

GRUPO SURA (BVC: GRUPOSURA - PFGRUPSURA) reports its financial results for the second quarter of 2021, with a faster-than-expected recovery of its operations, producing a 14.6% growth in YTD operating revenues compared to the same period last year along with a net income of COP 672,371 million, having risen by 174.1%.

Highlights (Consolidated Results):

- **Consolidated net income**

This reached COP 672,373 million for the first half of the year and COP 461,185 million for the second quarter alone, having risen by 174.1% and 43.6% respectively compared to the same periods last year. This was due to a faster-than-expected recovery of the Group's different businesses, with SURA AM recording improved operating revenues, associates scoring higher net income figures along with a firm control over operating expense.

- **Total revenues**

Total revenues increased by 14.6% at the end of the first half of the year compared to the same period last year, closing at COP 11.7 trillion. It is worthwhile noting that thanks to positive levels of business performance, written premiums posted a growth of 10.2% with fee and commission income securing another growth of 16.0%. Likewise, the increase in revenues obtained via the equity method was driven by higher net income figures posted by Bancolombia, Grupo Argos and Protección. For the second quarter alone, revenues rose by 15.5%, showing growths of 13.2% in premiums, 23.0% in fees and commissions and 602.3% in revenues obtained via the equity method, while investment income declined by 53.6% due to the accelerated recovery experienced by financial markets in Q2 2020.

- **Total costs and expense**

These rose by 13.2% for the first half and 20.4% for the second quarter alone, mainly due to the continued impact of the pandemic on Suramericana, including COVID- related costs and expense amounting to COP 1.1 trillion on a YTD basis and COP 686,216 million for the quarter. The continuous efforts to increase efficiencies among our Companies, allowed us to keep operating expenses under a firm control, rising by just 0.1% for the year and 0.7% for the quarter.

- **Operating earnings**

Operating earnings came to COP 1.2 trillion at the end of the first half, showing a 29.3% increase compared to the same period last year, this in keeping with an upswing with our different businesses, as evidenced with increased revenues and spending efficiencies that have partially mitigated the costs and expense incurred with the COVID pandemic.

- **Debt**

During the second quarter of the year, Grupo SURA made a payment of USD 300 million on its international bonds maturing back in May, which is reflected in a reduction in total financial liabilities of COP 844,575 million compared to year-end 2020. Grupo SURA's net debt, as a holding, stood at COP 4.4 trillion at the end of the first half for an increase of COP 66,957 million. Finally, and in accordance with the Group's debt reduction plan, SURA AM has made principal repayments of COP 320,000 million during the first half of 2021.

- **Stock buyback**

In the second quarter 2021, Grupo SURA continued to execute the share buyback program, reaching a total of COP 30,081 million up to date where 86% corresponds to common shares and 14% are preferred shares. The Company will continue buying back shares in the measure that we perceive this alternative as an efficient capital allocation which creates value for both the company and our shareholders.

- **Divestment of Clover Health**

During the month of July, after the closing of the 2Q21 financial statements, Grupo SURA executed the first successful divestment of the SURA Ventures portfolio, corresponding to Clover Health. This investment made in 2017, for a value close to USD 3.7 mm, generated an annual return of 25.9% in pesos that resulted in a return of 2.6x the capital invested in pesos.

Summary of our Consolidated Financial Results:

| Consolidated income statement | jun-21 | jun-20 | %Var | Q2-2021 | Q2-2020 | %Var |
|--|---------------------|--------------------|---------------|--------------------|--------------------|---------------|
| Written premiums | 9,998,319 | 9,072,266 | 10.2% | 5,237,041 | 4,626,376 | 13.2% |
| Retained earned premiums | 8,460,470 | 7,719,960 | 9.6% | 4,366,376 | 3,563,711 | 22.5% |
| Fee and commission income | 1,566,898 | 1,350,856 | 16.0% | 807,176 | 655,982 | 23.0% |
| Investment income | 717,948 | 727,450 | -1.3% | 421,506 | 907,865 | -53.6% |
| Equity method - Revenues from Associates | 648,152 | 153,248 | 322.9% | 409,012 | 58,242 | 602.3% |
| Others | 270,770 | 224,396 | 20.7% | 103,318 | 100,964 | 2.3% |
| Total revenues | 11,664,238 | 10,175,909 | 14.6% | 6,107,387 | 5,286,764 | 15.5% |
| Retained claims | (6,101,527) | (4,895,529) | 24.6% | (3,168,216) | (2,271,711) | 39.5% |
| Operating expense | (4,107,013) | (4,100,985) | 0.1% | (2,112,628) | (2,097,803) | 0.7% |
| Depreciation and amortization | (263,967) | (257,979) | 2.3% | (134,763) | (128,625) | 4.8% |
| Operating expense | (10,472,508) | (9,254,492) | 13.2% | (5,415,607) | (4,498,139) | 20.4% |
| Operating earnings | 1,191,731 | 921,416 | 29.3% | 691,780 | 788,624 | -12.3% |
| Financial Result | (295,330) | (427,592) | -30.9% | (93,651) | (175,382) | -46.6% |
| Income tax | (228,875) | (236,043) | -3.0% | (137,543) | (250,651) | -45.1% |
| Net income from continuing operations | 667,526 | 257,781 | 159.0% | 460,586 | 362,591 | 27.0% |
| Net income | 672,373 | 245,295 | 174.1% | 461,185 | 321,252 | 43.6% |
| Earnings - parent company | 622,255 | 169,449 | 267.2% | 428,025 | 244,107 | 75.3% |

Figures stated in COP millions. Written premiums include income corresponding to premiums and health care services that were previously recorded as revenues from services rendered.

Summary of results broken down per line of business

| Contribution to consolidated net income | jun-21 | jun-20 | %Var | Q2-2021 | Q2-2020 | %Var |
|---|------------------|------------------|---------------|-----------------|------------------|---------------|
| Suramericana | (750) | 292,520 | | 9,802 | 185,823 | -94.7% |
| SURA AM | 305,113 | 120,133 | 154.0% | 189,461 | 250,003 | -24.2% |
| Net income excluding return from encaje | 178,304 | 66,655 | 167.5% | 117,384 | (1,225) | |
| Return from encaje | 91,468 | (9,646) | | 72,077 | 251,227 | -71.3% |
| Fx exchange difference | 35,341 | 63,124 | -44.0% | | | |
| Revenues via equity method: Grupo SURA (holding) | 581,002 | 152,113 | 282.0% | 360,617 | 7,472 | |
| Bancolombia | 416,216 | 64,184 | 548.5% | 283,346 | (17,916) | |
| Grupo Argos | 35,995 | (18,439) | | 28,557 | (14,495) | |
| Grupo Nutresa | 130,247 | 116,006 | 12.3% | 48,925 | 49,087 | -0.3% |
| Other | (1,456) | (9,638) | -84.9% | (211) | (9,204) | -97.7% |
| Other results Grupo SURA (holding) | (212,992) | (319,471) | -33.3% | (98,695) | (122,046) | -19.1% |
| Fx exchange effect | 24,772 | (79,808) | | 25,813 | (6,379) | |
| Administrative expenses | (44,634) | (42,218) | 5.7% | (29,082) | (24,453) | 18.9% |
| Interests | (204,005) | (192,045) | 6.2% | (97,166) | (94,222) | 3.1% |
| Other | 10,875 | (5,400) | | 1,740 | 3,007 | -42.1% |
| Net income | 672,373 | 245,295 | 174.1% | 461,185 | 321,252 | 43.6% |

Summary of results broken down per line of business

Suramericana

Written premiums rose by 10.8% at the end of the first half of the year, this driven by the Health Care and Life Insurance segments with individual increases of 34.9% and 11.7% respectively. On the other hand, retained claims rose by 26.7% due to the effect of the pandemic, with COVID claims accounting for a total of COP 1.1 trillion, compared to COP 236,432 million at the end of the first half of 2020, when infection curves were still at an early stage. These higher claims rate was partially mitigated by lower fees and commissions paid, which showed a decline of 10.7%, along with greater efficiencies that kept the growth in administrative expense to just 0.6%. Investment income decreased by 21.3%, mainly due to the prevailing increases in interest rates that in turn affected securities that are value at mark-to-market. In the light of this, the Company recorded a net loss of COP 750 million on a YTD basis. However, Suramericana reported a net income of COP 9,802 million for this past second quarter, also impacted by COVID claims given higher infection curves, mainly in Colombia, as well as by lower investment income.

SURA Asset Management

SURA AM's operating revenues reached COP 1.4 trillion so far this year, with growths of 21.1% in pesos and 15.5% in local currencies. This positive level of performance was mainly due to a 15.2% increase in fee and commission income, improved revenues obtained via the equity method, mainly from Protección, which came to COP 68,004 million, coupled with better returns from its reserve requirements. Likewise, Sura Asset Management continued with a firm control over spending, which, in addition to higher revenues, produced a net income of COP 305,113 million at the end of Q2 2021, this representing a growth of 154.0% compared to the same period last year. Furthermore, good levels of performance on the part of its Investment Management and Inversiones SURA divisions continued during this past quarter producing positive levels of operating earnings.

Equity method (associates)

This account, which consists of revenues received from associates (except for Protección, which is included in SURA AM's net income), recorded a growth of 282.0% compared to the same period last year, having contributed COP 581,002 million to Grupo SURA's bottom line and evidencing a partial recovery compared to its pre-pandemic results. This improvement was mainly due to an increase with Bancolombia's net income, particularly during this past second quarter along with a sustained growth with Nutresa's bottom line and the recovery seen with that of Grupo Argos.

Other results

This section includes expenses related to Grupo SURA's operations, as a holding company. These showed a decrease of 33.3% compared to the same period last year, which is mainly due to a positive exchange rate effect this year, compared to a loss during the first half of last year given a greater exposure to USD-denominated debt as well as a greater depreciation of the Colombian peso. Finally, interest expense rose compared to the same period last year due to a temporary effect caused by an increase in the Company's gross indebtedness, this as a result of an issue of local bonds worth COP 1 trillion placed in August 2020 to cover the payment of international bonds due in May 2021 for a total of USD 300 million.

