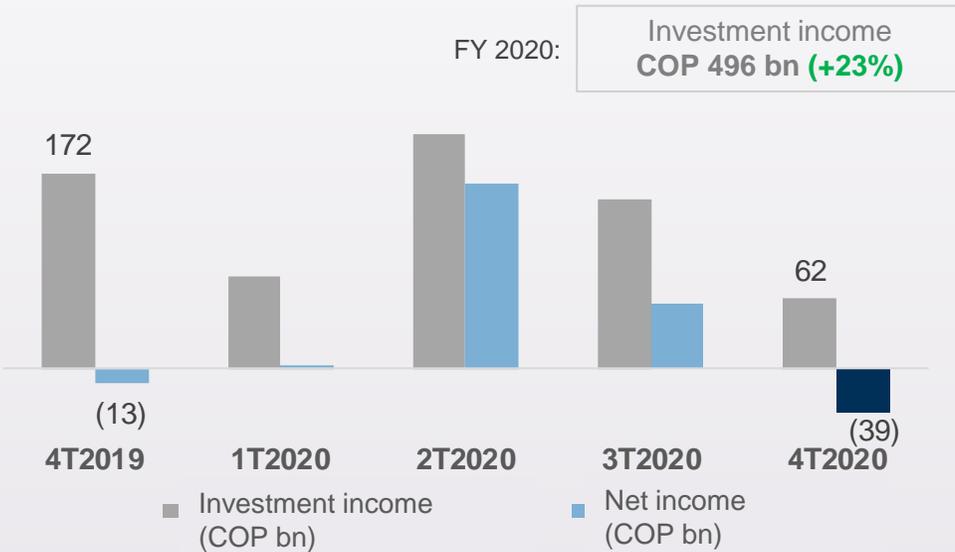
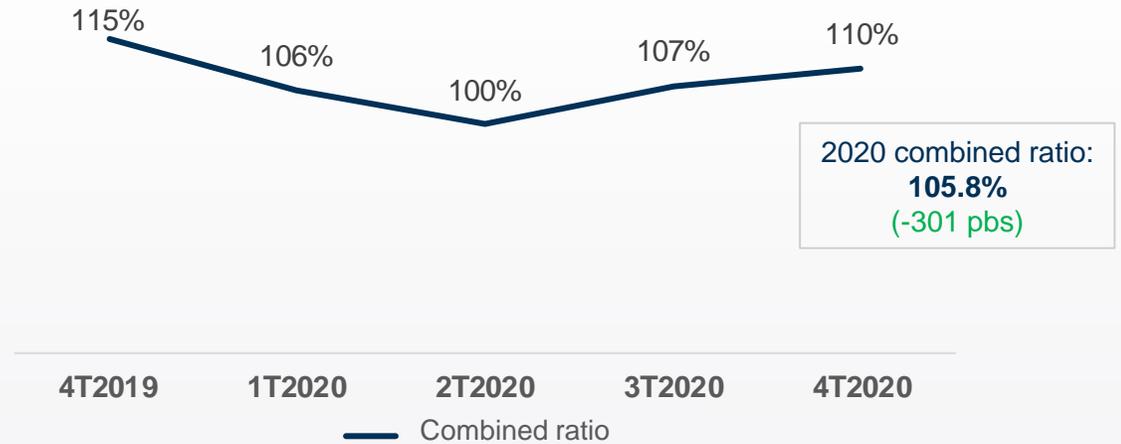
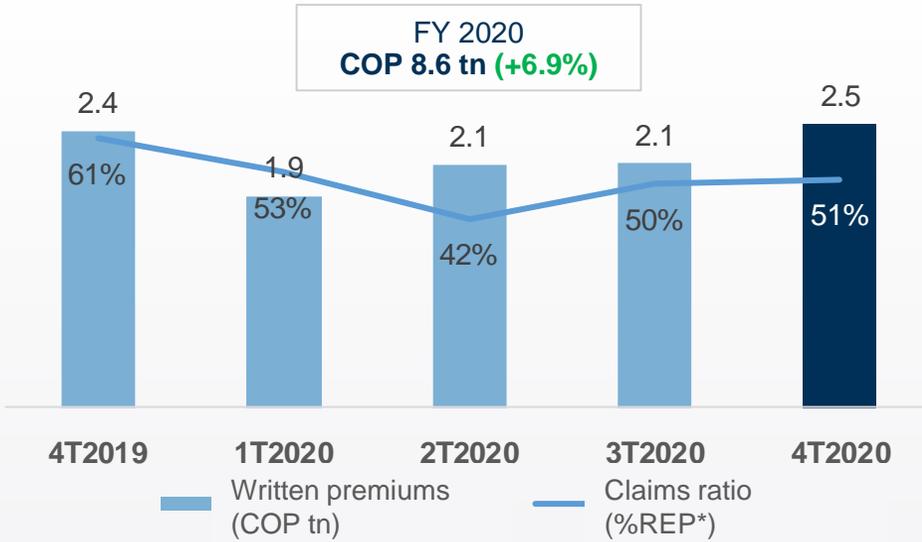


