

SURA Asset Management Corporate Presentation

Q4 - 2019

Disclaimer

The forward-looking statements contained herein are based on Management's current forecasts and outlook.

For better illustration and decision-making, some of the figures for SURA Asset Management and its subsidiaries are administrative, and therefore may differ from those presented to official entities. Thus, SURA Asset Management assumes no obligation to update or correct the information contained in this presentation.

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Performance

03 Corporate
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Focus

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Pension
Business

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Investment
Business

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Business

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Governance
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OVERVIEW

Who we are

#1 PENSION FUND MANAGER

in Latam, with a growing voluntary Savings and Investment business

22.3%

MARKET SHARE
Mandatory Pension

35 YEARS OF EXPERIENCE

in the region, with a unique knowledge in the asset management industry.

9,164

EMPLOYEES

REGIONAL PLATFORM

with a leading presence in 7 countries

+482

SOLUTIONS AND PRODUCTS FOR OUR CLIENTS

RELEVANT CLIENT BASE

in attractive markets

~20.5 million

retail clients

And **304**

Institutional clients



ASSETS MANAGED BY OUR BUSSINESS

USD 147 bn

OPERATING REVENUE

USD 980.4 m

OPERATING EARNINGS

USD 435.9 m

7 COUNTRIES

INVESTMENT GRADE:

FITCH BBB+

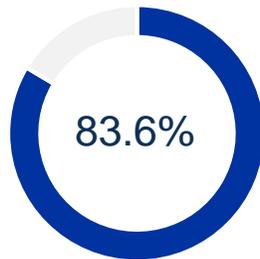
MOODYS Baa1

Backed by reputable shareholders

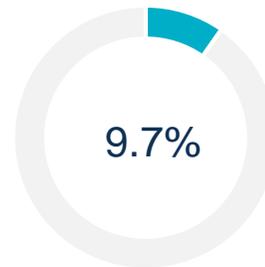
Support from Strong and Sophisticated Shareholders



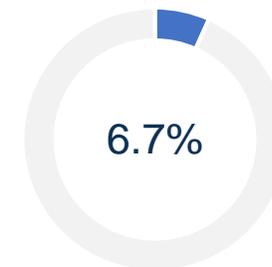
Latin American holding company with a strategic focus on the diverse financial services sector.



Colombian investment group with significant experience in the financial sector



Second largest pension fund in Canada, CDPQ managed assets of \$308.3 billion invested in Canada and elsewhere.





PERSONS



INSTITUTIONS

MANDATORY

- » Mandatory pension
- » Severance



AUM
USD 130.4 bn

SAVINGS AND INVESTMENT

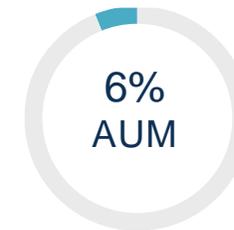
- » Voluntary Pensions
- » Distribution of own Mutual Funds and open architecture
- » Unit linked
- » Insurance distribution
- » Sales and trading



AUM
USD 10.7 bn

INVESTMENT MANAGEMENT

- » Management of investment portfolios and services (Mandates and Funds)
- » Creation of investment products and services including distribution to institutional clients