Statement of Consolidated Financial Position - Summary of Key Figures

| Consolidated statement of financial position | jun-21 | dic-20 | %Var |
|---|------------|------------|------|
| Total assets | 72,167,011 | 70,941,764 | 1.7% |
| Total liabilities | 42,399,978 | 42,400,039 | 0.0% |
| Equity attributable to owners of the parent company | 27,149,962 | 26,004,832 | 4.4% |
| Non-controlling interest | 2,617,070 | 2,536,894 | 3.2% |
| Total equity | 29,767,032 | 28,541,725 | 4.3% |

Financial Liabilities

| Grupo SURA (Holding) | jun-21 | dic-20 | Var\$ |
|------------------------------------|------------------|------------------|------------------|
| Grupo Sura - Bonds | 4,136,449 | 4,995,267 | (858,818) |
| Banks | 522,195 | 572,954 | (50,759) |
| Debt | 4,692,996 | 5,568,221 | (875,225) |
| Derivatives | 204,396 | 172,880 | 31,516 |
| Preferred dividends | 459,981 | 460,847 | (866) |
| Total financial liabilities | 5,357,373 | 6,201,948 | (844,575) |
| Fair value - hedging derivatives | 438,014 | 343,733 | 94,281 |
| Cash and cash equivalents | 33,005 | 1,037,952 | (1,004,947) |
| Net debt | 4,426,373 | 4,359,416 | 66,957 |

| SURA AM | jun-21 | dic-20 | Var\$ |
|---|------------------|------------------|------------------|
| Bonds | 3,194,767 | 2,923,635 | 271,132 |
| Banks | 194,298 | 515,395 | (321,097) |
| Debt | 3,389,065 | 3,439,030 | (49,965) |
| Derivatives | 0 | 0 | 0 |
| Total financial liabilities | 3,389,065 | 3,439,030 | (49,965) |
| Fair value - hedging derivatives | 535,578 | 257,256 | 278,322 |
| Financial liabilities, net of hedges | 2,853,487 | 3,181,774 | (328,287) |

| Suramericana | jun-21 | dic-20 | Var\$ |
|------------------------------------|------------------|------------------|-----------------|
| Bonds | 848,555 | 846,517 | 2,038 |
| Banks | 321,760 | 395,185 | (73,425) |
| Suramericana | 1,170,315 | 1,241,702 | (71,387) |
| Derivatives | 10,735 | 3,638 | 7,097 |
| Total financial liabilities | 1,181,050 | 1,245,340 | (64,290) |

The Company continues to provide its help and support to all those private individuals and companies that have been impacted by the pandemic, this through our comprehensive risk management and client care models. Special mention is made of the growth obtained with premiums as well our expense management efforts, which are providing us with greater sustainability.

Highlights (Consolidated Results):

- **Premiums**

Written premiums reported growths of 14.0% for the quarter and 10.8% on a YTD basis, thanks to improved levels of performance of the health, life and car insurance solutions, which showed significant increases for the quarter, this in keeping with a recovery in business activities, both in the brokerage and affinity channels. Another key factor was the growth observed with the Mandatory Health Care (EPS) business, which leveraged our Health Care segment with more than 199 thousand new sign-ups so far this year. Finally, our Workers Compensation business in Colombia is benefiting from a reactivation in the Infrastructure, Retail and Health Care sectors.

- **Claims**

During the first half of the year, the Company's overall claims rate was affected by higher COVID claims with the Life Insurance, Health Care and Workers Compensation lines of business, which so far on the Company's financial statements come to COP 1.1 trillion on a YTD basis and COP 686,216 million for the quarter. This has been partially offset by reduced frequencies of non-COVID health care claims, including the Mandatory Health Care business; lower profit-sharing commissions due to the higher COVID claims rate, as well as compensation recorded as revenues corresponding to the Mandatory Health Care (EPS) business. Furthermore, this past quarter saw a return to pre-pandemic frequencies with regard to our mobility solutions, which is expected to continue into the coming quarters in keeping with the current economic recovery and the progress made with mass vaccinations throughout the region.

- **Technical Result**

Our technical margin deteriorated from 15.3% in Q2 2020 to 10.3% in Q2 2021, mainly due to a higher COVID claims rate, which together with its effect on technical insurance expenses reached 14.1% of written premiums while for the same period last year these same items came to 6.0%. Likewise, the return to more normalized frequencies with our mobility solutions also explain the decline with our technical result. It is worth noting that the different strategies implemented to help and support our clients during the pandemic have helped to keep the death rate down to just 0.88% for the Mandatory Health Care plan compared to a nationwide death rate in Colombia of 2.61%.

- **Administrative Expense**

In 2021, spending management strategies continued as part our efforts to mitigate the effects of the pandemic on our overall results. These strategies are focused on fine-tuning our operating models to achieve savings and efficiencies with our real estate, marketing, fees and commission, travel and other expense This has produced a drop in expense as a percentage of written premiums, which stood at 14.0% for this past quarter compared to 16.0% for the same period last year.

- **Investment Income**

Investment income declined by 21.3% due to widespread increases in global interest rates which in turn affected market prices of our investment portfolios. The global economic recovery, inflationary pressures and a greater perception of risk in certain Latin American economies led to this increase in interest rates. However, it is important to mention that this upward shift in the interest rate curves have provided a great opportunity to reinvest at higher rates, which means higher investment income going forward.

- **Net Income | Adjusted ROTE**

At the end of this past quarter, Suramericana reported a bottom line of COP 9,802 million and a ROTE (Return on Tangible Equity) on a rolling 12-month basis of -0.9%. Net income for this past quarter reflected the impact of the COVID-19 pandemic, which produced increases in the claims rate, as well as lower financial income as a result of the amount of volatility prevailing on the capital markets.

Summary of Consolidated Results | Selected Indicators

| Results summary | jun-21 | jun-20 | %Var | Q2 2021 | Q2 2020 | %Var |
|---------------------------------------|--------------------|--------------------|---------------|--------------------|--------------------|---------------|
| Assets | 31,254,882 | 29,911,153 | 4.5% | 31,254,882 | 29,911,153 | 4.5% |
| Liabilities | 26,230,595 | 24,715,607 | 6.1% | 26,230,595 | 24,715,607 | 6.1% |
| Shareholders' equity | 5,016,651 | 5,186,800 | -3.3% | 5,016,651 | 5,186,800 | -3.3% |
| Tangible equity | 3,935,405 | 4,105,554 | -4.1% | 3,935,405 | 4,105,554 | -4.1% |
| Written premiums | 9,731,488 | 8,784,949 | 10.8% | 5,126,231 | 4,494,855 | 14.0% |
| Ceded premiums | (1,605,711) | (1,495,336) | 7.4% | (927,344) | (888,971) | 4.3% |
| Retained premiums (net) | 8,125,778 | 7,289,613 | 11.5% | 4,198,887 | 3,605,884 | 16.4% |
| Adjustments to reserves | 164,701 | 107,344 | 53.4% | 98,357 | 20,077 | 389.9% |
| Retained earned premiums (REP) | 8,290,479 | 7,396,957 | 12.1% | 4,297,244 | 3,625,961 | 18.5% |
| Total claims | (6,469,841) | (5,329,231) | 21.4% | (3,353,853) | (2,414,285) | 38.9% |
| Reimbursed claims | 628,968 | 718,323 | -12.4% | 324,218 | 259,311 | 25.0% |
| Retained claims | (5,840,873) | (4,610,908) | 26.7% | (3,029,635) | (2,154,974) | 40.6% |
| Net commissions | (1,000,654) | (1,120,692) | -10.7% | (514,620) | (570,500) | -9.8% |
| Revenues from services rendered | 36,743 | 39,319 | -6.6% | 17,029 | 17,235 | -1.2% |
| Costs from services rendered | (85,299) | (82,347) | 3.6% | (43,167) | (36,057) | 19.7% |
| Other operating expenses | (368,297) | (287,840) | 28.0% | (197,984) | (160,077) | 23.7% |
| Impairment | (2,341) | (40,173) | -94.2% | (1,646) | (31,790) | -94.8% |
| Technical result | 1,029,758 | 1,294,315 | -20.4% | 527,221 | 689,798 | -23.6% |
| Administrative expenses | (1,402,293) | (1,389,260) | 0.9% | (716,131) | (718,126) | -0.3% |
| Amortizations and depreciations | (110,265) | (114,709) | -3.9% | (55,232) | (56,608) | -2.4% |
| Underwriting profit | (482,800) | (209,654) | 130.3% | (244,142) | (84,936) | 187.4% |
| Dividends | 533 | 118 | 353.6% | 281 | 1 | |
| Investment income | 504,492 | 640,911 | -21.3% | 294,157 | 389,654 | -24.5% |
| Interest expenses | (46,566) | (61,875) | -24.7% | (24,012) | (30,317) | -20.8% |
| Other non-operating income (expense) | 72,860 | 37,175 | 96.0% | 9,202 | 12,516 | -26.5% |
| Earnings (losses) before tax | 48,519 | 406,675 | -88.1% | 35,486 | 286,918 | -87.6% |
| Income tax | (49,269) | (114,155) | -56.8% | (25,684) | (101,095) | -74.6% |
| Earnings (losses), net | (750) | 292,520 | -94.7% | 9,802 | 185,823 | -94.7% |
| Earnings (losses) - parent company | (938) | 291,741 | | 9,543 | 185,014 | -94.8% |
| Amortization of M&A intangibles | (28,820) | (37,394) | -22.9% | (14,184) | (18,244) | -22.3% |
| Amortization deferred tax | 7,097 | 10,281 | -31.0% | 3,236 | 5,010 | -35.4% |
| Adjusted net earnings | 20,785 | 318,854 | -93.5% | 20,491 | 198,248 | -89.7% |

| Main indicators | jun-21 | jun-20 | Var A/A | Q2 2021 | Q2 2020 | Var T/T |
|--|--------|--------|---------|---------|---------|---------|
| % Ceded premiums | 16.5% | 17.0% | -0.5% | 18.1% | 19.8% | -1.7% |
| % Retained claims / Retained earned premiums | 70.5% | 62.3% | 8.1% | 70.5% | 59.4% | 11.1% |
| % Claims ratio P&C and life segments | 61.4% | 50.8% | 10.6% | 62.1% | 45.7% | 16.3% |
| % Claims ratio Health Care segments | 89.9% | 90.1% | -0.2% | 89.0% | 91.2% | -2.2% |
| % Net commissions / Retained earned premiums | 12.1% | 15.2% | -3.1% | 12.0% | 15.7% | -3.8% |
| % Other operating expense / Written premiums | 3.8% | 3.3% | 0.5% | 3.9% | 3.6% | 0.3% |
| % Administrative expense / Written premiums | 14.4% | 15.8% | -1.4% | 14.0% | 16.0% | -2.0% |
| ROE adj. (12m) | -0.7% | 11.3% | -12.1% | -0.7% | 11.3% | -12.1% |
| ROTE adj. (12m) | -0.9% | 14.2% | -15.1% | -0.9% | 14.2% | -15.1% |

