

**GRUPO SURA (BVC: GRUPOSURA and PFGRUPSURA) obtained operating revenues of COP 24.8 trillion at year-end 2021, which were 19.0% higher than for the previous year, as well as a net income of COP 1.5 trillion, as our results continue to recover to pre-pandemic levels**

## Highlights (Consolidated Results):

- **Consolidated net income**

For Q4 2021 Grupo SURA posted a net income of COP 406,748 million, thereby surpassing that recorded for 2020 and even that corresponding to the same period in 2019. On a YTD basis, net income for the year was COP 1.5 trillion higher than that recorded the previous year and only 11% below the net income figure posted prior to the pandemic, thereby evidencing a recovery with our different lines of business last year, as well as a lower COVID impact during the latter months coupled with higher net income figures from our associated companies.

- **Total revenues**

Total revenues, continued to gain ground, posting a growth of 19.0% and reaching COP 24.8 trillion on a YTD basis at year-end 2021. This increase in revenues was due to YTD growths of 16.3% in written premiums along with another 14.3% in fee and commission income. It is also worth noting the 284.4% increase in revenues obtained via the equity method due to higher net income figures on the part of associated companies. Similarly, revenues increased by 23.8% for this past fourth quarter compared to the same period the previous year, these totaling COP 6.6 trillion thanks to growths of 22.7% in written premiums, 10.3% in fee and commission income, as well as a 43.9% increase in revenues posted via the equity method and investment income.

- **Total costs and expense**

These rose by 15.7% at year-end 2021 and 17.4% for the fourth quarter alone, this mainly due to the continued impact of the COVID pandemic on the Suramericana lines of business, including COVID- related costs and expense amounting to COP 1.6 trillion on a YTD basis and COP 185,584 million for the quarter.

- **Operating earnings**

Operating earnings came to COP 2,6 trillion at year-end 2021, that is to say 59.2% higher than those recorded for the same period the previous year, thereby evidencing a widespread recovery for our different lines of business which in turn have allowed us to largely mitigate the costs and expense associated with the COVID pandemic.

- **Debt**

The Company and its subsidiaries continued to make progress with their debt reduction program, with SURA AM reducing its indebtedness by COP 658,598 million compared to year-end 2020, thanks to having amortized loans in the amount of COP 505,500 million during the year Grupo SURA's net debt as a holding came to COP 4.7 trillion.

- **Stock Buy-Back Program**

The share buyback program that had been approved by the General Shareholders' meeting in 2020, was regulated by the Board of Directors in 2021 after the Stock Exchange (BVC) enabled the repurchase mechanism through its transactional system which ruled elements such as price caps and maximum volumes that could be repurchased, was halted on November 30 of 2021, due to the fact that after December 1 two consecutive tender offers involving the Company's common shares were initiated. Until the aforementioned date, the Company had managed to buy back COP 55,079 million of its own stock: 84% of which corresponded to repurchased ordinary shares and the remaining 16% preferred shares.

## Summary of our Consolidated Financial Results:

Consolidated income statement	dec-21	dec-21	%Var	Q4-2021	Q4-2020	%Var
Written premiums	22,486,833	19,337,133	16.3%	6,605,836	5,382,885	22.7%
<b>Retained earned premiums</b>	<b>17,636,425</b>	<b>15,541,319</b>	<b>13.5%</b>	<b>4,481,827</b>	<b>3,931,504</b>	<b>14.0%</b>
Fee and commission income	3,252,871	2,847,146	14.3%	846,866	768,029	10.3%
Investment income	1,925,441	1,559,755	23.4%	666,565	463,218	43.9%
Equity method - Revenues from Associates	1,394,548	362,805	284.4%	409,895	24,925	
Others	638,661	562,541	13.5%	190,819	141,904	34.5%
<b>Total revenues</b>	<b>24,847,945</b>	<b>20,873,566</b>	<b>19.0%</b>	<b>6,595,971</b>	<b>5,329,580</b>	<b>23.8%</b>
Retained claims	(12,944,236)	(10,392,665)	24.6%	(3,366,175)	(2,799,597)	20.2%
Operating expense	(8,796,009)	(8,346,492)	5.4%	(2,405,249)	(2,159,820)	11.4%
Depreciation and amortization	(543,424)	(524,165)	3.7%	(144,845)	(132,863)	9.0%
<b>Operating expense</b>	<b>(22,283,669)</b>	<b>(19,263,323)</b>	<b>15.7%</b>	<b>(5,916,268)</b>	<b>(5,092,281)</b>	<b>16.2%</b>
<b>Operating earnings</b>	<b>2,564,276</b>	<b>1,610,243</b>	<b>59.2%</b>	<b>679,703</b>	<b>237,299</b>	<b>186.4%</b>
Financial Result	(584,476)	(813,800)	-28.2%	(178,955)	(180,933)	-1.1%
Income tax	(462,583)	(453,537)	2.0%	(95,246)	(118,110)	-19.4%
<b>Net income from continuing operations</b>	<b>1,517,218</b>	<b>342,906</b>	<b>342.5%</b>	<b>405,502</b>	<b>(61,744)</b>	
<b>Net income</b>	<b>1,524,592</b>	<b>336,237</b>	<b>353.4%</b>	<b>406,748</b>	<b>(61,341)</b>	
<b>Earnings - parent company</b>	<b>1,408,560</b>	<b>225,125</b>	<b>525.7%</b>	<b>377,986</b>	<b>(72,661)</b>	

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	dec-21	dec-21	%Var	Q4-2021	Q4-2020	%Var
Suramericana	66,349	211,430	-68.6%	62,338	(90,577)	
<b>SURA AM</b>	<b>626,838</b>	<b>431,381</b>	<b>45.3%</b>	<b>101,888</b>	<b>174,190</b>	<b>-41.5%</b>
Net income excluding return from encaje	242,476	181,549	33.6%	(81,385)	46,543	
Return from encaje	276,956	269,805	2.7%	172,831	184,648	-6.4%
Fx exchange difference	107,406	(19,974)		10,442	(57,001)	
<b>Revenues via equity method: Grupo SURA (holding)</b>	<b>1,261,405</b>	<b>217,268</b>	<b>480.6%</b>	<b>393,848</b>	<b>(46,679)</b>	
Bancolombia	1,000,918	67,595		353,840	(65,050)	
Grupo Argos	42,932	(46,019)		(9,335)	(20,477)	-54.4%
Grupo Nutresa	220,434	203,859	8.1%	50,619	37,900	33.6%
Other	(2,879)	(8,167)	-64.8%	(1,276)	948	
<b>Other results Grupo SURA (holding)</b>	<b>(430,000)</b>	<b>(523,842)</b>	<b>-17.9%</b>	<b>(151,325)</b>	<b>(98,275)</b>	<b>54.0%</b>
Fx exchange effect	46,479	(52,792)		4,972	25,520	-80.5%
Administrative expenses	(94,105)	(93,833)	0.3%	(33,321)	(35,373)	-5.8%
Interests	(404,186)	(378,823)	6.7%	(106,610)	(96,329)	10.7%
Other	21,813	1,606		(16,366)	7,907	
<b>Net income</b>	<b>1,524,592</b>	<b>336,237</b>	<b>353.4%</b>	<b>406,748</b>	<b>(61,341)</b>	

\*The net result of the Company's legal reserves includes that of the Colombian Pension Fund Management Firm, Protección S.A.'s this duly adjusted for the stake held.

## Summary of results broken down per line of business

### Suramericana

Written premiums rose by 16.5% at year-end 2021 compared to the same period the previous year, thereby evidencing good levels of performance in all segments; health care showing a growth of 30.7%, Life Insurance with another 13.2% and Property and Casualty with 10.9%. On the other hand, retained claims increased by 26.5% on a YTD basis, mainly due to the effect of the pandemic, with COVID-related claims at year-end coming to COP 1.6 trillion, compared to COP 1.1 trillion at the end of 2020. This increase obeys the peaks recorded with the contagion curve during the first half of 2021 compared to the incipient early stages that were still developing the previous year. However, the overall COVID impact continued to decline in Q4 2021, thanks to the advances made with mass vaccination programs and the lower incidence of infections and deaths during the latter months of the year, which together with good levels of business performance allowed the Company to end the year with a bottom line of COP 66,349 million, having declined by 68.6% compared to year-end 2020. During the latter 3 months of the year, COP 62,338 million in net income was recorded, compared to a loss of COP 90,577 million.

### SURA Asset Management

SURA AM's operating revenues reached COP 3.0 trillion at year-end 2021, with growths of 10.6% in pesos and 6.9% in local currency. This level of performance is due to a 13.6% increase in fee and commission income, which helped to mitigate the 6.3% decrease with revenues obtained via the equity method from Protección, given the impact of the COVID 19 claims rate and the double impact caused by the annual minimum wage increase, given the fact that the corresponding adjustment was made at the beginning of 2021 while that corresponding to 2022 was recorded after reaching a consensus in December 2021, thereby producing a double entry. At the same time, overall results were affected by a 36.7% decrease in revenues from legal reserves as well as an impact sustained in Mexico where due to a drop in commissions a provision was set up, in the amount of COP 68 billion to cover the restructuring of the sales force. The Company continued to show growth rates with the SURA Investment Management and Inversiones SURA lines of business, ending the year with growths of 25.4% in fee and commission income and another 15.0% in AUM compared to the same period the previous year. Thanks to all of the this, the Company posted a net income figure of COP 626,838 million at year-end 2021, for a growth of 45.3% compared to the same period the previous year.

### Revenues obtained via the equity method

This account continues to recover, having risen by 284.4% at year-end 2021 compared to the previous year, thereby contributing COP 1,395 million to Grupo SURA's overall results. The good levels of performance obtained by Bancolombia, Grupo Nutresa and Grupo Argos so far this year have helped them reach levels above those achieved in 2019. In calculating this item's portion of the Company's consolidated net income figure, we included the results of Grupo Sura's associates, except for Protección, which is included in the SURA AM's net income figure.

### Others

This section includes expense relating to Grupo SURA's operations, as a holding company. This account showed a drop of 19.2% compared to the same period the previous year, which is mainly due to a positive exchange rate effect in 2021, compared to a loss recorded for the same period the previous year, this due to a greater exposure affecting the Company's USD-denominated debt as well as higher depreciation. On the other hand, interest on the holding's debt increased by 7.2% due to new hedges and securities issued. There was also a higher deferred tax expense of COP 15,297 million due to the effect of the exchange difference on financial obligations or hedging operations, as well as a higher adjustments made in the light of a change in the tax rate as introduced by the latest tax reform in 2021 this amounting to COP 10,709 million.

