

Condensed Interim Consolidated Financial Statements
of Grupo de Inversiones Suramericana S.A.
for the six-month period between January 1st and June
30th 2022

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CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The undersigned Legal Representative and Public Accountant, under whose responsibility the consolidated financial statements were prepared, certify:

For the issuance of the consolidated statement of financial position as of June 30, 2022, and the consolidated statement of income for the year and consolidated comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period ended on that date, which in accordance with the regulations are made available to shareholders and third parties, the statements contained therein have been previously verified.

Said affirmations, explicit and implicit, are the following:

Existence: The assets and liabilities of Grupo de Inversiones Suramericana S.A., exist on the cut-off date and the transactions recorded, have been realized, during the year.

Integrity: All economic events have been recognized.

Rights and obligations: The assets represent probable future economic benefits, and the liabilities represent probable future economic sacrifices, obtained or under the charge of Grupo de Inversiones Suramericana S.A., on the cut-off date.

Valuation: All elements have been recognized, in the appropriate amounts.

Presentation and disclosure: Economic events have been correctly classified, described, and disclosed.

In accordance with Article 46 of Law 964 of 2005, in my capacity as legal representative of Grupo de Inversiones Suramericana S.A. The Financial Statements and other relevant reports for the public, related to the fiscal year as of June 30, 2022, June 30 and December 31, 2021 do not contain any defects, inaccuracies or errors that prevent the true financial situation or operations of the Company from being known.

Gonzalo Alberto Pérez Rojas
President

Juan Guillermo Chica Ramirez
Public Accountant
Professional Card 64093-T

AUDITOR REPORT

GRUPO DE INVERSIONES SURAMERICANA S.A.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June, 2022 and 2021

(Amounts expressed in millions of Colombian pesos)

	Note	June 2022	December 2021
Assets			
Cash and cash equivalents		2,384,669	2,282,924
Investments	5	25,508,172	25,098,605
Derivative instruments	5	1,721,273	1,528,864
insurance contract assets	6	5,155,551	5,002,560
Reinsurance contract assets	6	5,232,017	5,349,329
Receivables from related parties	17	756,665	44,082
Other accounts receivable		1,953,603	2,033,598
Current tax assets	7	366,259	246,267
Deferred acquisition cost - DAC		1,749,036	1,681,436
Investments in associates and joint ventures	8	22,817,682	22,007,566
Properties and equipment		1,270,464	1,356,912
Right- of- use assets		523,951	523,121
Other intangible assets		2,848,021	2,801,546
Deferred tax assets	7	316,391	272,933
Other assets		614,412	660,356
Goodwill		5,164,035	5,011,585
Total assets		78,382,201	75,901,684
Liabilities			
Financial liabilities	5	1,254,530	1,063,510
Derivative instruments	5	386,381	321,959
Lease liabilities		498,106	501,746
Insurance contract liabilities	6	27,300,274	26,625,933
Reinsurance contract liabilities	6	1,665,316	1,592,429
Accounts payable to related entities	17	387,254	90,500
Other accounts payable	5	2,124,647	2,303,767
Current tax liabilities	7	80,427	126,665
Employee benefits		626,191	680,964
Provisions		411,027	468,652
Deferred income		392,672	403,040
Bonds issued	5	8,489,630	8,523,718
Deferred tax liabilities	7	1,460,462	1,473,520
Preferred shares		459,845	460,067
Total liabilities		45,536,762	44,636,470
Equity			
Issued capital		109,121	109,121
Share premium		3,290,767	3,290,767
Reserves		6,006,973	5,712,047
Reserves share repurchase		244,848	244,848
Net income		986,954	1,408,560
Retained earnings		14,193,837	13,472,670
Other comprehensive income	10	5,309,225	4,358,527
Equity attributable to the holders of the controlling interest		30,141,725	28,596,540
Non-controlling interest	11	2,703,714	2,668,674
Total equity		32,845,439	31,265,214
Total equity and liabilities		78,382,201	75,901,684

The notes are an integral part of the financial statements.

Gonzalo Alberto Pérez Rojas
 Legal Representative

Juan Guillermo Chica Ramírez
 Accountant
 P.C. 64093-T

Daniel Andrés Jaramillo Valencia
 Auditor
 P.C. 140779-T

Designated by Ernst & Young Audit S.A.S. TR-530
 (See my report of 12 August 2022)

GRUPO DE INVERSIONES SURAMERICANA S.A.
CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT

At 30 June, 2022 and 2021

(Amounts expressed in millions of Colombian pesos, except net income per share)



Income from continuing operations Income	Note	Accumulated		Quarter	
		June 2022	June 2021	June 2022	June 2021
Insurance premium		8,832,281	7,183,133	4,882,621	3,765,342
Health services premium		3,704,117	2,799,404	1,900,070	1,462,969
Gross written premium income		12,536,398	9,982,537	6,782,691	5,228,311
Insurance premium ceded to reinsurers		(1,736,044)	(1,597,632)	(1,086,080)	(923,075)
Net written premium income		10,800,354	8,384,905	5,696,611	4,305,236
Unearned premium		(94,355)	73,170	(371,354)	59,392
Net premium income earned	6	10,705,999	8,458,075	5,325,257	4,364,628
Net return on investments at amortized cost	5	977,558	467,117	781,840	244,032
Net gain on investments at fair value	5	(204,011)	177,576	(7,197)	150,421
Income from commissions	13	1,544,093	1,564,231	767,376	805,506
Sale of services		134,405	119,522	62,136	57,005
Income from equity method	8	1,045,974	648,452	503,189	408,964
Gain from sale of investments	5	(39,999)	25,000	(30,532)	8,950
Other income		269,975	176,381	123,423	75,465
Total income		14,433,994	11,636,354	7,525,492	6,114,971
Costs and Expenses					
Insurance claims		(5,568,953)	(4,104,474)	(2,908,498)	(2,145,395)
Health services claims		(3,565,941)	(2,651,911)	(1,832,477)	(1,372,971)
Gross claims expense		(9,134,894)	(6,756,385)	(4,740,975)	(3,518,366)
Reimbursed claims		1,455,885	624,273	736,629	325,159
Net retained claims expense	6	(7,679,009)	(6,132,112)	(4,004,346)	(3,193,207)
Commissions paid to intermediaries	13	(1,672,036)	(1,371,146)	(862,107)	(705,142)
Insurance costs and expenses	6	(875,964)	(680,718)	(440,848)	(349,507)
Costs of services sales		(183,872)	(167,379)	(91,917)	(85,127)
Administrative expenses		(904,158)	(806,702)	(475,676)	(426,586)
Employee benefits		(978,770)	(863,031)	(508,987)	(434,013)
Fees		(177,717)	(146,542)	(89,352)	(83,871)
Depreciation and amortization		(271,097)	(263,693)	(137,006)	(134,803)
Other expenses		(10,531)	(4,198)	(5,904)	(3,237)
Total costs and expenses		(12,753,154)	(10,435,521)	(6,616,143)	(5,415,493)
Operating profit		1,680,840	1,200,833	909,349	699,478
Net gain from fair value adjustment derivatives		6,845	(8,883)	23,715	8,833
Foreign exchange (net)		(33,702)	77,820	21,868	72,637
Interest expense		(461,601)	(364,245)	(250,599)	(177,720)
Net financial income	14	(488,458)	(295,308)	(205,016)	(96,250)
Profits before tax		1,192,382	905,525	704,333	603,228
Income tax	7	(147,166)	(232,373)	(100,807)	(139,550)
Net Profit from continuing operations		1,045,216	673,152	603,526	463,678
Net income from discontinued operations		(731)	(780)	(632)	(2,493)
Net profit attributable to:		1,044,485	672,372	602,894	461,185
Controlling shareholders		986,954	622,255	557,683	428,025
Non-controlling interests		57,531	50,117	45,211	33,160
Net earnings per share					
Net earnings per share from continuing operations		1,703	1,078	971	750
Net earnings per share from discontinued operations		70	(3)	(1)	(6)

The notes are an integral part of the financial statements.