Summary of our Results Per Segment

| Results by segment | jun-21 | jun-20 | %Var | Q2 2021 | Q2 2020 | %Var |
|--|------------------|------------------|----------------|-----------------|-----------------|---------------|
| Life | 38,192 | 230,517 | -83.4% | (9,845) | 107,521 | -109.2% |
| Property and Casualty (P&C) | 30,117 | 165,782 | -81.8% | 40,211 | 162,778 | -75.3% |
| Health care | 24,964 | 981 | 2445.6% | 24,121 | (15,315) | 257.5% |
| Supplementary services | 6,344 | 5,707 | 11.2% | 5,327 | 3,803 | 40.1% |
| Revenues & expenses Suramericana (subholding) | (100,367) | (110,467) | 9.1% | (50,013) | (72,963) | 31.5% |
| Corporate expenses | (46,671) | (42,021) | -11.1% | (23,920) | (21,026) | 13.8% |
| Interest expense | (26,183) | (38,261) | 31.6% | (13,840) | (18,716) | -26.1% |
| Taxes | (31,447) | (41,007) | 23.3% | (14,746) | (33,510) | -56.0% |
| Other | 3,934 | 10,823 | -63.7% | 2,493 | 289 | 762.6% |
| Consolidated net income | (750) | 292,520 | -100.3% | 9,802 | 185,823 | -94.7% |
| Net income - parent company | (938) | 291,741 | -100.3% | 9,543 | 185,014 | -94.8% |
| M&A Intangible amortization | (21,723) | (27,113) | 19.9% | 9,543 | 185,014 | -94.8% |
| Adjusted net income | 20,785 | 318,854 | -93.5% | (10,948) | (13,234) | 17.3% |

Life insurance

The results of the Life Insurance segment continue to be impacted by the COVID claims rate during this past quarter, mainly with our Colombian subsidiaries, which in turn was reflected in the amounts of compensation awarded for fatal cases in the Individual Life, Group Life and Workers Compensation insurance solutions, given another more pronounced wave of infection throughout the country. It should be noted that the Company continues to implement strategies aimed at providing greater well-being and competitiveness to both private individuals and companies in the form of risk management support and client care initiatives thanks to which the death rate among SURA members has been much lower than the country-wide figure.

However, higher levels of business performance have produced growths in written premiums of 17.6% for the quarter and 11.7% on a YTD basis, this driven mainly by our Workers Compensation, Health and Life Insurance lines of business. The efforts made in reining in expense have also produced a 6.3% drop in the administrative expense / written premiums indicator.

Property & Casualty Insurance

The results of the P&C insurance segment dropped by 75.3% for the quarter, due to a higher claims rate compared to the same period last year now that we are returning to pre-pandemic frequency levels after the previous lock down measures, this mainly evidenced with our car insurance business. This segment was also affected by COVID claims rate for the quarter, given the death rates in Mexico and Panama, for which claims worth COP 33,395 million were received. ¹

Health Care

The results of our Health Care segment were impacted by a sustained peak with the COVID infection curve this past quarter, thereby producing a consequent increase in the claims rate, which, unlike the previous year, is not being fully offset by the drop in the non-COVID claims rate, given the reactivation and normalization of health care services provided outside the red and orange alerts. The excess of COVID claims compared to their non-COVID counterparts as part of the Government's Basic Health Care Plan coverage (PBS in Spanish) is estimated at COP 88,460 million, which were recognized as income for the quarter. The total COVID-related claims rate stood at COP 317,745 million for the quarter. On the other hand, inadequate ceilings for services that are not included in the Government's Basic Health Care Plan coverage (PBS in Spanish) has placed an upward pressure on the Company's claims rate and has had a significant effect on our overall results. Our health care subsidiaries, especially our Diagnostic Aids provider, recorded a 188.5% increase in revenues for the quarter given the increase in the number COVID tests performed on a higher number of confirmed and suspected cases.

Income and Expense - Suramericana

The Holding's overall results have been favored by a lower income tax figure recorded for the quarter, given the spin-off of the Colombian Life Insurance subsidiary in favor of Suramericana in the second quarter 2020.

As for the growth in administrative expense, this reflects investments in projects aimed at enhancing our on-line channel throughout the region.

¹A portion of the Life Insurance operations is recorded in the Property & Casualty segment, mainly in Mexico and Panama.

Premiums

| Retained earned premiums (REP) | jun-21 | jun-20 | %Var | Q2 2021 | Q2 2020 | %Var |
|--|------------------|------------------|--------------|------------------|------------------|--------------|
| Written premiums (WP) Life | 2,927,127 | 2,620,609 | 11.7% | 1,526,060 | 1,297,603 | 17.6% |
| REP Life | 2,814,670 | 2,522,065 | 11.6% | 1,457,950 | 1,262,048 | 15.5% |
| Written premiums Property & Casualty (P&C) | 4,034,489 | 3,999,619 | 0.9% | 2,157,326 | 2,135,405 | 1.0% |
| REP P&C | 2,699,073 | 2,695,542 | 0.1% | 1,390,565 | 1,290,195 | 7.8% |
| Written premiums Health care | 3,518,871 | 2,608,140 | 34.9% | 1,862,206 | 1,301,944 | 43.0% |
| Written premiums - Eliminations | (748,998) | (443,419) | 68.9% | (419,361) | (240,097) | 74.7% |
| REP - Eliminations | (742,136) | (428,790) | 73.1% | (413,477) | (228,226) | 81.2% |
| Consolidated written premiums | 9,731,488 | 8,784,949 | 10.8% | 5,126,231 | 4,494,855 | 14.0% |
| Consolidated REP | 8,290,479 | 7,396,957 | 12.1% | 4,297,244 | 3,625,961 | 18.5% |

REP: Retained earned premiums

| By country | Col | Ch | Mx | Arg | Br | SV | Pan | RD | Uru | Sura Re |
|---------------------|-------|--------|-------|-------|-------|-------|-------|-------|-------|---------|
| Var A/A (Local Ccy) | 19.0% | -6.1% | -0.4% | 49.5% | 14.4% | -0.3% | -3.2% | 7.1% | 12.0% | - |
| WP Jun-21 (bn) | 7,313 | 1,195 | 453 | 443 | 279 | 247 | 240 | 156 | 149 | 6 |
| Var T/T (ML) | 23.9% | -20.3% | 11.9% | 74.3% | 19.6% | 11.7% | 3.0% | 17.8% | 12.8% | - |
| WP Q2 2021 (bn) | 3,833 | 655 | 235 | 246 | 147 | 130 | 125 | 88 | 83 | 4 |

The growth in written premiums corresponding to the Life Insurance segment during the second quarter of the year was driven by the Workers Compensation line of business in Colombia, which recorded a total of 4.4 million insured employees at the end of Q2 2021, having risen by 226 thousand so far this year, thanks to the reactivation of the infrastructure, retail and health care sectors as part of the overall economy, which in turn produced a 28.8% growth for this line of insurance. Furthermore, the Health Care segment produced an 18.2% increase in premiums thanks to positive levels of performance on the part of all those subsidiaries that make up this segment. For their part, the Individual Life and Group Life lines of insurance rose by 11.5% for Q2 2021, mainly driven by the affinity channel in Colombia.

The Property and Casualty segment was particularly favored by the current economic recovery compared to the same quarter last year and the gradual lifting of lockdown measures, which is mainly reflected in the growth obtained with our car (including mandatory car insurance), compliance and theft lines of business, with increases of more than 22% in local currencies. The improvement seen with overall business activities comes in contrast with the amount of premiums carrying terms of more than one year written in Q2 2020, whose renewals are now scheduled for the end of 2021 and mid-2022.

Finally, the growth in written premiums obtained by the Health Care segment was mainly due to the Mandatory Health Care (EPS) line of insurance was 33.0%, with its total membership base of 4.4 million, having signed up 199,281 new users so far this year, as well as the COP 88,460 million recorded as compensation given the estimated shortfalls with the tariffs corresponding to the Government's Basic Health Care (PBS in Spanish) coverage at the end of May

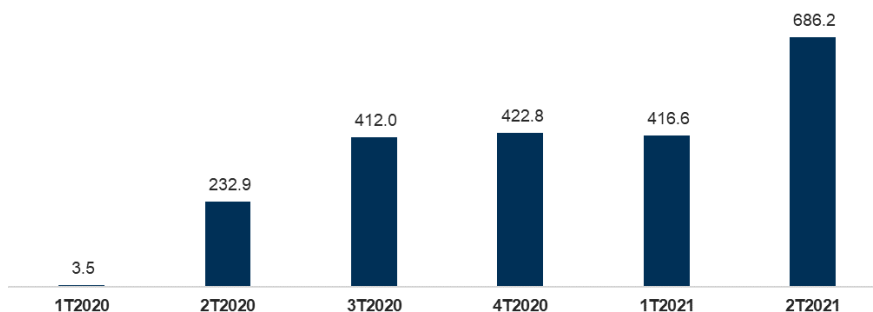
Retained Earned Premiums (REP) showed a higher growth compared to written premiums, mainly due to the effect of the amount of released production reserves from the Property and Casualty segment given the multiannual premiums issued in 2020, reflecting the risk assumed in this past quarter. It is important to mention that production reserves directly relate to the terms of new policies being issued, thereby aligning the Company's income with the period in which the corresponding risk is covered, thereby allowing the Company to address future obligations with policyholders.

