

GRUPO SURA obtained COP 1.5 trillion in net income at year-end 2021, which was 4.5 times higher than that recorded for the previous year and close to that recorded in 2019 prior to the pandemic

Consolidated revenues came to **COP 24.8 trillion**, for an annual increase of **19.0%**, this corresponding to COP 4 trillion of organic growth for the year. In conjunction with these results, the Company is now reporting projections for its key financial indicators over the next three years.

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Quarterly highlights



The SURA Foundation's plans and social investment for 2022

Through various initiatives of its own and in collaboration with its partners, the Foundation was able to benefit more than 124,000 Latin Americans in 2021.

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VaxThera began the construction of its vaccine production facility

SURA also signed the first memorandums of understanding with international laboratories.

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Moody's reaffirms its credit rating for SURA AM

A "Baa1" rating was upheld along with a stable outlook, this being three notches above an investment grade.

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Grupo SURA is part of the S&P's Sustainability Yearbook - 2020

The Company has been in this publication for the last eleven consecutive years, which features the world's most sustainable organizations for different industries.

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With growths recorded in all its sources of revenues, Grupo SURA achieved a consolidated net income at year-end 2021 of COP 1.5 trillion (USD 407 million).

COP
784 per share

Is the proposed ordinary dividend approved by the Board of Directors last February 25 on a total of **579,228,875 ordinary** and preferred shares outstanding. This dividend, as proposed, represents a **30% increase** compared to the dividend paid last year and shall be submitted for the consideration of the shareholders at their upcoming Annual Shareholders' Meeting to be held on March 25 at the Plaza Mayor Convention Center in Medellín.

This proposal contemplates to distribute a total of **COP 454,115 million** in four equal installments of **COP 196 per share** on the following dates: April 1, July 1 and October 3, 2022, and a last one on January 2, 2023.

10%

has been the compound annual growth of the dividend paid out on the Grupo SURA shares between 2002 and the dividend to be proposed at the upcoming Annual Shareholders' Meeting.

*Restated figures in US dollars: *Figures taken from the Company's Statement of Comprehensive Income, restated using the average exchange rate for 2021: COP 3,743.09

Revenue growth in all Grupo SURA's portfolio businesses reaffirms the importance of their diversification, which goes hand in hand with cost control efforts and the consolidation of greater operating efficiencies.

Grupo SURA's consolidated financial results at year-end 2021 show a better recovery than that initially projected, thanks to the resilience of the Suramericana's businesses, progress made by SURA Asset Management in providing new alternatives and solutions as well as the recovery recorded with other strategic portfolio investments, namely Bancolombia, Grupo Nutresa and Grupo Argos.

Operating income increased by 19.0% totaling COP 24.8 trillion (USD 6,638 million*), for year-end organic growth of COP 4 trillion. This was driven by **increases in written premiums (16.3%), fee and commission income (14.3%)** and the recovery of revenues obtained via the equity method from associated, especially higher revenues from Bancolombia, having reduced its provisions given a lower risk exposure for its loan portfolio in 2021.

Total costs and expenses increased by 15.7% for the year, mainly explained by Suramericana's higher claims rate due to the Covid pandemic and the car insurance solution. However, firm's controls over operating expense and efficiency efforts on the part of our subsidiaries have allowed us to improve the expense-to-revenue ratio by 326 basis points compared to year-end 2020.

Consequently, consolidated operating earnings rose by 59.2% to COP 2.6 trillion (USD 685 million) with consolidated net income reaching COP 1.5 trillion (USD 407 million), 4.5 times higher than for 2020 and 89% of that corresponding to 2019. **Total shareholders' equity rose to COP 31.3 trillion (USD 7,853 million)**, for a growth of 9.5%, driven by the increase in consolidated net income.

RICARDO JARAMILLO MEJÍA,
Chief Business Development and Finance Officer, discusses the financial results at year-end 2021.

[SEE VIDEO](#)



CONSOLIDATED RESULTS - Q4 2021

Operating revenues



Operating earnings



Net income



GONZALO PÉREZ
Chief Executive Officer -
Grupo SURA.

"The results obtained at year-end 2021 exceeded our growth expectations thereby bringing us closer to our pre-pandemic figures. They also reflect our commitment to creating added value for our shareholders and to the harmonious development of society with a long-term view. In 2022, we shall continue to support the profitability efforts of our portfolio companies and their initiatives to provide greater wellbeing to Latin American people," said Gonzalo Pérez, Chief Executive Officer of Grupo SURA.

