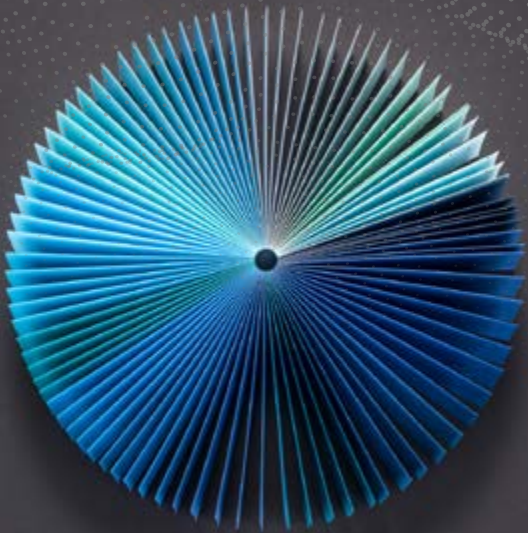


GRUPO SURA ended Q1 2021 with a **net income of COP 211,188 million (USD 59.4 million)**, thanks to the recovery seen with all of its portfolio investments as well as positive levels of performance from the Suramericana and SURA Asset Management business lines.

The benefits reaped from a well-balanced investment portfolio in terms of companies, geographies, and industries drove a higher growth in revenues compared to the increase in expense.

[MORE](#)



Quarterly highlights

Grupo SURA began the authorized stock buy-backs on the Colombian Stock Exchange (BVC)

These buy-backs, which include ordinary and preferred shares, have been approved for a maximum amount of COP 300,000 million for an authorized term ending in March 2023.

[MORE](#)

The SURA Foundation is recognized by the OECD

The Organization for Economic Cooperation and Development ranked the Foundation as one of the top three of its kind with the highest social investment in Colombia between 2013 and 2018.

[MORE](#)



SURA AM joins up with a new carbon neutral investment alternative

This subsidiary shall be participating in a new investment fund designed by BlackRock aimed at providing support to companies leading the transition towards a low-carbon economy.

[MORE](#)

AFP Integra created the Solidarity Fund for providing disability and survivors insurance coverage

This Pension Fund Management firm belonging to SURA AM in Peru is financing this initiative with its own income so as to provide insurance coverage to subscribers who have no access to such.

[MORE](#)

Seguros SURA Colombia has already vaccinated more than 400 thousand subscribers

This immunization campaign is being carried out in all 91 vaccination centers belonging to EPS SURA (our Mandatory Health Care subsidiary) throughout the country. These have a daily capacity for applying 25 thousand doses, depending on vaccine availability.



[MORE](#)

SURA IM is making headway in managing real estate investment funds

This business unit belonging to SURA AM is about to complete the construction of its first real estate property: the Nueva Córdova Building, in Santiago de Chile, which has become an icon of sustainable building.

[MORE](#)

Suramericana is helping to drive competitiveness throughout the region

The subsidiary is providing more knowledge and tools through its intermediaries and client care personnel and is preparing a new solution for companies seeking to mobilize the economy with a priority focus on industries affected by the pandemic.

[MORE](#)



These better-than-expected results, obtained at the end of this past quarter, go hand in hand with our commitment to life, to driving the region's recovery and, of course, to supporting public and private efforts for mitigating the impact of the pandemic. Grupo SURA's investments are showing a general recovery thanks to higher levels of subsidiary performance as well as higher revenues from our associates, all of which demonstrate the importance of the different business lines for private individuals and companies alike.



Gonzalo Pérez
CEO of Grupo SURA

Grupo SURA's consolidated results at the end of Q1 2021 were driven by a **13.7%** growth in operating revenues along with strict controls over spending.

A considerable improvement was obtained in Grupo SURA's revenues given higher earnings from Bancolombia, Grupo Nutresa, Grupo Argos and Protección.

The growth in written premiums and fee and commission income on the part of Suramericana and SURA Asset Management, the recovery in returns from the proprietary investments of the pension fund management firms (legal reserves), as well as increased revenues received from associates via the equity method, helped to provide operating revenues of COP 5.6 trillion (USD 1,564 million), that is to say 13.7% higher than for the same period last year.