## Statement of Consolidated Financial Position - Summary of Key Figures

Consolidated statement of financial position	dec-21	dic-20	%Var
Total assets	75,901,683	70,860,135	7.1%
Total liabilities	44,636,469	42,318,410	5.5%
Equity attributable to owners of the parent company	2,668,674	2,536,894	10.0%
Non-controlling interest	28,596,540	26,004,829	5.2%
Total equity	31,265,213	28,541,723	9.5%

## Financial Liabilities

Grupo SURA (Holding)	dec-21	dic-20	Var\$
Grupo Sura - Bonds	4,276,843	4,995,267	(718,424)
Banks	610,628	572,954	37,674
Repurchase agreement	3,021	0	3,021
<b>Debt</b>	<b>4,890,492</b>	<b>5,568,221</b>	<b>(677,729)</b>
Derivatives	302,049	172,880	129,169
Preferred dividends	460,066	460,847	(781)
<b>Total financial liabilities</b>	<b>5,652,607</b>	<b>6,201,948</b>	<b>(549,341)</b>
Fair value - hedging derivatives	347,230	343,733	3,497
Cash and cash equivalents	136,628	1,037,952	(901,324)
<b>Net debt</b>	<b>4,708,683</b>	<b>4,359,416</b>	<b>349,267</b>

Note: Debt affected by hedging of bond derivatives

SURA AM	dec-21	dic-20	Var\$
Bonds	3,395,666	2,923,635	472,031
Banks	1,987	515,395	(513,408)
<b>Debt</b>	<b>3,397,653</b>	<b>3,439,030</b>	<b>(41,377)</b>
Derivatives	0	0	0
<b>Total financial liabilities</b>	<b>3,397,653</b>	<b>3,439,030</b>	<b>(41,377)</b>
Fair value - hedging derivatives	874,476	257,256	617,220
<b>Financial liabilities, net of hedges</b>	<b>2,523,177</b>	<b>3,181,774</b>	<b>(658,597)</b>

Note: Debt affected by hedging of bond derivatives

Suramericana	dec-21	dic-20	Var\$
Bonds	851,209	846,517	4,692
Banks	436,509	395,185	41,324
<b>Suramericana</b>	<b>44,561</b>	<b>44,196</b>	<b>365</b>
Derivatives	19,910	3,638	16,272
<b>Total financial liabilities</b>	<b>1,307,628</b>	<b>1,245,340</b>	<b>62,288</b>

*The companies' financial liabilities do not include financial leases contemplated by IFRS 16.*

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 which rose by 16.5% at year-end 2021, as well as expense management efforts, which are providing with greater sustainability. Net income improved in this past quarter thanks to improved levels of commercial performance and a decline in COVID claims for said period.

## Highlights (Consolidated Results):

- **Premiums**

Written premiums for Q4 2021 rose by 22.0%, bringing the YTD increase to 16.5%. It is worth noting the positive results of the Property and Casualty insurance segment, thanks to the amount of corporate insurance being renewed, thereby continuing to reflect improved commercial dynamics for the car solution as a result of the region's ongoing economic recovery. This same effect also applied for the voluntary business of the Life Insurance segment and to a greater number of Workers' Compensation subscribers, which at the end of 2021 showed an increase of 331 thousand members compared to the previous year. For its part, our Mandatory Health Care subsidiary (EPS) posted a growth in its subscriber base, corresponding to 486 thousand new users compared to year-end 2020.

- **Claims**

The lower infection and mortality rates for the quarter, given the progress made with vaccinations throughout the region, have helped to lower COVID-related claims by 61% during this past fourth quarter compared to the average amount of claims recorded the past four quarters. On the other hand, the Non COVID claims rate came to 67.2% for the quarter compared to 57.3% for the same period the previous year, this increase mainly recorded by our mobility solutions given the increases with average costs as a consequence of the disruptions with global supply chains; there was also an increase in the claims rate corresponding to our health care insurance (both voluntary and mandatory) given the expense incurred with general medical conditions as well as a resumption of the services delayed in previous periods due to the restrictions imposed on accessing the health care system in order to prioritize the care given to COVID patients.

- **Technical Result**

Our technical margin dropped to 6.0% at the end of the fourth quarter, compared to the 8.1% recorded for the same period the prior year, this as a result of the impact of increases in non-COVID claims in the mobility solutions, as well as the fact that our claims frequency rates are returning to normal with our Health Care (both voluntary and mandatory) and Workers' Compensation solutions. The COVID claims rate rose by 53% at year-end 2021 compared to the same period the previous year, thereby reaching COP 1.6 trillion.

- **Administrative expense**

The expense to written premiums ratio for Q4 came to 11.8% compared to 13.4% for this same quarter the previous year, this decline due to expense management strategies to mitigate the effects of the pandemic on our overall results. Said strategies included changes made to our operating models in order to leverage savings and efficiencies with our real estate and operating expenses.

- **Investment Income**

Investment income rose by 79.7% at the end of Q4 and by 0.6% on a YTD- basis, this due to rising inflation throughout the region, which on average was 333 bp higher in 2021 compared to 2020 (excluding Argentina). Higher inflation also benefited returns for the quarter from our index-linked portfolios especially in Colombia and Chile. Changes in monetary policy on the part of the region's central banks for the purpose of controlling inflation have so far produced mixed results with how investments on the part of insurance companies are performing.

- **Net Income | Adjusted ROTE**

At the end of Q4 2021, Suramericana reported a positive level of earnings amounting to COP 62,338 million, producing a year-end net income of COP 66.349 million and a ROTE (Return on Tangible Equity) on a rolling 12-month basis of 2.7%. This past year's profitability still continued to be affected by the adverse impact of the pandemic, as reflected in a higher claims rate, our efforts to deal with this, as well as a more normal claims frequency rate as a result of the region's ongoing economic recovery.

## Summary of Consolidated Results | Selected Indicators

Results summary	dec-21	dec-20	%Var	4Q 2021	4Q 2020	%Var
Assets	33,291,826	30,541,226	9.0%	33,291,826	30,541,226	9.0%
Liabilities	28,109,843	25,468,379	10.4%	28,109,843	25,468,379	10.4%
Shareholders' equity	5,174,044	5,065,398	2.1%	5,174,044	5,065,398	2.1%
Tangible equity	4,063,731	4,055,844	0.2%	4,063,731	4,055,844	0.2%
Written premiums	21,789,164	18,707,118	16.5%	6,354,012	5,209,276	22.0%
Ceded premiums	(3,926,616)	(3,340,725)	17.5%	(1,396,119)	(933,481)	49.6%
<b>Retained premiums (net)</b>	<b>17,862,548</b>	<b>15,366,393</b>	<b>16.2%</b>	<b>4,957,893</b>	<b>4,275,795</b>	<b>16.0%</b>
Adjustments to reserves	(340,520)	(333,402)	2.1%	(430,295)	(424,629)	1.3%
<b>Retained earned premiums (REP)</b>	<b>17,522,028</b>	<b>15,032,991</b>	<b>16.6%</b>	<b>4,527,597</b>	<b>3,851,166</b>	<b>17.6%</b>
Total claims	(14,334,164)	(11,326,927)	26.5%	(4,041,988)	(3,074,013)	31.5%
Reimbursed claims	1,932,104	1,524,003	26.8%	813,373	442,828	83.7%
<b>Retained claims</b>	<b>(12,402,060)</b>	<b>(9,802,924)</b>	<b>26.5%</b>	<b>(3,228,614)</b>	<b>(2,631,185)</b>	<b>22.7%</b>
Net commissions	(2,310,175)	(2,305,499)	0.2%	(666,160)	(534,380)	24.7%
Revenues from services rendered	76,835	78,275	-1.8%	21,749	20,241	7.5%
Costs from services rendered	(180,040)	(161,252)	11.7%	(47,703)	(42,617)	11.9%
Other operating expenses	(1,083,369)	(1,000,409)	8.3%	(302,731)	(257,355)	17.6%
Technical Impairment	(37,358)	(52,877)	-29.3%	78,721	18,623	322.7%
<b>Technical result</b>	<b>1,585,861</b>	<b>1,788,306</b>	<b>-11.3%</b>	<b>382,860</b>	<b>424,493</b>	<b>-9.8%</b>
Administrative expenses	(2,580,998)	(2,502,712)	3.1%	(696,136)	(702,971)	-1.0%
Amortizations and depreciations	(222,876)	(232,203)	-4.0%	(59,143)	(57,100)	3.6%
Impairment	(2,426)	(2,797)	-13.3%	(54)	(1,144)	-95.3%
<b>Underwriting profit</b>	<b>(1,220,439)</b>	<b>(949,407)</b>	<b>-28.5%</b>	<b>(372,474)</b>	<b>(336,721)</b>	<b>-10.6%</b>
Investment income	1,141,112	1,133,823	0.6%	364,132	202,637	79.7%
Interest expenses	(105,898)	(111,030)	-4.6%	(31,430)	(22,097)	42.2%
Other non-operating income (expense)	321,613	267,144	20.4%	95,642	62,831	52.2%
<b>Earnings (losses) before tax</b>	<b>136,388</b>	<b>340,531</b>	<b>-59.9%</b>	<b>55,870</b>	<b>(93,351)</b>	<b>-159.8%</b>
Income tax	(70,039)	(129,100)	45.7%	6,468	2,774	133.2%
<b>Earnings (losses), net</b>	<b>66,349</b>	<b>211,431</b>	<b>-68.6%</b>	<b>62,338</b>	<b>(90,577)</b>	<b>-168.8%</b>
Earnings (losses) - parent company	65,974	211,301	-68.8%	62,176	(90,325)	168.8%
Amortization of M&A intangibles	(53,863)	(67,909)	-20.7%	(12,372)	(14,777)	-16.3%
Amortization deferred tax	13,300	18,560	-28.3%	3,022	3,872	-22.0%
<b>Adjusted net earnings</b>	<b>106,537</b>	<b>260,650</b>	<b>-59.1%</b>	<b>71,527</b>	<b>(79,420)</b>	<b>190.1%</b>
Main indicators	dec-21	dec-20	Var A/A	4Q 2021	4Q 2020	Var T/T
% Ceded premiums	18.0%	17.9%	0.2%	22.0%	17.9%	4.1%
% Retained claims / Retained earned premiums	70.8%	65.2%	5.6%	71.3%	68.3%	3.0%
% Claims ratio P&C and life segments	60.8%	54.7%	6.1%	60.6%	59.7%	1.0%
% Claims ratio Health Care segments	91.2%	90.1%	1.1%	94.0%	88.8%	5.2%
% Net commissions / Retained earned premiums	13.2%	15.3%	-2.2%	14.7%	13.9%	0.8%
% Other operating expense / Written premiums	5.0%	5.3%	-0.4%	4.8%	4.9%	-0.2%
% Administrative expense / Written premiums	11.8%	13.4%	-1.5%	11.0%	13.5%	-2.5%
ROE adj. (12m)	2.1%	5.1%	-3.0%	2.1%	5.1%	-3.0%
ROTE adj. (12m)	2.7%	6.3%	-3.7%	2.7%	6.3%	-3.7%