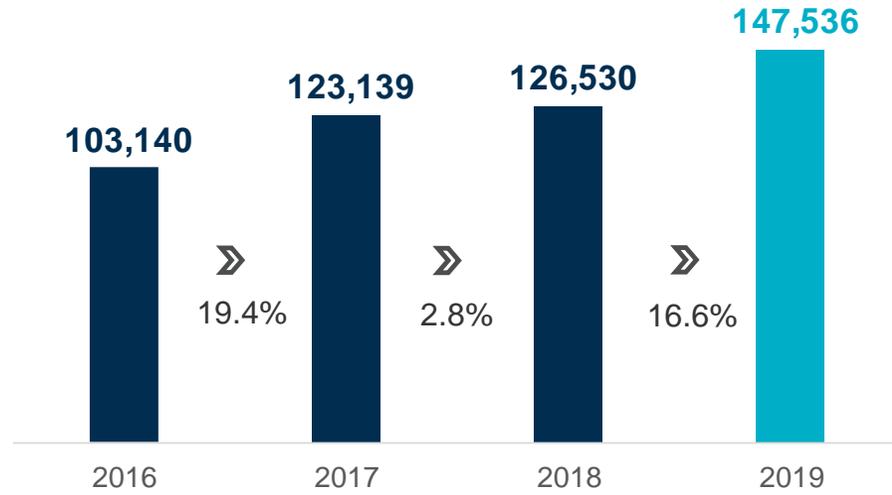
AUM
USD 10.5 bn

* USD 4.0 bn from WM business

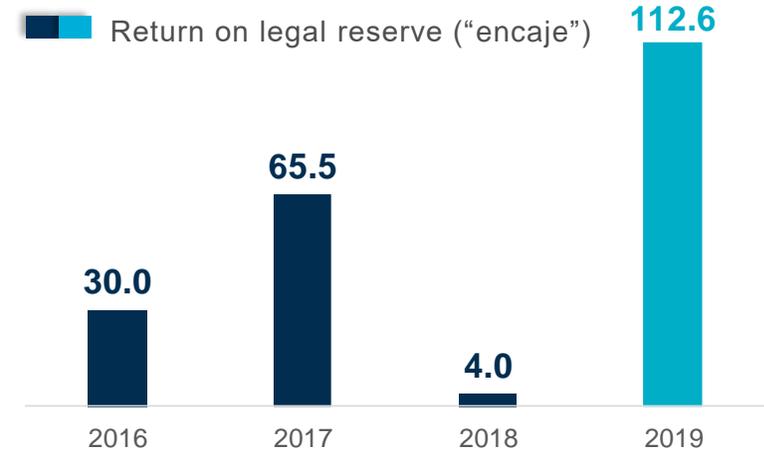
**FINANCIAL
PERFORMANCE**

SURA AM's Financials Evolution

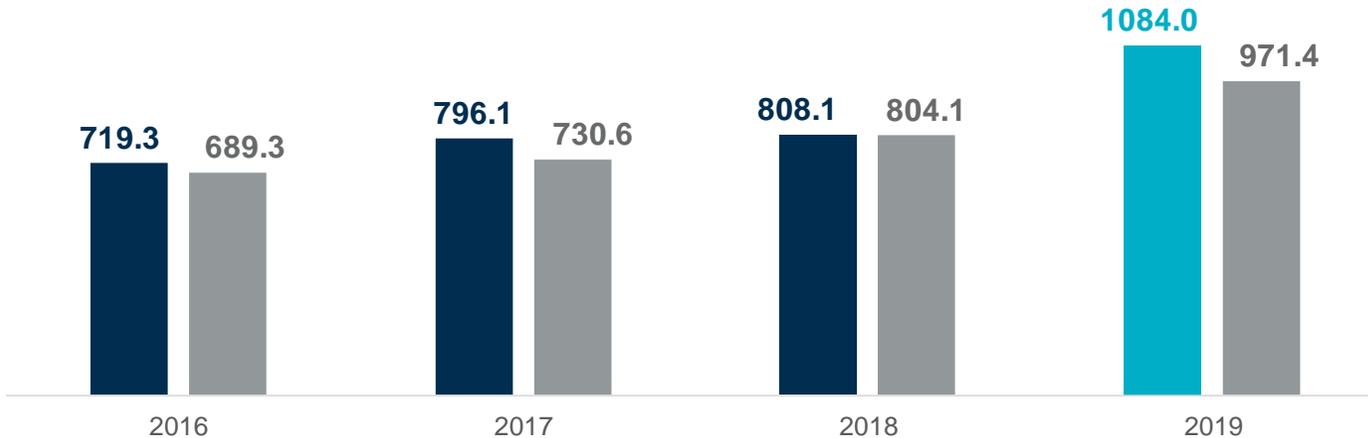
AUM



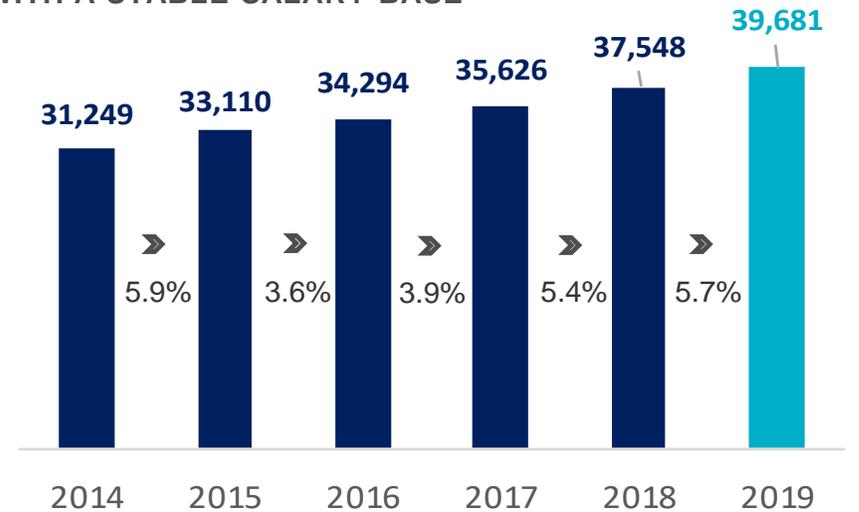
RETURN ON LEGAL RESERVE



OPERATING EARNINGS



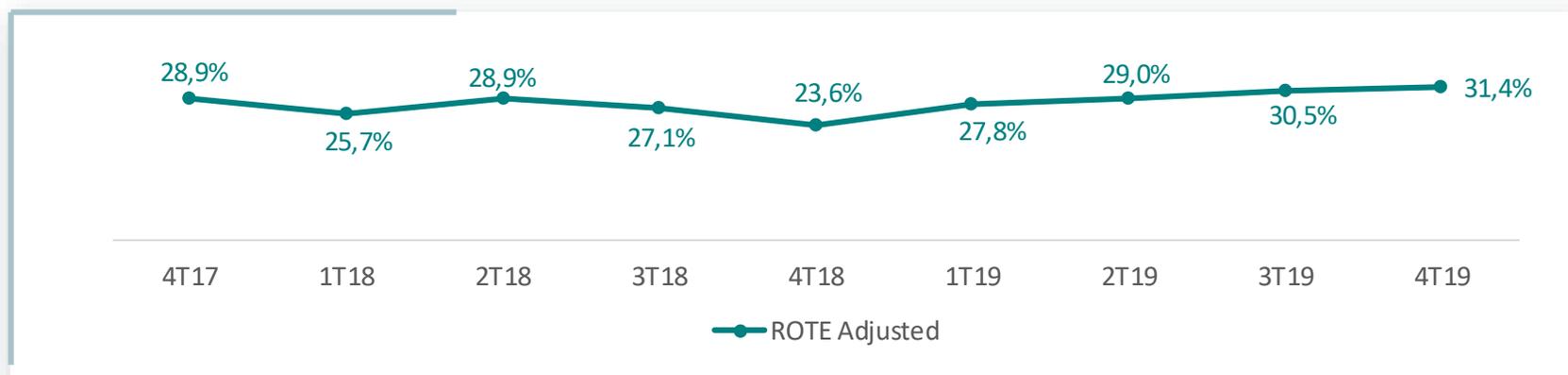
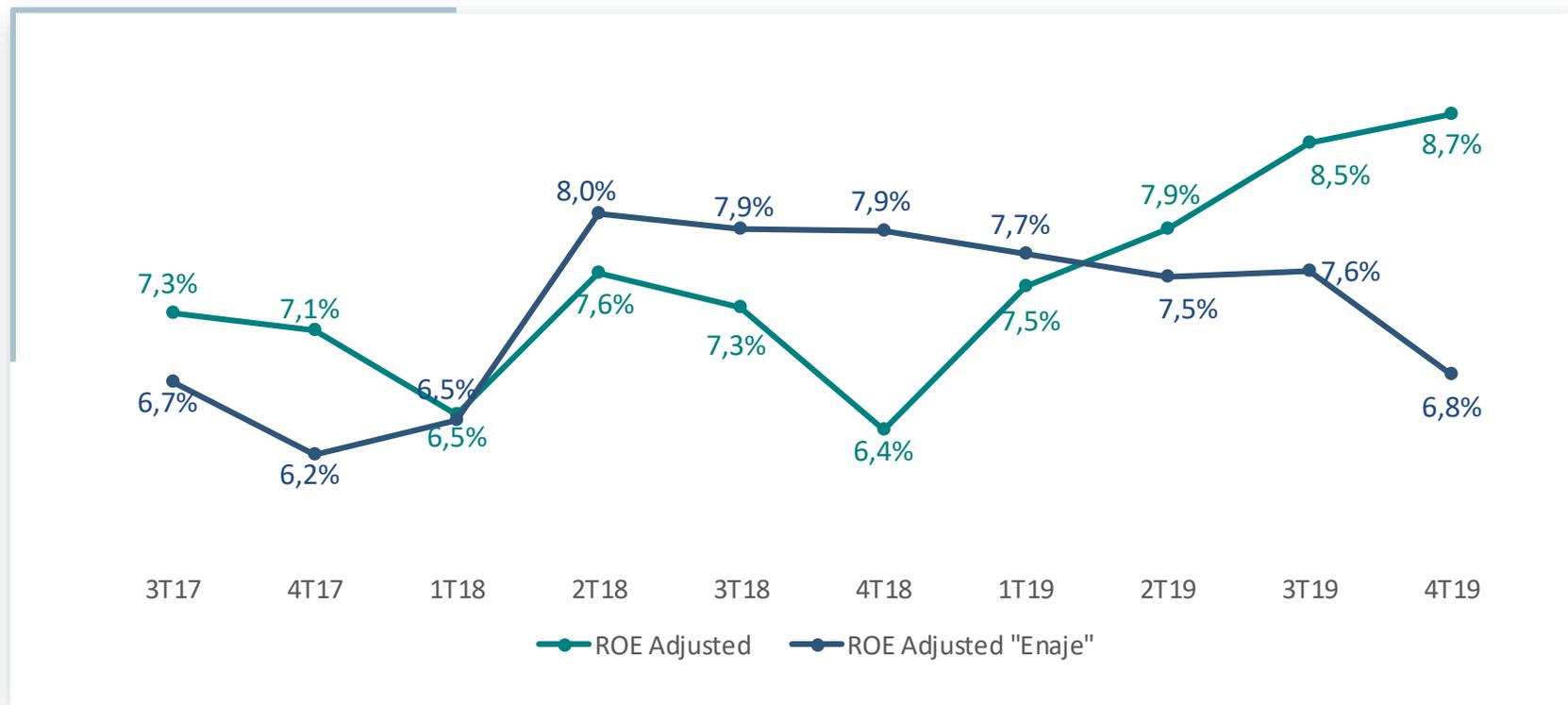
WITH A STABLE SALARY BASE



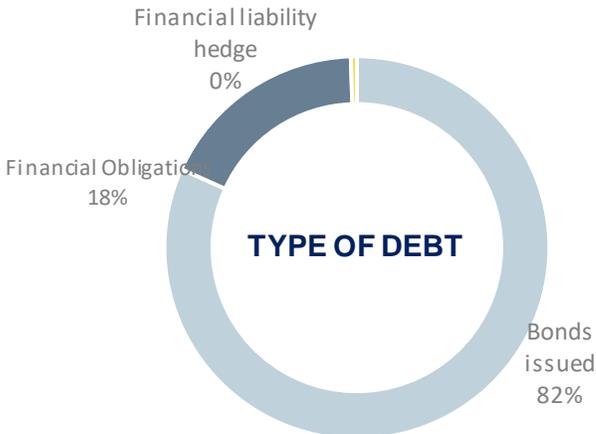
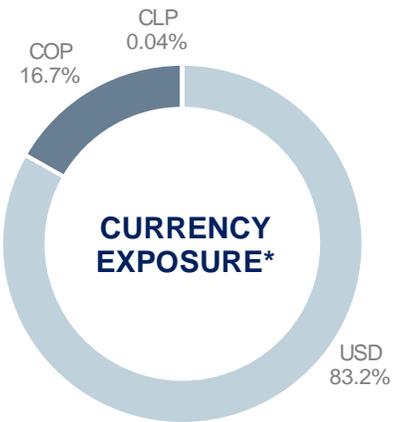
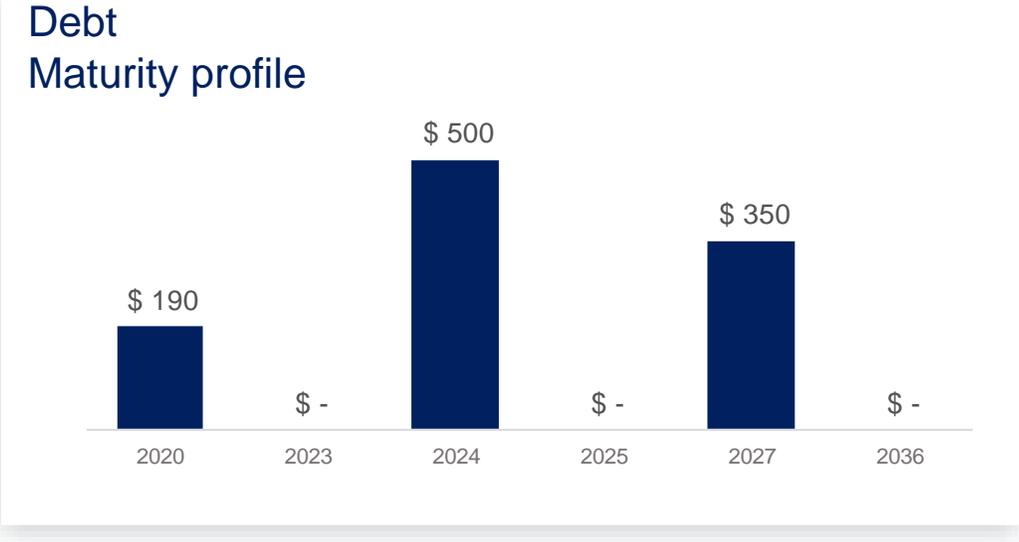
■ Operating earnings
■ Operating earnings exc. "encaje"

Note: Figures in USD million

ROE Adjusted by Encaje



Debt Sura Asset Management



2.1x
 GROSS DEBT / EBITDA LTM

6.21%
 COST OF DEBT (Total)

5.2x
 EBITDA YTD / INTEREST

**CORPORATE
STRATEGY**

OUR PURPOSE

Helping our clients to achieve their dreams and goals

STRATEGIC GUIDELINES

» Our client in the **center of our strategy**

- Persons
- Institutions

» Core guidelines for the **development of our businesses**

- Sustainability of our Mandatory Business
- Transforming our Savings and Investment Business
- Developing our Investment Management Business

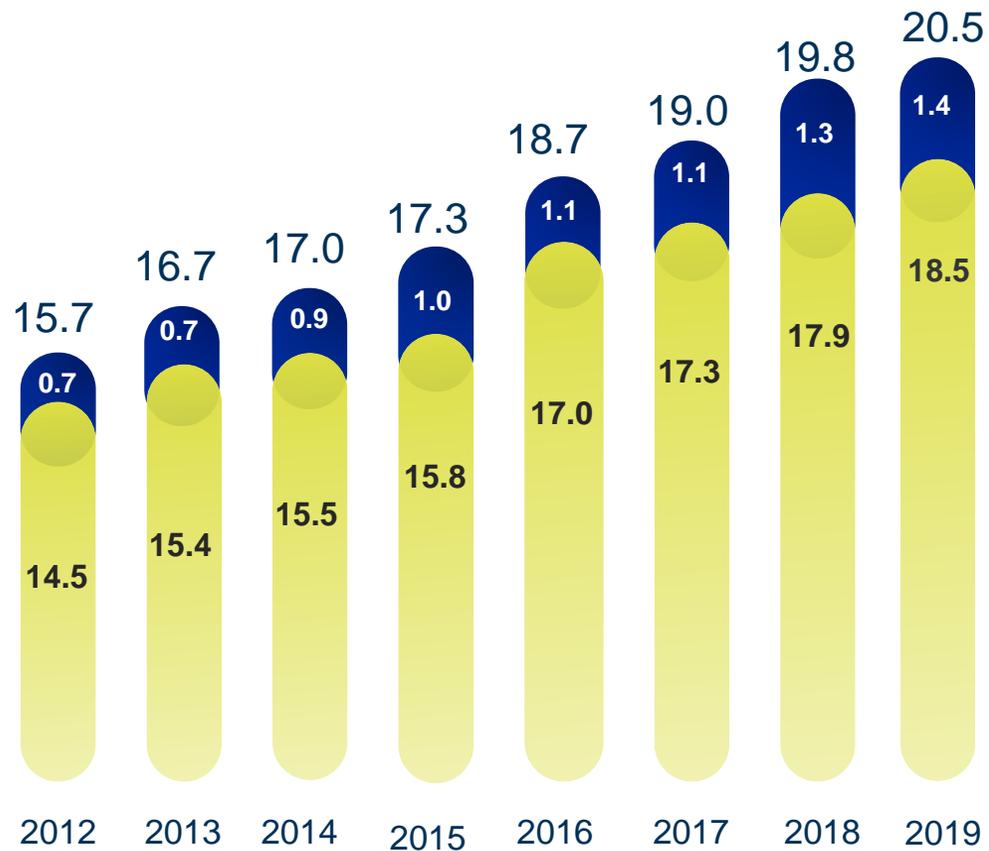
» Capacity development through transversal **enabling strategy guidelines**

- Investment Management
- Channel Management based in our advisory services
- Innovation and digital transformation
- Human Talent and our transforming culture

**CLIENT CENTRIC
FOCUS**

Clients at the core of our corporate strategy

CLIENTS

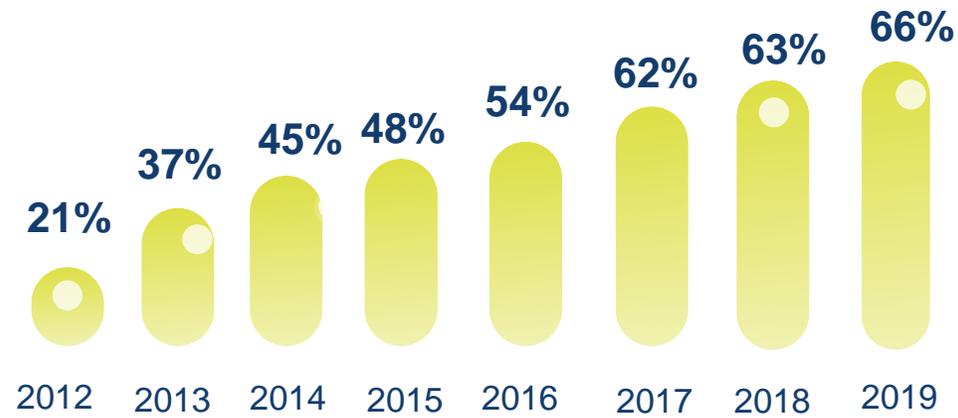


TOTAL
+4.5%
CAGR 12-19

● **MANDATORY**
+3.9%
CAGR 12-19

● **VOLUNTARY**
+13.0%
CAGR 12-19

BRAND AWARENESS



Outstanding
brand
recognition



Relevant
Client base



High client
recommendation

**MANDATORY
PENSION BUSINESS**

Mandatory pension business

Investments Highlights



Natural Source
of Revenue
Stability



Economic and
Demographics
Growth



Undisputable
leadership in
the Region



Outstanding funds
performance and
Efficiency in
operative model

Mandatory pension business

Investments Highlights



Natural Source
of Revenue
Stability



Economic and
Demographics
Growth



Undisputable
leadership in
the Region



Outstanding funds
performance and
Efficiency in
operative model

Highly stable business compared to other financial services

The Mandatory Pension Funds System Is a Natural Source of Revenue Stability



Stable cash flows as fees are mostly based on monthly contributions

Longstanding client relationship with recurrent, "sticky" contributions

Regulated fund performance is similar among fund managers, leading to lower client churn