## Workers' compensation: higher claims due to Covid-19

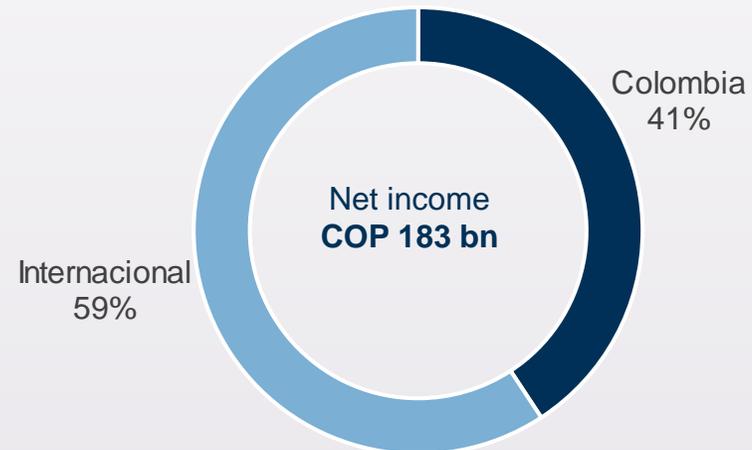


# P&C Segment

Premium growth and lower claims ratio leverage recovery of net income

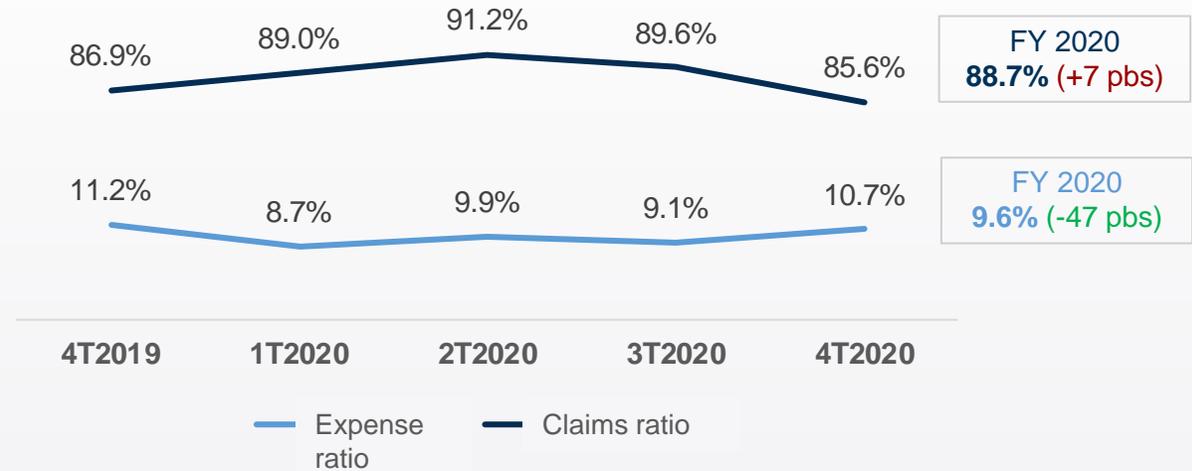
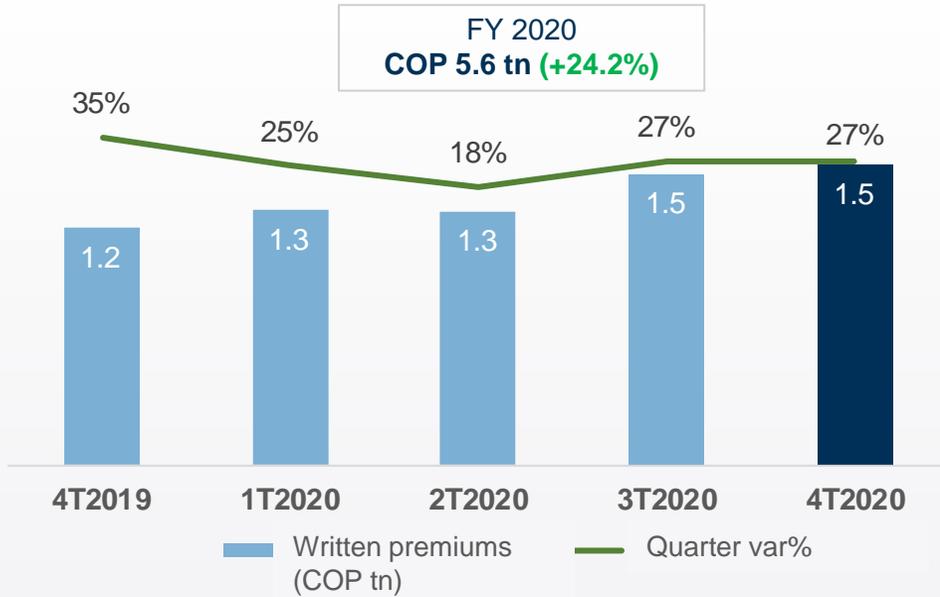