[SEE VIDEO](#)

Non-financial highlights for 2021

As part of the corresponding strategy, Grupo SURA deployed and assisted its subsidiaries with various initiatives, as shown below, that form part of its integrated and balanced handling of its financial, human, social and natural capital:

- An action framework was introduced to manage the risks and opportunities associated with climate change and the Group's Sustainable Investment Policy was updated in line with global trends.
- The Company's human rights strategy and the exposure to human rights risks on a sectorial basis were established in order to adequately manage potential human rights violations.
- The commitment to social investment was clearly evident in 2021, with its participation in a total of 329 projects in 10 countries, in partnership with various organizations in helping to improve the lives of more

than 800 thousand people and enhance the sustainability of nearly 3 thousand social, cultural and educational organizations, among others.

Companies belonging to the SURA Business Group recorded a total of 33,408 employees and over the last year much emphasis was placed on preserving jobs as well as providing opportunities for young people last year. In this regard 42% of the 5,279 new hires corresponded to the under 30s age group.

Progress was made in 2021 with the deployment of a plan that begun back in 2019 in order to prepare us for participating in more developed securities markets, using as a benchmark the standard required by the so-called SOX Act (Sarbanes-Oxley Act), which regulates the control architecture of all those companies listed on the New York Stock Exchange.

Restated figures in US dollars: Figures taken from the Company's Statement of Comprehensive Income, restated using the average exchange rate for 2021: PAGE 3,743.09



Subsidiary Results at year-end 2021

SURA ASSET MANAGEMENT

Fee and commission income at 4Q21

Retirement savings	Δ 11.8%
Inversiones SURA + SURA IM ..	Δ 25.4%

This subsidiary, an expert in the retirement savings, investment and asset management sectors amassed **21.6 million clients** in six countries throughout the region and with its volume of **assets under management increasing by 7.4% to COP 566 trillion** (USD 142,163 million). In 2021, it recorded **COP 3 trillion (USD 810 million) in operating income** which was 10.6% higher than for the previous year.

This was mainly driven by its fee and commission income, which increased by **11.8%** in the **Retirement Savings business and 25.4%** in the **Voluntary Savings segment**, through Inversiones SURA (voluntary savings for private individuals) and SURA Investment Management (the regional platform for the institutional segment).

All in all, **SURA AM's consolidated net income rose by 45.3% reaching COP 626,838 million** (USD 167 million). It is worth noting that in 2021, this subsidiary continued its deleveraging initiative, reducing its debt by COP 667,978 million (USD 155.9 million).

SURAMERICANA

Written Premiums income at 4Q21

Property and Casualty	Δ 10.9%
Life	Δ 13.2%
Health Care	Δ 30.7%

This subsidiary, specializing in insurance and trend/risk management posted a **growth of 16.5% in written premiums at year-end 2021, these reaching COP 21.8 trillion** (USD 5,821 million), driven by good levels of performance for all three of its insurance segments, namely **Life (13.2%), Health Care (30.7%) and Property and Casualty (10.9%)**.

This, together with a rigorous control over administrative expenses, partially mitigated the increase in claims due to the reopening of the region's economies as well as the pandemic. In 2021, Suramericana allocated COP 1.6 trillion to COVID-related claims; however, thanks to the progress made with mass vaccination programs, the Company's claims rate has so far shown an improvement in the Life and Health Care segments.

Consequently, **net income came to COP 66,349 million** (USD 18 million), which was 68.6% lower than for 2020, this driven by the returns obtained from the Company's investment portfolios. Finally, Suramericana ended the year with technical reserves worth COP 23.3 trillion (USD 5,853 million), which increased by 10.6%, thereby demonstrating its financial strength for meeting its obligations with more than 21.2 million clients in all nine countries throughout the region.



Projections for key financial performance indicators

After a year of favorable consolidated financial results and a better-than-expected recovery, Grupo SURA expects to continue on this same positive path this year.

In keeping with what was announced at the Quarterly Earnings Conference Call for Q2 2021 that took place last August, in order to provide a better vision and analysis for all our shareholders and the investing public regarding the performance of Grupo SURA and its subsidiaries, we are including the following projections* corresponding to key performance metrics for our subsidiaries, according to their business plans, as well as for the consolidated results of Grupo SURA.