Upside potential due to attractive demographic trends

TRADITIONAL ASSET MANAGERS

Vulnerable cash generation as fees are more volatile, generally based on AuM and performance

Not captive client base, can flee easily

Investor's asset allocation and performance lead to higher client churn

More mature and developed markets

Mandatory pension business

Investments Highlights



Natural Source
of Revenue
Stability



Economic and
Demographics
Growth



Undisputable
leadership in
the Region

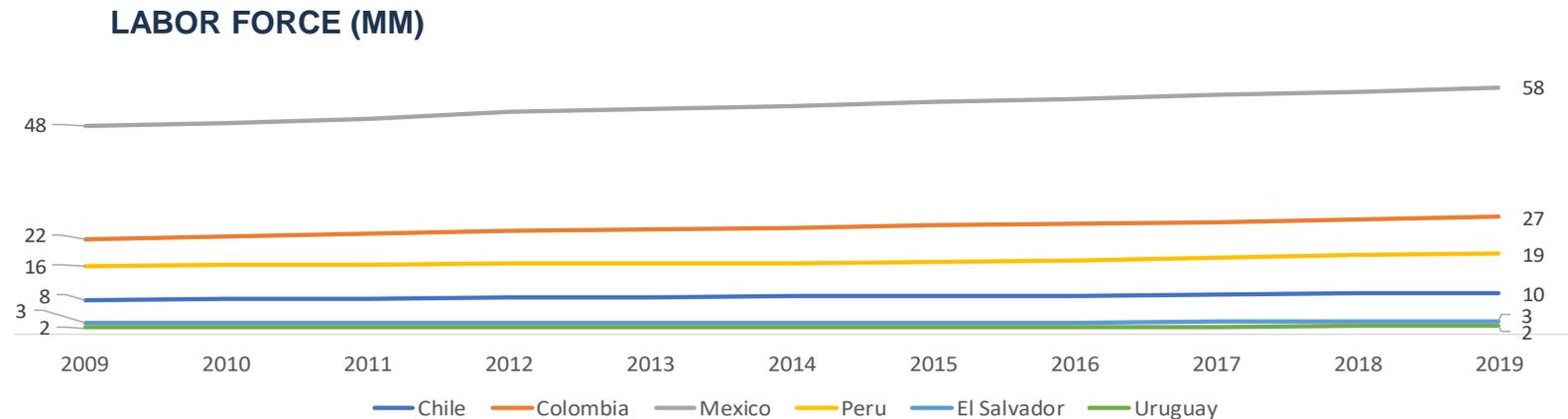
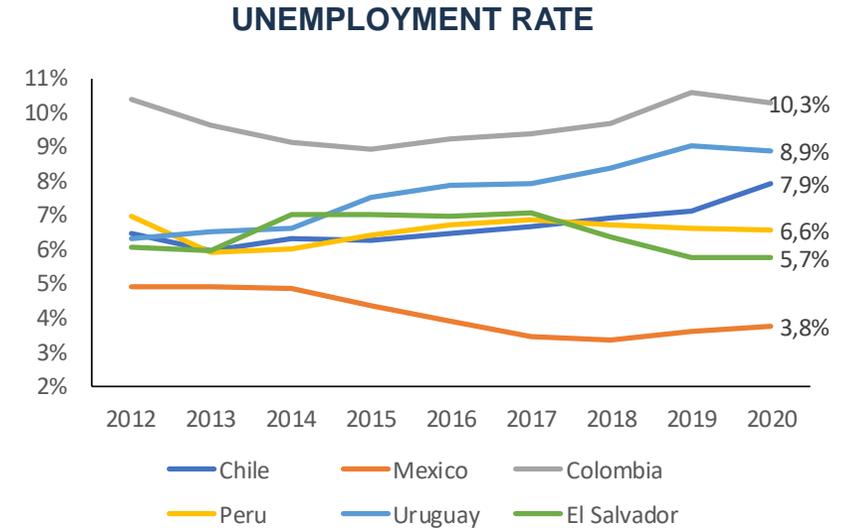


Outstanding funds
performance and
Efficiency in
operative model

Strong Macro Performance Despite Global Volatility...

SURA-AM's markets continue to present compelling fundamentals supporting long-term growth:

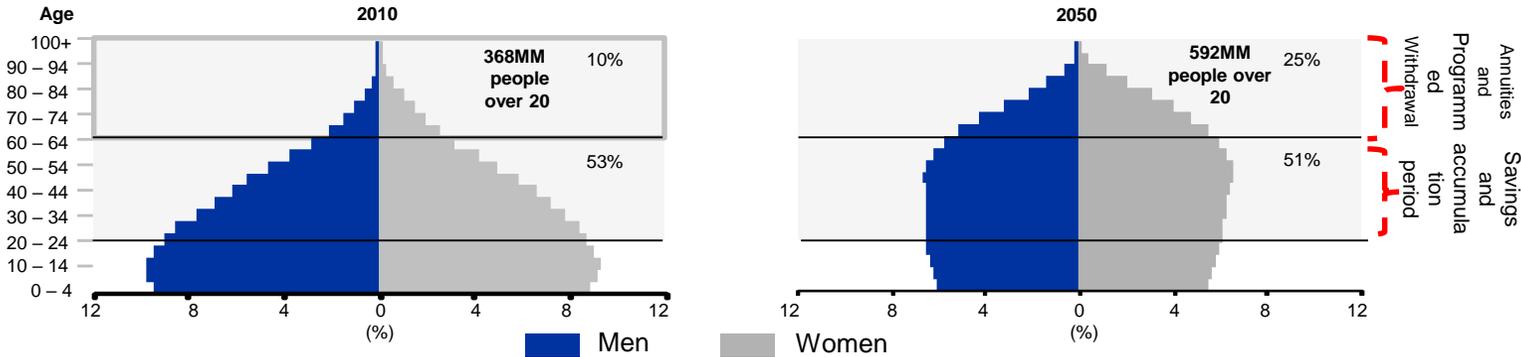
- i** Resilient economic growth and growing labor markets
- ii** Young populations and increasing employment formalization
- iii** Deep under-penetration of pension and wealth management products



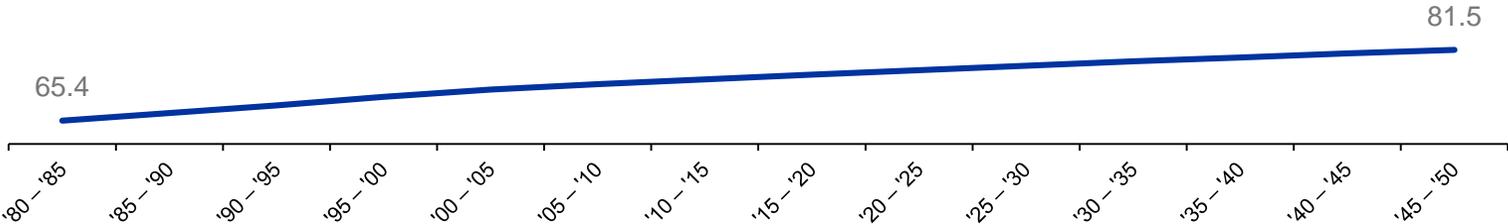
...Coupled With Strong Growth Potential Given Favorable Demographics...

Strong Share of Population in Savings and Accumulations Age Poised to Bolster AUM

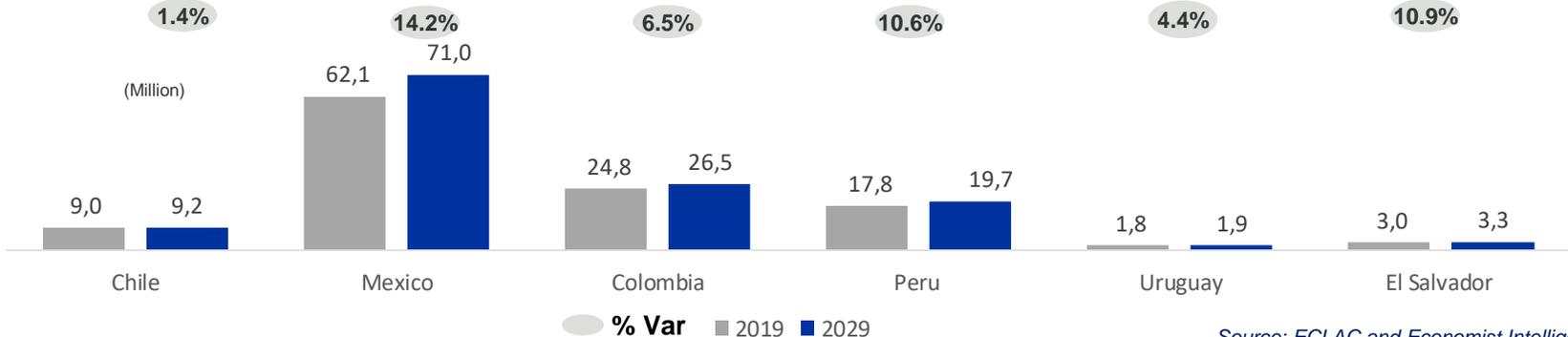
Attractive Demographics in a Fast Growing Market⁽¹⁾



Growing Life Expectancy in LatAm⁽¹⁾



Growing Economically Active Population

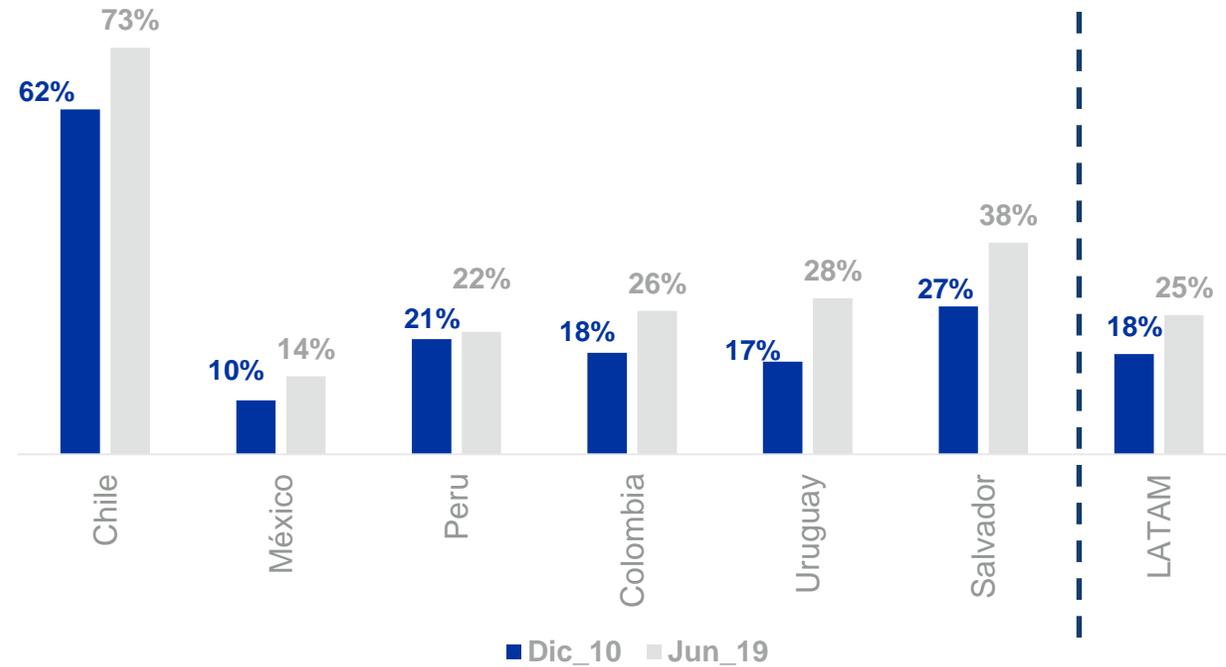


Source: ECLAC and Economist Intelligence Unit.
 (1) Population distribution for Latin America as reported by ECLAC.