60% of net income from foreign operations (ex - Colombia)



# Health care segment keeps revenue growth

Results driven by lower claims ratio in Q4-2020



- **4.2 million** members at EPS SURA (HMO in Colombia) or +500k more in 2020.
- SURA processed 16% total Covid-19 tests in Colombia
- SURA's Covid-19 case fatality rate of 0.6% vs. 2.6% for Colombia
- Covid-19 test cost recognition + income from end-point agreement by government: **lower claims of COP 68,820 MM**

SURA  
ASSET  
MANAGEMENT

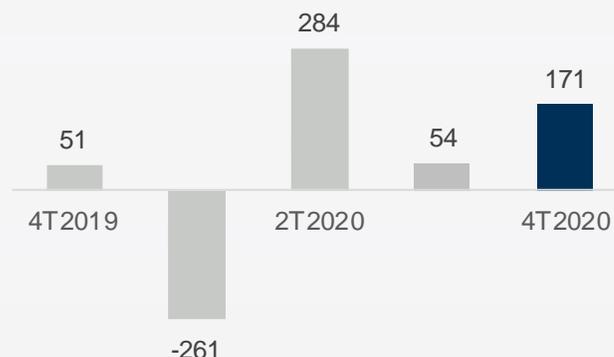


# Growth in commission income

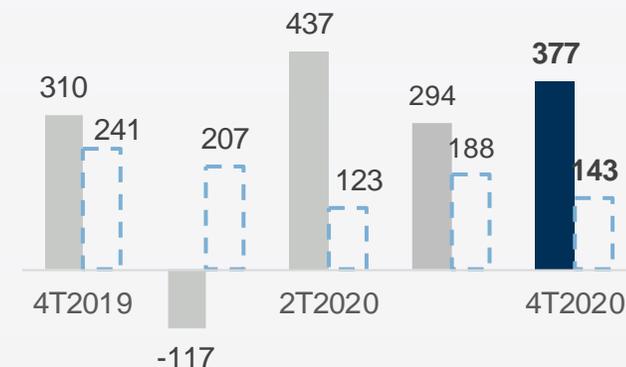
And recovery of the return on investments in a challenging year for labor and capital markets