SURAMERICANA

By year-end 2022

An increase in written premiums of between 11% and 13%; in line with the growth opportunities of the insurance industry in Latin America.

2022-2024

10% to 12% compound annual growth in written premiums.

SURA ASSET MANAGEMENT

By year-end 2022

A growth in Assets under Management (AUM) of between 10% and 12%, because of the projected increase in the salary base at the region. On the other side, fee and commission income is expected to decline between 2% and 5%, basically due to the impact of lower commissions in Mexico.

2022-2024

Fee and commission income are expected to score a compound annual growth of 4% to 6%.

GRUPO SURA

By year-end 2022

An increase in consolidated net income of between 10% and 15%; and a level of profitability consisting of an adjusted ROE in the range of 8% to 9%. This is in line with the organization's efforts to optimize capital allocation and reduce its leverage.

2022-2024

In terms of adjusted ROE, this is projected to end up between 11% and 12%, surpassing the cost of capital by 2024.

These forward-looking statements relating to Grupo SURA, Suramericana, SURA Asset Management and their respective subsidiaries have been drawn up based on assumptions and estimates made by the Company's Senior Management. For illustrative and decision-making purposes, these figures are administrative and non-accounting in nature, which is why they may differ from those presented by official entities. Grupo de Inversiones Suramericana assumes no obligation to update or correct the information contained in this quarterly earnings newsletter.



Share Information

The GRUPOSURA ordinary share closed at COP 30,000 at year-end 2021, having increased by +40,2% QoQ and +18,7% YoY. The PFGRUPSURA preferred share closed at COP 22,250 at year-end 2021, for increases of +20.8% QoQ and +1.1% YoY.

PERFORMANCE OF BOTH SHARES ON THE COLOMBIAN STOCK EXCHANGE



Status of the current tender offers being staged

In accordance with its fiduciary duty to all Grupo SURA shareholders, the Board of Directors, together with Senior Management and its external advisors, began a rigorous analysis of the successive tender offers for the ordinary shares belonging to its portfolio company, Grupo Nutresa, as well as those belonging to Grupo SURA, these made in late 2021 and early 2022.

Grupo SURA's Ethics and Corporate Governance System has made it possible to manage in an appropriate and timely fashion the rules and regulations governing potential conflicts of interest in order to decide on the two successive tender offers for Grupo Nutresa. Likewise, the Company, its Board of Directors and Senior Management have been respectful of the "passivity rule" (Decree 2555 of 2010) that has governed the two tender offers for Grupo SURA shares.

The Colombian Stock Exchange (BVC) announced on January 14, 2022 that **25.25% of Grupo SURA's outstanding ordinary shares** were adjudicated to JGDB Holding S.A.S., as a result of the tender offer filed on December 1, 2021. This change in the shareholder structure was duly recorded on January 19, 2022 in Grupo SURA's Shareholders' Ledger.

At the time this newsletter was published, the result of a second successive tender offer for Grupo SURA shares (for a stake of between 5% and 6.25%), authorization for which was granted to the same bidder by the Colombian Superintendency of Finance on January 28, 2022, was not yet known.



The SURA Foundation is set to increase its social investment



Upon celebrating its 50th anniversary, the SURA Foundation grew last year benefiting more than 124 thousand people and 1,465 organizations in 14 departments of Colombia. The geographic growth of the Foundation's performance capacity is evidence of its efforts to ensure a more harmonious development for society as a whole while strengthening our overall social fabric.

For this purpose, social investments worth a total of COP 18 billion by year-end 2021 in areas such as the quality of education, cultural promotion, instilling a sense of citizenship and democracy-building.