... In Underpenetrated Pension Industry

Low Penetration of Financial Services in LatAm Result in a Growing Opportunity in the Mandatory Pension

June 2019 % GDP – PENSIONS



Source: LatinoAFP *2019
Market penetration = AUM / GDP.

Mandatory pension business

Investments Highlights



Natural Source
of Revenue
Stability



Economic and
Demographics
Growth



Undisputable
leadership in
the Region



Outstanding funds
performance and
Efficiency in
operative model

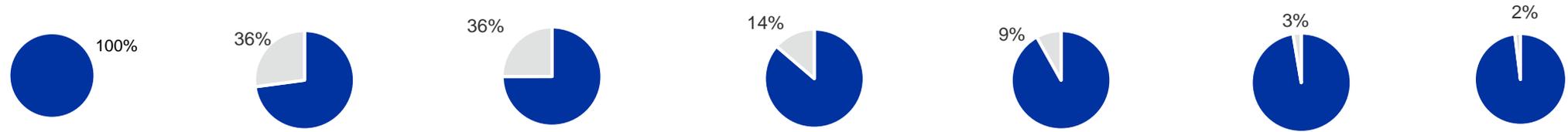
Undisputed leadership in Mandatory Pension Business



	CHILE	MÉXICO	COLOMBIA	PERÚ	URUGUAY	EL SALVADOR
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	22.2%	19.3%	14.8%	37.4%	35.9%	17.9%	47.5%
	Ranking 1 st	Ranking 3 th	Ranking 3 rd	Ranking 2 nd	Ranking 2 nd	Ranking 2 nd	Ranking 2 nd
Habitat (ILC + Prudential)	10.7%	28.2%			6.5%		
Metlife	8.8%	24.6%					
Principal	8.8%	18.1%	6.5%				
Banorte	8.0%		22.0%				
Grupo AVAL	6.4%			44.3%			
Citibank	6.6%		18.1%				
Scotiabank	4.2%			13.5%	25.1%		
Grupo BAL	5.5%		15.1%				
Total AUM (USDBN)	594.4	213.0	215.6	85.9	52.8	15.2	11.8
Number of players		6	12	5	4	4	2

\$557 Bn AUM industry by country



Figures as of December 2019. This information is sourced from the Superintendency of each country and includes AFP's AUM (Mandatory Pension, Voluntary Pension and Severance) only.

Mandatory pension business

Investments Highlights



Natural Source
of Revenue
Stability



Economic and
Demographics
Growth



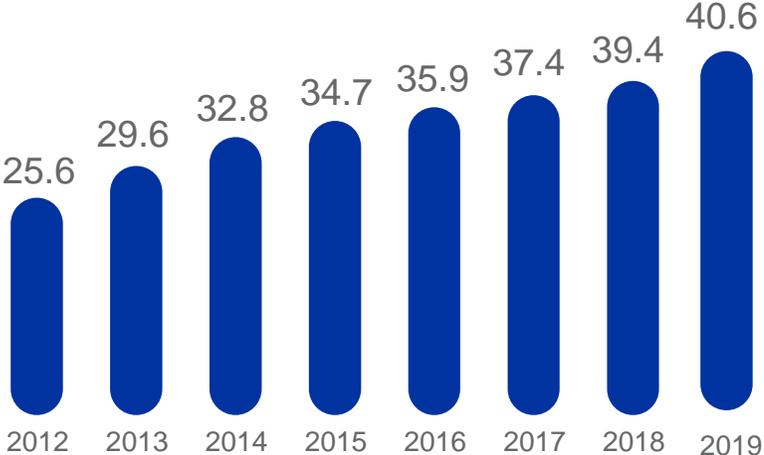
Undisputable
leadership in
the Region



Outstanding funds
performance and
Efficiency in
operative model

Mandatory pension business

SALARY BASE



CLIENTS



54%*
**%AUM ALPHA
POSITIVE**



Natural Source
of Revenue
Stability



Economic and
Demographics
Growth



Undisputable
leadership in the
Region

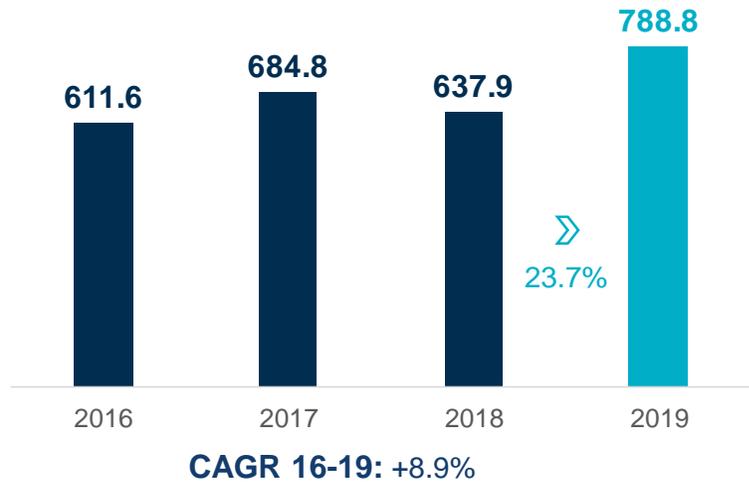


Outstanding funds
performance and
Efficiency in
operative model

*Figures as of December 2019 in USD million
12 months % AUM Alpha Positive

Mandatory pension business

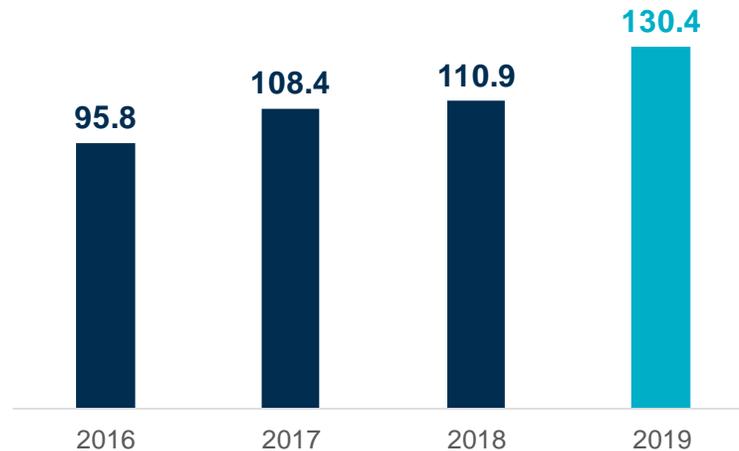
OPERATING REVENUE



OPERATING EARNINGS



AUM



Figures as of December 2019 in millions of USD.
AUM in billion of USD



Natural Source
of Revenue
Stability



Economic and
Demographics
Growth



Undisputable
leadership in the
Region



Outstanding funds
performance and
Efficiency in
operative model

**SAVINGS AND
INVESTMENT
BUSINESS**

Savings and Investment business

Investments Highlights



Underpenetrated
Industry with a
relevant potential
market



Building an
advisory
ecosystem



Growth Stage,
with need of a
larger scale and
greater
investment



Attraction and
penetration of
clients

Savings and Investment business

Investments Highlights



Underpenetrated
Industry with a
relevant potential
market



Building an
advisory
ecosystem



Growth Stage,
with need of a
larger scale and
greater
investment

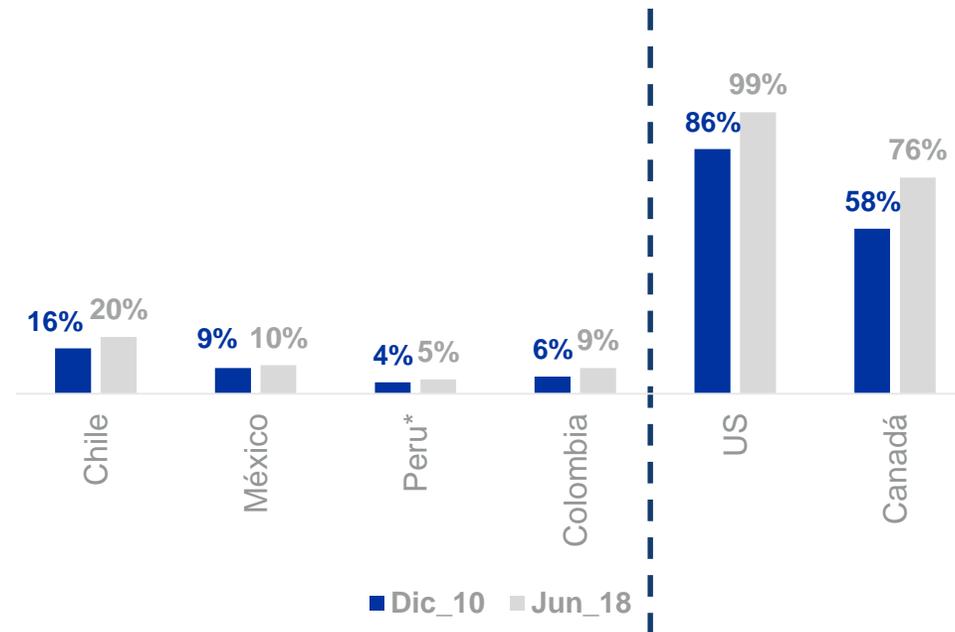


Attraction and
penetration of
clients

... In Underpenetrated Savings Industry

Low Penetration of Financial Services in LatAm Result in a Growing Opportunity in the Savings Industries