On the other hand, total expenses rose at a slower pace (6.3%), thanks to the controls put in place by our subsidiaries as well as an all-out focus on gaining greater efficiencies. Consequently, operating ex-

penses dropped by 0.4% compared to the same period last year. This was made possible, in spite of the increase in claims recorded by Suramericana's Life and Health Care Insurance segments, while bearing in mind that the costs and expenses related to attending the COVID-19 pandemic totaled COP 420,757 million (USD 118.4 million) between January and March of this year.

Thus, operating earnings stood at COP 499,951 million (USD 140.7 million), which were higher than those of the same period last year, but still lower than those of a pandemic-free year such as 2019. The same applied to net income, which stood at COP 211,188 million (USD 59.4 million), which again was an improvement compared to the loss recorded in the first quarter of last year, the latter mainly due to the losses recorded on our regional markets at the beginning of the pandemic.

Finally, it is worth noting two significant factors for Grupo SURA, in its role as an investment management corporation, and which translate into a more efficient allocation of capital for both the Company and its shareholders.

- The scheduled repurchase of the Company's ordinary and preferred shares on the Colombian Stock Exchange.
- Declining levels of indebtedness during this past quarter, having prepaid obligations of COP 335,000 million on the part of Grupo SURA and SURA Asset Management.

Consolidated Earnings - Q1 2021

Operating revenues

COP **5.6 trillion**
(USD **1,564** million)

▲ **13.7%**

Operating earnings

COP **499,951 million**
(USD **140.7** million)

▲ **276.5%**

Net income on a QoQ basis

1T 21 COP **211,188 million**

1T 20 COP **-75,957 million**

1T 19 COP **560,272 million**



Subsidiary Performance

SURA AM Q1 21	
Fee and commission income	
COP 620,955 million	
(USD 175 million)	▲ 7.5%
Retirement savings	
	▲ 4.6%
Inversiones SURA + SURA IM	
(Voluntary savings + asset management)	▲ 30.1%

Suramericana Q1 21	
Written premiums	
COP 4.6 trillion	
(USD 1,296 million)	▲ 7.3%
Growth of written premiums per segment:	
Life Insurance	▲ 5.9%
Property and Casualty Insurance	▲ 0.7%
Health Care Insurance	▲ 26.8%

SURA ASSET MANAGEMENT

SURA Asset Management recorded growth of 7.5% in its fee and commission income, this driven by its lines of Retirement Savings (Pensions), Inversiones SURA (Savings for Private Individuals) and SURA Investment Management (Asset Management Servicesfor Institutional Clients). This Subsidiary also maintained a firm control over its expense, which rose by just 0.8% compared to the first quarter of 2020. **Consequently, net income came to COP 115,652 million (USD 32.6 million) as a result of the gains obtained from all segments.** Finally, it is worthwhile noting that Assets under Management rose by 16.6% compared to the first quarter last year, reaching COP 552.2 trillion(USD 150,111 million).

In terms of our subsidiary performance on a regional basis, we would like to make special mention of the educational campaigns being staged by our pension fund management firms, AFP Integra (Peru) and AFP Capital (Chile) in promoting greater awareness of the importance of safeguarding people’s savings, given the recent regulatory changes that authorized partial withdrawals of pension savings. Here we have set up the required channels for swiftly and opportunely attending to requests from our pension fund members.

For its part, Afore SURA (Mexico) was a pioneer in setting up a mobile app enabling fund members to carry out self-managed on-line transfers, which at the same time is a simple tool that is promoting the formalization of jobs for millions of workers, especially young people, who have not as yet registered with the Mexican pension system. This initiative makes it easy for them to check in real time whether their employers are making their respective retirement savings contributions while providing the opportunity to set up a voluntary savings account.



Ricardo Jaramillo Mejía,
Chief Business Development and Finance Officer of Grupo SURA, explains in detail the financial results obtained or the first quarter of 2021.