Claims

| Retained claims | jun-21 | jun-20 | %Var | Q2 2021 | Q2 2020 | %Var |
|-------------------------------------|------------------|------------------|--------------|------------------|------------------|--------------|
| Life | 1,972,681 | 1,366,166 | 44.4% | 1,052,968 | 625,027 | 68.5% |
| % Retained claims / REP | 70.1% | 54.2% | | 72.2% | 49.5% | - |
| P&C | 1,414,791 | 1,284,945 | 10.1% | 714,822 | 541,710 | 32.0% |
| % Retained claims / REP | 52.4% | 47.7% | | 51.4% | 42.0% | - |
| Health care | 3,161,935 | 2,349,185 | 34.6% | 1,656,539 | 1,186,844 | 39.6% |
| % Retained claims / REP | 89.9% | 90.1% | | 89.0% | 91.2% | - |
| Eliminations | -708,535 | -389,388 | 82.0% | -394,694 | -198,608 | 98.7% |
| Consolidated retained claims | 5,840,873 | 4,610,908 | 26.7% | 3,029,635 | 2,154,974 | 40.6% |
| % Retained claims / REP | 70.5% | 62.3% | | 70.5% | 59.4% | - |

The Company continued to post a higher claims rate due to COVID, since for this same quarter last year although COVID claims had already begun to materialize it was to a much lesser extent given the early stages of the infection curve. During this past quarter, claims relating to the COVID-19 virus amounted to COP 335,077 million for the Life Insurance segment, COP 317,745 million for the Health Care segment and COP 33,935 million for Property and Casualty.² The greatest effects of the pandemic were sustained by the Colombian subsidiaries given the significant exposure of our Life Insurance, Health Care and Workers Compensation segments to yet another wave of infection that occurred during this past quarter. Our subsidiaries in Mexico, El Salvador and Panama presented lower COVID-related claims for this past quarter, compared to the same period last year.

Quarterly evolution of COVID claims



This year our Companies continued to provide the same client care and support models that were first drawn up last year. These included an on-line assistance model, oxygen therapy treatment, home medicine deliveries and extending our installed capacity for providing our services, all this for the purpose of furthering our risk management and prevention capabilities on a company-wide level. Furthermore, we have participated in Colombia's nation-wide vaccination plan through IPS SURA with 406 thousand doses now applied, helping to achieve 2.4 million doses for members of our Mandatory Health Care line of insurance.

The non-COVID claims rate rose during this last quarter compared to the same period last year, mainly with car and mandatory car insurance, given the comparative effect of last year's lockdowns throughout the region, as well as increases in the average costs and expense given rising prices of spare parts and vehicles throughout region. Health care coverage, both voluntary and mandatory, and the accident and death claims for our Workers Compensation segment also presented higher frequencies compared to previous quarters due to the increase in non-COVID care and the economic reactivation.

Regarding expectations for the coming quarters, we do foresee the COVID claims rate to continue affecting our Life and Health Care segments in Colombia, given the possible evolution of the infection curve, as well as a return to normality of non-COVID claims, mainly in the mobility insurance solutions, which are consolidated in the Property and Casualty segment.

²A portion of the Life Insurance operations is recorded in the Property & Casualty segment, mainly in Mexico and Panama.

Commissions

| Net commissions | jun-21 | jun-20 | %Var | Q2 2021 | Q2 2020 | %Var |
|---------------------------------|------------------|------------------|---------------|----------------|----------------|---------------|
| Life | 501,755 | 568,062 | -11.7% | 257,996 | 299,469 | -13.8% |
| % net commissions / REP | 17.8% | 22.5% | | 17.7% | 23.7% | |
| P&C | 489,133 | 543,304 | -10.0% | 251,543 | 266,182 | -5.5% |
| % net commissions / REP | 18.1% | 20.2% | | 18.1% | 20.6% | |
| Health care | 12,695 | 10,383 | 22.3% | 6,600 | 5,332 | 23.8% |
| Supplementary services | 337 | 757 | -55.5% | 280 | 580 | -51.7% |
| Eliminations | -3,267 | -1,814 | 80.1% | -1,799 | -1,062 | 69.4% |
| Consolidated commissions | 1,000,654 | 1,120,692 | -10.7% | 514,620 | 570,500 | -9.8% |
| % net commissions / REP | 12.1% | 15.2% | | 12.0% | 15.7% | - |

The net commissions indicator dropped compared to the same period last year, mainly due to lower profit-sharing commissions corresponding to the bancassurance channel in the Life Insurance segment this in turn impacted by a the higher COVID claims rate, which helped to partially offset the claims rates corresponding to the Group Life line of insurance. Furthermore, there was a higher volume of premiums corresponding to products and channels carrying lower brokerage costs that in turn drove up the commission indicator for Property and Casualty segment.

The consolidated indicator was also benefited by a higher growth in premiums corresponding to the Health Care segment which carries lower brokerage costs compared to the Life and Property and Casualty branches of insurance.

Technical insurance expenses

| Technical insurance expenses | jun-21 | jun-20 | %Var | Q2 2021 | Q2 2020 | %Var |
|---|-----------------|-----------------|--------------|----------------|----------------|--------------|
| Life | 232,411 | 193,343 | 20.2% | 130,269 | 115,284 | 13.0% |
| % Other op. expenses / Written premiums | 7.9% | 7.4% | | 8.5% | 8.9% | |
| P&C | 245,779 | 213,012 | 15.4% | 123,468 | 105,384 | 17.2% |
| % Other op. expenses / Written premiums | 6.1% | 5.3% | | 5.7% | 4.9% | |
| Other segments | -109,892 | -118,515 | -7.3% | -55,752 | -60,591 | -8.0% |
| Other operating expenses - total | 368,297 | 287,840 | 28.0% | 197,984 | 160,077 | 23.7% |
| % Other op. expenses / Written premiums | 3.8% | 3.3% | | 3.9% | 3.6% | 0.0% |

Technical insurance expenses ratio for this past quarter increased by 30 bp, due to higher roadside assistance expense in the Property and Casualty segment with the increase in exposed vehicles and a more mobile population, increases in technical contributions for Mandatory Road Insurance in Colombia and higher non-proportional reinsurance costs in Chile given the growth with the mortgage business.

It is important to mention that, with regard to the Life Insurance segment, we continue to invest in protection and prevention elements for the Workers Compensation business which for this past quarter came to a total of COP 36,100 million.

Technical Result

| Technical result (TR) | jun-21 | jun-20 | %Var | Q2 2021 | Q2 2020 | %Var |
|--------------------------------------|------------------|------------------|---------------|----------------|----------------|---------------|
| Life | 111,604 | 384,590 | -71.0% | 20,498 | 217,010 | -90.6% |
| TR / Written premiums | 3.8% | 14.7% | | 1.3% | 16.7% | |
| P&C | 543,178 | 627,997 | -13.5% | 296,025 | 352,414 | -16.0% |
| TR / Written premiums | 13.5% | 15.7% | | 13.7% | 16.5% | |
| Health care | 351,497 | 256,733 | 36.9% | 202,214 | 115,007 | 75.8% |
| TR / Written premiums | 10.0% | 9.8% | | 10.9% | 8.8% | |
| Other segments | 23,479 | 24,994 | -6% | 8,484 | 5,367 | 58.1% |
| Consolidated technical result | 1,029,758 | 1,294,315 | -20.4% | 527,221 | 689,798 | -23.6% |
| TR / Written premiums | 10.6% | 14.7% | | 10.3% | 15.3% | - |

The company's technical result was impacted by a higher claims rate. During this past quarter, the COVID claims rate represented 16.0% of total earned premiums and was partially offset by lower commissions, declines with the non-COVID claims rate with the Health Care and Mandatory Health Care (EPS) segments, as well as revenues corresponding to the latter in the form of compensation received on the tariffs stipulated in the Government's Basic Health Care Coverage Plan (PBS), as well as reimbursed amounts of health care services not covered by the aforementioned Government plan.

The technical performance of the business and car lines of insurance deserves special mention, since, even returning to pre-pandemic claims levels, these are recording margins similar to those of 2020. Likewise, with regard to the Health Care segment we saw our Diagnostic Aids provider making a positive contribution given the increase in revenues and operating margins for COVID testing services.

Administrative expense

| Administrative expenses | jun-21 | jun-20 | %Var | Q2 2021 | Q2 2020 | %Var |
|--------------------------------------|------------------|------------------|--------------|----------------|----------------|---------------|
| Life | 445,083 | 482,768 | -7.8% | 217,333 | 266,924 | -18.6% |
| % Admin. Expenses / Written premiums | 15.2% | 18.4% | | 14.2% | 20.6% | |
| P&C | 652,324 | 637,186 | 2.4% | 335,996 | 315,487 | 6.5% |
| % Admin. Expenses / Written premiums | 16.2% | 15.9% | | 15.6% | 14.8% | |
| Health care | 276,312 | 241,878 | 14.2% | 151,566 | 128,387 | 18.1% |
| % Admin. Expenses / Written premiums | 7.9% | 9.3% | | 8.1% | 9.9% | |
| Other segments | 28,574 | 27,428 | 4.2% | 11,236 | 7,328 | 53.3% |
| Consolidated | 1,402,293 | 1,389,260 | 0.9% | 716,131 | 718,126 | -0.3% |
| % Admin. Expenses / Written premiums | 14.4% | 15.8% | | 14.0% | 16.0% | - |

This account continues to show the efforts made and initiatives deployed since the beginning of the pandemic, which have produced lower real estate, marketing, fee, public relations and other expense. The fundamental thrust of these initiatives is based on transforming our operating model in order to achieve greater productivity.