Jun 2018 % GDP – MUTUAL FUNDS



Savings and Investment business

Investments Highlights



Underpenetrated
Industry with a
relevant potential
market



Building an
advisory
ecosystem



Growth Stage,
with need of a
larger scale and
greater
investment



Attraction and
penetration of
clients

Transforming our Savings and Investment business

WE ARE TRANSFORMING OUR ADVISORY ECOSYSTEM

BRAND AND CUSTOMER EXPERIENCE

CUSTOMER KNOWLEDGE



SOLUTIONS AND
STRATEGIES



CHANNELS

TECHNOLOGICAL ARCHITECTURE

Savings and Investment business

Investments Highlights



Underpenetrated
Industry with a
relevant potential
market



Building an
advisory
ecosystem



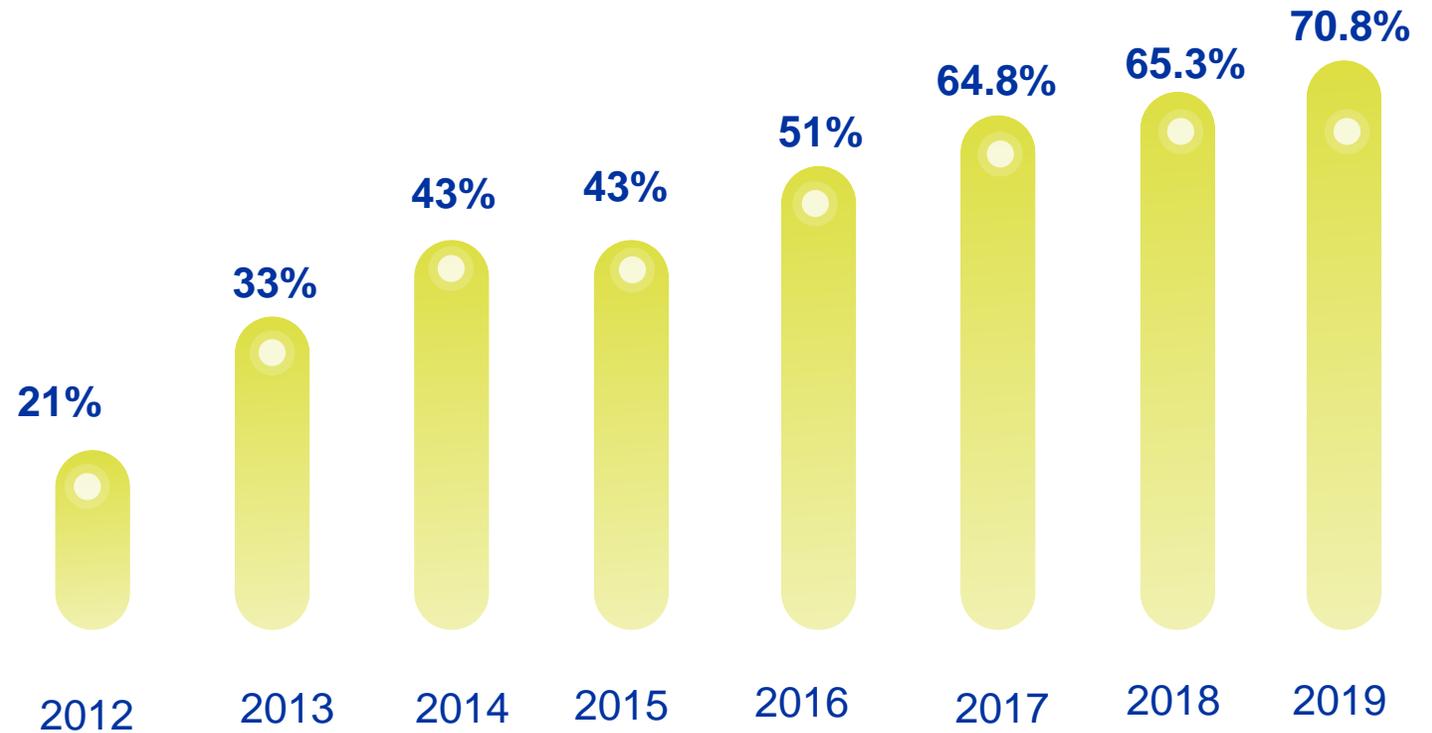
Growth Stage,
with need of a
larger scale and
greater
investment



Attraction and
penetration of
clients

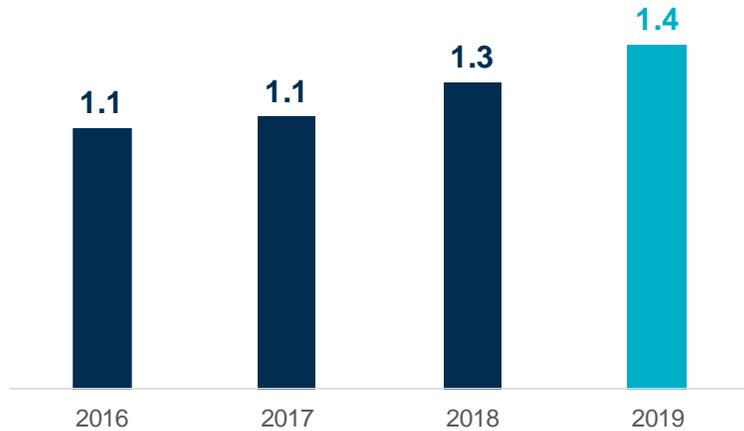
Sura Inversiones Brand Awareness

Position a brand that leverages the business strategy and transmits confidence



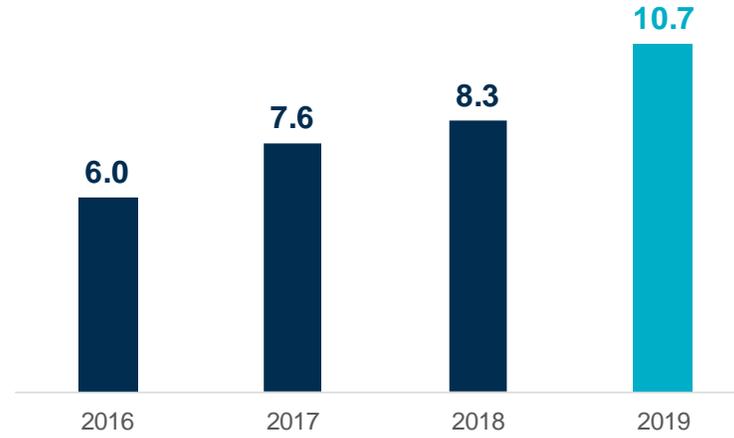
Savings and Investment business

CLIENTS (VOLUNTARY BUSINESS)



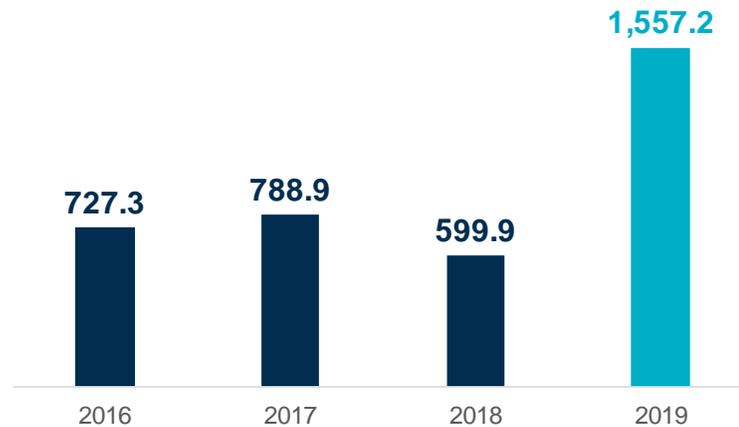
Figures in millions of USD

AUM



Figures in billions of USD

NET FLOW



Figures in millions of USD

Figures as of December 2019 in millions of USD, from financial reporting, Protección 100%



Underpenetrated Industry with a relevant potential market



Growth Stage, with need of a larger scale and greater investment



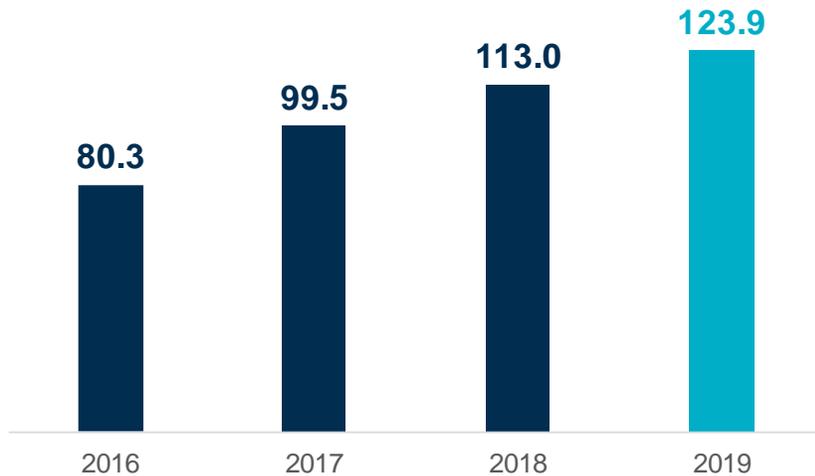
Building an advisory ecosystem



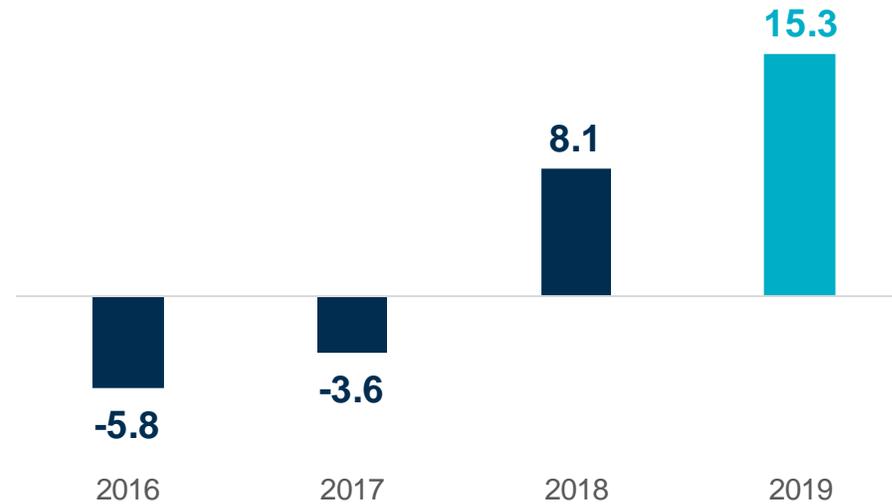
Attraction and penetration of clients

Savings and Investment business

OPERATING REVENUE



OPERATING EARNINGS



Figures as of December 2019 in millions of USD, from financial reporting, Protección 100%



Underpenetrated Industry with a relevant potential market



Growth Stage, with need of a larger scale and greater investment



Building an advisory ecosystem



Attraction and penetration of clients

**INVESTMENT
MANAGEMENT
BUSINESS**

Investment Management business

Investments Highlights



Regional platform
connecting Latam
to the world



Pure LATAM
player with
“local reach”



Strength of
being a
regional multi-
asset actor



Outstanding
track record

Investment Management business

Investments Highlights



Regional platform
connecting Latam
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Pure LATAM
player with
“local reach”



Strength of
being a
regional multi-
asset actor



Outstanding
track record

Position ourselves as the most relevant non-banking Investment Manager in Latin America.

IM Platform

SURA Investment Management (SURA IM) is the investment management arm of SURA Asset Management

Experts in

LATAM



Investment Management business

Investments Highlights



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Pure LATAM
player with
“local reach”



Strength of
being a
regional multi-
asset actor



Outstanding
track record

Regional platform connecting Latam to the world

FUNDS AND MANDATES

TRADITIONAL ASSETS

Fix Income
73%

Equity
2.6%

Multi-asset
13.1%

ALTERNATIVE ASSETS

Real Estate
5.5%

Infraestructure
5.1%

Private Debt
0,3%

FOF

CLIENTS

Wealth Manager SURA and others Wealth Managers

Institutionals

- Insurance Companies
- Pension funds plans

- Sovereign funds
- Family Offices

- Corporates

Investment Management business

Investments Highlights



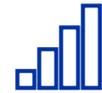
Regional platform
connecting Latam
to the world



Pure LATAM
player with
“local reach”



Strength of
being a
regional multi-
asset actor



Outstanding
track record

Awards and recognitions

The rigorous investment process has allowed SURA Investment Management to outperform the market in the countries where it is located.



- Best Global Manager
- Best Equity Manager
- Best Fixed Income Manager
- Best International Equity Fund



- Best Asset Management Company in Mexico



Turnaround stars: the three most improved PMs in LatAm equity

By Atholl Simpson / 16 Nov, 2017



- Funds: [Sura Acciones FMIV/Sura Mercados Integrados FMIV](#)
- Places gained: +56
- 1-year ranking (Oct. 17): 4/69
- 1-year returns: 18.65%

Coming top of our most improved ranking in Latin America is José Block of Sura Asset Management in Peru. He runs two Peru-domiciled funds, the largest of which, Sura Acciones, invests in the Peruvian equity market.