SURAMERICANA

This subsidiary obtained a 7.3% growth in written premiums, which totaled COP 4.6 trillion (USD 1,296 million), while maintaining a firm control over expenses, which increased by 1.6%. This good level of performance partially mitigated the 14.5% increase in retained claims, mainly in the case of the Life and Health Care segments, bearing in mind that the pandemic was still at an incipient stage in Colombia during the first quarter last year, and therefore did not suffer the same material effects caused later on with the contagion spikes especially in Colombia during the first quarter of this year. **Finally, a net loss of COP -10,552 million (USD -3 million) was recorded, in line with that forecasted by the Company given the increase in the aforementioned claims rate.**

The insurance subsidiaries belonging to Seguros SURA have allocated more than COP 1.9 trillion (USD 534.9 million) to initiatives relating to addressing the pandemic since it first began until the end of Q1 2021. In Colombia, it is important to underscore that efforts made by Suramericana to save lives, as can be seen with a case fatality rate among SURA subscribers and policy holders that came to just a third of the national average (0.8% vs. 2.6%), based on data made available on May 10, 2021.

Additionally, our Diagnostic Aids provider (Ayudas Diagnósticas SURA) expanded its capabilities for processing a higher volume of COVID tests with a new molecular biology laboratory. For its part, EPS SURA has vaccinated more than 400 thousand subscribers against the Coronavirus until May 10, also, a new initiative was launched in Chile to encourage healthier lifestyle habits and in Argentina a new Work Life Insurance product was launched in response to the uncertainty prevailing on the local job market, these among other initiatives.

▶ VIDEO



2021

Q1

Quarterly
Earnings newsletter



Share Information

The GRUPOSURA **ordinary share** closed at **COP 21,700** at the end of Q1 2021, for a QoQ increase of -14.2% and a YoY increase of +8.4%.

The PFGRUPSURA **preferred share** closed at **COP 18,940** at the end of Q1 2021 for a QoQ decline of -13.9% and a YoY increase of +12.9%.

Performance of Both Shares on the **Colombian Stock Exchange**



15,041

registered Grupo SURA **shareholders** at the end of Q1 2021,
13,034 of whom are private individuals.



Grupo SURA
**began the authorized
stock buy-backs on the
Colombian Stock Exchange
(BVC)**



The Company announced back in April that it was beginning to repurchase its own shares, both ordinary and preferred, on the Colombian Stock Exchange (BVC). The objective is to acquire a maximum approved amount of up to COP 300,000 million, for an authorized term ending in March 2023.

These repurchases represent yet another tool for a more efficient allocation of capital for both the Company and its shareholders. In turn, this shall help to invigorate the Colombian stock market, since Grupo SURA has become the first issuer ever to carry out operations of this type, using the trading systems of the Colombian Stock Exchange, as recently regulated by the latter authority.

It is important to note that these repurchases were approved by the General Assembly of Shareholders in 2020 and, last March, the Board of Directors defined and approved the procedure to be followed in order to conduct these repurchases, guaranteeing equal treatment for all shareholders as well as ensuring market transparency.

The purchase orders issued by Grupo SURA shall be in the same proportion as those of both its ordinary and preferred shares in the Company's share capital structure (that is to say 80.6% corresponding to ordinary shares and the remaining 19.4%, preferred shares), at the end of Q1 2021). However, since each holder of ordinary and/or preferred shares is able to decide on whether or not to sell in these same proportions, the number of shares effectively repurchased may result in a different proportion than the aforementioned.



These stock buy-backs are an initiative that we consider very important for Grupo SURA and our shareholders, since it represents a more efficient allocation of capital while helping to revitalize the Colombian stock market.



Ricardo Jaramillo Mejía

Chief Business Development
and Finance Officer
of Grupo SURA



The SURA Foundation was recognized by the OECD as **one of the three top foundations with the highest social investment in Colombia**

The Organization for Economic Cooperation and Development (OECD) recognized the SURA Foundation for its efforts to improve the country's educational, social and cultural conditions. Consequently, it was ranked as one of the three organizations with the highest social investment in Colombia, between 2013 and 2018, this for a total of

USD 37 million

Over the last 15 years the SURA Foundation has invested a total of approximately COP 183,000 million (approximately USD 50 million at today's exchange rate), in its different work fronts, these dedicated to enhancing the quality of education, strengthening cultural initiatives and driving social development, thereby benefiting more than 700 organizations throughout this same time frame. In fact, in 2020, the Foundation reached a historic milestone in terms of the amount invested in social initiatives with more than COP 26 billion, which improved the conditions of more than 280 thousand individuals and 2,563 organizations.