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 (See my report of 12 August 2022)

GRUPO DE INVERSIONES SURAMERICANA S.A.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

At 30 June, 2022 and 2021

(Amounts expressed in millions of Colombian pesos)

	Note	Accumulated		Quarter	
		June 2022	June 2021	June 2022	June 2021
Net income for the year		1,044,485	672,372	602,894	461,185
Other comprehensive income					
Items that will not be reclassified to income for the period, net of taxes					
Gain (loss) from investments in equity instruments at FVOCI	10	(19,676)	(16,283)	(20,377)	(15,754)
Gain from properties revaluation	10	(30,352)	75	4,906	496
Total other comprehensive income that will not be reclassified to the results of the period, net of taxes		(50,028)	(16,208)	(15,471)	(15,258)
Items to be reclassified to income for the period, net of taxes					
Gain (loss) foreign exchange differences	10	315,387	674,173	215,777	44,510
Gain (loss) on cash flows hedges	10	4,152	107,119	(75,627)	35,452
Gain (loss) on hedges of net investments in foreign entities	10	(46,295)	(73,314)	14,188	18,991
Participation of OCI from associates and joint ventures accounted for using the equity method	10	761,788	259,329	541,683	(81,185)
Total other comprehensive income to be reclassified to profit or loss, net of taxes		1,035,032	967,307	696,021	17,768
Total other comprehensive income		985,004	951,099	680,550	2,510
Total comprehensive income		2,029,489	1,623,471	1,283,444	463,695
Comprehensive income attributable to:					
Controlling interest		1,937,652	1,459,883	1,206,123	415,730
Non-controlling interest		91,837	163,588	77,321	47,965

The notes are an integral part of the financial statements.

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GRUPO DE INVERSIONES SURAMERICANA S.A.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

At 30 June, 2022 and 2021

(Amounts expressed in millions of Colombian pesos)

	Note	Issued capital	Share premium	Reserves	Reserves for share repurchase	Net income for the year	Retained earnings	Other Comprehensive Income (OCI)	Equity attributable to controlling interest	Non- controlling interests	Total equity
Balance at December 31, 2021		109,121	3,290,767	5,712,047	244,848	1,408,560	13,472,670	4,358,527	28,596,540	2,668,674	31,265,214
Other comprehensive income	10	-	-	-	-	-	-	950,698	950,698	34,306	985,004
Net income for the year		-	-	-	-	986,954	-	-	986,954	57,531	1,044,485
Total net comprehensive income for the period		-	-	-	-	986,954	-	950,698	1,937,652	91,837	2,029,489
Transfer to retained earnings		-	-	-	-	(1,408,560)	1,408,560	-	-	-	-
Distribution of 2021 results	9										
Ordinary dividend (784 pesos per share) recognized as distributions to owners		-	-	-	-	-	(454,115)	-	(454,115)	(66,037)	(520,152)
Reserves for protection of investments		-	-	294,926	-	-	(294,926)	-	-	-	-
Minimum dividends, preferred shares		-	-	-	-	-	20,237	-	20,237	-	20,237
Shareholder dividend withholding effect		-	-	-	-	-	752	-	752	-	752
Increases (decreases) due to other changes, Equity ⁽¹⁾		-	-	-	-	-	40,659	-	40,659	9,240	49,899
Balance at June 30, 2022		109,121	3,290,767	6,006,973	244,848	986,954	14,193,837	5,309,225	30,141,725	2,703,714	32,845,439
Balance at December 31, 2020	Nota	109,121	3,290,767	5,403,485	300,000	225,125	13,770,027	2,906,307	26,004,832	2,536,893	28,541,725
Other comprehensive income	10	-	-	-	-	-	-	837,629	837,629	113,470	951,099
Profit for the year		-	-	-	-	622,255	-	-	622,255	50,117	672,372
Total net comprehensive income for the period		-	-	-	-	622,255	-	837,629	1,459,884	163,587	1,623,471
Transfer to accumulated earnings		-	-	-	-	(225,125)	225,125	-	-	-	-
Distribution of 2020 results	9										
Ordinary dividend (603.40 pesos per share) recognized as distributions to owners		-	-	-	-	-	(351,165)	-	(351,165)	(89,608)	(440,773)
Reserves for investment protection		-	-	295,388	-	-	(295,388)	-	-	-	-
Repurchased shares		-	-	-	(25,979)	-	-	-	(25,979)	-	(25,979)
Minimum dividends, preferred shares		-	-	-	-	-	20,314	-	20,314	-	20,314
Shareholder dividend withholding effect		-	-	-	-	-	12,579	-	12,579	-	12,579
Increases (decreases) due to other changes, Equity ⁽¹⁾		-	-	-	-	-	29,497	-	29,497	6,199	35,696
Balance at June 30, 2021		109,121	3,290,767	5,698,873	274,021	622,255	13,410,989	3,743,936	27,149,962	2,617,071	29,767,033

⁽¹⁾ Includes the effect of the inflation adjustment of the equity accounts of the Argentine subsidiaries for June 2022 and 2021 of \$14,239 and \$49,434, respectively.

The accompanying notes are an integral part of the consolidated financial statements.

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 (See my report of 12 August 2022)

GRUPO DE INVERSIONES SURAMERICANA S.A.
CONDENSED INTERIM STATEMENT CONSOLIDATED CASH FLOWS STATEMENT

At 30 June, 2022 and 2021

(Amounts expressed in millions of Colombian pesos)

	Note	June 2022	June 2021
Cash flows from operating activities			
Net profit for the year, continuing operations		1,193,113	906,305
Discontinued operations		(731)	(780)
Income before income taxes		1,192,382	905,525
Adjustments to reconcile net income			
Interest	14	452,860	355,662
Depreciation and amortization expense		271,097	263,693
Impairment expense		(22,973)	(10,603)
Foreign currency variation		160,598	(192,890)
Fair value gains		141,080	38,939
Valuation of investments at amortized cost and gain on sale of investments		(782,786)	(444,663)
Undistributed earnings from the application of the equity method	12	(1,045,974)	(648,452)
Other cash inflows		54,737	61,914
Changes in operating assets and liabilities			
Inventories		(296)	(748)
Insurance receivables		(128,501)	131,555
Other accounts receivable		80,104	(318,360)
Accounts receivable from related entities		39,446	105,198
Decrease in other accounts payable		(178,225)	(108,400)
Insurance activity accounts payable		(15,637)	(11,594)
Deferred acquisition cost (DAC) adjustment		(48,502)	(366,800)
Provisions		(112,553)	(29,612)
Other non-financial assets and liabilities		94,272	(84,844)
Disposal of non-current assets		(10,121)	(13,127)
Variation in insurance contracts net		880,177	816,188
Dividends received, associates		273,469	168,050
Income tax paid		(387,629)	(509,808)
Interest received		425,329	270,503
Cash flows from operating activities		1,332,354	377,326
Cash flows from investing activities			
Other proceeds from the sale of equity or debt instruments of other entities		8,762,322	6,979,845
Other payments to acquire equity or debt instruments of other entities		(9,017,970)	(6,467,853)
Cash flows from loss of control of subsidiaries or other businesses		-	512
Cash flows used to obtain other businesses		(33,319)	(5,118)
Sale of property and equipment		5,102	25,273
Purchase of property and equipment		(50,043)	(54,466)
Sales of intangible assets		42,935	23,988
Purchase of intangible assets		(144,152)	(107,390)
Sales of other long-term assets		31,173	11,704
Dividends received financial instruments		67	395
Purchases of other long-term assets		(149,842)	(67,789)
Cash flows from (used in) investment activities		(553,727)	339,101
Cash flows from financing activities			
Collections from futures contracts, forward contracts and financial options (swaps)		(28,416)	90,331
Proceeds from loans		1,029,176	97,404
Payments for acquiring or redeeming the shares of the company		-	(25,979)
Loan repayments		(1,147,691)	(1,632,023)
Payment of financial lease liabilities		(20,633)	(33,340)
Dividends paid to controlling shareholders		(201,587)	(172,486)
Dividends paid to non-controlling shareholders		(21,920)	(22,422)
Interest paid		(291,012)	(250,722)
Cash flows from financing activities		(682,083)	(1,949,237)
Net increase (decrease) in cash and cash equivalents, before effect of exchange rate changes		96,544	(1,232,810)
Effect of exchange rate changes on cash and cash equivalents		5,201	5,448
Net increase in cash and cash equivalents		101,745	(1,227,362)
Cash and cash equivalents at the beginning of the period		2,282,924	3,304,391
Cash and cash equivalents at the end of the period		2,384,669	2,077,029

The accompanying notes are an integral part of the consolidated financial statements.

Gonzalo Alberto Pérez Rojas
 Legal Representative

Juan Guillermo Chica Ramirez
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Daniel Andres Jaramillo Valencia
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 (See my report of 12 August 2022)

GRUPO DE INVERSIONES SURAMERICANA S.A.
NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the period ended June 30, 2022 and December 31, 2021 for the statement of financial position and as of June 30, 2021 for the statement of income, other comprehensive income, changes in equity and cash flows.