His other fund, Mercados Emergentes, invests in the Peruvian, Chilean and Colombian market. Little information on their portfolios' composition was available but Block has been running both funds since September 2015.

¡Adelante! The three best Mexican equity managers revealed

By Atholl Simpson / 01 Sep, 2017



- Funds: SURA Patrimonial SA de CV SIRV A/SURA Indizado SA de CV SIRV BOE2
- 1-year return: 17.86%

At the top of our ranking is Sura Asset Management's Arturo Hernandez who has been running both his funds since August 2014.

His Patrimonial fund was initially launched at the end of 2013 while the Indizado fund was launched in 2010. Both funds have very similar portfolios, with only 1 or 2 percentage point differences in the amount they allocate to each of their top sector, namely consumer defensive, industrials, financials and cyclical consumer.

The largest of the two is Sura Patrimonial with 2.7 billion pesos (\$151 million) in assets. In it Hernandez allocated over a quarter (27.6%) toward consumer defensive stocks, with industrials coming next with 23%.

PERÚ GOLDEN AWARDS 2018

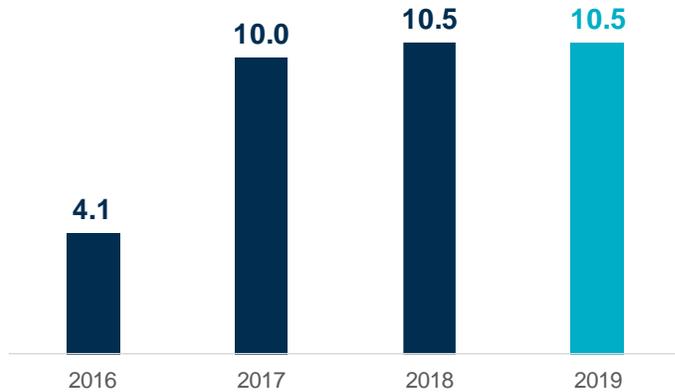
- Best mutual fund in Peruvian Soles
- Best equity mutual fund denominated in Peruvian soles.



- Best Debt Fund with maturity of less than 90 days
- Best Debt Fund with maturity of more than 365 days
- Second Equity Fund
- Second Debt Fund category with maturities of less than 365 days

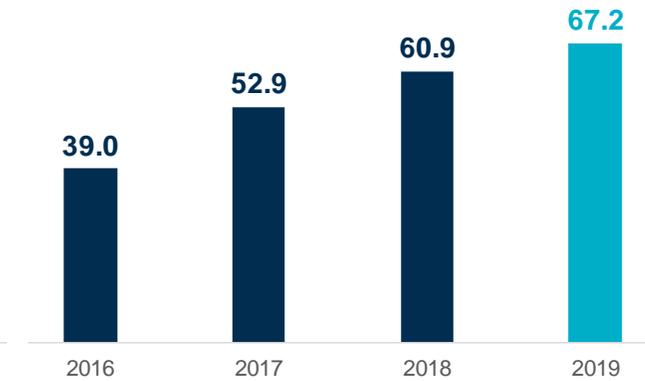
Investment Management business

AUM



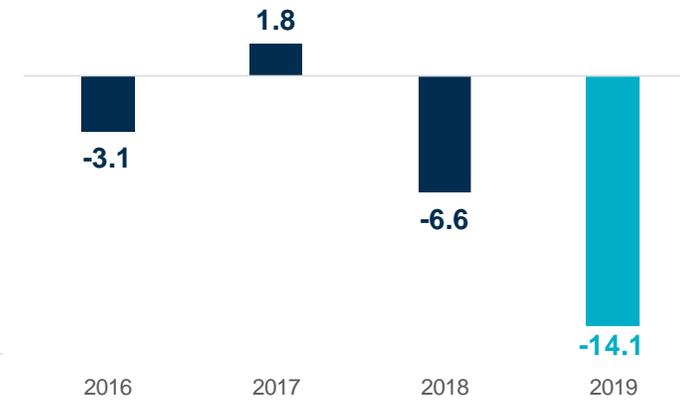
Figures in BN of USD

OPERATING REVENUE

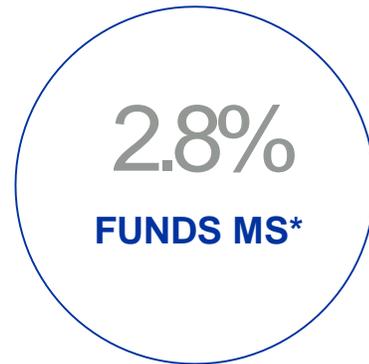
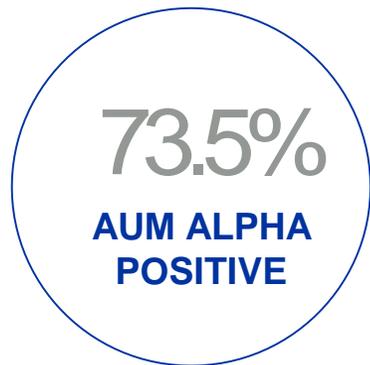


Figures in millions of USD

OPERATING EARNINGS



Figures in millions of USD



Regional platform
connecting Latam
to the world



Pure LATAM
player with
“local reach”



Strength of
being a
regional multi-
asset actor



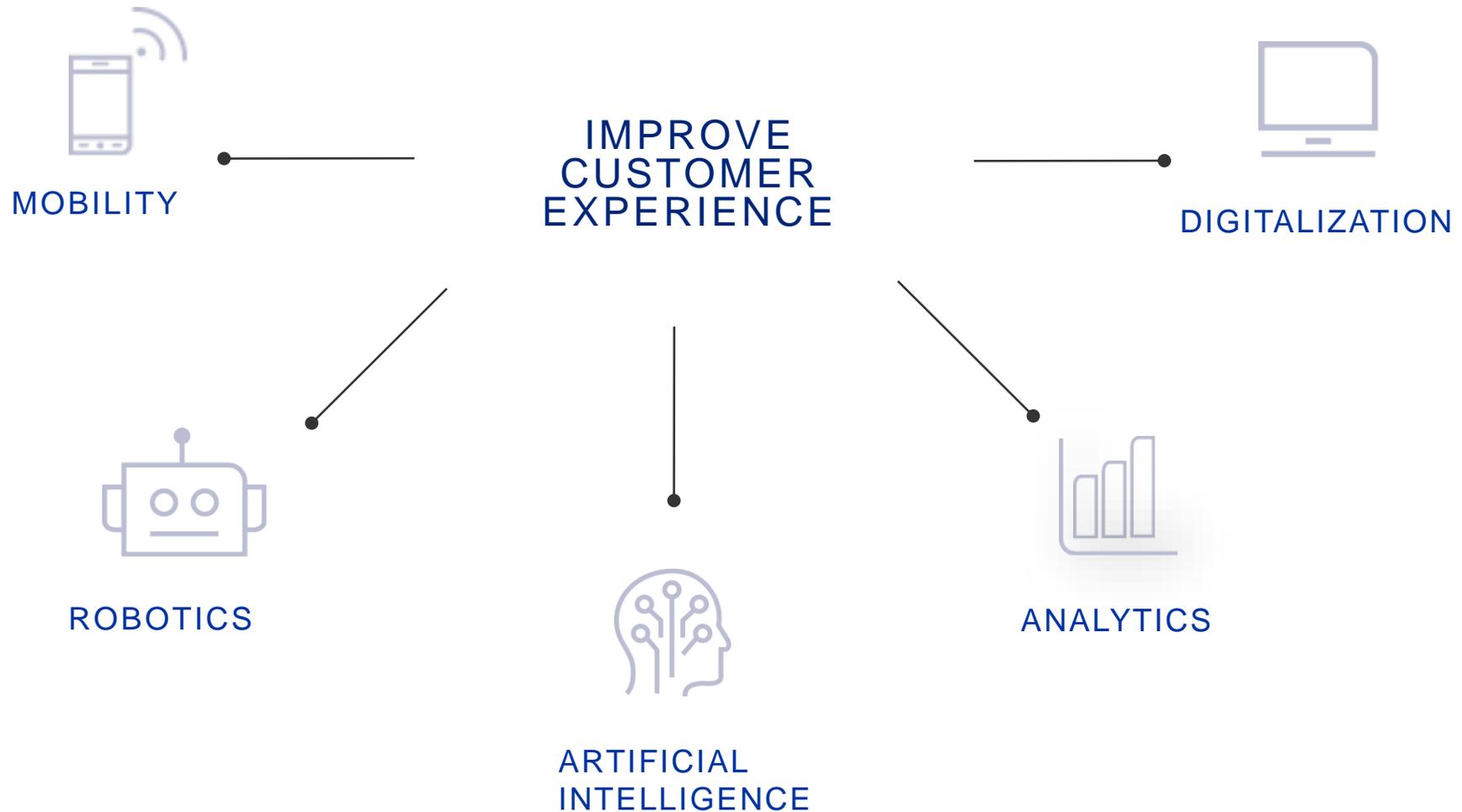
Outstanding
track record

Figures as of December 2019, from financial reporting
*Figures as of March 2019

**TRANSVERSAL
ENABLING STRATEGY
GUIDELINES**

INNOVATION AND DIGITAL TRANSFORMATION

EXPONENTIAL TECHNOLOGIES



INVESTMENT MANAGEMENT



Investment
platform/
Aladdin



Portfolio
decarbonization



Investment
Excellence
Center

Q4-2019 RESULTS

SURA AM: NET INCOME GROWS 66%

Driven by return on legal reserve and operating results

◆ **TOTAL CLIENTS**

20.5 million
▲ 3.7%

◆ **INSTITUTIONAL CLIENTS**

304

◆ **NET INCOME BEFORE DISC OP.**

USD 218.5 million
▲ 51.5%

◆ **EMPLOYEES**

9,164

◆ **PRODUCTS**

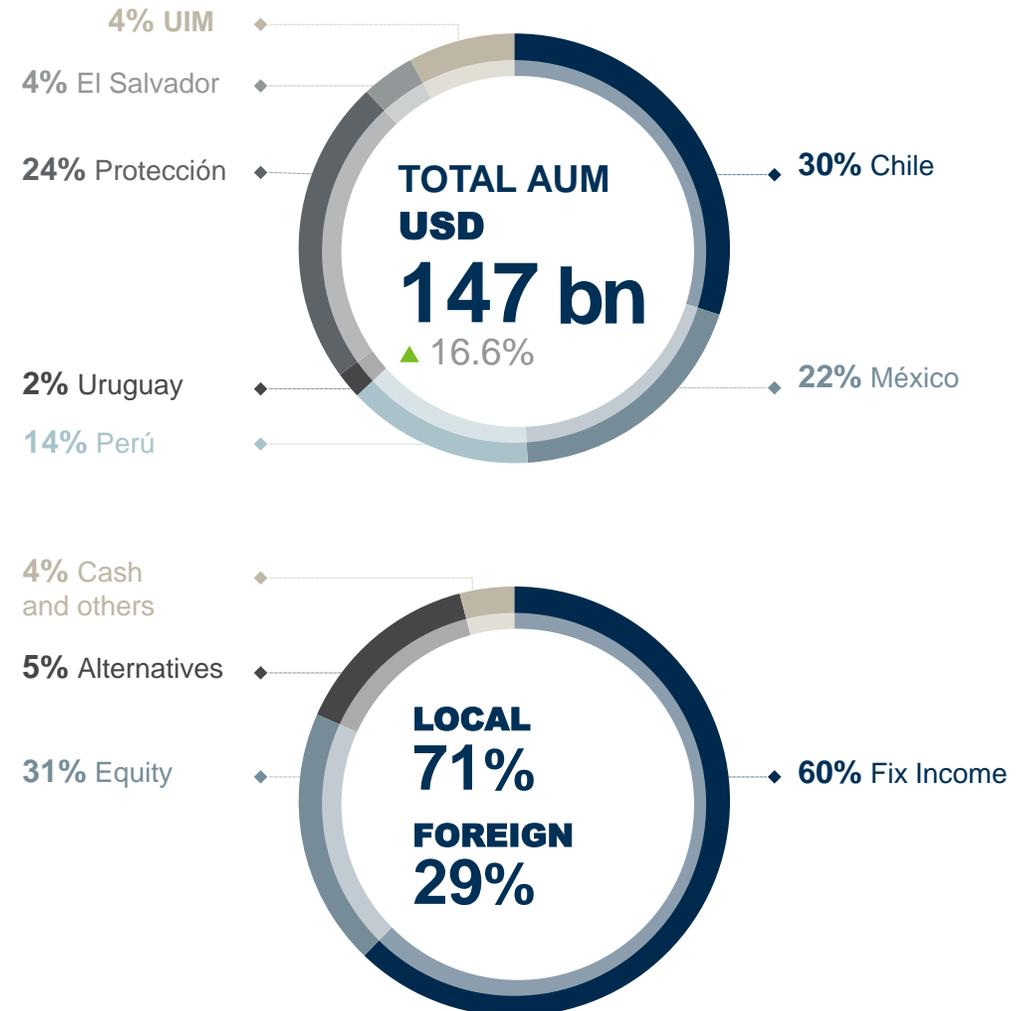
+482
Solutions and products for our clients
187 funds
295 mandates