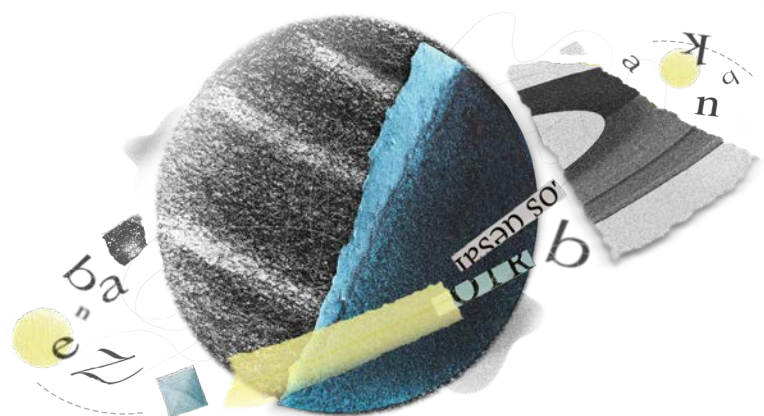
The Foundation expects to invest more than COP 20 billion in the projects and partnerships involving these four work fronts in 2022. It shall also be carrying out initiatives as part of its Corporate Volunteer program, these based on a more panoramic view of the more important territorial issues.

In terms of specific projects, a new Cultural Entrepreneurship initiative was launched in partnership with Comfama and Interactuar, as well as staging a second call for proposals on cultural appropriation and encounters between territories, this benefiting Colombian organizations dedicated to the visual and audiovisual arts, performing arts and crafts sectors, among others.

It shall also continue to support initiatives that began in 2021 such as Tenemos que Hablar Colombia, Diálogos Ciudad Región, Cali Cómo Vamos 2022, support for the social and institutional appropriation of the Truth Commission's Final Report as well as for the nation-building projects selected from the #PensarConOtros call for proposals, for the purpose of strengthening citizenship and democracy in Colombia.

The second call for submissions for the Música Lab, a meeting and digital transformation endeavor in Mexico, Chile and Colombia, the scaling up of the Explorando Patrimonios program with the Museo Nacional de Colombia and the continuation of Residencias Cundinamarca with the Museo de Antioquia.

Finally, on the Quality of Education front, we staged the seventh annual call for submissions for the Nicanor Restrepo Santamaría Scholarship and provided support for programs facilitating access to higher education in Colombia.



“Over the last 15 years we have invested around COP 183 billion, benefiting thousands of people and organizations in Colombia, as well as in Mexico, Chile and other countries in the region. After a learning curve spanning 50 years, we continue with our purpose of driving a more harmonious level of social development”.



MARÍA MERCEDES BARRERA
Executive Director of the SURA
Foundation in Colombia





Moody's reaffirms SURA Asset Management's credit rating

This ratings agency, after updating the information regarding this subsidiary, reaffirmed its **Baa1 rating with a stable outlook**, in the midst of a challenging Latin American environment in economic recovery terms.

Moody's highlighted the strength of the Company's business model as an asset manager, which has allowed it to maintain a competitive advantage and a strong presence in Latin America.

"The stable outlook for SURA Asset Management's rating reflects our expectations over the next twelve months that the Company shall uphold its business model and leadership position on all those markets where it operates while ensuring a moderate and predictable level of financial leverage," Moody's states in its report.



SURA INVESTMENT MANAGEMENT ENTERED INTO AN ALLIANCE WITH EDMOND DE ROTHSCHILD ASSET MANAGEMENT

Both companies signed a commercial distribution agreement for a wide range of mutual funds on the retail and institutional markets of Mexico, Colombia, Peru and Uruguay.

This partnership represents a new opportunity for making available to Latin America, the full spectrum of both firms' investment capabilities. In the case of SURA IM, the Company has teams of staff in each of the most relevant economies in the region these providing their expert technical knowledge of the different types of assets existing at the moment.



VaxThera begins the construction of a new plant producing COVID vaccines and other biologics in Colombia



“We know and understand that vaccines save lives so we must be able to use our ability to extend our biological coverage. For us, VaxThera is a strategy in risk management at the service of life itself.”



JUAN DAVID ESCOBAR
Chief Executive Officer
of Seguros SURA Colombia

After this Company was first founded in mid-2021 by Suramericana, through its subsidiary in Colombia, it was announced in early February that it shall have its own plant ready in 2023 this boasting with the highest quality standards for researching, producing, distributing and packaging vaccines and biologics. An initial installed capacity of 100 million doses per year is projected so far.

This production complex shall consist of a constructed area of 10,000 square meters and shall be located in Rionegro, near Medellín. In this first construction phase, priority shall be given to areas to be assigned for the filling and packaging of vials containing biologics (fill-and-finish), liquid formulations and subcomponents, among others.