	Q4-2020	Q4-2019	Var\$	Var%
Commission income	2,338	2,292	46	2.0%
Income from legal reserves	248	370	(121)	-32.8%
Equity method	147	228	(81)	-35.6%
Other	4	76	(72)	-94.6%
<b>Operating revenue</b>	<b>2,737</b>	<b>2,965</b>	<b>(228)</b>	<b>-7.7%</b>
<b>Total insurance margin</b>	<b>87</b>	<b>100</b>	<b>(13)</b>	<b>-12.9%</b>
Operating expense	(1,833)	(1,773)	(60)	3.4%
<b>OPERATING EARNINGS</b>	<b>991</b>	<b>1,292</b>	<b>(301)</b>	<b>-23.3%</b>
Financial result	(216)	(70)	(146)	208.0%
<b>EARNINGS BEFORE TAX</b>	<b>775</b>	<b>1,222</b>	<b>(447)</b>	<b>-36.6%</b>
Income tax	(337)	(609)	273	-44.7%
Net income from discontinued oper.	(7)	17	(23)	
<b>NET INCOME</b>	<b>431</b>	<b>629</b>	<b>(198)</b>	<b>-31.4%</b>

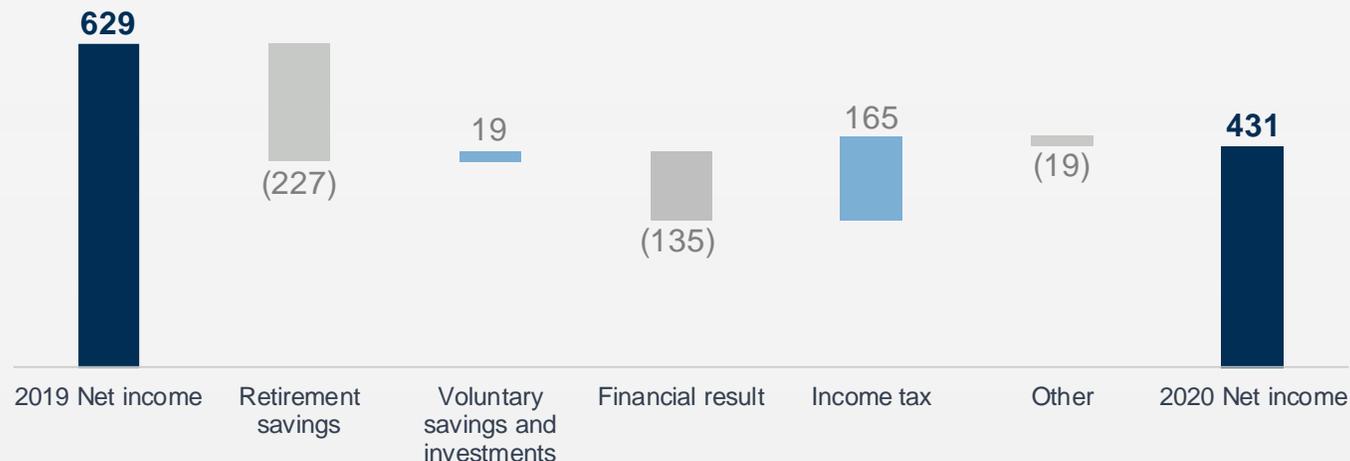
RETURN ON LEGAL RESERVE  
("ENCAJE")



OPERATING EARNINGS  
OPERATING EARNINGS EXC. ENCAJE\*



CHANGE IN NET INCOME BY SEGMENT  
(Continued operations)

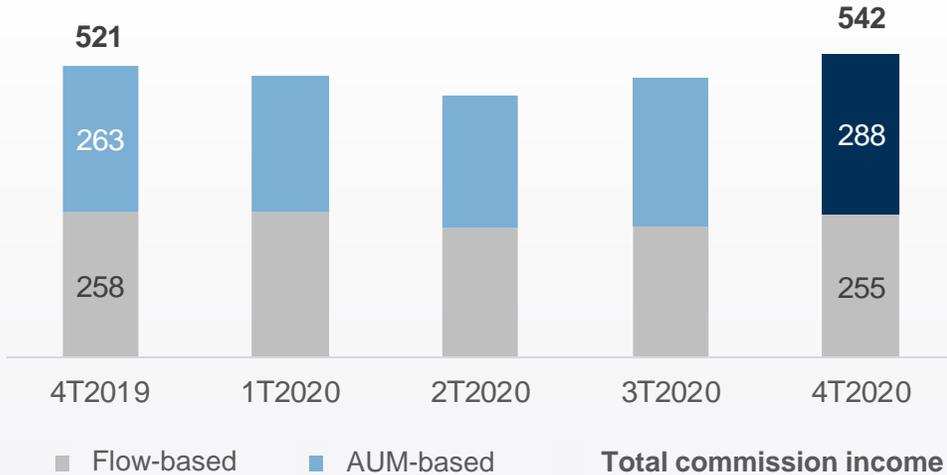


\*Also excludes income from legal reserve of Proteccion, adjusted for SURA AM's stake.  
Figures in COP billion