◆ **MANDATORY**

AUM	Revenues
▲ 17.6%	▲ 23.7%
Op. Income	
▲ 40.4%	

◆ **VOLUNTARY**

AUM	Revenues
▲ 9.8%	▲ 19.0%
Op. Income	
▲ -0.9%	



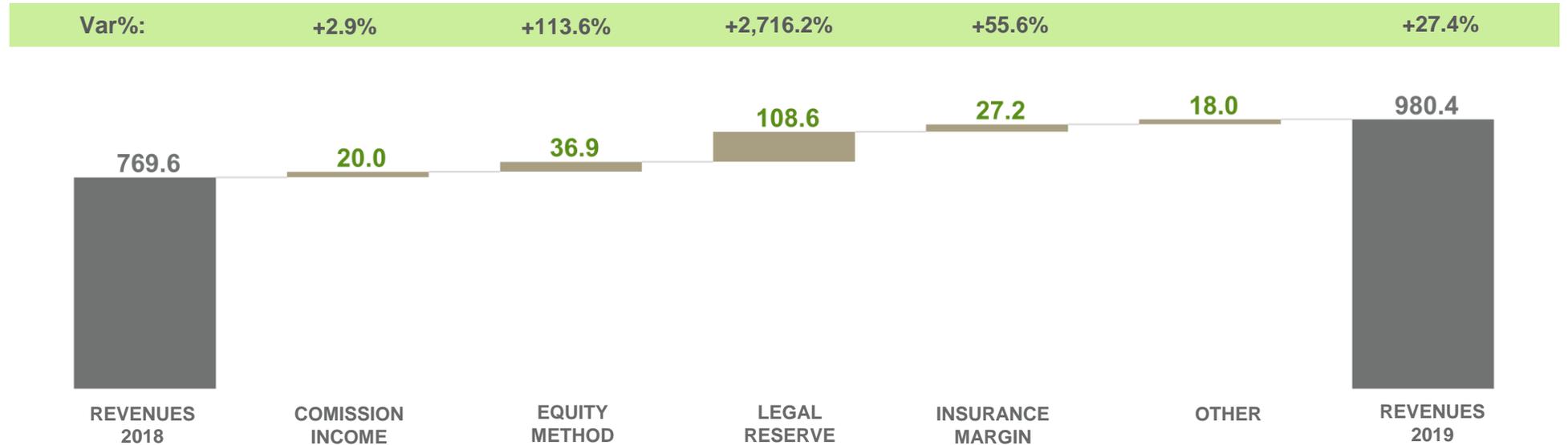
GROW IN ALL REVENUE LINES

And better investment returns drive a 64% growth in operating income

OPERATING REVENUES + INSURANCE MARGIN

980.4
Million USD

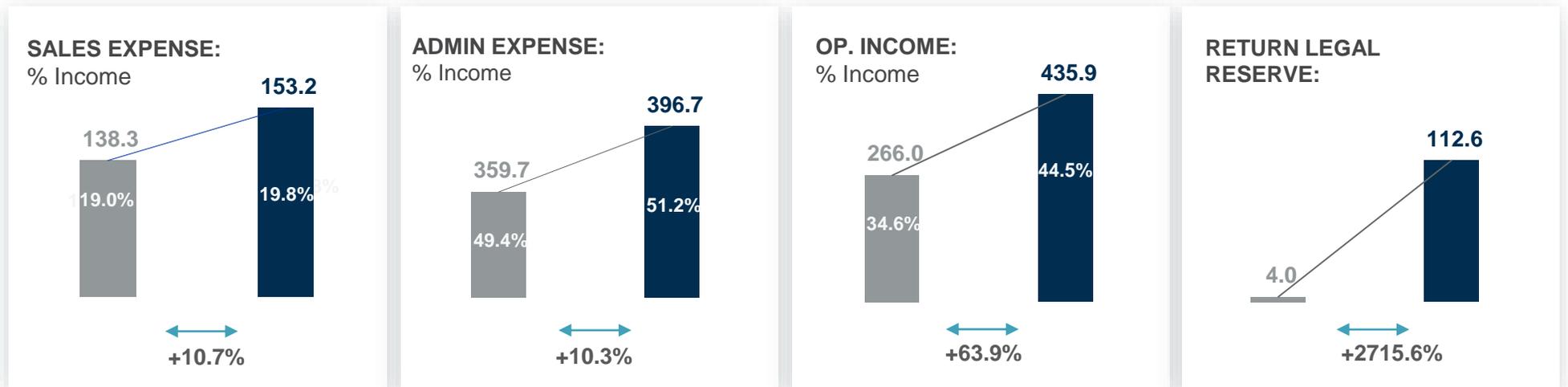
+210.8 M
▲ 27.4%



OPERATING EXPENSES

544.5
Million USD

+40.9 M
▲ 8.1%



Figures in millions of USD.
*% Evolutions in constant Exchange rates

MANDATORY PENSION: RETURN ON LEGAL RESERVE AND COMMERCIAL activity overcome pressure on lower fees

OPERATING REVENUES

USD 788.8 MM

▲ 23.7%

OPERATING INCOME

WITH LEGAL RESERVE

USD 472.6 MM

▲ 40.4%

WITHOUT LEGAL RESERVE

USD 362.0 MM

▲ 8.8%

AUM

USD 130.4 bn

▲ 17.6%

- ◆ MÉXICO ▲ 19.8%
- ◆ CHILE ▲ 19.8%

SALARY BASE

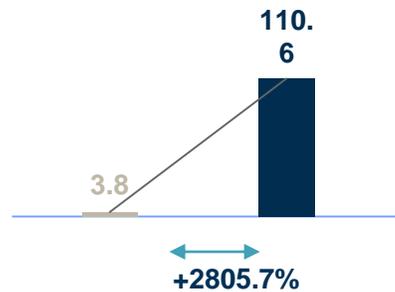
- ◆ CHILE ▲ 5.1%

- ◆ COLOMBIA 8.1%
- ◆ URUGUAY ▲ 7.6%

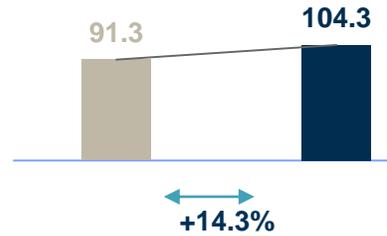
COMMISSION INCOME



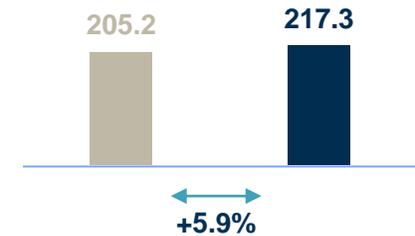
INCOME LEGAL RESERVE



SALES EXPENSE



ADMIN. EXPENSE



Voluntary segment with operating leverage
COMMERCIAL PRODUCTIVITY DRIVES NET FLOW AND REVENUES

OPERATING REVENUES

USD 121.7 bn

▲ 19.0%

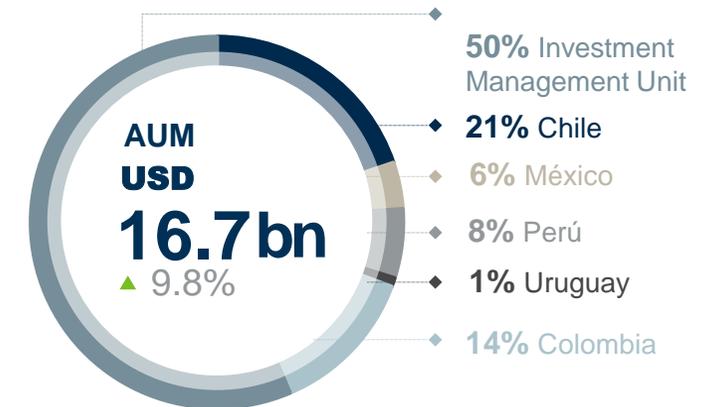
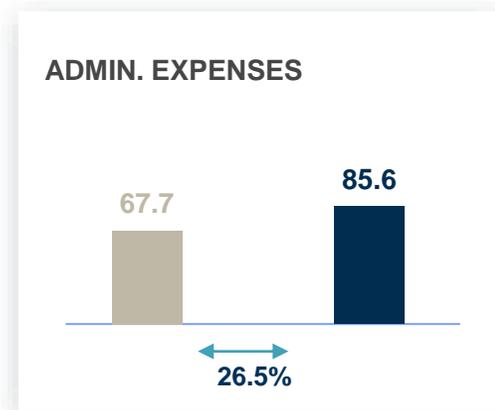
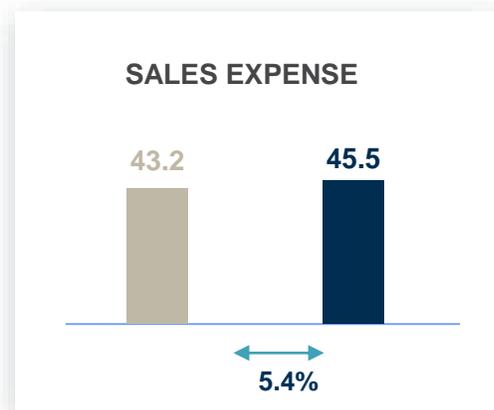
AUM SAVINGS AND INVESTMENT

USD 10.2 bn

AUM INVESTMENT MANAGEMENT

USD 10.5 bn

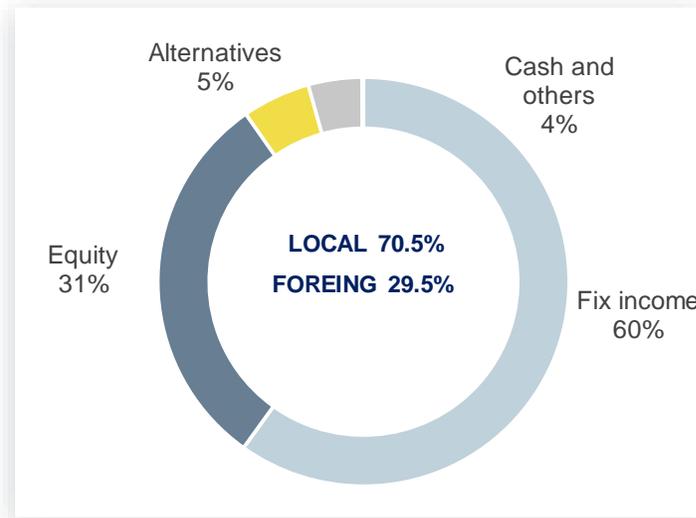
- **S&I:** better commercial productivity
16 new investment products
- **IM:** launch of new funds
6 alternative funds
11 traditional funds