It is important to mention that the growth in administrative expense corresponding to the Health Care segment is due to the investments made in new technology and projects for a more enhanced population management function for our Mandatory Health Care line of insurance, as well as increased spending on the part of the IPS SURA and Diagnostic Aid subsidiaries with the required COVID care services.

Investment Income

| Investment income | jun-21 | jun-20 | %Var | Q2 2021 | Q2 2020 | %Var |
|--|-------------------|-------------------|---------------|-------------------|-------------------|---------------|
| Life | 332,662 | 335,886 | -1.0% | 188,943 | 171,009 | 10.5% |
| P&C | 166,079 | 285,989 | -41.9% | 99,609 | 205,873 | -51.6% |
| Health care | 2,834 | 14,163 | -80.0% | 3,750 | 11,356 | -67.0% |
| Other segments | 2,917 | 4,873 | -40.1% | 1,854 | 1,417 | 30.9% |
| Consolidated investment income | 504,492 | 640,911 | -21.3% | 294,157 | 389,654 | -24.5% |
| Consolidated investment portfolio | 15,146,459 | 13,705,834 | 10.5% | 15,146,459 | 13,705,834 | 10.5% |

| Portfolio - Country | Arg | Br | Ch | Col | SV | Mx | Pan | RD | Uru |
|---------------------|--------|------|---------|------------|------|-------|------|-------|-------|
| Yield* | 26.2% | 2.0% | 4.0% | 5.7% | 4.8% | -3.2% | 1.3% | 4.1% | 12.9% |
| Portfolio value** | 13,275 | 334 | 170,046 | 12,104,180 | 112 | 3,577 | 140 | 1,893 | 2,321 |

*Annualized quarterly yields

**Figures in local currency in millions

The second quarter of 2021 was marked by a continuation of the trends seen throughout Latin America during the beginning of the year. Interest rates on fixed income securities continued to rise, this mainly affecting the returns obtained on the portfolios held in Chile and Mexico, where rates have risen by almost 200 basis points during the first half of the year. The portfolios belonging to our Colombian companies, which represent 78% of the consolidated total, performed well during the quarter thanks to our investment classification strategy, the increase in inflation in Colombia going from 2.2% to 3.6% between June 2020 and 2021 and the gains obtained from our investments in private market assets.

It should be noted that increased interest rates for fixed income assets are creating positive benefits in the medium term to the extent that these can be reinvested with better returns. Our investment strategy has become progressively positioned in order to benefit from this dynamic as it continues to materialize.

Other relevant factors contributing to the drop in investment income were: 1) Comparatively lower quarterly depreciations of the local exchange rates against the dollar for Q2 2021 vs. Q2 2020 in Brazil (5.0% depreciation in Q2 2020 vs. -12.2% in Q2 2021) as well as the Dominican Republic (8.1% vs. 0.0%) and 2) Negative impacts on investments as a consequence of increased country risk in Argentina (EMBI 1596 points), Colombia (EMBI 247 points after downgrades from Fitch and S&P to below its former investment grade and El Salvador (EMBI 721 after the stalemate in negotiations with the IMF over the Bitcoin law).

Others | Non-Operating | Debt

| Other | jun-21 | jun-20 | %Var | Q2 2021 | Q2 2020 | %Var |
|--------------------------------------|------------------|------------------|-------------|------------------|------------------|-------------|
| Amortizations and depreciations | (110,265) | (114,709) | -3.9% | (55,232) | (56,608) | -2.4% |
| Dividends | 533 | 118 | 354% | 281 | 1 | |
| Interest expense | (46,566) | (61,875) | -25% | (24,012) | (30,317) | -21% |
| Total Debt | 1,170,315 | 1,300,562 | -10% | 1,170,315 | 1,300,562 | -10% |
| Cost of debt (annual basis) | IPC +4.1% | IPC +4.0% | | | | |
| Other non-operating income (expense) | 72,860 | 37,175 | 96% | 9,202 | 12,516 | -26% |
| Income tax | (49,269) | (114,155) | -57% | (25,684) | (101,095) | -75% |

*Cost of debt (annual basis) relates to Suramericana's local bonds

Interest declined for the quarter, mainly in the Holding segment on a lower balance of indebtedness, given the payment made in Q2 2020 on the first series of bonds issued in 2016, this totaling COP 147,998 million.

As for income taxes, the effective income tax rate for the quarter came to 72.4%, compared to 35.2% for the same period of the previous year, due to a lower share of pre-tax profits from companies with lower tax rates, such as those belonging to the Mandatory Health Care and Life Insurance segments in Colombia.

Net Income | ROTE

| Net income | jun-21 | jun-20 | %Var | Q2 2021 | Q2 2020 | %Var |
|-----------------------------|---------------|----------------|---------------|---------------|----------------|---------------|
| Consolidated net income | (750) | 292,520 | | 9,802 | 185,823 | -94.7% |
| M&A intangible amortization | (21,723) | (27,113) | -19.9% | (10,948) | (13,234) | -17.3% |
| Adjusted net income | 20,973 | 319,634 | -93.4% | 20,749 | 199,057 | -89.6% |
| Shareholders' equity | 5,016,651 | 5,065,398 | -1.0% | 5,016,651 | 5,186,800 | -3.3% |
| Tangible equity | 3,935,405 | 4,105,554 | -4.1% | 3,935,405 | 4,105,554 | -4.1% |
| Adjusted ROE (12m) | -0.7% | 11.3% | | -0.7% | 11.3% | |
| Adjusted ROTE (12m) | -0.9% | 14.2% | | -0.9% | 14.2% | |

SURA Asset Management recorded positive levels of operating performance during the first half of 2021, with growths of 10.4% in fee and commission income, 53.8% in operating earnings along with a 400 bp increase in ROTE

Highlights (Consolidated Results):

- Wage base | AuM**

The various income-generating drivers showed positive levels of performance at the end of Q2 2021. The Wage Base rose by 7.1%, thanks to a general improvement with the regional job markets, while, in spite of the amounts withdrawn from pension funds in Chile and Peru, AuM increased by 5.5% driven by growths of 15.8% for the Retirement Savings business in Mexico and another 14.2% in the AuM of Inversiones SURA and SURA Investment Management (SURA IM), which recorded a Net Fund Flow of COP 7.0 trillion.

- Operating income**

Operating income rose by 15.5% for the first half of this year, compared to the same period last year, mainly driven by a 10.4% growth in fee and commission income and a recovery with revenues obtained via the equity method, where SURA Asset Management's stake in AFP Protección is recorded. Fee and commission income from the Retirement Savings business rose by 7.7% with that corresponding to Inversiones SURA and SURA IM recording a 30.3% increase.

- Operating expense**

Operating expense showed a moderate increase of just 0.7% for the first half of 2021, thanks to continued efforts with our productivity initiatives, such as optimizing our sales performance in conjunction with developing our online channel; as well as not having recorded certain budgeted expense items due to COVID- related restrictions that still remain in place.

- Highlights**

SURA Asset Management achieved better investment returns, with 83% of its total pension funds generating alpha over the last 12 months, along with 54% of the traditional assets managed by SURA IM obtaining alpha as of Q2 2021. Yields contributed COP 54 trillion to the growth in AuM over the last 12 months.

The Company continues to leverage its capabilities in terms of digitization, advanced analytics, process redesign and automation to provide its clients with a high-value offering as well as enhance its own productivity. SURA became the first Mexican Retirement Savings firm (AFORE) to enable online transfers in Mexico and Gestión PRO the latest service launched by Protección, reached COP 1.5 trillion in AuM belonging to more than 11,000 clients.

The first tender for pension fund members ended in Peru, this exceeding 800 thousand sign-ups despite the challenges of the pandemic. SURA Asset Management was also awarded this year's tender, which began in June and is expected to produce another 800 thousand sign-ups, in a play for greater business sustainability while creating added value in the mid-term.

After a year of resilience in 2020, the Retirement Savings business performed well this year, with fee and commission income rising by 7.7%. Inversiones SURA and SURA IM, posted a positive net income figure for the third consecutive quarter, thanks to the scale it has reached (COP 70.9 trillion in AuM) and the consequent operating leverage that this represents.

- Net income**

Net income stood at COP 305,113 million at the end of the first half of the year, more than double that of the same period last year, mainly driven by more favorable levels of operating performance, with fee and commission income rising by 10.4%, operating expense under firm control, as well as a recovery with revenues from the equity method. ROTE improved from 20.1% at the end of Q2 2020 to 24.1% for Q2 2021.