(Amounts expressed in millions of Colombian pesos except net income per share and exchange rates expressed in Colombian pesos).

NOTE 1. REPORTING ENTITY

Grupo de Inversiones Suramericana S.A., (hereinafter Grupo SURA), is the parent company of Grupo Empresarial SURA and through its subsidiaries is present in eleven countries in Latin America and participates in strategic sectors of the economy such as insurance, pensions, savings and investment and asset management. It is listed on the Colombian Stock Exchange (BVC for the Spanish original).

Grupo SURA is the result of the spin-off of Compañía Suramericana de Seguros S.A., according to Public Deed No. 2295 of December 24, 1997; the main domicile is the city of Medellín, Colombia at Cra. 43ª # 5ª - 113 Piso 13-15; the duration of the Company is until the year 2097.

The Company is subject to oversight by the Financial Superintendence of Colombia (SFC acronym for the Spanish original), given its role as a holding company in the SURA-Bancolombia Financial Conglomerate through Resolution No. 156 of February 2019 of the Financial Superintendence of Colombia.

In preparing the financial statements, Grupo SURA directly consolidates its main insurance and asset management operations through:

Suramericana (Seguros SURA)

Subsidiary specialized in insurance, and trend and risk management. It is headquartered in Medellín, Colombia, and has subsidiaries in ten Latin American countries. It was created in 1999 by deed No. 689.

Sura Asset Management

Subsidiary specialized in insurance, and trend and risk management. It is headquartered in Medellín, Colombia, and has subsidiaries in ten Latin American countries. It was created in 1999 by deed No. 689.

The direct and indirect participation in the companies that are part of the Consolidated Financial Statements of Grupo SURA is as follows:

Company	Type of Entity	June 2022	December 2021	Country	Functional Currency
Grupo de Inversiones Suramericana S.A.	Holding Company			Matrix	
Suramericana and subsidiaries:					
Suramericana S.A.	Holding Company	81.13%	81.13%	Colombia	Colombian Peso
Seguros de Vida Suramericana S.A.	Personal Insurance	81.13%	81.13%	Colombia	Colombian Peso
Seguros Generales Suramericana S.A.	General insurance	81.12%	81.12%	Colombia	Colombian Peso

Company	Type of Entity	June 2022	December 2021	Country	Functional Currency
EPS Suramericana S.A.	Organization, guarantee and provision of health services.	81.13%	81.13%	Colombia	Colombian Peso
Servicios de Salud IPS Suramericana S.A.S.	Provision of medical, paramedical and dental services	81.13%	81.13%	Colombia	Colombian Peso
Ayudas Diagnósticas Sura S.A.S.	Provision of diagnostic aid services in health	81.13%	81.13%	Colombia	Colombian Peso
Operaciones Generales Suramericana S.A.S.	Investment in movable and immovable property	81.13%	81.13%	Colombia	Colombian Peso
Servicios Generales Suramericana S.A.S.	Investment in movable property especially through shares	81.13%	81.13%	Colombia	Colombian Peso
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Consulting services in integrated risk management	81.13%	81.13%	Colombia	Colombian Peso
Seguros de Vida Suramericana S.A.	Life insurance company	81.13%	81.13%	Chile	Chilean Peso
Seguros Generales Suramericana S.A.	General insurance	81.11%	81.11%	Chile	Chilean Peso
Chilean Holding Suramericana SPA	Investments	81.13%	81.13%	Chile	Chilean Peso
Inversiones Suramericana Chile Limitada	Investments	81.13%	81.13%	Chile	Chilean Peso
Seguros Sura, S.A. de C.V.	General insurance operations	81.13%	81.13%	Mexico	Mexican Peso
Santa Maria del Sol S.A.	Investments	81.13%	81.13%	Argentina	Argentine Peso
Atlantis Sociedad Inversora S.A. ⁽¹⁾	Investments	0.00%	81.13%	Argentina	Argentine Peso
Aseguradora de Créditos y Garantías S.A. ⁽¹⁾	Insurance, coinsurance and reinsurance operations in general on all kinds of risks.	0.00%	81.12%	Argentina	Argentine Peso
Seguros Sura S.A.	General insurance operations	80.67%	80.67%	Argentina	Argentine Peso
Seguros Suramericana, S.A.	Insurance	81.13%	81.13%	Panamá	Dollar
Servicios Generales Suramericana S.A.	Inspection service, repair, purchase and sale of vehicles.	81.13%	81.13%	Panamá	Dollar
Seguros Sura S.A. Seguros de Personas	Personal Insurance	81.13%	81.13%	El Salvador	Dollar
Seguros Sura S.A.	Personal Insurance	81.13%	81.13%	El Salvador	Dollar
Seguros Sura S.A.	Operation in personal and damage insurance	81.13%	81.13%	Brazil	Brazilian Real
Inversiones SURA Brasil Participacoes LTDA.	Investments	81.13%	81.13%	Brazil	Brazilian Real
Seguros Sura S.A.	Investments	81.13%	81.13%	Uruguay	Uruguayan Peso
Suramericana Uruguay S.A.	Investments	81.13%	81.13%	Uruguay	Uruguayan Peso
Vinnyc S.A.	Assistance to vehicles different from insurance business.	81.13%	81.13%	Uruguay	Uruguayan Peso
Russman S.A.	Assistance to vehicles different from insurance business.	81.13%	81.13%	Uruguay	Uruguayan Peso
Seguros Sura S.A.	Insurance	81.13%	81.13%	Dominican Republic	Dominican Peso
Sura RE Ltd.	Insurance and/or reinsurance businesses	81.13%	81.13%	Bermuda Islands	Dollar
Sura SAC Ltd.	Insurance and/or reinsurance businesses	81.13%	81.13%	Bermuda Islands	Dollar
Suramericana and subsidiaries:					
Sura Investment Management Colombia S.A.S.	Holding Company	83.58%	83.58%	Colombia	Colombian Peso
Activos Estratégicos Sura A.M. Colombia S.A.S.	Holding Company	83.58%	83.58%	Colombia	Colombian Peso
SURA IM Gestora de Inversiones S.A.S.	Management consultancy, real estate activities carried out with own or leased property	83.58%	83.58%	Colombia	Colombian Peso

Company	Type of Entity	June 2022	December 2021	Country	Functional Currency
SURA Asset Management S.A.	Holding Company	83.58%	83.58%	Colombia	Colombian Peso
NBM Innova S.A.S.	Management, promotion and marketing services.	83.58%	83.58%	Colombia	Colombian Peso
Fiduciaria Sura S.A.	Acts, contracts, services and operations of trust companies.	83.58%	83.58%	Colombia	Colombian Peso
SURA Asset Management Chile S.A.	Holding Company	83.58%	83.58%	Chile	Chilean Peso
Seguros de Vida SURA S.A.	Life insurance activities.	83.58%	83.58%	Chile	Chilean Peso
Administradora General de Fondos SURA S.A.	Management of mutual and investment funds.	83.58%	83.58%	Chile	Chilean Peso
Corredores de Bolsa SURA S.A.	Purchase and sale of securities and securities brokerage operations	83.58%	83.58%	Chile	Chilean Peso
Sura Data Chile S.A.	Sale of data processing services and leasing of computer equipment	83.58%	83.58%	Chile	Chilean Peso
SURA Servicios Profesionales S.A.	Consulting and advice services	83.58%	83.58%	Chile	Chilean Peso
AFP Capital S.A.	Pension funds management	83.33%	83.33%	Chile	Chilean Peso
Sura Asset Management México S.A. de C.V.	Holding Company	83.58%	83.58%	Mexico	Mexican Peso
Pensiones SURA S.A. de C.V.	Pension insurance	83.58%	83.58%	Mexico	Mexican Peso
SURA Investment Management S.A. de C.V.	Management of investment companies	83.58%	83.58%	Mexico	Mexican Peso
Afore SURA S.A. de C.V.	Management of investment companies specialized in retirement funds.	83.58%	83.58%	Mexico	Mexican Peso
Asesores SURA S.A. de C.V.	Sale of financial products and services	83.58%	83.58%	Mexico	Mexican Peso
Gestión Patrimonial Sura asesores en inversiones S.A. de C.V.	Administration of intellectual property, franchising, concessions and authorizations	83.58%	83.58%	Mexico	Mexican Peso
Promotora SURA AM S.A. de C.V.	Marketing and promotion services	83.58%	83.58%	Mexico	Mexican Peso
Sura Art Corporation S.A. de C.V.	Company dedicated to collecting Mexican art	83.58%	83.58%	Mexico	Mexican Peso
NBM Innova S.A. de C.V.	Management, promotion and marketing services.	83.58%	83.58%	Mexico	Mexican Peso
Proyectos empresariales AI SURA S.A. de C.V.	Performs the function of Trustee in Titling processes.	83.58%	83.58%	Mexico	Mexican Peso
Sura IM Gestora México S.A. de C.V. ⁽³⁾	Administer, advise, manage and operate private and/or public equity investment entities created through trusts.	83.58%	83.58%	Mexico	Mexican Peso
SURA Asset Management Argentina S.A.	Financial and investment management	83.58%	83.58%	Argentina	Argentine Peso
SUAM Corredora de Seguros S.A. de C.V.	Insurance and reinsurance	83.58%	83.58%	El Salvador	Dollar
SURA Asset Management Perú S.A.	Holding Company	83.58%	83.58%	Peru	Soles