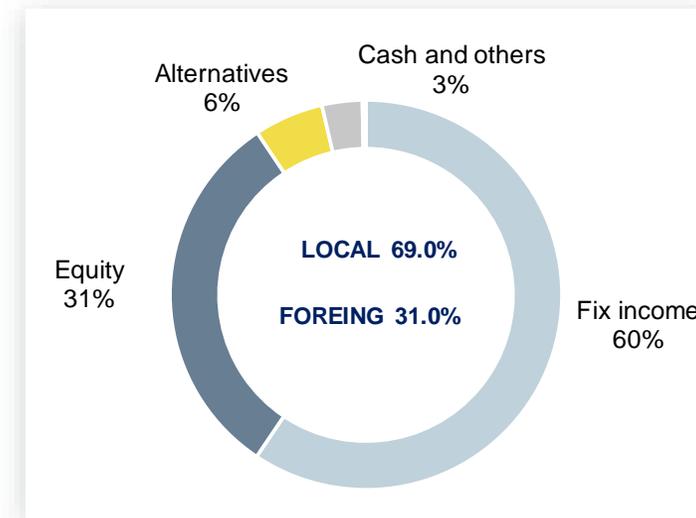
Figures in millions of USD.
 *% Evolutions in constant Exchange rates

PORTFOLIO SUITED TO REGULATORY AND MARKET PERFORMANCE

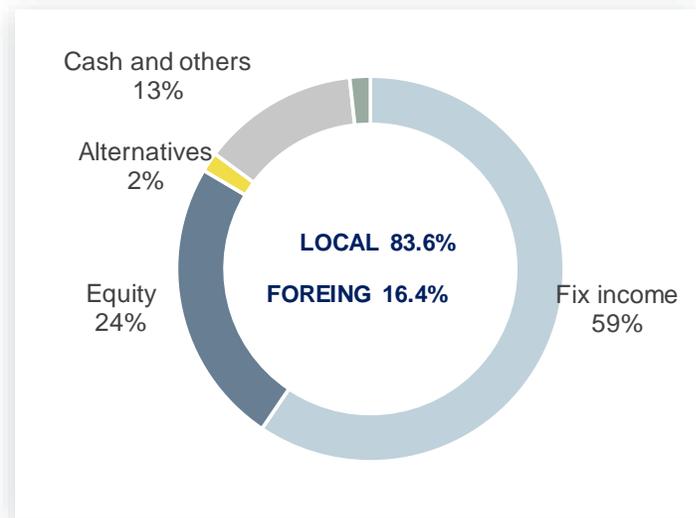
Total



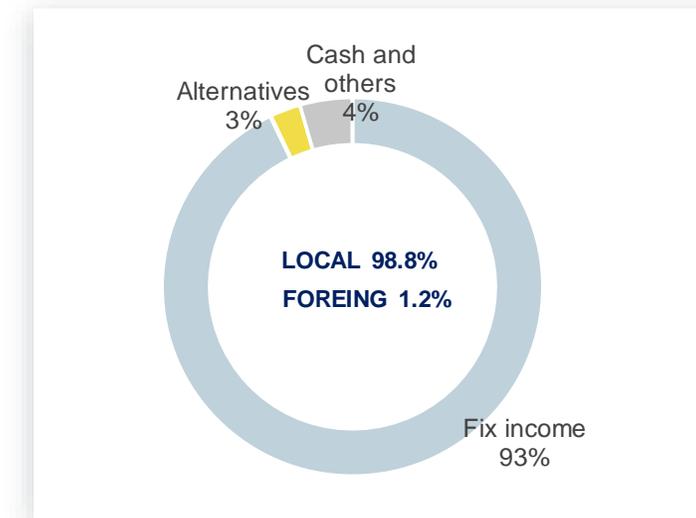
Mandatory



Voluntary



Insurance and annuities

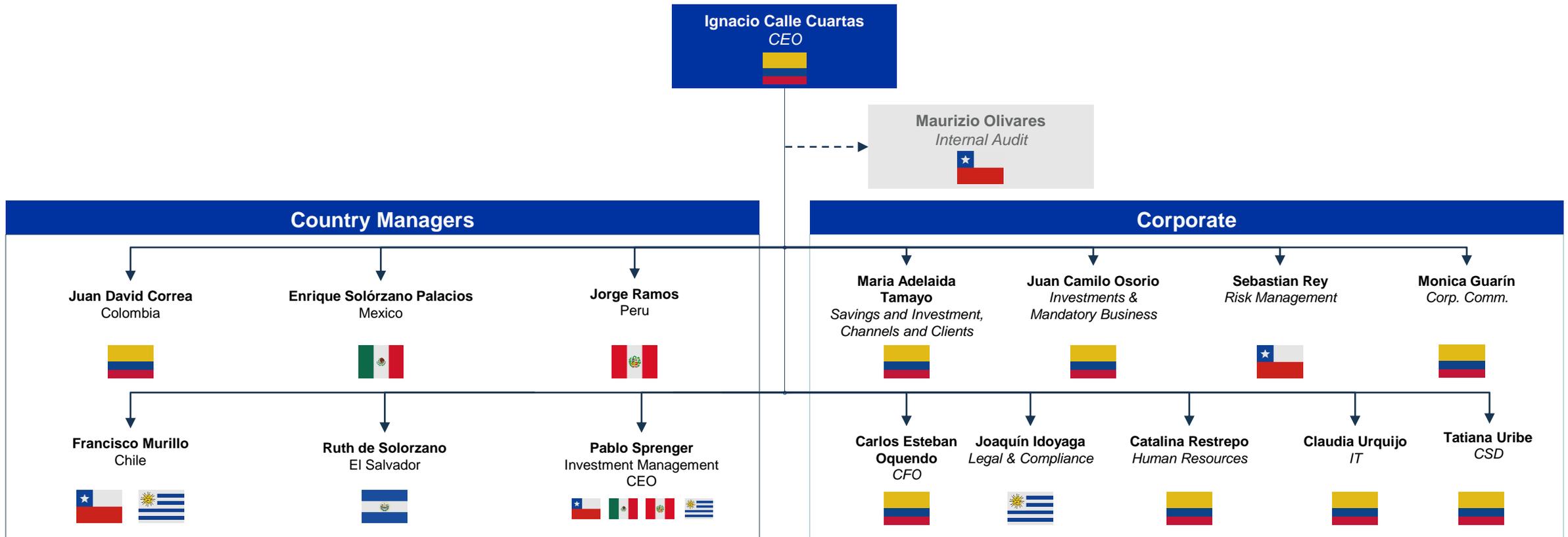


**MANAGEMENT TEAM
AND CORPORATE
GOVERNANCE
STANDARDS**

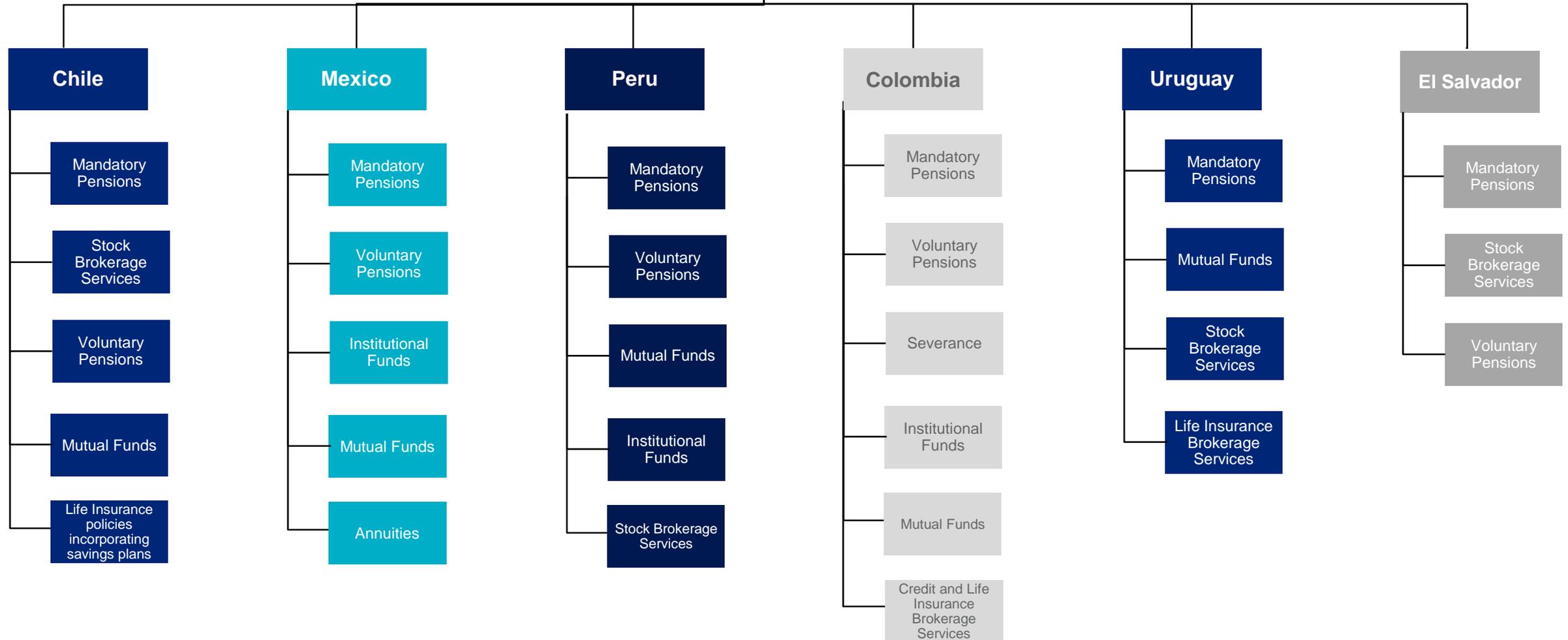
Experienced management team

Diverse, Experienced and Highly Coordinated Management Team

- » Senior Management has held their positions for an average of 20 years
- » Unique strategy, with management working towards one corporate vision instead of different countries' perspectives
- » Local industry expertise



SURA Asset Management



Strong financial performance enhanced by prudent risk management (cont'd)

Prudent and World Class Risk Management Framework

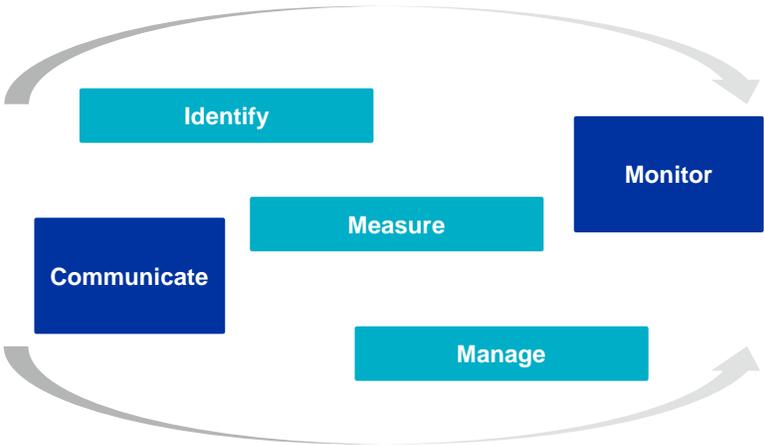
SUAM's Risk Classification



The Risk Management Framework is Based on Three Lines of Defense:



Risk Management Process Based on a Continued Management of Risks



SUAM Corporate Governance Structure



1. Developing risk category