Summary of our Consolidated Financial Results

| Estado de Resultados | jun-21 | jun-20 | %Var Ex - Fx | Q2 2021 | Q2 2020 | %Var Ex - Fx |
|---|------------------|------------------|-----------------|-----------------|-----------------|-----------------|
| Fee and commission income | 1,285,396 | 1,115,966 | 10.4% | 664,440 | 538,594 | 15.7% |
| Income from legal reserves (encaje) | 40,115 | 23,093 | 39.0% | 21,096 | 283,723 | -93.2% |
| Income (expense) via equity method | 68,004 | 1,255 | 2820.4% | 48,669 | 50,994 | -5.3% |
| Other operating income | 7,861 | 16,458 | -54.8% | 6,644 | 16,101 | -61.9% |
| Operating revenues | 1,401,376 | 1,156,772 | 15.5% | 740,850 | 889,413 | -22.4% |
| Total insurance margin | 47,842 | 40,395 | 6.9% | 25,534 | 21,820 | 6.1% |
| Operating expenses | -921,408 | -878,679 | 0.7% | -475,516 | -436,131 | 3.2% |
| Operating earnings | 527,810 | 318,489 | 53.8% | 290,869 | 475,103 | -43.9% |
| Financial income (expense) | -97,176 | -99,512 | -2.0% | -49,597 | -52,391 | -5.9% |
| Income (expense) from derivatives and exchange difference | 35,341 | 63,121 | -49.8% | 35,710 | 3,172 | N/A |
| Income tax | -165,708 | -149,479 | 5.3% | -88,119 | -134,543 | -39.0% |
| Net income from continuing operations | 300,267 | 132,618 | 91.2% | 188,863 | 291,341 | -40.7% |
| Net income from discontinued operations | 4,846 | -12,486 | N/A | 598 | -41,339 | N/A |
| Net income (losses) | 305,113 | 120,133 | 112.1% | 189,461 | 250,003 | -31.2% |
| Adjusted net income (losses) | 329,605 | 139,380 | 102.1% | 173,737 | 221,898 | -29.7% |

*Adding -back amortization of M&A intangibles

Summary of our Results Per Segment

| Results by segment | jun-21 | jun-20 | %Var Ex - Fx | Q2 2021 | Q2 2020 | %Var Ex - Fx |
|--|-----------------|-----------------|-----------------|----------------|----------------|-----------------|
| Retirement savings (pension fund management) | 475,441 | 331,865 | 34.3% | 261,946 | 397,514 | -39.0% |
| Investment Management Inversiones SURA | 20,633 | -21,657 | N/A | 6,461 | -10,555 | N/A |
| Insurance | -1,261 | -14,073 | -91.5% | -1,758 | -39,340 | -95.6% |
| Income and expenses SURA AM | -189,699 | -176,002 | 10.4% | -77,188 | -97,617 | -24.5% |
| Fx exchange effect | 27,550 | 50,793 | -52.7% | 32,290 | 519 | N/A |
| Corporate expenses and projects* | -104,965 | -107,096 | -4.9% | -54,015 | -57,141 | -8.8% |
| Financial (expenses) income | -96,946 | -103,442 | -5.5% | -48,798 | -53,904 | -9.5% |
| Other and New Business | -13,244 | 1,153 | N/A | -5,230 | 8,875 | N/A |
| Taxes | -2,094 | -17,410 | -88.6% | -1,435 | 4,035 | N/A |
| Consolidated net income | 305,113 | 120,133 | 112.1% | 189,461 | 250,003 | -31.2% |
| Amortization of M&A intangibles | -24,492 | -19,248 | 27.2% | 15,724 | 28,105 | -44.1% |
| Adjusted net income | 329,605 | 139,380 | 102.1% | 173,737 | 221,898 | -29.7% |

*Includes amortization of M&A intangibles

Retirement Savings

Our Retirement Savings business produced COP 475,441 million in net income at the end of Q2, 2021, which was 34.3% more than for the same period last year, this driven by a 7.7% increase in fee and commission income combined with just a moderate growth of 0.9% in operating expense. These higher revenues were due to: a 7.1% increase in the Wage Base and a 370 bp improvement in contribution rates from fund members, this in line with the recovery seen with the regional job markets; along with a 15.8% increase in AuM in Mexico leveraged by the yields and contributions corresponding to worker pension funds. Another factor that positively impacted was the recovery seen with revenues obtained via the equity method from AFP Protección, whose net income went from a loss of COP 4,308 million at the end of the first half of 2020 to a gain of COP 139,781 million for the same period this year. The performance of Protección in the overall segment has been driven by better returns on investments and higher fee and commission income, thanks to an increase of 7.2% in the Wage Base and a growth of 18.7% for the Severance business.

Inversiones SURA | SURA IM

The voluntary savings segment, which consolidates the results of the Inversiones SURA and SURA IM lines of business, recorded a net income of COP 20,633 million for the first half of the year, making this the third consecutive quarter in which they have netted a positive bottom line, in contrast with the loss of COP 21,657 million sustained in the same period last year. These improved results were due to; a product offering focused on providing solutions and support to our clients in order to achieve their financial objectives; a more mature investment platform as well as the distribution and investment teams of staff (SURA IM has 130 investment professionals with extensive knowledge of the local markets in Mexico, Colombia, Peru, Chile, Uruguay and Argentina); a greater level of operating leverage; and the relevant scale that has been achieved in terms of AuM, now standing at COP 70.9 trillion at the end of this past second quarter, after consistently posting double digit growths over the last few years. This growth in AuM was made possible thanks to favorable levels of business performance, as evidenced by a positive Net Fund Flow of COP 7.0 trillion over the last 12 months as well as a 14.5% growth in the number of retail clients and a balance of 402 institutional clients in the case of SURA IM. Investment performance also made an important contribution to the growth of AuM, with 57.4% of the traditional assets managed by SURA IM generating alpha, as well as building an alternative assets platform that positively impacted the risk-return ratio in favor of our clients. Good levels of performance with Protección's Voluntary Pension business also boosted the segment's results.

Insurance | Income and Expense

The insurance segment recorded a loss of COP 1,261 million given the fact that Group Insurance began to be wound down in May 2020.

The change observed in terms of the exchange rate effect was mainly due to the current performance of the Chilean peso and its impact on the USD-denominated cash balance that the Company maintains in Chile, with the CLP depreciating by 8.4% during the first half of last year, whereas this came to 5.1% for the same period this year. Corporate expense also declined thanks to our ongoing productivity initiatives and a lower budgetary execution of certain items as a result of the pandemic. Financial expense, net of financing income dropped at the end of the first half of this year thanks to an 8.9% decrease in the Company's indebtedness and lower financing costs. Other and New Businesses recorded a loss of COP 13,244 million because of expense relating to the qiip platform now beginning to be amortized as well as a lower performance of the seed capital investment funds aimed at strengthening SURA IM's business.

Operating Revenues

| Retirement savings | 2021 | 2020 | %Var Ex - Fx | IM Inversiones Sura | 2021 | 2020 | %Var Ex - Fx |
|------------------------------|-------------|-------------|-----------------|-------------------------------|-------------|-------------|-----------------|
| Wage base* | 73,658,592 | 68,303,147 | 7.1% | FEAUM (IM Inversiones Sura) | 70,935,595 | 58,418,887 | 14.2% |
| AUM Mexico | 133,171,355 | 101,249,553 | 15.8% | Clients IM/Inversiones Sura | 1,705 | 1,489 | 14.5% |
| Total AUM Retirement savings | 479,530,098 | 436,737,680 | 4.4% | Net flow Inversiones SURA | 4,474,241 | 5,692,977 | -21.4% |
| Clients retirement savings | 18.4 | 18.6 | -1.4% | Total clients | 20.8 | 20.9 | -0.2% |
| Contribution rate | 38.1% | 34.4% | | Total AUM | 550,465,693 | 495,156,566 | 5.5% |

* Includes AFP Protección and AFP Integra at 100%.

** FEAUM (Fee earning AUM)

Revenue Drivers

SURA Asset Management's AuM recorded a growth of 5.5% at the end of the first half of this year, compared to the same period last year, this mainly driven by a 15.8% increase in the AuM corresponding to the Retirement Savings business in Mexico and a growth of 14.2% in the AuM posted by both Inversiones SURA and SURA IM. This was achieved in spite of the amounts that pension fund members were allowed to withdraw in Chile and Peru in the light of the pandemic, which have entailed extraordinary outflows of AuM worth almost COP 55 trillion. These extraordinary outflows of AuM do not have an impact on the fee and commission income for the Retirement Savings segment in Chile since this is based on the wage base, while in Peru the impact is limited to the segment in which commissions are based on the amount of AuM held and which represents 15% of the total.

Retirement Savings

The Wage Base recorded a 7.1% growth during the first half of the year with contribution rates rising by 370 bp to 38.1%, in line with the recovery seen with the regional job markets now that the previous mobility restrictions are being lifted and the COVID-19 vaccination programs are speeding up. The membership base corresponding to the Retirement Savings business fell by 1.4% due to the effect of the amounts of pension funds that were withdrawn, with some clients being left with a zero balance in their accounts, a factor that was mitigated by a recovery with the job markets and new accounts being assigned for Mexican workers that didn't choose an AFOR. The average wage improved by 9.0% in Q2 2021, clearly pointing to the fact that the pandemic has affected lower wage earners to a greater extent.

The AuM corresponding to the Retirement Savings business rose by 4.4% evidencing a mixed performance in individual countries, since Mexico (+15.8%) and Colombia (+ 21.7%) were benefited by increases in both yields and contributions, Chile (-15.6 %) and Peru (+ 0.6%) were affected by the amounts of permitted pension fund withdrawals. In the case of Chile, the depreciation of Chilean financial assets also had an effect on the drop in AuM.

Inversiones SURA | SURA IM

Inversiones SURA and SURA IM performed well in terms of their AuM which rose by 14.2% at the end of Q2, 2021, reaching a Net fund Flow of COP 7.0 trillion of over the last 12 months. SURA IM now has 402 institutional clients throughout the region, which in addition to their corporate clients includes 14 insurance companies and 25 wealth managers. The number of Inversiones SURA clients grew by 14.5% compared to the same period last year thanks to SURA Asset Management's value-added offering, supported by (i) a successful product grid that allows clients to meet their financial objectives; (ii) new and complementary features of the Company's distribution channels (face-to-face, digital and remote digital); and (iii) positive portfolio returns in keeping each client's individual investor profile. Yields accounted for COP 1.9 trillion of the growth in AuM for Inversiones SURA at the end of Q2 2021, while SURA IM achieved alpha for 57.4% of its total traditional assets under management, along with a realized IRR of 13.0% and a dividend yield of 4.4% in alternative funds (Real Estate, Private Debt and Infrastructure), whose AuM reached COP 4.0 trillion for Q2 2021, for a growth of 13.9% compared to the same period last year. So far this year SURA IM has launched 6 new investment funds: 3 multi-asset and 1 liquidity fund in Colombia with Fiduciaria SURA along with a new Real Estate Investment Fund in Mexico, and a Global Trends Fund of Funds in Chile.