Company	Type of Entity	June 2022	December 2021	Country	Functional Currency
AFP Integra S.A.	Pension Fund Administrator	83.58%	83.58%	Peru	Soles
SURA Asset Management Uruguay Sociedad de Inversión S.A.	Holding Company	83.58%	83.58%	Uruguay	Uruguayan Peso
AFAP SURA S.A.	Administration of social security savings funds.	83.58%	83.58%	Uruguay	Uruguayan Peso
AFISA SURA S.A.	Administration of investment funds	83.58%	83.58%	Uruguay	Uruguayan Peso
Corredor de Bolsa SURA S.A.	Intermediation services	83.58%	83.58%	Uruguay	Uruguayan Peso
Disgely S.A.	Marketing of goods and leasing and other services.	83.58%	83.58%	Uruguay	Uruguayan Peso
Fondos SURA SAF S.A.C.	Management of mutual and investment funds	83.58%	83.58%	Peru	Soles
Sociedad Agente de Bolsa S.A.	Securities brokers	83.58%	83.58%	Peru	Soles
Sociedad Titulizadora SURA S.A.	Perform the function of Trustee in Titling processes.	83.58%	83.58%	Peru	Soles
Other companies:					
Arus Holding S.A.S.	Investment in movable and immovable property	100.00%	100.00%	Colombia	Colombian Peso
Arus S.A.	Marketing of products and solutions in telecommunications	100.00%	100.00%	Colombia	Colombian Peso
Enlace Operativo S.A.	Outsourcing of information processing services.	100.00%	100.00%	Colombia	Colombian Peso
Inversiones y Construcciones Estratégicas S.A.S.	Investor	100.00%	100.00%	Colombia	Colombian Peso
Hábitat Adulto Mayor S.A.	Provision of health services for the elderly	82.66%	82.66%	Colombia	Colombian Peso
SURA Ventures S.A.	Investor	100.00%	100.00%	Panamá	Dollar
Nubloq S.A.S. ⁽⁴⁾	Design, development, production, operation, maintenance and marketing of software systems, solutions and products.	100.00%	100.00%	Colombia	Colombian Peso
InversionesSURA Corp. ⁽²⁾	Investor	100.00%	0.00%	The United States	Dollar

Changes in equity investments in controlled entities

2022

⁽¹⁾ During March 2022, Suramericana entered into a purchase and sale agreement for 100% of the shares it directly and indirectly held in the Argentinean companies Aseguradora de Créditos y Garantías S.A. and Atlantis Sociedad Inversora S.A., a transaction that was finally closed on June 10 after receiving authorization from the relevant authorities.

⁽²⁾ In January 2022, Sura Asset Management S.A. incorporated Inversiones SURA Corp. whose main activity is to provide financial advisory services to its clients in Latin America and to manage investment portfolios in the United States.

2021

⁽³⁾ In 2021 Grupo SURA incorporated the company SURA IM Gestora México, S.A. de C.V. through its subsidiary Sura Asset Management S.A., whose main activity consists of investment management in Mexico and whose main function will be to make investment

decisions for the various alternative asset funds created in that jurisdiction. The initial capital of SURA IM Gestora México, S.A. de C.V. will be 5 thousand USD.

⁽⁴⁾ On June 15, 2021 Grupo SURA incorporated the company NUBLOQ through its subsidiary Inversiones y Construcciones Estratégicas, whose main activity consists of the development of software products that allow the integration of financial services entities via APIs. The company's shareholding is one hundred percent 100%.

Legal and regulatory restrictions

The subsidiaries of Grupo SURA do not have any restrictions to transfer dividends to the parent company, except for the legal reserve of the Company and its subsidiaries.

Grupo SURA and its subsidiaries have no significant restrictions on their ability to access or use their assets and settle their liabilities other than those resulting from regulatory frameworks, which require a minimum regulatory capital.

Unconsolidated structured entities

The term "unconsolidated structured entities" refers to all structured entities in which Grupo Sura participates but which are not controlled by the group. Grupo SURA enters into transactions with unconsolidated structured entities in the normal course of business to facilitate client transactions and for specific investment opportunities.

The following table shows the total assets in unconsolidated structured entities in which Grupo SURA had an interest as of the reporting date and its maximum exposure to loss in relation to such interests.

Nature of and risks associated with the interests of Grupo SURA in unconsolidated structured entities.

	Managed Funds	
	June 2022	December 2021
Grupo SURA Asset Exposure		
Investments at fair value through profit or loss	2,744,027	2,867,928
Total assets in relation to the interests of Grupo SURA in non-consolidated structured entities	2,744,027	2,867,928
Maximum exposure Grupo SURA (*)	2,744,027	2,867,928

(*) Represents the participation of Grupo SURA in the funds managed in each of the countries: Chile: 1.00%, Mexico: 0.63%, Peru: 1.00% and Uruguay: Minimum 0.50% - Maximum 2%

In the normal course of business, some subsidiaries of Grupo SURA are asset managers that manage collective investment funds and third-party assets from which the asset managers receive commissions, in accordance with the terms and conditions of each fund or asset under management.

The obligations of these entities in the management of these assets are average and do not guarantee the results. The maximum exposure to the risk of loss is determined by possible failures in the administration of the funds in the amount of the yields and results of the assets of the clients and the managed funds.

NOTE 2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

2.1. Statement of compliance

The consolidated financial statements of Grupo de Inversiones Suramericana S.A., for the twelve-month period ended June 30, 2022, have been prepared in accordance with the Accounting and Financial Reporting Standards accepted in Colombia (NCIF), compiled and updated in Decree 2270 of 2019, issued by Decree 2420 of 2015, as amended. These accounting and financial reporting standards correspond to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), in the versions accepted by Colombia through the aforementioned Decrees.

The application of these international standards in Colombia is subject to certain exceptions established by the regulator and contained in Decree 2420 of 2015 and amendments. These exceptions vary depending on the type of company and are as follows:

- Exceptions applicable to all financial information preparers.

Article 2.1.2 of Decree 2420 of 2015 added by Decree 2496 of 2015 and amended by Decrees 2131 of 2016, 2170 of 2017, 2483 of 2018 and 2270 of 2019 requires the application of Article 35 of Law 222 of 1995, which indicates that interests in subsidiaries should be recognized in the separate financial statements by the equity method, instead of recognition, in accordance with the provisions of IAS 27, at cost, fair value or the equity method.

Article 2.2.1 of Decree 2420 of 2015, added by Decree 2496 of the same year and amended by Decrees 2131 of 2016, 2170 of 2017, 2483 of 2018 and 2270 of 2019, establishes that the determination of post-employment benefits for future retirement or disability pensions shall be made in accordance with the requirements of IAS 19, however, it requires the disclosure of the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016, Articles 1. 2.1.1.18.46 and following and, in the case of partial pension commutations in accordance with the provisions of numeral 5 of Article 2.2.2.8.8.31 of Decree 1833 of 2016, reporting the variables used and the differences with the calculation made under the terms of the technical framework under IFRS.

2.2. Basis of presentation

2.2.1 Bases of measurement and presentation

Bases of measurement

The financial statements have been prepared on the historical cost basis, with the exception of the following important items, included in the Statement of Financial Position:

- Financial instruments measured at fair value, with a charge to income or value through other comprehensive income (FVTOCI).
- Investment properties measured at fair value
- Property and equipment (land and buildings) measured at fair value.
- Non-current assets held for sale, which are measured at the lower of carrying value at the date of transfer and fair value less estimated costs to sell.
- Employee benefits, which are measured at the present value of the defined benefit obligation.