# Retirement savings segment maintains revenue growth

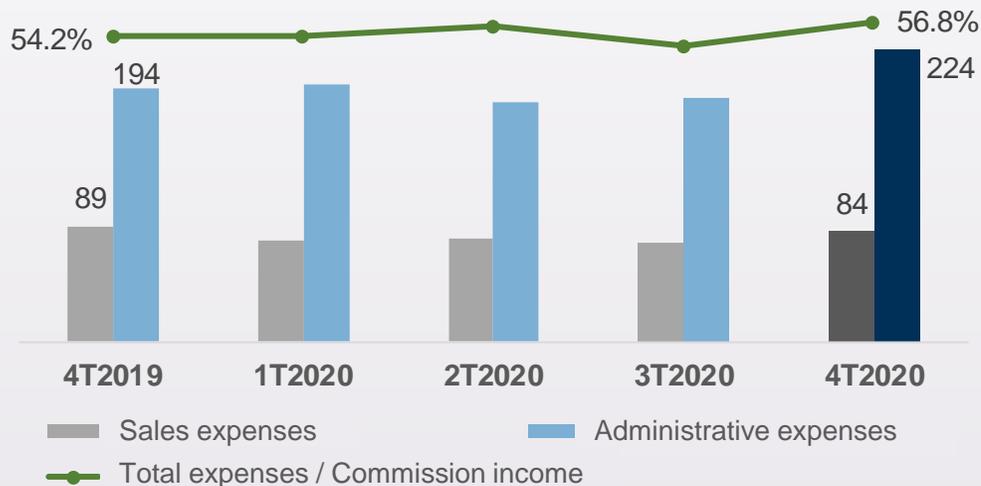
Compensating for higher unemployment rates and lower fees in some countries

## COMMISSION INCOME



FY 2020  
**COP 2.0 tn (-0.1%)**  
 AUM-based fees:  
**COP 1.0 tn (+7.6%)**  
 Flow-based fees:  
**COP 1.0 tn (-6.8%)**

## Total AUM (COP tn)

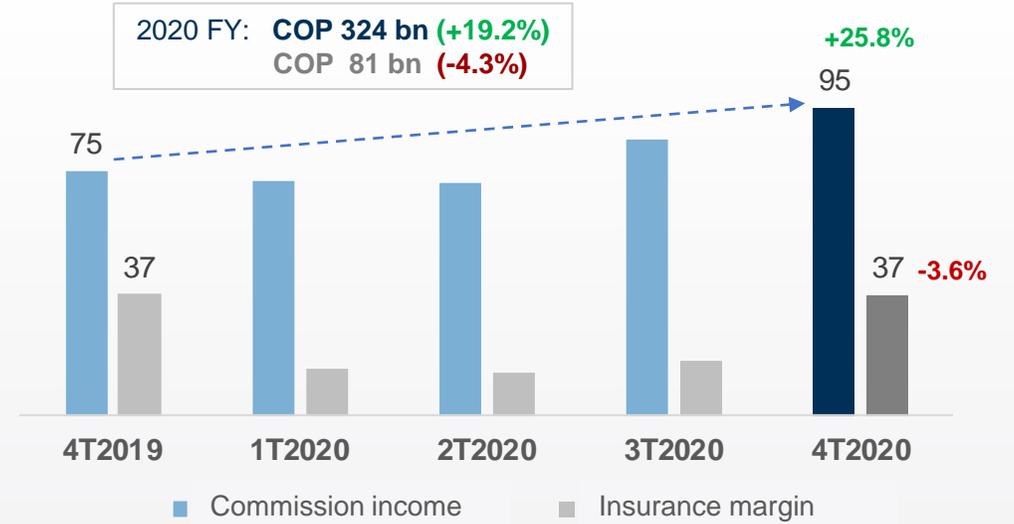
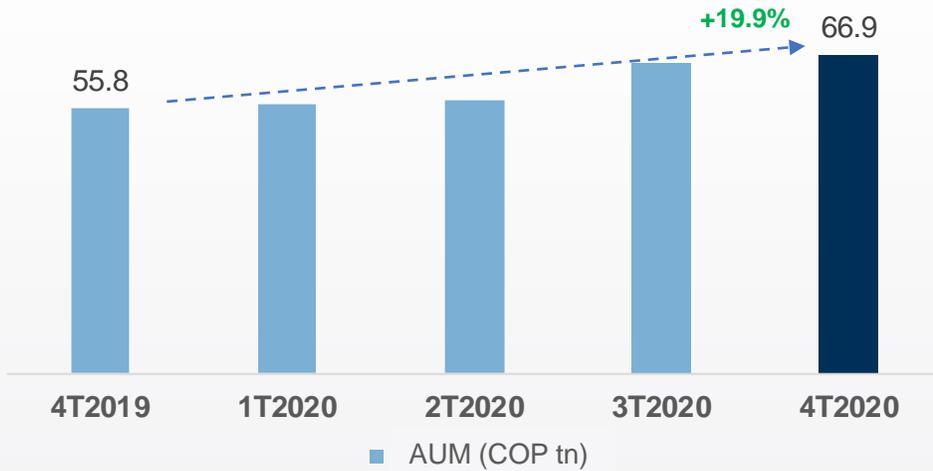