As part of the ongoing search to offer the right products to our clients AFP Protección, launched its new Gestión PRO initiative last year which has produced a positive balance of results at the end of this first half of the year. Gestión PRO is a service that has been made available to members of Protección's Voluntary Pension Funds in Colombia, which allows them to delegate the handling of their investment portfolios to a team of investment experts from SURA Asset Management, this based on the client's own particular risk profile and the time frame in which the client wishes to meet their financial goals. At the end of this past quarter, this solution had amassed COP 1.5 trillion in AuM and 11,000 subscribed clients.

| Operating income | jun-21 | jun-20 | %Var Ex - Fx | Q2 2021 | Q2 2020 | %Var Ex - Fx |
|--|------------------|------------------|-----------------|----------------|----------------|-----------------|
| Fee and commissions (Wage base - retirement savings) | 549,935 | 490,614 | 7.6% | 281,027 | 232,845 | 17.1% |
| Fee and commissions (AUM - retirement savings) | 539,108 | 478,929 | 7.7% | 281,088 | 233,041 | 9.0% |
| Fee and commissions (AUM - IM Inversiones Sura) | 195,809 | 144,008 | 30.3% | 101,785 | 71,720 | 34.9% |
| Total fee and commission income | 1,285,396 | 1,115,966 | 10.4% | 664,440 | 538,594 | 15.7% |
| Equity method | 68,004 | 1,255 | 2820.4% | 48,669 | 50,994 | -5.3% |
| Insurance margin | 47,842 | 40,395 | 6.9% | 25,534 | 21,820 | 6.1% |
| Other | 7,861 | 16,458 | -54.8% | 6,644 | 16,101 | -61.9% |
| Total operating income | 1,409,103 | 1,174,074 | 14.7% | 745,288 | 627,510 | 11.6% |

Fee and Commission Income - Retirement Savings Business

Income from fees and commissions for the Pension Fund business rose by 7.7% at the end of Q2 2021 after picking up in this same quarter for an increase of 12.9%, in line with a good level of performance with both income generators, the Wage Base and AuM. Fee and commission income corresponding to the segment carrying wage-based commissions increased by 7.6% at the end of Q2 2021, driven by a higher wage base and improved contribution rates, compared to the same period last year, this following the recovery seen with the regional job markets. The segment where commissions are based on the volume of AuM held, saw an increase of 7.7% at the end of Q2, driven by good levels of performance in Mexico, where fee and commission income rose by 8.0%, while in Peru, these increased by 4.8%.

Fee and Commission Income - SURA IM | Inversiones SURA

Inversiones SURA and SURA IM's fee and commission income increased by 30.3% for the first half of the year due to higher volumes of AuM and an improvement with the commission rates charged, all this compared to the same period last year. As for Inversiones SURA, the segments scoring the highest growth were Sales & Trading, where revenues doubled compared to the same quarter last year, as well as Voluntary Pensions, which recorded a growth of 26.5%. The mutual fund distribution segment also recorded a good level of performance, with a growth of almost 20.0%. Nearly 50% of the growth recorded by SURA IM, corresponded to its Wealth Management segment, which is distributed by Inversiones SURA, followed by its institutional clients and third-party wealth managers segments, and to a lesser extent by the Insurance Mandates segment. It is important to note that all segments showed increases

Equity Method | Insurance Margin | Others

Revenues obtained from the equity method, including the 49.4% stake that SURA Asset Management holds in AFP Protección, amounted to COP 68,004 million at the end of the first half of this year, which compares favorably with the COP 1,255 million recorded for Q2 last year. AFP Protección's performance was driven by both improved returns on investments and a 16.6% increase in fee and commission income. The Retirement Savings business rose by 18.5% thanks to a 7.2% growth in the Wage Base corresponding to the mandatory pensions segment, and another 18.7% increase in revenues from the Severance Fund segment. The Voluntary Pension business also performed well this last quarter, with fee and commission income increasing by 13.6% in keeping with a 12.6% growth in AuM, due mainly to a Net Fund Flow of COP 727,093 million over the last 12 months.

The Insurance Margin, which includes the life insurance business and the Unit Linked products in Chile, rose by 6.9%, thanks to the latter's improved performance, with a 27.4% growth for its insurance margin given a lower claims rate and better returns from its reserve requirement. As for the "Others" account, which records the gains obtained on the funds that the Company invests as seed capital to strengthen SURA IM's business, showed a drop compared to Q2 last year given lower fund yields, lower dividend payments and an unfavorable exchange rate effect.

Reserve requirements

| Legal reserve (encaje) | jun-21 | jun-20 | %Var Ex - Fx | Q2 2021 | Q2 2020 | %Var Ex - Fx |
|--|-------------|-------------|-----------------|-------------|--------------|-----------------|
| Value of legal reserve (consolidated) | 2,860,234 | 2,755,913 | 3.8% | 2,860,234 | 2,755,913 | 3.8% |
| Income from return on legal reserve (consolidated) | 40,115 | 23,093 | 39.0% | 21,096 | 283,723 | -93.2% |
| Consolidated annualized yield | 2.8% | 1.7% | | 3.0% | 41.2% | |
| Chile | -0.1% | 2.6% | | -3.6% | 48.8% | |
| Mexico | 5.3% | 7.0% | | 10.1% | 37.5% | |
| Peru | 5.2% | -7.6% | | 8.5% | 29.0% | |
| Colombia | 8.7% | -7.9% | | 17.3% | -15.7% | |
| Uruguay | 16.2% | 13.7% | | 16.3% | 13.3% | |

Year-to-date revenues from reserve requirements at the end of Q2 2021 rose by 39.0%, thanks to improved investment performance in Peru, where an annualized return of 5.2% was achieved, compared to an annualized rate of -7.6% at the end of Q2 2020, and which offset a slightly negative performance in Chile due to generalized losses on the Chilean financial markets. In Colombia, AFP Protección's reserve requirement improved significantly compared to the previous year, going from a negative yield of 7.9% to a positive yield of 8.7%. There was a significant drop in income from reserve requirements for the quarter, going from COP 283,723 million in Q2 2020 to COP 21,096 million in Q2 2021, mainly due to an unfavorable comparative base effect since the financial markets showed a very pronounced recovery in Q2 of last year after the heavy losses recorded in Q1 2020. Over the last 12 months, SURA Asset Management achieved alpha in 83% of the COP 479 trillion of the AuM managed in the pension fund business throughout the region, thereby reversing the underperformance in Peru and Colombia, where SURA Asset Management is already the Pension Fund producing the highest returns in the largest funds, while in Chile we achieved the highest alpha in the last 10 years, ranking number 1 or number 2 in terms of the returns earned by all funds, among a total of 7 competitors in this industry.

Operating expense

| Operating expenses | jun-21 | jun-20 | %Var Ex - Fx | Q2 2021 | Q2 2020 | %Var Ex - Fx |
|--|------------------|------------------|-----------------|------------------|------------------|-----------------|
| Acquisition expenses (Consolidated) | - 215,967 | - 183,713 | 1.9% | - 110,454 | - 73,442 | 2.4% |
| Administrative expenses (Consolidated) | - 678,763 | - 653,312 | 0.3% | - 349,738 | - 322,148 | 3.5% |
| Total expenses (Consolidated) | - 921,408 | - 878,679 | 0.7% | - 475,516 | - 436,131 | 3.2% |
| Expenses / Revenues (Consolidated) | -65.4% | -74.8% | | -63.8% | -69.5% | |
| Acquisition expenses (Retirement savings) | - 159,613 | - 155,445 | -2.4% | - 83,119 | - 78,594 | -2.1% |
| Administrative expenses (Retirement savings) | - 400,628 | - 380,487 | 2.3% | - 204,590 | - 183,170 | 6.5% |
| Expenses / Revenues (Retirement savings) | -47.2% | -54.3% | | -45.7% | -33.0% | |
| Acquisition expenses (IM Inversiones SURA) | - 77,345 | - 64,037 | 13.2% | - 40,117 | - 32,073 | 16.9% |
| Administrative expenses (IM Inversiones SURA) | - 152,946 | - 148,363 | -1.5% | - 80,470 | - 73,988 | 3.1% |
| Expenses / Revenues (IM Inversiones SURA) | -90.8% | -112.3% | | -93.9% | -109.4% | |

SURA Asset Management's operating expense showed a moderate increase in local currency of just 0.7% for the first half of the year and 3.2% for this past quarter, which was in line with the average inflation levels of all those countries where the Company operates. Spending has been reined in thanks to our continued efforts with the different productivity initiatives that SURA Asset Management has developed over recent years, in the fields of digital transformation, process automation, robotization and incorporating the digital channel within our sales and distribution structures. The cost of signing up new clients online is equivalent to one third of the cost incurred with face-to-face sign ups, while also boosting the productivity of the latter. Another factor that explains the comparative decline in operating expense is the impossibility that persisted during most of Q2 2021 due to the pandemic, to record certain budgeted expense, which has resulted in savings in items such as utilities, travel expense, certain types of advertising and major events that have not as yet been resumed, among others. Well-contained expenses and good levels of performance with operating revenues led to an improvement with the Expense / Income ratio from 74.8% for the first half of 2020 to 65.4% for the same period this year, which in turn had a positive impact on the Company's profitability levels.

Operating expense for the Retirement Savings business rose by 0.9% at the end of Q2 2021, as a result of a 2.3% growth in administrative expense and a 2.4% drop in acquisition expense. This last decline was due to the aforementioned impact of our on-line channel and as well as expenses reactivation as levels of business activities return to normal. The voluntary savings segment showed a drop of 1.5% in administrative expense, which, in addition to the productivity initiatives deployed, also benefited from a favorable base effect since the expense corresponding to the same period last year included a portion of the investment made to strengthen the Inversiones SURA business in Mexico. Acquisition expense for the voluntary segment rose by 13.2%, in line with a higher Net Fund Flow, and lower than the 30.3% growth in fee and commission income, thereby providing an operating leverage that enabled a positive net result for this segment at the end of Q2 2021.

SURA Asset Management continues to deploy strategic projects to ensure its ongoing sustainability as well as profitable growth rates for its client-centric lines of business. Its on-line capabilities developed is providing the Company with greater operating efficiencies and improved CRM and client experience. 654 robots have been programmed with which the Company has achieved savings of COP 3,600 million so far this year, while 97% of total service transactions are performed either online or over the phone, compared to 76% in 2019.