Presentation of financial statements

The consolidated financial statements are presented on the following basis:

The consolidated statement of financial position presents assets and liabilities on a liquidity basis, as it is considered that this provides more relevant and reliable information than that provided by an approach based on the distinction between current and non-current items.

The consolidated statement of income and other comprehensive income are presented separately. Income statement items are broken down according to the nature of expense method, so as to provide reliable and more relevant information.

The consolidated statement of cash flows is presented using the indirect method, whereby cash flows from operating activities are determined by adjusting profit for the effects of items not affecting cash flow, net changes in assets and liabilities relating to operating activities and any other effects of items not classified as investing or financing activities. Interest income and expense are presented as components of operating activities.

2.2.2. Principles of consolidation

Subsidiaries

The consolidated financial statements include the financial statements of Grupo SURA and its subsidiaries as of June 30, 2022, June 30 and December 31, 2021 and for the years then ended. Grupo SURA consolidates the assets, liabilities and financial results of the entities over which it exercises control. Grupo SURA exercises control in another entity if, and only if, it has all of the following elements:

- Power over the entity in which it has an interest, which gives it the current ability to direct its relevant activities, that is, activities that significantly affect its performance.
- Exposure, or entitlement, to variable returns from its involvement in the investee
- Ability to use its power over the investee to influence the amount of the returns to the investor.

The consolidated financial statements of Grupo SURA are presented in Colombian pesos, which is both the functional and presentation currency of Grupo SURA, the controlling company. Each subsidiary of the Grupo SURA determines its own functional currency and includes the items in its financial statements using that functional currency.

For consolidation purposes, the financial statements of subsidiaries are prepared under the accounting policies of Grupo SURA and are included in the consolidated financial statements from the date of acquisition until the date on which Grupo SURA loses control.

Assets, liabilities, equity, income, costs, expenses and intragroup cash flows are eliminated in the preparation of the consolidated financial statements.

When Grupo SURA loses control over a subsidiary, any residual interest it retains is measured at fair value, and the gains or losses arising from this measurement are recognized in the income statement for the period.

At the acquisition date, the excess of the cost of acquisition over the interest in the net fair value of the identifiable assets, liabilities and contingent liabilities assumed of the associate or joint venture is recognized as goodwill and it is included in the carrying amount of the investment.

Non-controlling interests in the net assets of consolidated subsidiaries are presented separately in the equity of Grupo SURA. The result for the period and other comprehensive income are also attributed to non-controlling and controlling interests.

Purchases or sales of investments in subsidiaries to non-controlling interests that do not result in a loss of control are recognized directly in equity.

2.2.3. Reclassifications

Some of the figures and disclosures in relation to June 30, 2021, presented in the condensed interim consolidated statement of income for comparison purposes, may present variations compared to the information published at this cut-off. The Management of Grupo SURA considers that these adjustments do not affect the reasonableness of the information previously published and present better information to users aligned with practices in the industries where Grupo SURA operates.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Income from continuing operations	June 2021 Previous	Reclassification	June 2021 Current
Income			
Insurance premiums	7,204,168	(21,035)	7,183,133
Health services premium	2,794,151	5,253	2,799,404
Premiums written	9,998,319	(15,782)	9,982,537
Premiums ceded to reinsurers	(1,608,648)	11,016	(1,597,632)
Net retained premiums	8,389,671	(4,766)	8,384,905
Unearned premium	70,799	2,371	73,170
Net premium income earned	8,460,470	(2,395)	8,458,075
Net return on investments at amortized cost	504,647	(37,530)	467,117
Net gain on investments at fair value	186,949	(9,373)	177,576
Income from commissions	1,566,898	(2,667)	1,564,231
Sale of services	89,229	30,293	119,522
Income from equity method	648,128	324	648,452
Gain from sale of investments	26,352	(1,352)	25,000
Other expenses	181,541	(5,160)	176,381
Total income	11,664,214	(27,860)	11,636,354
Costs and Expenses			
Insurance claims	(4,139,216)	34,742	(4,104,474)
Health services claims	(2,591,279)	(60,632)	(2,651,911)
Gross claims expense	(6,730,495)	(25,890)	(6,756,385)
Reimbursed claims	628,968	(4,695)	624,273
Net retained claims expense	(6,101,527)	(30,585)	(6,132,112)
Commissions paid to intermediaries	(1,263,142)	(108,004)	(1,371,146)
Insurance costs and expenses	(437,690)	(243,028)	(680,718)
Costs of services sales	(167,379)	-	(167,379)
Administrative expenses	(909,976)	103,274	(806,702)
Employee benefits	(1,137,941)	274,910	(863,031)
Fees	(179,105)	32,563	(146,542)
Depreciation and amortization	(263,967)	274	(263,693)
Other expenses	(11,756)	7,558	(4,198)
Total costs and expenses	(10,472,483)	36,962	(10,435,521)
Operating profit	1,191,731	9,102	1,200,833
Net gain from fair value adjustments to derivatives	(8,883)	-	(8,883)
Foreign exchange (net)	77,820	-	77,820
Interest	(364,267)	22	(364,245)

Income from continuing operations	June 2021 Previous	Reclassification	June 2021 Current
Financial income	(295,330)	22	(295,308)
Profits before tax	896,401	9,124	905,525
Income tax	(228,875)	(3,498)	(232,373)
Net Profit from continuing operations	667,526	5,626	673,152
Net income from discontinued operations	4,846	(5,626)	(780)
Net profit attributable to:	672,372	-	672,372
Controlling shareholders	622,255	-	622,255
Non-controlling interests	50,117	-	50,117
Net earnings per share			
Net earnings per share from continuing operations	1,068	10	1,078
Net income per share from discontinued operations	9	(12)	(3)

The changes in presentation were mainly due to:

- Reclassification of the discontinued operation for the sale of the annuities of Mexico and Atlantis Sociedad Inversora S.A. and Aseguradora de Créditos y Garantías S.A.
- Includes a change between lines due to a financial analysis project carried out in the income statement of the insurance company, the purpose of which is to bring the presentation of the consolidated financial statement closer to management and improve comparability with other companies in the insurance industry, in order to allow a better analysis and understanding of the business. The main changes resulting from the project include the following:
 - Reclassification of the administrative employee benefits accounts to Intermediary commission expenses and Business costs and expenses.
 - Net investment income at amortized cost and Net gain on investments at fair value groupings include impairment and dividend accounts, the latter were eliminated from the presentation.
 - Reclassification of the yields at amortized cost of the accounts receivable from the item Net return on investments at amortized cost to the grouping of services rendered.
 - From management fees and expenses, affinity commissions and profit sharing, collection commissions and intermediary bonds are reclassified to commissions.

2.2.4 Currency

2.2.4.1 Functional and presentation

The items included in the financial statements of each of the Grupo SURA companies are measured using the currency of the main economic environment in which the entity operates (functional currency). The functional and presentation currency of the consolidated financial statements of Grupo SURA is the Colombian peso, which is the currency of the primary economic environment in which it operates, and is also the currency that influences the structure of costs and revenues.

Foreign subsidiaries have functional currencies other than the Colombian peso, which are translated into Colombian pesos for presentation purposes.

The financial statements are presented in millions of Colombian pesos, and have been rounded to the nearest whole unit.

2.2.4.2 Foreign Currency

Transactions in foreign currencies are initially recorded at the exchange rate of the functional currency prevailing at the date of the transaction. Subsequently, monetary assets and liabilities in foreign currencies are translated at the exchange rate of the functional currency prevailing at the closing date of the period; non-monetary items that are measured at fair value are translated using the exchange rates at the date when fair value and non-monetary items that are measured at amortized cost are translated using the exchange rates prevailing determined to date of the original transaction.

All exchange differences are recognized in the statement of comprehensive Income except for exchange differences arising from the translation of foreign operations recognized in other comprehensive income; until the disposal of the foreign operation to be recognized in profit or loss.

For the presentation of the consolidated financial statements of Grupo SURA, the assets and liabilities of foreign operations, including goodwill and any adjustment to the fair value of the assets and liabilities arising from the acquisition, are translated into Colombian Pesos at the rate exchange rate at the closing date of the reporting period. Income, costs and expenses and cash flows are translated at average exchange rates for the period and equity is converted to the historical rate.