According to the OECD study, the country's philanthropic funding was mainly concentrated in supporting projects in the education sector, which accounted for just over one-third (37%) of the total social investment made between 2013 and 2018. On this front, the SURA Foundation also earned third place with a total of USD 18 million invested in the aforementioned period.

In this sense the Foundation's efforts on its Quality of Education work front in 2020 were aimed at ensuring continuous and long-term educational programs staged on-line. Here, the Foundation invested a total of COP 6,634 million, in projects such as the Felix and Susana program, benefiting 2,161 organizations and 8,806 individuals.

This year, the SURA Foundation plans to invest

COP 16,555 million

in its different investment lines





SURA Asset Management **strengthens its commitment to responsible investment**

With an investment of more than USD 90 million, SURA AM makes additional headway in building sustainable portfolios. On this occasion, by participating in a new investment alternative designed by BlackRock, namely the iShares US ETF. Carbon Transition Readiness, aimed at focusing its resources on large and mid-cap companies that are facilitating the transition to a low carbon economy, that is to say producing lower, less polluting carbon emissions.

SURA AM also signed up through its pension fund management firms, AFP Integra, in Peru, and Protección, in Colombia, which are promoting a portfolio designed to identify companies that are best prepared to face the risks associated with climate change.

This ETF was developed by BlackRock's Sustainable Investment unit, which created and has carried out its own strategy with its institutional investors since 2018. Besides AFP Integra and Protección, other global institutional investors have signed up with this ETF, these including: CalSTRS (California State Teachers Retirement System), Temasek, Varma Mutual Pension Insurance Company, Grupo Profuturo, FM Global and RenaissanceRe, which, in total, shall invest more than USD 1,200 million. The investments made by this ETF became it the largest ever launching of its kind.



Our commitment to sustainable investment, consists of analyzing our investment decisions from a much broader and more comprehensive standpoint, going beyond the purely financial considerations, especially when such decisions form an essential part of our business mission.



Ignacio Calle
CEO of SURA Asset Management





Seguros SURA has vaccinated more than 400 thousand Colombians against the Coronavirus

At May 11, this Suramericana subsidiary has deployed 91 vaccination centers and 189 teams of staff with the capacity to apply 25 thousand daily doses, depending on vaccine availability, so as to help speed up the immunization of the Colombian people, in accordance with that laid out in the National Vaccination Plan, issued by the Colombian Ministry of Health.

Since February, when immunization first began, 405 thousand EPS SURA subscribers have been vaccinated, broken down as follows: Stage 1 (the over 80s and front line health care personnel), 94% of these have already

received their first doses and 87.6% are completely immunized; Stage 2 (people between 60 and 79 years of age), 47.4% of the targeted population have already been vaccinated with 16% having received both doses.

The Company shall continue to develop new venues for increasing its vaccination capacity; for this reason, it recently inaugurated, in conjunction with the local Governor's Office of Antioquia, the Mayor's Office of Envigado and Grupo Éxito, the largest Multi-Vehicle Drive-In Vaccination Center to be built in the department of Antioquia, this located in the Viva Envigado Shopping Center.

Here, all EPS SURA subscribers who have scheduled their appointments through the on-line channel set up for this purpose, shall be vaccinated, arriving by car, motorcycle, bicycle or electric skateboard. This vaccination center shall have the capacity to apply up to 150 thousand doses per month, which is expected to considerably increase the rate of vaccination in this region of Colombia.



At SURA we continue to coordinate with the health care authorities in Colombia to provide solutions and strengthen capacities that allow us to face this critical moment of the pandemic. We have done everything in our hands to serve our subscribers in a comprehensive, relevant and timely manner.