Consolidated EBITDA

| Consolidated EBITDA | jun-21 | jun-20 | %Var Ex - Fx | Q2 2021 | Q2 2020 | %Var Ex - Fx |
|---|---------|---------|-----------------|---------|---------|-----------------|
| Consolidated EBITDA | 672,819 | 453,072 | 39.6% | 366,119 | 542,802 | -37.8% |
| Consolidated EBITDA margin | 46.4% | 37.8% | | 47.8% | 59.6% | |
| Consolidated EBITDA (excl. return on legal reserve) | 597,006 | 485,702 | 22.9% | 311,813 | 241,891 | 28.9% |
| Consolidated EBITDA Margin (excl. legal reserve) | 42.4% | 41.4% | | 41.8% | 38.5% | |

SURA Asset Management's EBITDA margin improved from 37.8% at the end of Q2 2020 to 46.4% at the end of Q2 2021. This year-to-date growth in EBITDA is due to a 10.4% increase in fee and commission income, while operating expenses rose just slightly by 0.7%. EBITDA declined for this past quarter, compared to the same period last year, given the base effect of the Company's reserve requirements, which produced positive returns in Q2 2020. However, upon excluding revenues from reserve requirements, EBITDA shows an increase of 28.9% for the quarter along with a 330 bp rise in returns compared to the same period last year.

Others | Non-Operating | Debt

| Non-operating Taxes Discontinued operations | jun-21 | jun-20 | %Var Ex - Fx | Q2 2021 | Q2 2020 | %Var Ex - Fx |
|---|------------------|------------------|-----------------|------------------|------------------|-----------------|
| Financial expenses | - 110,704 | - 121,501 | -9.0% | - 55,092 | - 60,664 | -9.5% |
| Financial income | 13,528 | 21,989 | -40.0% | 5,495 | 8,273 | -33.7% |
| Income (expense) derivatives and exchange diff. | 35,341 | 63,121 | -49.8% | 35,710 | 3,172 | N/A |
| Total debt | 2,974,277 | 3,263,952 | -8.9% | 2,974,277 | 3,263,952 | -8.9% |
| Cost of debt | 6.23% | 6.25% | | 6.23% | 6.25% | |
| Earnings (losses) before tax | 465,975 | 282,097 | N/A | 276,982 | 425,884 | -40.2% |
| Income tax | - 165,708 | - 149,479 | 5.3% | - 88,119 | - 134,543 | -39.0% |
| Net income from continuing operations | 305,113 | 120,133 | 112.1% | 189,461 | 250,003 | -31% |

During Q2 2021, SURA Asset Management maintained its efforts to reduce its indebtedness, which fell by 8.9% compared to the same period last year. In addition to prepayments worth COP 270,000 million carried out in Q1 of this year, we repaid another COP 50,000 million this past quarter. This was made possible, at the same time as ordinary shareholder dividends rose by 5.0%, thanks to: (i) the amount of cash provided by the Retirement Savings business, (ii) our capital optimization efforts; and (iii) the release of reserve requirements based on the amounts of permitted withdrawals from pension funds in Chile and Peru. The Gross Debt / EBITDA ratio ended the quarter at 1.9x, which was lower than the 2.9x recorded at year-end 2020, this as a result of having reduced our debt and increased our EBITDA.

Financial expense fell by 9.0% at the end of Q2 2021 as a result of lower debt and lower financial costs, where the interest rates on our peso-denominated financial obligations fell from 5.1% in Q2 2020 to 3.0% in Q2 2021. There was a 40.0% drop in financial income at the end of Q2 2021 due to a lower level of cash and lower returns, since yields corresponding to Money Market accounts have declined and the fixed income investment portfolio in Latin America has performed lower given the increase in yields for corporate bonds throughout the Region. Income (expense) from derivatives and exchange differences recorded a gain of COP 35,341 million for the first half of the year, which was 49.8% less than for last year, mainly due to the depreciation of the Chilean peso and its impact on the USD-denominated cash balance held by SURA Asset Management in Chile. During the first half of last year exchange gains in Chile amounted to COP 76,015 million, while for the same period this year, these totaled COP 12,221 million since the CLP has depreciated less than for Q2 2021 (8.4% vs 5.1%) and the USD-denominated cash balance in Chile has also decreased due to investments in seed capital. Income tax increased by 5.3% for the first half of this year given better levels of operating performance and higher returns from the Company's reserve requirements, although a decline was seen this past quarter compared to the same period last year due to a lower deferred tax as a result of a more positive performance in Q2 2020.

Net Income | ROTE

| Net income | jun-21 | jun-20 | %Var Ex - Fx | Q2 2021 | Q2 2020 | %Var Ex - Fx |
|---------------------------------|----------------|----------------|-----------------|----------------|----------------|-----------------|
| Consolidated net income | 305,113 | 120,133 | 112.1% | 189,461 | 250,003 | -31.2% |
| Amortization of M&A intangibles | -24,492 | -19,248 | 27.2% | 15,724 | 28,105 | -44.1% |
| Adjusted net income | 329,605 | 139,380 | 102.1% | 173,737 | 221,898 | -29.7% |
| Shareholders' equity | 10,038,127 | 9,146,354 | 9.8% | | | |
| Tangible equity | 3,259,797 | 2,509,483 | 29.9% | | | |
| Goodwill | 4,463,902 | 4,286,688 | 4.1% | | | |
| Intangibles | 2,314,428 | 2,350,183 | -1.5% | | | |
| Adjusted ROE (12m) | 7.3% | 5.6% | | | | |
| Adjusted ROTE (12m) | 24.1% | 20.1% | | | | |

SURA Asset Management reported a net income of COP 305,113 million for the first half of the year, more than doubling that obtained for the same period last year. This was achieved thanks to favorable operating dynamics and higher revenues obtained via the equity method as a result of the recovery posted with AFP Protección's net income, which went from a loss of COP 4,307 million for the first half of last year to a gain of COP 139,781 million for the same period this year. This higher net income figure allowed for a 170 bp improvement in ROE, while ROTE increased from 20.1% in Q1 2020 to 24.1% in Q1 2021. Net income for the quarter fell by 29.7%, due to the unfavorable comparative base effect for returns obtained from the Company's reserve requirements, which were extraordinary positive for the same quarter last year.

As SURA Asset Management is a company built on a series of acquisitions (with goodwill and intangible assets amounting to COP 6.6 trillion in the Assets accounts), ROTE (Return on Tangible Equity) is a relevant measure of profitability.

Highlights (Separate Financial Statements):

Net income as recorded in Grupo SURA's separate financial statements reached COP 303,365 million for a 48.8% drop at the end of Q2 2021 compared to the same period last year. The following accounts are highlighted:

- **Dividends:** this includes all those received from Bancolombia, Grupo Argos and Grupo Nutresa. At the end of Q2 2021, dividends declined by 54.3% compared to the same period last year, this mainly due to lower dividends declared by Bancolombia for 2021.
- **Equity method (subsidiaries):** this account includes the net income obtained from SURA Asset Management and Suramericana, duly adjusted based on the stakes held by Grupo SURA in each Company. This reached COP 277,712 million, for a drop of 16% compared to the same period last year. Sura AM contributed a net income figure of COP 254,668 million, having risen by 154% compared to the same period last year, while Suramericana reported a loss of COP 761 million, compared to a net income of COP 236,687 million obtained at the end of the first half of last year.
- **Exchange rate effect:** this account includes the exchange rate effect of our USD-denominated debt, net of hedging instruments. At the end of Q2 2021, this account came to COP 36,867 million, due to offsetting hedging derivatives on the bonds worth USD 300 million which expired last May, compared to a loss of COP 109,961 million for the same period last year, given the depreciation of the peso that occurred last year that in turn affected the unhedged portion of the Group's debt.
- **Interest expense:** At the end of Q2 2021, this increased by 6.1% due to a higher balance of debt obtained between August 2020 and May 2021 given an issue of local bonds placed to cover an issue of international bonds maturing in the latter month.

Financial Position and Indebtedness:

Grupo SURA ended this past quarter with a net debt of COP 4.43 trillion, which included the amount required to pay an issue of international bonds worth USD 300 million maturing in May 2021. In Q2 2021 a bank loan was taken out worth USD 3.9 million.

Summary of our Separate Financial Results

Grupo de Inversiones Suramericana S.A

| | jun-21 | jun-20 | Var% | 2Q2021 | 2Q2020 | Var% |
|------------------------------|------------------|------------------|---------------|-----------------|-----------------|---------------|
| Dividends | 263,124 | 575,798 | -54.3% | 332 | 0 | |
| Investment income | 2,101 | 2,149 | -2.2% | 5,337 | 1,806 | 195.5% |
| Gains (losses) at fair value | (14,410) | 596 | | (1,367) | 45 | |
| Equity method | 277,712 | 332,440 | -16.5% | 68,008 | 126,098 | -46.1% |
| Other revenues | 6 | 356 | -98.3% | 1 | (50) | |
| Total revenues | 528,533 | 911,339 | -42.0% | 72,311 | 127,899 | -43.5% |
| Total expenses | (41,381) | (42,067) | -1.6% | (35,209) | (29,743) | 18.4% |
| Operating earnings | 487,152 | 869,272 | -44.0% | 37,102 | 98,156 | -62.2% |
| Fx exchange effect (net) | 36,867 | (109,961) | | 44,463 | 27,042 | 64.4% |
| Interest expenses | (207,104) | (195,140) | 6.1% | (94,237) | (102,749) | -8.3% |
| Financial result | (170,237) | (305,101) | -44.2% | (49,774) | (75,707) | -34.3% |
| Earnings before taxes | 316,915 | 564,171 | -43.8% | (12,672) | 22,449 | |
| Income tax | (13,550) | 27,834 | | (13,728) | 10,654 | |
| Net income | 303,365 | 592,005 | -48.8% | (26,400) | 33,103 | |

Figures stated in COP millions