The rates used for currency translation in the consolidated financial statements expressed in Colombian pesos and U.S. dollars are as follows:

	Average rate		Closing rate	
	June 2022	June 2021	June 2022	June 2021
Colombian Peso (COP/USD)	3,914.46	3,622.28	4,151.21	3,748.50
Chilean peso (CLP/USD)	824.84	720.31	932.08	738.03
Dominican Peso (DOP/USD)	55.88	57.55	54.95	57.15
Euro (EUR/USD)	1.09	1.21	1.04	1.19
Mexican Peso (MXN/USD)	20.27	20.18	20.24	20.02
Peruvian Nuevo Sol (PEN/USD)	3.78	3.73	3.83	3.86
Uruguayan Peso (UYU/USD)	41.90	43.52	39.86	43.61
Argentina (ARS/USD)	112.12	91.29	125.13	95.77
Brazil (BRS/USD)	5.08	5.38	5.24	5.00

2.3. Significant accounting policies

The accompanying financial statements do not include all the information and disclosures required for year-end financial statements; therefore, these condensed financial statements should be read in conjunction with the annual financial statements as of December 31, 2021.

NOTE 3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND SOURCES OF UNCERTAINTY IN THE PREPARATION OF THE FINANCIAL STATEMENTS

The preparation of the consolidated financial statements in accordance with Financial Reporting Standards accepted in Colombia (NCIF for the Spanish original) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed regularly. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods impacted.

The determination of these estimates and assumptions is subject to internal control procedures and approvals, which are considered for internal and external studies, industry statistics, environmental factors and trends and regulatory and regulatory requirements

As of the cut-off date of this report, there have been no changes in significant accounting estimates and judgments used in the preparation of the consolidated financial statements as of December 31, 2021.

NOTE 4. NORMS ISSUED NOT EFFECTIVE YET

Standards and interpretations that have been published but are not applicable at the date of these financial statements are disclosed below. The Group will adopt these standards on the date on which they become effective, in accordance with the decrees issued by the local authorities.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17, a new comprehensive accounting standard for insurance contracts covering measurement and recognition, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4, issued in 2005. IFRS 17 applies to all types of insurance contracts, regardless of the type of entities issuing them, as well as certain guarantees and financial instruments with discretionary participation features. This standard includes few exceptions.

The overall objective of the standard is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. Contrary to the requirements of IFRS 4, which mainly seeks to protect previous local accounting policies, IFRS 17 provides a comprehensive model for these contracts, including all relevant issues. The essence of this standard is a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (variable fee approach)
- A simplified approach (the allocation premium approach) mainly for short-term contracts

IFRS 17 has not been introduced into the Colombian accounting framework by means of any decree to date. The Group is evaluating the potential effect of this standard on its financial statements.

Improvements 2018-2020

Amendments to IFRS 9, IAS 39 and IFRS 7: Benchmark interest rate reform

The amendments provide a number of exemptions that apply to all hedging relationships that are directly affected by the benchmark interest rate reform. A hedging relationship is affected if the reform results in uncertainty about the timing and or amount of the benchmark-based cash flows of the hedged item or hedging instrument.

The amendments were incorporated by Decree 938 of 2021, which will be effective from January 1, 2023. The Group is evaluating the potential effect of this standard on its financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-Current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify the following points:

- The meaning of the right to defer the settlement of a liability.
- That the right to defer settlement of the liability should be granted at year-end.
- That the classification is not affected by the probability that the entity will exercise its right to defer settlement of the liability.
- That only if any embedded derivative in a convertible liability itself represents an equity instrument, the terms of the liability would not affect its classification.

The amendments were incorporated by decree 938 of 2021, which will be in effect as of January 1, 2023.

Amendments to IFRS 3: Reference to the Conceptual Framework

In May 2020, the IASB issued amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace the reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with the reference to the Conceptual Framework for Financial Reporting, issued in March 2018, without significantly changing its requirements. The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential "day 2" gains or losses arising from liabilities and contingent liabilities, which would fall within the scope of IAS 37 or IFRIC 21 Liens, if incurred separately.

At the same time, the Board decided to clarify the existing IFRS 3 guidelines with respect to contingent assets that would not be affected by the replacement of the reference to the Framework for the Preparation and Presentation of Financial Statements. The amendments were incorporated by means of Decree 938 of 2021, which will be effective as from January 1, 2023.

Amendment to IAS 16 Property, Plant and Equipment - Proceeds Before Intended Use

In May 2020, the IASB issued Property, plant and equipment - Revenue before intended use, which prohibits entities from deducting the cost of an item of property, plant and equipment, i.e., any revenue from the sale of the items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the entity should recognize in profit or loss the proceeds from the sale of such items and the costs incurred in their production.

The amendments were incorporated by means of Decree 938 of 2021, which will be effective as from January 1, 2023.

Amendments to IAS 37: Onerous Contracts - Costs Incurred in the Fulfillment of a Contract

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity should include when assessing whether a contract is onerous or loss-making.

The amendments state that a "directly associated cost approach" should be applied. Costs that are directly associated with a contract to provide goods or services include both incremental costs and an allocation of costs directly related to the contract activities. General and administrative costs are not directly related to the contract and should be excluded unless they are explicitly attributable to the counterparty under the contract.

The amendments were incorporated by decree 938 of 2021, which will be effective from January 1, 2023.

Amendment to IFRS 1: First-time Adoption of International Financial Reporting Standards

The amendment permits subsidiaries that elect to apply paragraph D16(a) of IFRS 1 to measure cumulative exchange differences using the amounts reported by the controlling entity based on the date of transition to IFRSs of that controlling entity. This amendment also applies to associates or joint ventures that elect to apply paragraph D16(a) of IFRS 1.

The amendments were implemented by Executive Order 938 of 2021, which will be effective from 1 January 2023.

Amendment to IFRS 9: Fees in the '10 percent' test to determine derecognition of financial liabilities

The amendment clarifies that the fees that entities include when assessing whether the terms of any new or amended financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or the lender on behalf of the other. Entities must apply the amendment to financial liabilities that are modified or exchanged as of the beginning of the annual period in which they first apply this amendment.

The amendments were incorporated by Decree 938 of 2021, which will be effective from January 1, 2023.

IAS 41 Agriculture: Taxation of fair value measurements

As part of its 2018-2020 annual improvements to the IFRS process, the IASB issued an amendment to IFRS 41, Agriculture. This amendment removes the requirement in paragraph 22 of IAS 41 that requires entities to exclude tax cash flows when measuring the fair value of assets within the scope of IAS 41.

The amendments were incorporated by Decree 938 of 2021, which will be effective from January 1, 2023.

Improvements 2021

Amendments to IAS 8: Definition of Accounting Estimates

The amendment was published by the IASB in February 2021 and clearly defines an accounting estimate: "Accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty".

Clarify the use of an accounting estimate, and differentiate it from an accounting policy. In particular, it is mentioned "an accounting policy may require that elements of the financial statements be measured in a manner that involves measurement uncertainty-that is, the accounting policy may require that these elements be measured at monetary amounts that cannot be directly observed and must be estimated. In this case, an entity develops an accounting estimate to achieve the stated objective of the accounting policy."

The amendments have not been introduced in the Colombian accounting framework by means of any decree to date.

Amendments to IAS 1: Disclosures about Accounting Policies

The amendments clarify the following points:

- The word "significant" is amended to "material or materially relevant".
- The accounting policies to be disclosed in the notes to the financial statements are clarified: "An entity shall disclose information about its significant accounting policies that are material.
- Clarifies when an accounting policy is considered material.
- Incorporates the following paragraph: "Information about accounting policies that focuses on how an entity has applied the requirements of IFRSs to its own circumstances provides entity-specific information that is more useful to users of the financial statements than standardized information or information that only duplicates or summarizes the requirements of IFRSs".

The amendments have not been introduced in the Colombian accounting framework by means of any decree to date.

Amendments to IFRS 16: Rent Reductions related to Covid-19 beyond 30 June 2021.

In March 2021, the IASB issued amendments to IFRS 16 to extend from 30 June 2021 to 30 June 2022 the practical expedient for lessees for rent reductions that occur as a direct result of the Covid-19 pandemic.

The cumulative effect of applying such an amendment shall be recognized as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the amendment is first applied by the lessee.

The amendments have not been introduced into the Colombian accounting framework by any decree to date. The Group is evaluating the potential effect of this standard on its financial statements.

Amendments to IAS 12: Deferred Taxes related to Assets and Liabilities arising from a Single Transaction.

The amendment allows the recognition of a deferred tax liability or asset that has arisen in a transaction that is not a business combination, in the initial recognition of an asset or liability that at the time of the transaction, does not give rise to taxable and deductible temporary differences of the same amount.

The cumulative effect of the change in accounting policy is recognized from the beginning of the earliest comparative period presented as an adjustment to the opening balance of retained earnings at that date.