## Summary of our Results Per Segment

Results by segment	dec-21	dec-20	%Var	4Q 2021	4Q 2020	%Var
Life	197,074	165,200	19.3%	66,246	(31,556)	309.9%
Property and Casualty (P&C)	43,840	183,400	-76.1%	20,593	(39,222)	152.5%
Health care	44,329	52,078	-14.9%	46,861	35,751	31.1%
Supplementary services	9,518	5,091	86.9%	46	(1,476)	103.1%
Revenues & expenses Suramericana (subholding)	(228,412)	(194,339)	-17.5%	(71,408)	(54,074)	-32.1%
Corporate expenses	(104,804)	(102,366)	2.4%	(32,556)	(35,369)	-8.0%
Interest expense	(63,023)	(64,696)	-2.6%	(19,223)	(12,933)	48.6%
Taxes	(63,726)	(40,299)	58.1%	(20,790)	(1,365)	1423.3%
Other	3,140	13,022	-75.9%	1,160	(4,407)	-126.3%
Consolidated net income	66,349	211,430	-68.6%	62,338	(90,577)	168.8%
Net income - parent company	65,974	211,301	-68.8%	62,176	(90,325)	168.8%
M&A Intangible amortization	(40,563)	(49,349)	17.8%	(9,350)	(10,905)	14.3%
Adjusted net income	106,537	260,650	-59.1%	71,527	(79,420)	190.1%

### Life Insurance

The Life Insurance segment posted a recovery for this past quarter due to the lower impact of COVID claims given declining contagion and mortality rates, thanks to mass vaccinations being carried out throughout the region, with more than 52% of the population now vaccinated. The COVID-related impact on this segment amounted to COP 703,668 million at the end of 2021. The net commission to earned premiums ratio declined by 2.8% for the year due to lower brokerage commissions paid to the affinity business, which are subject to a favorable claims performance; a situation that did not occur in 2021 due to the effect of the COVID pandemic. Additionally, there was a material impact on this segment was the mismatch in the minimum wage versus inflation which amounted a total of COP 134,308 million affecting both reserves and claims lines.

Another important factor to be noted with regard to this segment's results continued to be the handling of the administrative expense, which recorded a decline of 1.7% in the year's administrative expense/ written premium ratio. Similarly, higher inflation levels compared to 2020 throughout the region greatly favored this segment's investment income, mainly in Colombia and Chile.

### Property/Casualty Insurance

The results of the Property/Casualty Insurance segment at year-end showed a decrease compared to the previous year due to the claims frequency rates returning to normal in the mobility solutions, in addition to the increase in the average costs of vehicles and spare parts, factors that increased the claims figure for the car insurance solution. Similarly, the Property and Casualty segment, which include life and healthcare insurance portfolios in Mexico, Panama and Brazil, continue to be exposed to the effects of COVID, and recorded an impact on its claims rate amounting to COP 125,259 million in the year.

Likewise, for this segment, there is less investment income due to upward movements in interest rates in countries such as Mexico, Brazil and Uruguay.

### Health care

The Health Care Insurance segment in 2021 included revenues on the part of our Mandatory Health Care subsidiary (EPS) worth COP 320,590 million from the basket of COVID-related payments sponsored by the Colombian Ministry of Health, this for the purpose of recognizing and paying for the shortfalls recorded with caring for our COVID patients during 2021, with COP 277,247 million of this figure being already paid by said Ministry. A provision has been set up in relation to the remaining balance in our accounts receivable, this amounting to COP 36,841 million, which is expected to be recovered in future periods. Our efforts in providing a comprehensive handling of the pandemic allowed for a much better claims rate for Q4 2021 since we were able to bring down the associated severity of such. In total, this segment at year-end 2021 recorded an impact of COP 811,901 million from COVID-related claims.

As part of the strategies designed to mitigate the effects of the pandemic, it is worth highlighting the fact that we were able to lower our administrative expense to written premium ratio which recorded a decline of 2.1%.



## Income and Expense - Suramericana

The Holding Company's results showed a drop due to an increase with its deferred tax expense associated with higher expectations of future dividend receivables. There was also a drop in the Holding's "Others" Account (see table above), given lower revenues from the consolidation in Colombian pesos of the assets belonging to the reinsurance company in Argentina, as well as lower gains from exchange rate fluctuations.

## Premiums

Retained earned premiums (REP)	dec-21	dec-20	%Var	4Q 2021	4Q 2020	%Var
Written premiums (WP) Life	6,323,547	5,584,110	13.2%	1,726,982	1,516,099	13.9%
<b>REP Life</b>	<b>5,825,655</b>	<b>5,217,514</b>	<b>11.7%</b>	<b>1,511,265</b>	<b>1,390,299</b>	<b>8.7%</b>
Written premiums Property & Casualty (P&C)	9,583,294	8,640,836	10.9%	3,230,789	2,495,679	29.5%
<b>REP P&amp;C</b>	<b>5,731,653</b>	<b>5,253,441</b>	<b>9.1%</b>	<b>1,560,683</b>	<b>1,259,028</b>	<b>24.0%</b>
Written premiums Health care	7,384,150	5,651,649	30.7%	1,775,416	1,542,157	15.1%
Written premiums - Eliminations	(1,501,826)	(1,169,476)	28.4%	(379,174)	(344,659)	10.0%
<b>REP - Eliminations</b>	<b>(1,419,429)</b>	<b>(1,089,612)</b>	<b>30.3%</b>	<b>(319,767)</b>	<b>(340,318)</b>	<b>-6.0%</b>
Consolidated written premiums	21,789,164	18,707,118	16.5%	6,354,012	5,209,276	22.0%
<b>Consolidated REP</b>	<b>17,522,028</b>	<b>15,032,991</b>	<b>16.6%</b>	<b>4,527,597</b>	<b>3,851,166</b>	<b>17.6%</b>

By country	Col	Ch	Mx	Arg	Br	SV	Pan	RD	Uru	Sura Re
Var Y/Y (Local Ccy)	19.1%	1.0%	11.1%	48.4%	11.6%	4.1%	9.2%	7.4%	13.4%	-
WP dic-21 (bn)	15,898	2,648	1,089	1,076	633	551	580	386	359	72
Var Q/Q (Local Ccy)	15.3%	19.3%	18.4%	47.3%	1.2%	7.5%	41.4%	5.9%	18.5%	-
WP Q2 2021 (bn)	4,188	928	376	367	183	166	200	153	117	54

At the end of Q4, the Life Insurance segment showed a growth of 13.9% in written premiums compared to the same period the previous year, thanks to a positive level of performance for the Health Care solution which produced a 23.6% growth thanks to the results shown by the brokerage channel, this in addition to the positive dynamics with the products being rolled out in El Salvador and Chile. Likewise, the Workers' Compensation solution achieved a 15.0% growth for this same period with a client base of 4.6 million, having increased by another 331 thousand compared to December 2020 this thanks to the recovery in the tourism, transportation, infrastructure, civil works and health sectors of the economy. Life Insurance solutions distributed through the affinity channel continued to perform well with a 9.1% growth for the quarter. Likewise, the good levels of performance recorded with these solutions ended up producing a 13.2% growth in premiums for this segment during the year.

The Property and Casualty segment did particularly well in Q4 thanks to the good levels of performance recorded with its business solutions namely a 25.7% growth for the quarter, this thanks to an increase in the amount of corporate business corresponding to our fire, compliance and civil liability products. The car solution throughout the region consolidated a growth of 28.8% given the amount of collective policies being issued, a recovery with sales given fewer mobility restrictions as well as having updated our tariffs to offset the increases in average costs given disruptions with the global supply chain. The positive contribution of the life insurance operations in Mexico and Panama to this segment is also worth noting, given the 52.4% growth obtained mainly due to higher levels of new sales. It should be noted that in 2020, our Chilean subsidiary issued property insurance for terms of more than one year and therefore these were not subject to renewal this past quarter. However, if we were to exclude this effect, the growth in premiums for 2021 would have come to 14.9%.

On the other hand, the growth of the Health Care segment was mainly due to our Mandatory Health Care provider (EPS) which scored an increase of 19.4% for the quarter with another 30.6% on a YTD basis, having reached a total of 4.7 million subscribers with a growth of 486 thousand new sign-ups compared to 2020. Also, users of our Complementary Health Care Plans reached a total of 272,000, which represents an increase of 48,000 compared to the previous year. Likewise, YTD results for this segment include COP 320,590 million recorded for Government-awarded COVID subsidies.

Finally, retained earned premiums present a lower growth compared to written premiums during the quarter given the update of the mathematical reserves in alignment to the increase of the minimum wage and inflation in Colombia which totaled COP 60,700

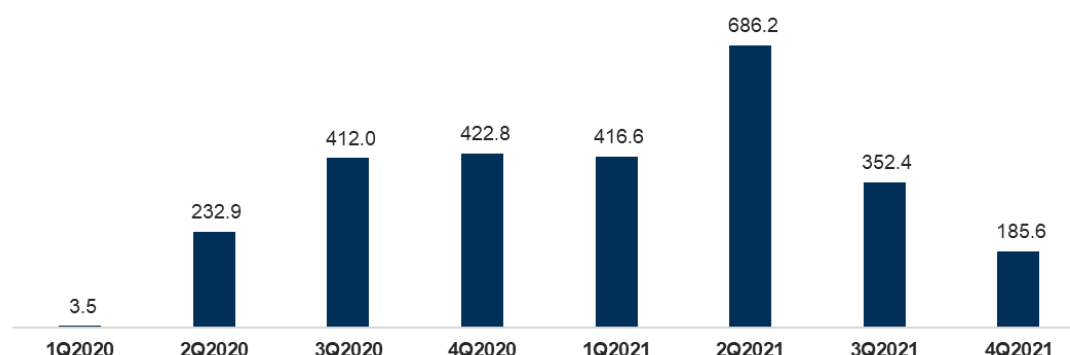
million, effect which is consolidate in the Life segment. Additionally, given the increase in premiums in the Property and Casualty segment, a greater reserve constitution was created which Will be released during the term of the premiums.