Total expenses  
 FY 2020  
**COP 1.1 tn (+6.7%)**

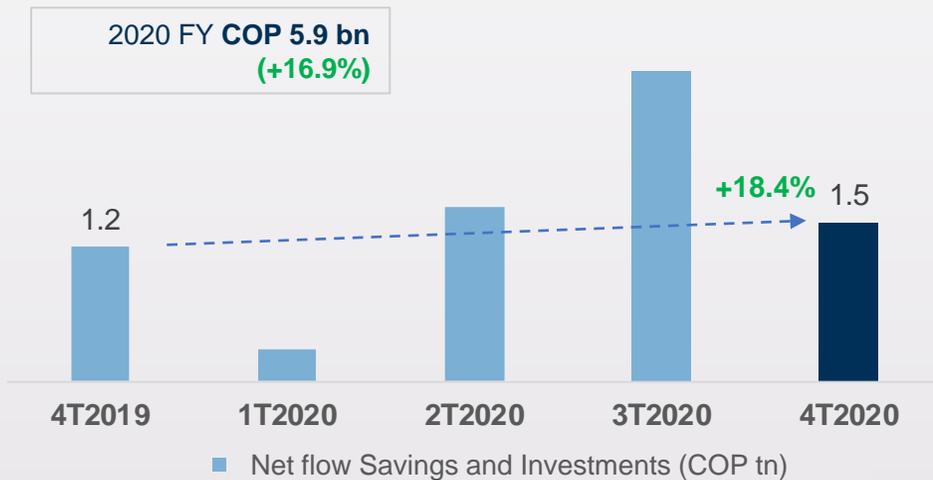
- **Commission income:** +4.1% in the quarter.
  - **Mexico +7.9%** due to AUM growth
  - **Chile +7.6%** driven by positive net flow of salary base.
- **Equity method:** recovery of Protección's results due to higher return on legal reserves.
- **Operating expenses +6.7%:** pandemic-related expenses and execution of strategic projects.
- Integra won bidding process for the new members of the private pension system in Peru.

# Savings and Investments + Investment Management

With positive net earnings in Q4-2020; starts showing operating leverage without decelerating growth rate



2020 FY: **COP 324 bn (+19.2%)**  
COP 81 bn **(-4.3%)**



2020 FY **COP 5.9 bn (+16.9%)**



---

**CEO: GONZALO PÉREZ**

**CFO: RICARDO JARAMILLO**

Investors and Capital Markets Managing Director:

**CARLOS EDUARDO GONZALEZ**

[cegonzalez@gruposura.com.co](mailto:cegonzalez@gruposura.com.co)

Investor Relations specialist:

**ANDRÉS ZULUAGA**

[azuluagaa@gruposura.com.co](mailto:azuluagaa@gruposura.com.co)

(574) 3197039

[CLICK HERE TO ACCESS REPORTS](#)