The amendments have not been introduced in the Colombian accounting framework by means of any decree to date. The Group is evaluating the potential effect of this standard on its financial statements.

NOTE 5. FINANCIAL INSTRUMENTS

5.1. Financial assets

5.1.1. Investments, net

The breakdown of investments is as follows:

	June 2022	December 2021
At fair value through profit or loss	5,933,368	5,888,913
At amortized cost	12,671,177	11,823,312
At fair value through OCI (*)	963,834	926,126
Debt securities	19,568,379	18,638,351
At fair value through profit or loss	5,937,145	6,444,659
At fair value through OCI (*)	75,656	86,732
Equity instruments	6,012,801	6,531,391
Subtotal investments	25,581,180	25,169,742
Impairment in investments at fair value through OCI (*)	(67,594)	(65,275)
Impairment on investments at amortized cost	(5,414)	(5,862)
Subtotal impairment	(73,008)	(71,137)
Total Investments	25,508,172	25,098,605
Short-term investments	9,236,130	9,544,846
Long-term investments	16,272,042	15,553,759

(*) OCI: Other Comprehensive Income

The following is a detail of the net gain (loss) on investments at fair value:

	June 2022	June 2021
Legal reserve ⁽¹⁾	(109,207)	40,115
Fair value investments ⁽²⁾	(53,004)	211,273
Trading derivatives	(14,229)	(58,266)
Dividends Financial Instruments	6,005	7,830
Difference on exchange of investments	(33,576)	(23,376)
Total	(204,011)	177,576

⁽¹⁾ Corresponds to the yield stabilization reserve of each portfolio; it is constituted with own resources and represents a percentage (depending on each country) of the value of each managed fund. In the event of noncompliance with the minimum yield for the portfolios that it requires, the necessary resources to cover it will be obtained from said reserve.

⁽²⁾ The fair value is detailed below:

	Profit (loss)			
	For sale (realized)		Unrealized	
	June 2022	June 2021	June 2022	June 2021
Debt securities	(30,827)	40,958	(186,965)	94,690
Equity instruments	(9,172)	(15,958)	133,961	116,583
Total	(39,999)	25,000	(53,004)	211,273

The following is the detail of profits or losses on sale (realized) and unrealized gains or losses on investments in available-for-sale debt securities as of June 30, 2022 and 2021:

June 2022

Debt securities	Cost (*)	Profit (loss)	
		For sale (realized)	Unrealized
National issuers	11,376,032	(22,873)	197,171
Foreign issuers	4,477,685	(2,148)	734
Mutual funds	2,744,027	(5,847)	(382,871)
Investment funds	970,635	41	(1,999)
Total	19,568,379	(30,827)	(186,965)

June 2021

Debt securities	Cost (*)	Profit (loss)	
		For sale (realized)	Unrealized
National issuers	10,280,024	39,507	93,630
Foreign issuers	4,443,119	920	-
Mutual funds	2,862,485	217	(74)
Investment funds	743,968	314	1,134
Total	18,329,596	40,958	94,690

(*) Book value and fair value are the same as of June 30, 2022 and 2021.

The following is a detail of the net return on investments at amortized cost:

	June 2022	June 2021
Investments at amortized cost	782,786	444,663
Investments in cash equivalents	191,774	21,219
Income from other assets	3,595	1,807
Subtotal yield at amortized cost	978,155	467,689
Impairment of investments	(597)	(572)
Total net yield at amortized cost	977,558	467,117

The following is a detail of equity investments held as of June 30, 2022 and December 31, 2021 with adjustment to income:

	June 2022	December 2021
Mutual funds	3,821,565	4,288,614
National issuers	1,687,794	1,687,701
Foreign issuers	427,786	468,344
Total	5,937,145	6,444,659

Investments at fair value through Other Comprehensive Income

The following is a detail of the main realized and unrealized gains or losses on investments in equity instruments with adjustment to other comprehensive income as of June 30, 2022 and 2021:

June 2022	Cost	Profit / realized loss	Profit / unrealized loss
Bolsa de Comercio de Santiago (Chile)	11,321	-	(718)
Enka de Colombia S.A.	48,294	-	(769)
Total	59,615	-	(1,487)

June 2021	Cost	Profit / realized loss	Profit / unrealized loss
Bolsa de Comercio de Santiago (Chile)	13,588	-	(764)
Enka de Colombia S.A.	35,080	-	6,848
Total	48,668	-	6,084

As of June 30, 2022 and 2021, investments delivered in guarantees corresponded to foreign issuers for 1,044 and 906, respectively.

5.1.2. Impairment of financial assets

The breakdown of the impairment of financial assets is as follows:

	June 2022	December 2021
Impairment of accounts receivable	(183,426)	(210,995)
Impairment of investments	(73,008)	(71,137)
Total	(256,434)	(282,132)

5.2. Financial liabilities

The following are the financial liabilities of Grupo SURA:

	Note	June 2022	December 2021
Financial obligations ⁽¹⁾		1,254,530	1,063,510
Bonds issued	5.2.2	8,489,630	8,523,718
Preferred shares		459,845	460,067
Subtotal financial liabilities for capital management		10,204,005	10,047,295
Derivative instruments	5.2.1	386,381	321,959
Accounts payable to related parties	17	387,254	90,500
Other accounts payable ⁽²⁾		2,124,647	2,303,767
Subtotal other financial liabilities		2,898,282	2,716,226
Total		13,102,287	12,763,521

(1) Financial obligations bear interest between 5.45% and 7.15% for the year 2022 and for the year 2021 between 3.54% and 9.91%.

(2) Corresponds mainly to accounts payable to suppliers and taxes other than income tax.

The breakdown of financial liabilities into current and non-current and by type of financial liability is as follows:

June 2022				
Current	Note	Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations		584,762	129,766	714,528
Derivative instruments	5.2.1	-	35,963	35,963
Accounts payable to related parties	17	387,254	-	387,254
Other accounts payable		2,072,134	-	2,072,134
Bonds issued	5.2.2	484,877	-	484,877
Total		3,529,027	165,729	3,694,756

Non-Current	Note	Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations		540,002	-	540,002
Derivative instruments	5.2.1	-	350,418	350,418
Other accounts payable		52,513	-	52,513
Bonds issued	5.2.2	8,004,753	-	8,004,753
Preferred shares		459,845	-	459,845
Total		9,057,113	350,418	9,407,531

Financial liabilities		12,586,140	516,147	13,102,287
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December 2021				
Current	Note	Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations		536,226	3,021	539,247
Accounts payable to related parties	17	90,500	-	90,500
Other accounts payable		2,253,099	-	2,253,099
Bonds issued	5.2.2	194,942	-	194,942
Total		3,074,767	3,021	3,077,788

December 2021				
Current	Note	Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations		524,263	-	524,263
Derivative instruments	5.2.1	-	321,959	321,959
Other accounts payable		50,668	-	50,668
Bonds issued	5.2.2	8,328,776	-	8,328,776
Preferred shares		460,067	-	460,067
Total		9,363,774	321,959	9,685,733
Financial liabilities		12,438,541	324,980	12,763,521

Grupo SURA has had no capital, interest or other defaults with respect to liabilities during 2022 and 2021.

5.2.1 Derivative instruments

The following is a detail of derivative financial assets and liabilities outstanding as of June 30, 2022 and December 31, 2021:

	Note	June 2022		December 2021	
		Asset	Liabilities	Asset	Liabilities
Hedge Derivatives	5.2.1.1	1,627,851	303,318	1,457,947	261,115
Trading derivatives	5.2.1.2	93,422	83,063	70,917	60,844
		1,721,273	386,381	1,528,864	321,959
Current derivatives		5,240	35,963	-	-
Non-current derivatives		1,716,033	350,418	1,528,864	321,959

5.2.1.1. Hedge derivatives

Grupo SURA accesses international markets to obtain effective sources of funds. As part of this process, the Group assumes foreign currency exposure, mainly with the U.S. dollar (USD). The foreign currency risk component is managed and mitigated using cross-currency swaps and options, which exchange foreign currency payments for principal payments in the functional currency of the Group and its subsidiaries in Mexico, Peru and Chile.

These instruments are applied to match the estimated maturity profile of the Group's debt instruments. The foreign currency risk component is determined as the change in cash flows of foreign currency debt resulting solely from changes in the exchange rate for the related foreign currency swaps and options. Such changes constitute a significant portion of the overall changes in the cash flows of the instrument.

The effectiveness of these strategies is assessed by comparing changes in the fair value of the cross-currency swaps and options with changes in the fair value of the hedged debt attributable to the foreign currency risk of the hedged foreign currency obligations using the symmetry method of the critical elements of the hedging instruments and the hedged instruments.