## Claims

Retained claims	dec-21	dec-20	%Var	4Q 2021	4Q 2020	%Var
<b>Life</b>	<b>3,881,964</b>	<b>3,149,145</b>	<b>23.3%</b>	<b>929,522</b>	<b>936,558</b>	<b>-0.8%</b>
% Retained claims / REP	66.6%	60.4%		61.5%	67.4%	
<b>P&amp;C</b>	<b>3,146,197</b>	<b>2,577,527</b>	<b>22.1%</b>	<b>933,139</b>	<b>644,652</b>	<b>44.8%</b>
% Retained claims / REP	54.9%	49.1%		59.8%	51.2%	
<b>Health care</b>	<b>6,733,292</b>	<b>5,091,785</b>	<b>32.2%</b>	<b>1,669,015</b>	<b>1,369,926</b>	<b>21.8%</b>
% Retained claims / REP	91.2%	90.1%		94.0%	88.8%	
<b>Eliminations</b>	<b>(1,359,394)</b>	<b>(1,015,533)</b>	<b>33.9%</b>	<b>(303,061)</b>	<b>(319,952)</b>	<b>-5.3%</b>
<b>Consolidated retained claims</b>	<b>12,402,060</b>	<b>9,802,924</b>	<b>26.5%</b>	<b>3,228,614</b>	<b>2,631,185</b>	<b>22.7%</b>
% Retained claims / REP	70.8%	65.2%		71.3%	68.3%	

During this past fourth quarter, although the effects of COVID-related claims continued present, it was to a much lesser degree given the waning of the contagion curve, which has meant lower infection and mortality rates, more progress made with mass vaccinations and the result of the strategies implemented by the Company in terms of its COVID care and management. During this past quarter, COVID-related claims came to COP 55,018 million for the Life Insurance segment, COP 99,472 million for the Health Care segment and COP 31,094 million for the Property and Casualty segment<sup>1</sup>. Our subsidiaries in Colombia, Mexico, El Salvador and Panama suffered the greatest impact from the pandemic, given their higher exposure with the amount of Life, Health Care and Workers' Compensation solutions offered. COVID-related claims for the entire year came to COP 1.6 trillion, which represents a growth of 53% compared to the previous year.

## COVID-RELATED CLAIMS



This year our Companies continued to provide the same client care and support models that were first drawn up the previous 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 program through IPS Sura (the Health Care Institute segment) with 825 thousand doses now applied, helping to achieve 5.7 million doses for members of our Mandatory Health Care line of insurance (EPS in Spanish).

The non-COVID claims rate rose compared to the same period the previous year, mainly in our mobility solutions, recording a claims rate of 72.7% compared to 61.7% for Q4 2020. This is mainly due to increases in vehicle and spare part costs as a result

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

of supply chain disruptions, in addition to the return of pre-pandemic frequencies due to vehicle use returning to normal levels throughout the region.

Lower restrictions for accessing the health care system, given declining COVID contingencies, have led to an increase in the claims frequency for our health care solutions, both voluntary (Life Insurance Segment) and mandatory (Health Care Segment). Likewise, the return to economic normality and the recovery with unemployment rates, have resulted in increased accident and mortality rates for our Workers' Compensation solution, an effect that also leverages the growth of premiums in these same solutions.

Although throughout the year there was a higher incidence of COVID-related claims and a return of prior levels of claims frequencies in the mobility and health care solutions, the claims rate for our corporate business solutions showed a decrease for the entire year, having dipped to 29.4% at the end of 2021 compared to 34.5% for 2020, this due to lower claims frequencies and a lower amount of severity claims or force majeure events.

## Commissions

Net commissions	dec-21	dec-20	%Var	4Q 2021	4Q 2020	%Var
<b>Life</b>	<b>1,214,486</b>	<b>1,232,264</b>	<b>-1.4%</b>	<b>364,114</b>	<b>301,874</b>	<b>20.6%</b>
% net commissions / REP	20.8%	23.6%		24.1%	21.7%	
<b>P&amp;C</b>	<b>1,072,048</b>	<b>1,051,317</b>	<b>2.0%</b>	<b>296,116</b>	<b>227,241</b>	<b>30.3%</b>
% net commissions / REP	18.7%	20.0%		19.0%	18.0%	
<b>Health care</b>	<b>26,765</b>	<b>21,811</b>	<b>22.7%</b>	<b>7,503</b>	<b>5,965</b>	<b>25.8%</b>
<b>Supplementary services</b>	<b>522</b>	<b>2,037</b>	<b>-74.4%</b>	<b>(1)</b>	<b>188</b>	
<b>Eliminations</b>	<b>(3,646)</b>	<b>(1,929)</b>	<b>89.0%</b>	<b>(1,572)</b>	<b>(888)</b>	<b>77.0%</b>
<b>Consolidated commissions</b>	<b>2,310,175</b>	<b>2,305,499</b>	<b>0.2%</b>	<b>666,160</b>	<b>534,380</b>	<b>24.7%</b>
% net commissions / REP	13.2%	15.3%		14.7%	13.9%	

Commissions for Q4 2021 showed an increase mainly in the Life Insurance segment, where an adjustment was made in terms of reinsurance commissions, which meant a lower revenue figure of COP 7,021 million; likewise, commissions for the Property and Casualty segment increased due to a larger volume of business bearing higher brokerage costs compared to the average recorded. On the other hand, YTD commissions were benefited by lower commissions paid in the affinity channel, due to the fact that a portion of these is based on both sales and claims; this has allowed us to partially mitigate the increase in COVID claims, mainly in the Group Life Insurance products; similarly, the overall figure was benefited by the growth recorded with the Health Care segment, which carries lower brokerage costs compared to the Life and Property and Casualty segments.

## Miscellaneous Insurance Expense

Technical insurance expenses	dec-21	dec-20	%Var	4Q 2021	4Q 2020	%Var
<b>Life</b>	<b>621,774</b>	<b>588,598</b>	<b>5.6%</b>	<b>172,026</b>	<b>146,950</b>	<b>17.1%</b>
% Other op. expenses / Written premiums	9.8%	10.5%		10.0%	9.7%	
<b>P&amp;C</b>	<b>723,536</b>	<b>669,597</b>	<b>8.1%</b>	<b>197,110</b>	<b>178,746</b>	<b>10.3%</b>
% Other op. expenses / Written premiums	7.5%	7.7%		6.1%	7.2%	
<b>Other segments</b>	<b>(261,941)</b>	<b>(257,785)</b>	<b>1.6%</b>	<b>(66,404)</b>	<b>(68,341)</b>	<b>-2.8%</b>
<b>Other operating expenses - total</b>	<b>1,083,369</b>	<b>1,000,409</b>	<b>8.3%</b>	<b>302,731</b>	<b>257,355</b>	<b>17.6%</b>
% Other op. expenses / Written premiums	5.0%	5.3%		4.8%	4.9%	

Miscellaneous expense for this past quarter showed an improvement, thanks to a higher volume of premiums in the business solutions offered by the Property and Casualty segment. On the other hand, the Life Insurance segment posted a slight growth in miscellaneous expense given higher client care costs with the voluntary health care products. It should be noted that investments made by our Workers'

Compensation subsidiary (ARL) in 2021 for PPE to deal with the COVID pandemic reached COP 45,525 million for the quarter and COP 136,025 million for the entire year.

## Technical Result

Technical result (TR)	dec-21	dec-20	%Var	4Q 2021	4Q 2020	%Var
<b>Life</b>	<b>112,826</b>	<b>235,402</b>	<b>-52.1%</b>	<b>46,462</b>	<b>5,003</b>	<b>828.8%</b>
TR / Written premiums	1.8%	4.2%		2.7%	0.3%	
<b>P&amp;C</b>	<b>783,818</b>	<b>906,368</b>	<b>-13.5%</b>	<b>138,640</b>	<b>195,970</b>	<b>-29.3%</b>
TR / Written premiums	8.2%	10.5%		4.3%	7.9%	
<b>Health care</b>	<b>589,630</b>	<b>548,177</b>	<b>7.6%</b>	<b>173,347</b>	<b>197,473</b>	<b>-12.2%</b>
TR / Written premiums	8.0%	9.7%		9.8%	12.8%	
<b>Other segments</b>	<b>99,587</b>	<b>98,358</b>	<b>1%</b>	<b>24,411</b>	<b>26,048</b>	<b>-6.3%</b>
<b>Consolidated technical result</b>	<b>1,585,861</b>	<b>1,788,306</b>	<b>-11.3%</b>	<b>382,860</b>	<b>424,493</b>	<b>-9.8%</b>
TR / Written premiums	7.3%	9.6%		6.0%	8.1%	

The Company's technical result was impacted by a higher non-Covid claims rate. Although the COVID claims rate declined to 4.1% at the end of Q4 2021 compared to 11.0% for the same period the previous year, increases in the severity of mobility solutions throughout the region together with a recovery in claims frequencies, for both the car and health care solutions, had a greater impact on our technical margins for the quarter. In 2021, the Company's technical result was impacted by a higher COVID claims rate that came to COP 1.6 trillion along with the fact that claims frequency rates are returning to normal levels

## Administrative expense

Administrative expenses	dec-21	dec-20	%Var	4Q 2021	4Q 2020	%Var
<b>Life</b>	<b>688,469</b>	<b>700,691</b>	<b>-1.7%</b>	<b>198,308</b>	<b>189,442</b>	<b>4.7%</b>
% Admin. Expenses / Written premiums	10.9%	12.5%		11.5%	12.5%	
<b>P&amp;C</b>	<b>1,203,374</b>	<b>1,122,315</b>	<b>7.2%</b>	<b>317,158</b>	<b>295,913</b>	<b>7.2%</b>
% Admin. Expenses / Written premiums	12.6%	13.0%		9.8%	11.9%	
<b>Health care</b>	<b>552,617</b>	<b>543,183</b>	<b>1.7%</b>	<b>135,109</b>	<b>164,781</b>	<b>-18.0%</b>
% Admin. Expenses / Written premiums	7.5%	9.6%		7.6%	10.7%	
<b>Other segments</b>	<b>136,538</b>	<b>136,523</b>	<b>0.0%</b>	<b>45,560</b>	<b>52,835</b>	<b>-13.8%</b>
<b>Consolidated</b>	<b>2,580,998</b>	<b>2,502,712</b>	<b>3.1%</b>	<b>696,136</b>	<b>702,971</b>	<b>-1.0%</b>
% Admin. Expenses / Written premiums	11.8%	13.4%		11.0%	13.5%	

The reduction in administration expense for 2021 was due to plans to transform our operating model throughout the region, by focusing on increasing our productivity in terms of logistics, marketing, fees, travel, among other items. In addition to this transformation, strategic projects aimed at strengthening our technological capabilities and on-line access continued.