In the subsequent second phase, the Research and Development Unit shall be set up along with a second production line for formulating purposes as well as for the fill-and-finish processes, lyophilized products, pre-filled syringes and vials. **Production capacity is expected to increase to more than 200 million doses per year.**

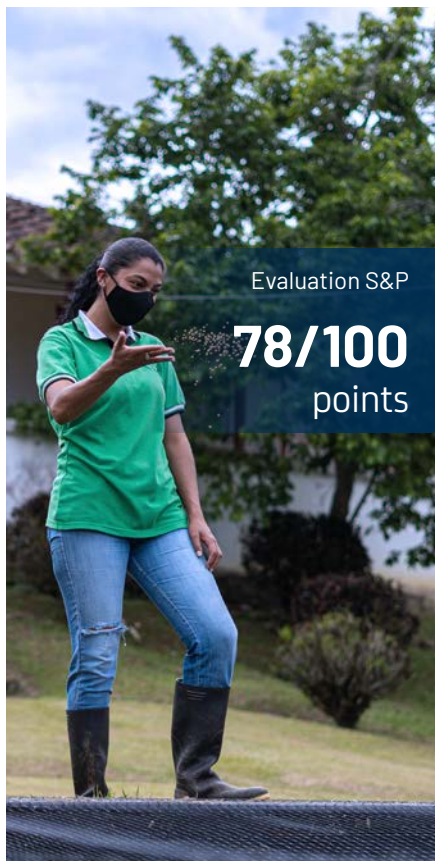
VaxThera is currently developing a vaccine against COVID-19 called UNIVAX, this designed to combat the different variants of the virus having obtained satisfactory results in preclinical studies. “This shall be an excellent booster vaccine and we expect clinical studies to reach Phases 1 and 2 after the second half of the year,” stated Jorge Mario, VaxThera’s Chief Executive Officer.

Furthermore, a memorandum of understanding was signed in December 2021 with the Canadian laboratory Providence Therapeutics Holdings for the purpose of co-developing vaccines using mRNA technology in Colombia. This shall strengthen the transfer of knowledge for the benefit of scientific development in Colombia.

Ayudas Diagnósticas SURA, a subsidiary of Seguros SURA Colombia, holds a 69.1% stake in VaxThera. In 2021 an initial investment of USD 1.5 million was made in VaxThera, as part of a **projected total investment of USD 54 million.**



Grupo SURA has been included in the S&P Sustainability Yearbook for the eleventh year running



The Company was included in the aforementioned Sustainability Yearbook 2022 and obtained a bronze medal in the diverse financial services and capital markets sector for its performance and good economic, social, environmental and governance practices. The Group's portfolio investments, namely Bancolombia, Grupo Nutresa and Grupo Argos, were also included in this latest ranking.

The corresponding evaluation was based on each Company's ESG criteria and produced a series of scores in which Grupo SURA obtained 78 points (on a scale of 100) in this evaluation which also reflects the sustainable management and practices of Suramericana and SURA Asset Management, for example, on issues such as knowledge of climate change, including ESG criteria in its investment analysis processes, as well as designing products, solutions and services that contribute to sustainability.

For the 2022 yearbook, nearly 7,500 organizations from 61 industries were evaluated, representing more than 45% of the current market capitalization corresponding to all international markets.

Being included in this S&P Global publication reflects Grupo SURA's position in the Dow Jones Sustainability World Index, where it remained in 2021 as the only Latin American company in its sector, with a rating that was 98% higher than those of the other organizations that were evaluated and with top scores in freedom of association, human talent planning and training programs, as well as codes of conduct and anti-corruption and anti-bribery policies.

FITCH RATINGS MAINTAINS ITS INTERNATIONAL AND LOCAL RATINGS FOR GRUPO SURA

The rating agency Fitch Ratings ratified Grupo SURA's long- and short-term ratings "AAA" and "F1+", respectively for the local market, thereby obtaining the highest possible ratings and with a stable outlook. Likewise, Fitch confirmed Grupo SURA's "BB+" long-term rating as an international issuer, for which it provided a stable outlook.

Among the factors on which Fitch based these ratings were the credit quality of Grupo SURA's revenues, the recovery seen with its inflow of dividends, and its diversification and stability; this combined with the rating agency's perception of the Company's healthy liquidity levels.