Juana Francisca Llano
CEO of Suramericana



SURA Investment Management is making progress with alternative asset projects



The SURA AM Real Estate Development Investment Fund (FCP DI) is close to completing the construction of its first asset, the Nueva Córdova Building, in Santiago de Chile, which is destined to become a benchmark in terms of sustainability, architecture and technical characteristics. In this way, SURA IM is making progress with its regional strategy for alternative assets, in this case, real estate.

In this regard, **Andrés Alvarado**, Head of Real Estate at SURA Investment Management stated



For SURA Investment Management, the commitment to creating greater well-being and sustainable development is a cross-cutting element of our business strategy. In this sense, we are pleased to announce the construction of the Nueva Córdova Building as part of our overall vision for our real estate projects upon using the highest building standards.



This project was carried out in association with Sencorp, a Chilean real estate group. The building is scheduled to be handed over during the first half of 2021 and shall have 20,594 m² of leasable office space and 1,960 m² of retail premises.

The building is in the process of obtaining its LEED SC Gold certification, this based on having incorporated high standards in the efficient use of resources (mainly energy) and the well-being of its users. Nueva Córdova is the first building in Chile with solar panels installed on its façade as part of its overall structure, which shall generate significant energy savings in common areas and avoid 190 tons of CO₂ emissions per year.





Suramericana is helping its intermediaries and clients to improve their competitiveness

The Company recently launched an initiative for providing support to more than 25 thousand insurance advisors, brokers and agents throughout Latin America. The objective is to provide them with support and training so that they may further their on-line skills, thereby allowing them to further their business through these channels.

So far, nearly three thousand specialists from across the region have received this training, which can be complemented with new content that shall be made available on the Company's corporate channels. There, they shall find materials relevant to furthering their daily performance, ranging from how to command an active digital presence to how to correctly use WhatsApp for conducting business. In this way, Suramericana continues to provide tools for its network of intermediaries and client care personnel so that they may transform their CRM models tailoring these to today's needs.

New competitiveness insurance for companies

Competitiveness for all sectors, especially those most affected by the pandemic and the corresponding lock down measures, is the reason behind this initiative on the part of Seguros SURA in designing new solutions for helping to extend the capabilities of our client companies throughout the region.

In this regard, competitiveness insurance shall soon be launched in a gradual manner in several countries of the region, with a focus on developing these in particular sectors, in accordance with the specific conditions of each of those countries where Suramericana's subsidiaries are present: namely the restaurant sector in El Salvador, agro, in Argentina, logistics in Panama, education in Chile, construction in Uruguay, and Tourism, in the Dominican Republic.

Soon, and according to the importance that each sector represents for the local economy, other prioritized industries shall be announced.



AFP Integra announces a new Solidarity Fund for **providing disability and survivors insurance coverage** to its fund members

This pension fund management subsidiary of SURA Asset Management in Peru has put forward a series of proposals that help to provide greater sustainability for the local pension system, this from the standpoint of saving for the long term against the backdrop of the regulatory changes that until May has authorized pension fund members to make a total of three partial withdrawals of their pension savings since the beginning of the pandemic.

Consequently the pension fund management firm, AFP Integra created a Solidarity Fund, financed with 1% of its own income, which is aimed at all those subscribers who make the effort to save for a pension and who, when faced with a difficult situation, do not have a disability or survivor insurance coverage, since they stop making periodic contributions to their retirement savings.

This Fund offers two benefits: periodic payments, where fund members can receive amounts of up to 600 soles per month for a specified period of time. And the single lump sum, when they may receive a single amount of up to 5,000 soles, refundable without interest.

On the other hand, in order to help its subscribers to rebuild their pension funds and encourage them to think in the long-term, AFP Integra announced that all voluntary pension contributions shall not be subject to fee and/or commission charges until February 2024. This measure is aimed at helping to reconstruct pension funds after the authorized withdrawals.

Also, as of June 1, new workers who enter the Private Pension System (known locally as the SPP) shall pay the lowest mixed commission on the market, which AFP Integra has reduced from 0.82% to 0.79% for the fund balance component (on the value of the fund) while keeping the fund flow component (on wages and salaries) at 0%.

Aldo Ferrini,
CEO AFP Integra