## Investment Income

Investment income	dec-21	dec-20	%Var	4Q 2021	4Q 2020	%Var
<b>Life</b>	<b>743,566</b>	<b>604,800</b>	<b>22.9%</b>	<b>209,494</b>	<b>146,963</b>	<b>42.5%</b>
<b>P&amp;C</b>	<b>386,539</b>	<b>491,835</b>	<b>-21.4%</b>	<b>152,742</b>	<b>53,496</b>	<b>185.5%</b>
<b>Health care</b>	<b>6,096</b>	<b>28,918</b>	<b>-78.9%</b>	<b>(1,324)</b>	<b>6,295</b>	<b>-121.0%</b>
<b>Other segments</b>	<b>4,911</b>	<b>8,270</b>	<b>-40.6%</b>	<b>3,219</b>	<b>(4,116)</b>	<b>-178.2%</b>
<b>Consolidated investment income</b>	<b>1,141,112</b>	<b>1,133,823</b>	<b>0.6%</b>	<b>364,132</b>	<b>202,637</b>	<b>79.7%</b>
<b>Consolidated investment portfolio</b>	<b>15,499,563</b>	<b>14,407,093</b>	<b>7.6%</b>	<b>15,499,563</b>	<b>14,407,093</b>	<b>7.6%</b>

Portfolio - Country	Arg	Br	Ch	Col	SV	Mx	Pan	RD	Uru
Yield*	37.0%	7.2%	9.2%	7.8%	5.2%	3.8%	4.2%	7.2%	10.6%
Portfolio value**	16,980	323	173,634	12,510,632	100	3,281	136	2,133	2,410

\*Annualized quarterly yields

\*\*Figures in local currency in millions

In Q4 2021, inflation and interest rates continued to rise throughout Latin America. Market agents began to discount a more aggressive stance taken by the region's central banks in order to control inflation, and in this sense market interest rates showed significant hikes in countries such as Mexico, Colombia, Chile and Brazil. All monetary authorities in the countries where Suramericana operates raised their interest rates. This increase in interest rates favored investments in Brazil and Argentina, which showed significantly higher interest income compared to the same period the previous year. In Q4 2021, inflation in the region, excluding Argentina, rose by 333 bp compared to the same period the previous year, which largely favors the Life Insurance segment and particularly investment income obtained in Colombia and Chile.

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

Other relevant factors contributing to this investment income result include the following: 1) The political situation in Chile and Argentina following the elections that took place in both countries during the fourth quarter as well as the debates being held by the Constituent Assembly in Chile; 2) Good levels of performance of private market assets, which significantly benefited the results obtained in Colombia; and 3) Increases in country risk in both El Salvador and Argentina given the discussions that both countries are having with the IMF.

## Others | Non-Operating | Debt

Other	dec-21	dec-20	%Var	4Q 2021	4Q 2020	%Var
Amortizations and depreciations	(222,876)	(232,203)	-4.0%	(59,143)	(57,100)	3.6%
Dividends	(2,426)	(2,797)	-13%	(54)	(1,144)	-95%
Interest expense	(105,898)	(111,030)	-5%	(31,430)	(22,097)	42%
<b>Total Debt</b>	<b>1,287,718</b>	<b>1,241,702</b>	<b>4%</b>	<b>1,287,718</b>	<b>1,241,702</b>	<b>4%</b>
<b>Cost of debt (annual basis)</b>	<b>IPC +4.1%</b>	<b>IPC +4.0%</b>				
Other non-operating income (expense)	321,613	267,144	20%	95,642	62,831	52%
Income tax	(70,039)	(129,100)	-46%	6,468	2,774	133%

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

Interest showed growth for the quarter, mainly in the Holding segment, due to a higher balance of interest due on the bonds issued in 2016 that are indexed to inflation in Colombia, which by the end of 2021 stood at 5.62%. Non-operating income/expense for Q4 2021 include higher income from policy financing on the part of our Argentinian subsidiary; in addition to benefits from commercial discounts on claims recorded by our Mandatory Health Care subsidiary (EPS).

Finally, the growth in income tax at the end of Q4 2021 is due to a higher amount of pre-tax income on the part of the Property and Casualty, which is taxed at a higher rate than for the other segments; this effect is replicated with our YTD results, where the effective rate came to 51.4% compared to 37.9% for the previous year.

## Net Income | ROTE

Net income	dec-21	dec-20	%Var	4Q 2021	4Q 2020	%Var
Consolidated net income	65,974	211,301	-68.8%	62,176	(90,325)	-168.8%
M&A intangible amortization	(40,563)	(49,349)	-17.8%	(9,350)	(10,905)	-14.3%
<b>Adjusted net income</b>	<b>106,537</b>	<b>260,650</b>	<b>-59.1%</b>	<b>71,527</b>	<b>(79,420)</b>	<b>-190.1%</b>
Shareholders' equity	5,174,044	5,065,398	2.1%	5,174,044	5,065,398	2.1%
Tangible equity	4,063,731	4,055,844	0.2%	4,063,731	4,055,844	0.2%
Adjusted ROE (12m)	2.1%	5.1%		2.1%	5.1%	
<b>Adjusted ROTE (12m)</b>	<b>2.7%</b>	<b>6.3%</b>		<b>2.7%</b>	<b>6.3%</b>	



**SURA Asset Management's fee and commission income increased by 9.4%, driven by an accelerated recovery of the regional job markets along with a growth of 21.4% in the fee and commission income obtained by Inversiones SURA and SURA IM. Net income on a consolidated level increased by 36.5%, positively impacting the Company's profitability.**

## Highlights (Consolidated Results):

- **Wage base | AUM**

The various income-generating drivers showed a positive level of performance during 2021. The Wage Base rose by 9.7%, thanks to the recovery with the regional job markets with the number of pension fund members increasing by 10.5%, all of which produced a 370 bp improvement in the overall Contribution Rate. In spite of the extraordinary amounts of pension withdrawals that were authorized in Chile and Peru, these amounting to COP 27 trillion, AUM still managed to record a growth of 4.1% in 2021 this largely driven by the Pension Fund business in Mexico as well as the lines of business corresponding to Inversiones SURA and SURA Investment Management (SURA IM).

- **Operating income**

Operating income increased by 6.9% thanks to a 9.4% growth in fee and commission income and the good levels of performance obtained with seed capital investments recorded in the Other Operating Income account. Seed capital funds are being invested in Chile, Colombia, Peru, Mexico and Luxembourg. Income from the Company's legal reserves fell by 38.3% given an unfavorable baseline effect combined with lower returns; this coupled with a decline of 6.9% in revenues recorded via the equity method given a higher COVID claims rate and a double recording given the mismatch with the minimum wage in Colombia's Pension Fund business (the increase with the minimum wage for 2021 was recorded at the beginning of the year whereas for 2022 this was posted at year-end 2021) which impacted company's results by COP 305,874 million. In spite of these impacts, it is worth noting from an operating standpoint, the good levels of performance obtained with our Severance and Voluntary Pension business, coupled with the good returns obtained on the investments corresponding to the Pension Fund subsidiary AFP Protección. Fee and commission income from the Pension Fund business rose by 7.6%, whereas those of Inversiones SURA and SURA IM increased by 21.4%.

- **Operating expense**

Operating expense rose by 9.2% in 2021 given higher commercial production for the Pension Fund business in Mexico, the internalization of the alternate brokerage channel due to changes in the Federal Labor Law in Mexico, and the recording of a provision for restructuring the sales force in this same country due to a regulatory change with regard to paying variable commissions to sales reps. Upon adjusting for the effect of this restructuring provision, the growth in operating expense would have come to 5.6% at year-end 2021, this being lower than the increase in operating income and inflation levels in all those countries where SURA Asset Management operates.

- **Net income**

Net income rose by 36.5%, on the back of higher operating revenues, a positive exchange difference and a decline in financial expenses due to lower leverage levels. Profitability margins improved with ROTE increasing from 20.1% to 22.2%, and ROE by 150 bp reaching 7.2%.

- **Highlights**

SURA Asset Management has created added value in the voluntary savings segment through its subsidiaries Inversiones SURA and SURA IM. Over the last 5 years, AUM has increased organically by COP 48.4 trillion (with a CAGR of 22.9%) and fee and commission income already represents 15.3% of the Company's consolidated revenues, thereby ending the year with a positive bottom line.

On the other hand, with regard to the Pension Fund business, it is worth noting the alpha obtained with the investment portfolios managed in Chile, Peru and Colombia, where 87% of our AUM provided returns surpassing the industry average in 2021.

From a regulatory standpoint, the Pension Fund business in Mexico shall be subject to a new maximum cap of 57 bp on fees and commissions, this due to enter into full force and effect in 2022. This change goes hand in hand with a modification to paying variable commissions to sales reps, which resulted in non-recurring restructuring costs at the end of 2021.

As for our Pension Fund business in Peru more than 495.000 workers signed up for the first time with the country's Private Pension System, thereby surpassing the figure that was budgeted with the corresponding government tender for the period 2022 to 2024. This had a positive impact given the consequent rejuvenation of its client base as well as being able to provide added value in the medium and long term.



Our Pension Fund business in Chile and Peru attended more than 3 million requests for extraordinary pension fund withdrawals in 2021, representing an outflow of COP 27 trillion in AUM, while maintaining the highest service standards through the different channels that allowed us to improve our customer satisfaction levels for the second consecutive year. In 2021, we continued to reduce our debt as we have done in recent years, obtaining a 20.2% drop in our indebtedness taking into hedging arrangements. The Gross Debt / EBITDA leverage ratio ended the year at 1.8x, down from 2.9x in 2020.

## Summary of our Consolidated Results

Consolidated Results	dec-21	dec-20	%Var Ex - Fx	Q4 2021	Q4 2020	%Var Ex - Fx
Fee and commission income	2,656,514	2,337,972	9.4%	687,357	636,780	7.1%
Income from legal reserves (encaje)	157,310	248,459	-38.3%	106,264	171,045	-38.3%
Income (expense) via equity method	137,247	146,531	-6.9%	17,399	72,082	-75.6%
Other operating income	79,954	6,431	1180.2%	16,374	-3,912	N/A
<b>Operating revenues</b>	<b>3,031,025</b>	<b>2,739,393</b>	<b>6.9%</b>	<b>827,394</b>	<b>875,994</b>	<b>-5.9%</b>
Total insurance margin	111,508	86,770	21.7%	33,391	21,340	59.3%
<b>Operating expenses</b>	<b>-2,066,820</b>	<b>-1,832,664</b>	<b>9.2%</b>	<b>-624,674</b>	<b>-514,793</b>	<b>20.6%</b>
<b>Operating earnings</b>	<b>1,075,713</b>	<b>993,498</b>	<b>4.0%</b>	<b>236,111</b>	<b>382,541</b>	<b>-38.1%</b>
Financial income (expense)	-188,366	-198,668	-5.1%	-50,012	-45,282	10.6%
Income (expense) from derivatives and exchange difference	107,406	-19,974	N/A	10,442	-57,001	N/A
Income tax	-375,290	-336,807	8.0%	-95,899	-106,471	-8.8%
<b>Net income from continuing operations</b>	<b>619,464</b>	<b>438,049</b>	<b>32.8%</b>	<b>100,642</b>	<b>173,787</b>	<b>-40.1%</b>
Net income from discontinued operations	7,374	-6,669	N/A	1,246	403	133.2%
<b>Net income (losses)</b>	<b>626,838</b>	<b>431,381</b>	<b>36.5%</b>	<b>101,888</b>	<b>174,190</b>	<b>-39.6%</b>
<b>Adjusted net income (losses)</b>	<b>724,542</b>	<b>529,537</b>	<b>30.0%</b>	<b>131,748</b>	<b>199,079</b>	<b>-32.1%</b>

\*Adding -back amortization of M&A intangibles

## Summary of our Results Per Segment

Results per Segment	dec-21	dec-20	%Var Ex - Fx	Q4 2021	Q4 2020	%Var Ex - Fx
Retirement savings (pension fund management)	955,871	957,257	-3.7%	225,919	341,521	-33.7%
Investment Management   Inversiones SURA	12,126	-25,034	N/A	-21,279	4,333	N/A
Insurance	2,694	-21,601	N/A	1,444	-8,501	N/A
<b>Income and expenses SURA AM</b>	<b>-343,853</b>	<b>-479,242</b>	<b>-28.8%</b>	<b>-104,197</b>	<b>-163,162</b>	<b>-38.0%</b>
Fx exchange effect	90,570	-15,933	N/A	9,868	-32,353	N/A
Corporate expenses and projects*	-237,048	-225,894	2.9%	-65,823	-65,394	1.3%
Financial (expenses) income	-194,558	-206,867	-5.6%	-48,751	-49,771	-2.2%
Other and New Business	26,713	-18,282	N/A	-311	-16,270	N/A
Taxes	-29,531	-12,265	176.3%	820	625	-63.0%
<b>Consolidated net income</b>	<b>626,838</b>	<b>431,381</b>	<b>36.5%</b>	<b>101,888</b>	<b>174,190</b>	<b>-39.6%</b>
Amortization of M&A intangibles	-97,704	-98,156	-0.5%	-29,860	-24,888	20.0%
<b>Adjusted net income</b>	<b>724,542</b>	<b>529,537</b>	<b>30.0%</b>	<b>131,748</b>	<b>199,079</b>	<b>-32.1%</b>

\*Includes amortization of M&A intangibles

## Retirement Savings - Pension Fund Management firms

Net income from the Pension Fund Management business reached COP 955,871 million in 2021, 3.7% less than in 2020, this affected by (i) lower yields from legal reserves; (ii) non-recurring expense in Mexico, where a provision was recorded for

restructuring the sales function; (iii) the results of AFP Protección which were affected by a higher claims rate due to the effects of COVID 19 on pension insurance; and (iv) the double recording, given the mismatch of the minimum wage<sup>2</sup>, in 2021. Non-recurring expense affected the Company's positive performance in terms of fee and commission income, which rose by 7.6% thanks to an accelerated economic recovery, a 9.7% increase in the Wage Base as well as a 12.8% increase in AUM in Mexico. Likewise, AFP Protección posted growths of 9.7% in its Wage Base and another 15.7% in the Severance funds. Positive levels of investment returns were also obtained, with a yield of 9.7%, coupled with 88% of the AUM managed in Colombia generating alpha over the last twelve months.

## Inversiones SURA | SURA Investment Management

The voluntary segment, which consolidates the results of the Inversiones SURA and SURA IM lines of business, recorded a bottom line of COP 12,126 million at year-end 2021, marking the first year breakeven point and closing the year with a positive territory. The break-even point at the net income level was achieved thanks to the organic investments that SURA Asset Management has made in recent years, forming the ideal investment and operating teams of staff for providing, through our face-to-face, digital and remote channels, a successful value-added offering that serves the financial needs of our 2.0 million retail clients and 478 institutional clients. Investment processes focused on obtaining superior returns, together with reliable operating processes have allowed us to obtain COP 48.4 trillion in AUM over the last 5 years with an average annual growth of 22.9%. The good levels of performance obtained with AFP Protección's Voluntary Pension business, which produced a 10.3% growth for 2021 in fee and commission income, also drove up the revenues posted by this segment via the equity method. In the medium term, our scale and operating efficiency drivers are expected to continue bringing the business closer to our goal of achieving a ROE that surpasses the cost of capital.

On the other hand, the results for the fourth quarter show a loss explained by non-operating factors. During this same period, a deferred tax write-off amounting to COP 9,620 million was recorded in the SURA IM business in Chile. The Company's insurance margin also posted a negative variance compared to the same period the previous year, this amounting to COP 12,580 million due to changes in investments, reserves and a higher level of claims.

## Income and Expenses SURA AM

The improved foreign exchange difference is mainly due to the devaluation of the Chilean peso in 2021 and its impact on the Company's USD-denominated cash balance held in Chile. Corporate expense rose by just 2.9% in 2021 which was below inflation, this thanks to our efficiency efforts. Financial expense, net of financial income dropped at the end of Q4 2021 thanks to a 20.2% decrease in the Company's indebtedness coupled with lower financing costs. The "Other and New Business Lines" segment recorded a gain of COP 26,713 million, mainly due to an improved performance on the part of seed capital investment funds. Taxes rose by 176.3% due to extraordinary dividends received from Chile and Peru, this as a result of having freed up portions of our legal reserves as a result of the amount of pension withdrawals that were authorized in said countries.

## Operating Revenues

Retirement savings	2021	2020	%Var Ex - Fx
Wage base*	146,698,268	133,792,572	9.7%
AUM Mexico	146,912,776	116,578,761	12.8%
Total AUM Retirement savings	489,058,495	460,119,255	3.0%
Clients retirement savings	19.2	18.8	2.3%
Contribution rate	40.2%	37.2%	

\* Includes AFP Protección and AFP Integra at 100%.

\*\* FEAUM (Fee earning AUM)

IM   Inversiones Sura	2021	2020	%Var Ex - Fx
FEAUM (IM   Inversiones Sura)	76,914,360	66,889,631	11.9%
Clients IM/Inversiones Sura	1,728	1,541	12.1%
Net flow Inversiones SURA	2,907,273	5,707,725	-49.1%
Total clients	21.6	20.3	6.1%
Total AUM	565,972,855	527,008,902	4.1%

\*\*Clients in thousands

<sup>2</sup> Minimum wage mismatch refers to the difference in the percentage increase with the minimum wage in Colombia and the effect of the CPI increase on the Company's reserves.

## Revenue Drivers.

SURA Asset Management's consolidated AUM rose by 4.1% at year-end 2021, driven by the Mexican Pension Fund Management subsidiary as well as Inversiones Sura and Sura IM. The fee and commission income recorded in Chile did not undergo any change in the light of the extraordinary pension withdrawals that were authorized since said income is 100% charged on the wage base, whereas in Peru the overall effect of these withdrawals was limited to just 13.8% of its fee and commission income, which corresponds to the segment that charges AUM-based fees and commissions.

## Retirement Savings

The improvement seen with fee and commission income with the Pension Fund segment was due to increases of 9.7% in the wage base and another 12.8% in AUM in Mexico. The Wage Base is receiving all the benefits of an accelerated recovery with the regional job markets coupled with a 10.5% increase in the number of subscribers, which enabled a 370 bp improvement with the corresponding Contribution Rate. The growth in Mexico was due to a 7.0% increase in member account contributions, a return of 6.7% and a positive Net Fund Flow of COP 3.3 trillion.

## Inversiones SURA | SURA Investment Management

SURA Asset Management consolidates an investment advisory and management platform with the Inversiones SURA and SURA IM businesses. The voluntary segment recorded a total of COP 76.9 trillion in AUM at year-end 2021, which represents a growth of 11.9% compared to the previous year. The Company has created added value with these subsidiaries, in the last 5 years having managed to increase AUM organically at an average annual rate of 22.9% with its fee and commission income already representing 15.3% of consolidated revenues. In the coming years, SURA Asset Management is expected to continue gaining greater relevance and market share given the double-digit growth that has now been projected. These positive levels of AUM and revenues have gone hand in hand with a greater degree of profitability for these lines of business, since the inflection point in profitability observed in Q4 2020, when they began to produce positive bottom lines, continued in 2021 and it is expected that in the medium term their scale and operating efficiency drivers shall continue to bring the business closer to the goal of achieving an ROE that surpasses the cost of capital.

The voluntary segment is growing at a higher rate than the rest of the industry due to the successful handling of their investments and distribution channels. Inversiones SURA recorded a total of 2.0 million retail clients and SURA IM 478 institutional clients at year-end 2021. The number of clients has grown consistently in recent years at an average annual rate of 13%, while SURA Inversiones' Net Fund Flow at year-end 2021 came to COP 2.4 trillion while over the last 5 years this has reached COP 19.3 trillion. In 2021 the Net Fund Flow recorded a decline compared to the previous year (COP 6.3 trillion) this affected by a higher exit rate, given the high levels of volatility prevailing on the financial markets and the challenging political and social conditions present throughout the region.

Positive returns contributed COP 3.4 trillion to the growth in AUM this equal to a yield of 4%. SURA IM achieved alpha in 49% of its managed AUM and further developed its alternative asset platform, which is having a positive effect on the risk-return ratio for clients. Alternative assets (Real Estate, Private Debt and Infrastructure) represent 18% of the AUM managed by SURA IM.

Real Estate investment funds offer important features such as low volatility, portfolio diversification and protection against inflation. In 2021 SURA IM closed 3 transactions corresponding to Real Estate logistics assets in Colombia, Chile and Mexico, corresponding to 153,000 m2 of leasable area, enabling an 11% growth in the AUM for that segment. On the other hand, SURA IM is developing alternative infrastructure investments through strategic alliances for handling debt and equity investment portfolios these posting an AUM figure of COP 1.9 trillion at the end of 2021 (+44% vs. 2020) corresponding to institutional investors, pension funds, insurance companies, multilateral entities and high net worth investors. In 2021, the company completed the first closing of the second infrastructure debt fund in Colombia worth more than COP 1.4 trillion and obtained the GRESB certification for the infrastructure debt fund, FCP Deuda 4G, thereby positioning us as a leading infrastructure asset management firm throughout the region in terms of ESG best practices. Channeling private savings towards infrastructure investments is essential for the economic recovery of the countries that make up our region.

In 2021, Inversiones SURA's value-added offering was boosted with the launching of 8 proprietary products as well as having signed open architecture agreements that represented another COP 1.6 trillion in AUM. As for SURA IM, in addition to the aforementioned Real Estate and Infrastructure offering mentioned above, a growth of COP 0.4 trillion in AUM was recorded for private debt assets (thereby doubling the previous year's figure). On the other hand, AUM corresponding to the Funds of Funds asset class rose by COP 0.8 trillion (+159% vs. 2020), and the range of traditional assets offered in Colombia was extended with the launching of 4 new funds by the trust subsidiary, Fiduciaria SURA.

Operating income	dec-21	dec-20	%Var Ex - Fx	Q4 2021	Q4 2020	%Var Ex - Fx
Fee and commissions (Wage base - retirement savings)	1,110,031	995,123	10.2%	282,195	262,123	11.2%
Fee and commissions (AUM - retirement savings)	1,140,060	1,016,636	5.2%	300,743	280,096	2.3%
Fee and commissions (AUM - IM   Inversiones Sura)	405,807	323,677	21.4%	104,848	94,510	11.0%
<b>Total fee and commission income</b>	<b>2,656,514</b>	<b>2,337,972</b>	<b>9.4%</b>	<b>687,357</b>	<b>636,780</b>	<b>7.1%</b>
Equity method	137,247	146,531	-6.9%	17,399	72,082	-75.6%
Insurance margin	111,508	86,770	21.7%	33,391	21,340	59.3%
Other	79,954	6,431	1180.2%	16,374	3,912	N/A
<b>Total operating income</b>	<b>2,985,223</b>	<b>2,577,703</b>	<b>11.7%</b>	<b>754,521</b>	<b>726,289</b>	<b>3.6%</b>

## Fee and Commission Income - Pension Fund Business

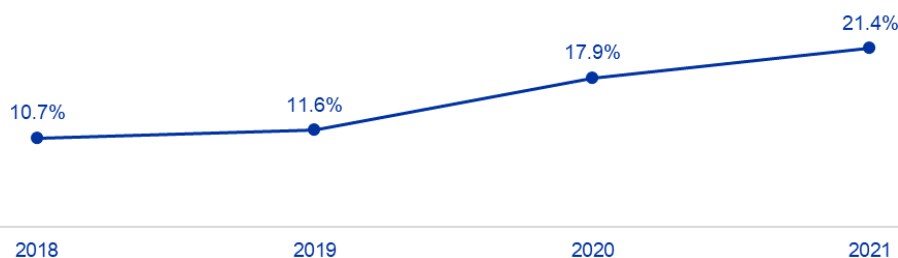
The growth of the Pension Fund business was driven by a 9.7% increase in the Wage Base thanks to an accelerated recovery of the regional job markets and a favorable base line effect given the fact that the monthly commission in Peru corresponding to May 2020, was not charged or collected, this being a regulatory measure adopted by the Peruvian authorities amid the COVID pandemic. The segment whose charges are based on the volume of AUM held (Mexico and a portion of Peru's pension business) rose by 5.2%, this due to a 5.6% increase in Mexico and a 2.6% drop in Peru, the latter due to the extraordinary pension withdrawals that were authorized by local regulators.

## Fee and Commission Income - SURA Investment Management | SURA Investments

Inversiones SURA and SURA IM's fee and commission income increased by 21.4% in 2021, thereby accentuating an accelerating trend over the last few years in which growth has increased from 10.7% in 2018 to 21.4% in 2021 (see chart 1). Performance in 2021 was driven by an 11.9% growth in AUM and a higher average fee and commission rate charged on a better product mix. In 2021, assets charging higher fees and commissions, such as alternative assets, equities and funds of funds held a higher share of the total compared to 2020, since a significant proportion of clients turned to taking up positions in more conservative assets such as money markets and fixed income given the uncertainty with COVID 19 being declared a pandemic during the prior year. The segment that contributed the most to the growth in the fee and commission income posted by Inversiones SURA was Voluntary Pensions, followed by Sales & Trading and Mutual Fund Distribution. At SURA IM, growth was driven mainly by funds distributed through Inversiones Sura's retail channel and third-party Wealth Management firms. The institutional and insurance mandates segments also recorded positive variances compared to the previous year.

### (Chart 1)

Growth rate corresponding to the fee and commission income posted by Inversiones SURA and SURA IM



## Equity Method | Insurance Margin | Others

Revenues recorded via the equity method, which mainly consolidates SURA Asset Management's 49.4% stake in AFP Protección, fell by 6.9% compared to the previous year. AFP Protección's performance was affected by a higher level of provisions for pension insurance with a growth of COP 151,102 million<sup>3</sup>, given the double impact of the mismatch between the minimum wage and the inflation rate in 2021 by COP 92,921 million and a higher COVID claims rate by COP 58,180 million. Nevertheless, AFP Protección's operating and investment performance remained positive. The Wage Base for the Pension Fund business rose by 9.7% as a result of the recovery of the Colombian job market, with fee and commission income from the Severance funds increasing by 15.7% and those corresponding to Voluntary Pensions rising at a rate of 10.3%. In terms of its investment performance, AFP Protección achieved alpha in 4 of the 6 funds managed in its Mandatory Pension and Severance Funds, thereby recording a yield of 9.7%, which was 100 bp higher than that of the previous year.

The Insurance Margin, which includes Unit-Linked products and the life and health care insurance businesses in Chile, rose by 21.7%, driven by a 22.0% growth in Unit Linked products, which scored an increase in retained premiums and investment yields, these latter products complementing the value offering for Inversiones SURA's clients in Chile. On the other hand, the life and health insurance business, which is currently being run-off, rose by 3.8%. The "Others" line, which records the gains obtained with the funds that the Company invests as seed capital to strengthen SURA IM's lines of business, showed a growth of 1,180% compared to 2020, thanks to the exchange difference effect due to the devaluation of the Chilean peso during the year. Most of the funds invested as seed capital are denominated in dollars, Colombian pesos, Peruvian soles and Mexican pesos.

## Reserve requirements

Legal reserve (encaje)	dec-21	dec-20	%Var Ex - Fx	Q4 2021	Q4 2020	%Var Ex - Fx
Value of legal reserve (consolidated)	2,867,928	2,876,421	-0.3%	2,867,928	2,876,421	-0.3%
Income from return on legal reserve (consolidated)	157,310	248,459	-38.3%	106,264	171,045	-38.3%
Consolidated annualized yield	5.5%	8.6%		14.8%	23.8%	
Chile	3.5%	5.9%		13.6%	18.3%	
México	6.7%	11.8%		13.3%	21.5%	
Perú	6.1%	8.1%		13.3%	33.0%	
Colombia	9.7%	8.7%		19.0%	27.8%	
Uruguay	12.4%	18.1%		16.5%	19.3%	

The balance of the Company's legal reserves presents a slight drop in 2021 given the volumes of extraordinary pension fund withdrawals authorized in Chile and Peru, as well as a reduction in the regulatory percentage (Legal Reserves/ AUM) in Mexico, which decreased by 2 bp in 2021 in keeping with the trend prevailing over recent years, that is to say going from 0.83% in 2017 to 0.62% in 2021. This enabled the freeing up of resources that have in turn been used to reduce the Company's indebtedness, this as part of its capital optimization efforts. Revenues from legal reserves fell by 38.3% in 2021, given an unfavorable base line effect, since yields in 2020 were higher than expected. Chile's returns were affected by the effect of pension fund withdrawals on the financial markets in general, although SURA Asset Management did manage to record a relatively positive performance obtaining alpha with 81% of its AUM. Colombia and Peru were the only countries where legal reserve returns improved compared to the previous year, and in this latter country we were named as the best performing Pension Fund Management firm in 2021. Over the last 12 months, SURA Asset Management achieved alpha with 44% of the COP 495 trillion held in the AUM corresponding to pension funds throughout the region.

<sup>3</sup> The figures for pension insurance provisions are adjusted for Protección's participation in the company (49.4%).



## Operating expense

Operating expenses	dec-21	dec-20	%Var Ex - Fx	Q4 2021	Q4 2020	%Var Ex - Fx
Acquisition expenses (Consolidated)	- 585,411	- 479,880	16.8%	- 202,593	- 128,112	56.5%
Administrative expenses (Consolidated)	- 1,481,409	- 1,352,784	6.4%	- 422,081	- 386,681	8.6%
<b>Total expenses (Consolidated)</b>	<b>- 2,066,820</b>	<b>- 1,832,664</b>	<b>9.2%</b>	<b>- 624,674</b>	<b>- 514,793</b>	<b>20.6%</b>
<b>Expenses / Revenues (Consolidated)</b>	<b>-69.2%</b>	<b>-71.1%</b>		<b>-82.8%</b>	<b>-70.9%</b>	
Acquisition expenses (Retirement savings)	- 417,613	- 326,852	22.0%	- 156,859	- 80,338	92.9%
Administrative expenses (Retirement savings)	- 846,658	- 780,164	5.6%	- 239,085	- 227,859	3.9%
<b>Expenses / Revenues (Retirement savings)</b>	<b>-50.1%</b>	<b>-46.4%</b>		<b>-56.4%</b>	<b>-39.6%</b>	
Acquisition expenses (IM   Inversiones SURA)	- 157,198	- 141,491	6.9%	- 43,126	- 44,706	-3.5%
Administrative expenses (IM   Inversiones SURA)	- 350,559	- 322,456	5.0%	- 103,290	- 95,183	8.1%
<b>Expenses / Revenues (IM   Inversiones SURA)</b>	<b>-95.5%</b>	<b>-105.7%</b>		<b>-103.7%</b>	<b>-97.7%</b>	

Operating expense rose by 9.2% in 2021 impacted by: (i) an increase in variable commissions paid to the sales force of the Mexican Pension Fund subsidiary given a successful sales strategy that allowed the Company to acquire close to COP 3.3 trillion in AUM; (ii) the internalization of the alternate brokerage channel following changes made to the Federal Labor Law in Mexico that defined new guidelines for outsourcing; and (iii) the recording of a provision for restructuring the sales activity in this same country amounting to COP 67,667 million, due to a regulatory change made to paying variable commissions to sales reps. This change went hand in hand with a regulatory adjustment to the cap set on pension fund commissions industry which was lowered from 0.68% to 0.57% by 2022, this representing a drop in fees and commissions going from 0.83% to 0.57% by 2022. Although this restructuring initiative mitigated the growth of the corresponding operating revenues in 2021, it did enable a structurally lower cash expense (this expense in 2022 shall be 35% of the expense recorded in 2021, which represents savings of more than COP 200 billion), and benefits are also expected from higher contributions to members' individual accounts, which are set to increase from 6.5% of the current wage to 15% in 2030. All this will allow our Mexican Pension Fund Management firm, AFORE SURA, to maintain its ROE close to 18% even in the light of this accelerated drop in fees and commissions. The growth in operating expense, duly adjusted for the effect of the aforementioned restructuring provision would have otherwise stood at 5.6% in 2021, which is lower than the increase in the Company's operating revenues and below inflation levels in the economies where we operate, whose weighted-average inflation rate came to 6.9% in 2021.

Sales activities were characterized by a more face-to-face engagement of the sales force, which translated into greater spending efforts; however, in 2021, various improvements were implemented aimed at strengthening bonds with our clients and creating added value through our different channels, thereby achieving a growth in our productivity levels with respect to 2020. We also continued to make strides with our digital transformation efforts in the form of developing new on-line sales and service channels, thereby providing continuity to the channels already operating in Chile, Colombia and Peru, and paving the way for new digital channels in Mexico and El Salvador. One of our latest highlights has been our new on-line voluntary savings channel going live in Peru, where after only 3 months of operations, the Company managed to sign up more than 2,000 clients, representing a total of COP 15,128 million in AUM.

Operating expense corresponding to Inversiones SURA and SURA IM rose by 5.6%, driven mainly by a 7.5% increase in acquisition expense, this in line with a 21.4% growth in fee and commission income. Administrative expenses were kept under firm control at levels below inflation. Inversiones SURA has also increased its productivity levels with new digital tools, which have not only had a positive impact on the digital channel but have also boosted the productivity of our on-site sales force. The productivity of Inversiones SURA's sales initiatives has performed well over recent years, the Cost to Income Ratio (Acquisition Expense / Revenues) went from 57.3% in 2017 to 36.5% in 2021, while the Flow In / Number of Sales Reps ratio has improved by 133% between 2017 and 2021. These improvements have also been driven by a better alignment between the payment of variable sales rep commissions and creating added value for the business.

## Consolidated EBITDA

Consolidated EBITDA	dec-21	dec-20	%Var Ex - Fx	Q4 2021	Q4 2020	%Var Ex - Fx
Consolidated EBITDA	1,378,323	1,268,265	4.7%	317,142	454,001	-30.0%
Consolidated EBITDA margin	43.9%	44.9%		36.8%	50.6%	
Consolidated EBITDA (excl. return on legal reserve)	1,118,830	980,177	14.1%	162,183	224,884	-27.9%
Consolidated EBITDA Margin (excl. legal reserve)	37.5%	38.0%		21.5%	31.0%	

SURA Asset Management's EBITDA came to COP 1.4 trillion in 2021, representing growth of 4.3% versus the previous year. Good levels of operating income were mainly mitigated by factors such as the double recording of the minimum wage mismatch and impacts of COVID provision in AFP Protección, the provision set up for restructuring the sales function in Mexico, and the unfavorable base line effect on the yields obtained from legal reserves. EBITDA, excluding reserve requirements, increased by 14.1%, reflecting better levels of business performance.

## Others | Non-Operating | Debt

### No operativos | Impuestos | Discontinuas

Non-operating   Taxes   Discontinued operations	dec-21	dec-20	%Var Ex - Fx	Q4 2021	Q4 2020	%Var Ex - Fx
Financial expenses	- 221,408	- 237,294	-6.9%	- 55,736	- 55,015	1.3%
Financial income	33,042	38,626	-16.1%	5,724	9,733	-41.4%
Income (expense) derivatives and exchange diff.	107,406	19,974	N/A	10,442	57,001	N/A
<b>Hedged debt</b>	<b>2,641,062</b>	<b>3,309,040</b>	<b>-20.2%</b>	<b>2,641,062</b>	<b>3,309,040</b>	<b>-20.2%</b>
<b>Total debt</b>	<b>3,515,539</b>	<b>3,566,395</b>	<b>-1.4%</b>			
<b>Cost of debt</b>	<b>6.42%</b>	<b>5.91%</b>				
Earnings (losses) before tax	994,753	774,856	22.2%	196,541	280,258	-28.2%
Income tax	- 375,290	- 336,807	8.0%	- 95,899	- 106,471	-8.8%
Net income from continuing operations	626,838	431,381	36.5%	101,888	174,190	-40%

In 2021, SURA Asset Management continued to reduce its debt as it has done over recent years, obtaining reductions of 9.9% with its gross debt and 20.2% taking into account the hedges that the Company holds on 93% of its US dollar-denominated debt (USD 850 million). The Company's Gross Debt / EBITDA ratio, including hedges, ended the year at 1.8x, which was lower than the 2.9x recorded for the previous year. This change in the Company's capital structure was achieved thanks to (i) the amount of cash generated by its pension fund business; (ii) its capital optimization efforts; and (iii) the freeing up of reserve requirements in Chile and Peru.

As a result of having reduced its indebtedness, SURA Asset Management recorded a 6.9% drop in financial expenses for 2021. Exchange differences have had a positive effect on the Company's bottom line, going from a loss of - COP 19,974 million in 2020 to a gain of COP 107,406 million in 2021. The USD-denominated cash balance held in Chile, mainly as a result of having divested the Life Annuities business, drove up foreign exchange gains on the back of a 21.5% devaluation of the CLP in 2021. Income tax increased by 8.0% in 2021 due to a growth in Company's pre-tax income, as well as another 36.5% increase in its net income.



## Net Income | ROTE

Net income	dec-21	dec-20	%Var Ex - Fx	Q4 2021	Q4 2020	%Var Ex - Fx
Consolidated net income	626,838	431,381	36.5%	101,888	174,190	-39.6%
Amortization of M&A intangibles	-97,704	-98,156	-0.5%	-29,860	-24,888	20.0%
<b>Adjusted net income</b>	<b>724,542</b>	<b>529,537</b>	<b>30.0%</b>	<b>131,748</b>	<b>199,079</b>	<b>-32.1%</b>
Shareholders' equity	10,172,807	9,146,354	11.2%			
Tangible equity	3,493,395	2,544,930	37.3%			
Goodwill	4,381,939	4,270,708	2.6%			
Intangibles	2,297,473	2,330,716	-1.4%			
Adjusted ROE (12m)	7.2%	5.7%				
<b>Adjusted ROTE (12m)</b>	<b>22.2%</b>	<b>20.1%</b>				

\*Adjusted for amortization of M&A intangibles

SURA Asset Management's net income came to COP 626,838 million in 2021, corresponding to a 36.5% increase compared to the same period the previous year. This level of performance is mainly due to rising operating income, the positive effect of exchange differences recorded in the other operating income account from seed capital investments as well as exchange difference gains and reduced financial expense due to lower indebtedness. Profitability margins improved, with ROTE increasing from 20.1% to 22.2%, while ROE rose by 150 bp to 7.2%.

SURA Asset Management is a Company that was gradually built up on the back of acquisitions (Goodwill and intangibles amount to COP 6.7 trillion in assets), so 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 408,328 million for a 29.6% drop at year-end 2021 compared to the same period the previous year. The following accounts are highlighted:

- **Dividends:** this includes all those received from Bancolombia, Grupo Argos and Grupo Nutresa. At year-end 2021, dividends declined by 54.3% compared to the same period the previous year, this mainly due to lower dividends declared by Bancolombia for 2021.
- **Equity method:** 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 account came to COP 596,361 million, showing a recovery of 15.2% compared to the previous year, given improved levels of performance on the part of SURA AM which contributed COP 523,274 million of this figure, for a 45.4% growth compared to the same period the previous year, as well as the net income provided by Suramericana totaling COP 53,505 million.
- **Exchange rate effect:** this account includes the exchange rate effect of our USD-denominated debt, net of hedging appraisals. At year-end 2021, this account came to COP 47,768 million, due to having offset hedging derivatives on an issue of bonds worth USD 550 million, compared to a loss of COP 64,841 million for the same period last year, given the depreciation that occurred the previous year that, in turn, affected the unhedged portion of the Company's indebtedness.
- **Interest expense:** This increased by 7.2% at year-end 2021, due to higher indebtedness in the form of an issue of local bonds placed in August 2020 for the purpose of paying for an issue of international bonds falling due in May 2021 along with an increase in local interest rates

## Financial Position and Indebtedness:

Grupo SURA ended Q4 2021 with a net indebtedness of COP 4.7 trillion, including hedging derivatives valuation. The Company's debt in 2021, corresponding to bank loans, bonds and repos declined by COP 677,729 million, this mainly due to having paid off an issue of international bonds worth USD 300 MM, using the cash obtained from an issue placed in 2020.

## Summary of our Separate Financial Statements

Grupo de Inversiones Suramericana S.A						
	dec-21	dec-20	Var%	4Q2021	4Q2020	Var%
Dividends	263,124	576,193	-54.3%	0	332	-100.0%
Investment income	4,405	10,253	-57.0%	1,187	5,337	-77.8%
Gains (losses) at fair value	3,297	191		5,263	(1,367)	
Equity method	596,361	517,796	15.2%	108,433	68,014	59.4%
Other revenues	4,149	745	456.9%	4,145	1	
<b>Total revenues</b>	<b>872,778</b>	<b>1,105,178</b>	<b>-21.0%</b>	<b>120,368</b>	<b>72,317</b>	<b>66.4%</b>
<b>Total expenses</b>	<b>(89,284)</b>	<b>(93,357)</b>	<b>-4.4%</b>	<b>(30,869)</b>	<b>(35,209)</b>	<b>-12.3%</b>
<b>Operating earnings</b>	<b>783,494</b>	<b>1,011,821</b>	<b>-22.6%</b>	<b>89,499</b>	<b>37,108</b>	<b>141.2%</b>
Fx exchange effect (net)	47,768	(64,841)		8,444	262,833	-96.8%
Interest expenses	(407,797)	(380,545)	7.2%	(107,474)	(94,237)	14.0%
<b>Financial result</b>	<b>(360,029)</b>	<b>(445,386)</b>	<b>-19.2%</b>	<b>(100,963)</b>	<b>(49,774)</b>	<b>102.8%</b>
<b>Earnings before taxes</b>	<b>423,465</b>	<b>566,435</b>	<b>-25.2%</b>	<b>(11,464)</b>	<b>(12,666)</b>	<b>-9.5%</b>
Income tax	(15,137)	13,534		(4,957)	(13,728)	-63.9%
<b>Net income</b>	<b>408,328</b>	<b>579,969</b>	<b>-29.6%</b>	<b>(16,421)</b>	<b>(26,394)</b>	<b>-37.8%</b>
	dec-21	dec-20	Var%			
Assets	30,583,355	30,479,961	0.3%			
Liabilities	5,836,391	6,368,983	-8.4%			
Equity	24,746,964	24,110,978	2.6%			

Figures stated in COP millions