The Group establishes the hedge ratio by crossing the notional value of the derivative with the principal amount of the point-in-time debt instrument being hedged. The possible sources of ineffectiveness are as follows:

- i. Differences in the timing of cash flows between debt instruments and cross-currency swaps;
- ii. Differences in the discount between the hedged item and the hedging instrument, given that cross-currency swaps are supported by cash collateral.
- iii. The hedging of derivatives with a fair value different from zero at the initial date of designation as hedging instruments; and
- iv. Counterparty credit risk, which impacts the fair value of the uncollateralized cross-currency swaps but does not affect the hedged items.

Accordingly, the following is a summary of cash flow hedging transactions outstanding as of June 30, 2022:

1. On April 29, 2016 Grupo SURA contracted a foreign currency bond in the amount of US\$ 550 million, with a single principal maturity on April 29, 2026 and a fixed interest rate of 5.50% payable semi-annually (see note 5.2.2 Issued Bonds).

On January 31, 2021, the Group decided to implement a cash flow hedge accounting strategy for this obligation using the following hedging instruments:

- 23 Principal-Only Cross Currency Swap (Principal-Only CCS).
- 3 call spread structures (call option bought + call option sold).
- 7 out-of-the-money call options sold that are part of the structure and are included in the CCS contracts
- 2 Seagull structures were created (call option bought + call option sold + put option sold).
Sell put options at the same value of previous options to create a synthetic swap because it is cheaper. Increase hedge ceilings from 4,293 and 4,300 to 4,750 both.

In this structure the company acquires the right to receive USD \$550,000,000 at maturity and semiannual flows in USD at a fixed rate of 0% NASV; and in return it is obliged to pay an agreed amount and a specific fixed rate in COP in each of the derivatives that make up the structure.

2. On April 17, 2014, the subsidiary Sura Asset Management S.A. made a placement of bonds in dollars in the Luxembourg market under Regulation S and Rule 144 A for US\$ 500 million at a price of 99.57%, with a single principal maturity on April 17, 2024 and at a fixed interest rate of 4.875% per annum, payable semiannually.

On April 11, 2017, the subsidiary Sura Asset Management S. A. carried out a placement of US dollar bonds in the US market under Regulation S and Rule 144 A for the amount of US 350 million at a price of 99.07%, with a single principal maturity on April 11, 2027 and at a fixed interest rate of 4.375% per annum payable semiannually.

On August 2, 2018, the subsidiary decided to implement a cash flow hedge accounting strategy to protect the bonds issued against foreign exchange risks for US\$ 290 million corresponding to 82.86% of the principal obligation with the following cross currency swaps "CCS" maturing on the same date as the principal in 2027:

- Swap in which the Subsidiary receives US\$ 90 million and pays \$258.174 million plus a fixed interest rate of 2.54%.

- Swap in which the Subsidiary receives US\$ 80 million and pays Mexican pesos for \$1,509,168 million plus a fixed interest rate of 2.54%.
- Swap in which the Subsidiary receives US\$ 120 million and pays Chilean pesos in the amount of Ch\$78,738 million plus a fixed interest rate of 2.54%.

Also, on August 2, 2018, the subsidiary decided to implement a cash flow hedge accounting strategy to protect the bonds issued against foreign exchange risks for US\$ 500 million corresponding to 100% of the principal obligation with the following cross currency swaps "CCS" maturing on the same date as the principal in 2024:

- 3 swaps in which the Subsidiary receives a total of US\$ 155 million and pays Colombian Pesos in the amount of \$ 277,375 million plus a fixed interest rate between 2.79 and 2.80% per annum.
- 3 swaps in which the Subsidiary receives a total of US\$ 85 million and pays Peruvian Soles in the amount of \$1,509,168 million plus a fixed interest rate between 1.70% and 1.71% per annum.
- 3 swaps in which the Subsidiary receives a total of US\$ 260 million and pays Chilean pesos in the amount of \$167,260.6 million plus a fixed interest rate between 0.75% and 0.76% per annum.

The net foreign investment strategy was implemented to hedge the foreign exchange risk exposure of investments in the subsidiaries of Sura Asset Management in Mexico, Peru and Chile, and it is expected to achieve lower exposure in the currencies of those countries. Accordingly, the following information is presented:

Country	Subsidiary	Currency	June 2022		December 2021	
			Investment value	Covered value	Investment value	Covered value
Chile	Sura Asset Management Chile S.A.	CLP	4,018,668	1,567,281	4,018,668	1,527,094
México	Sura Asset Management México S.A. de C.V.	MXN	2,276,943	341,541	2,276,943	318,772
Perú	Sura Asset Management Perú S.A.	PEN	797,617	350,951	797,617	334,999

3. Grupo Sura has investments that support the technical reserves of the insurance activity; a percentage of these investments have changes in their fair value attributed to foreign currency exposure and/or interest rate risk; therefore, hedge accounting is used to mitigate the exchange rate and interest rate effects of the investments.
4. In order to hedge payments to foreign suppliers for the purchase of computer equipment, the subsidiary Arus hedged USD 1,008,746, which matures in the short term.

In accordance with the above hedging strategies, Grupo SURA has decided to record the time value of the options and swaps in Other Comprehensive Income and amortize it systematically to income over the life of the hedges.

The fair and nominal value of derivatives under hedge accounting are detailed below:

	June 2022		December 2021	
	Nominal value	Fair Value	Nominal value	Fair Value
Assets				
Forward				
Cross Currency Swap	4,151	277	-	-
Subtotal	4,151	277	-	-
Swap				
Cross Currency Swap	3,951,555	1,351,828	3,951,555	1,145,878
Subtotal	3,951,555	1,351,828	3,951,555	1,145,878
Options				
Currency Call Option	579,450	275,746	579,450	312,069
Subtotal	579,450	275,746	579,450	312,069
Total Assets	4,535,156	1,627,851	4,531,005	1,457,947

Liabilities				
Swap				
Cross Currency Swap	39,185	4,687	39,185	3,178
Subtotal	39,185	4,687	39,185	3,178
Options				
Currency Call Option	1,191,220	296,301	1,191,220	254,218
Currency Put Option	50,000	2,330	50,000	3,719
Subtotal	1,241,220	298,631	1,241,220	257,937
Total Liabilities	1,280,405	303,318	1,280,405	261,115

The following is a summary of the movements in the Other Comprehensive Income account for the effect of the effective cash flow hedges indicated above and for the effect of the time value of the options and swaps used as hedging instruments, as well as the amounts taken to income for the ineffectiveness of the hedges, during the years ended June 30, 2022 and 2021:

	OCI		Results	
	Effective part	Time value	Ineffective part	Effective part
Balance at December 31, 2021	63,889	-		
Variation in the fair value of hedges during the year.	47,041	-	-	227,183
Amortization of temporary securities. (Note 14)	(63,743)	(9,314)	73,057	-
Balance at June 30, 2022	47,187	(9,314)	73,057	227,183

	OCI		Results	
	Effective part	Time value	Ineffective part	Effective part
Balance at December 31, 2020	(32,917)	-		
Variation in the fair value of hedges during the year.	170,158	-	-	415,103
Amortization of temporary securities. (Note 14)	(65,302)	(7,338)	72,640	-
Balance at June 30, 2021	71,939	(7,338)	72,640	415,103

5.2.1.2. Trading derivatives

Grupo SURA and some of its subsidiaries trade derivative financial instruments for trading purposes, especially forward contracts, swaps and options on exchange rates and interest rates.

The following is a summary detail of derivative financial assets and liabilities outstanding at June 30, 2022 and December 31, 2021 used for trading purposes:

	June 2022		December 2021	
	Nominal value	Fair Value	Nominal value	Fair Value
Assets				
Forward				
Currency forward	723,240	10,895	723,240	3,061
Subtotal	723,240	10,895	723,240	3,061
Swap				
Cross currency	1,115,395	82,527	1,115,395	67,856
Subtotal	1,115,395	82,527	1,115,395	67,856
Total Assets	1,838,635	93,422	1,838,635	70,917
Liabilities				
Forward				
Currency forward	121,648	28,182	93,024	16,732
Subtotal	121,648	28,182	93,024	16,732
Swap				
Cross currency	769,262	48,399	769,262	42,899
Interest rate	100,000	6,482	100,000	1,213
Subtotal	869,262	54,881	869,262	44,112
Total liabilities	990,910	83,063	962,286	60,844

5.2.2 Bonds Issued

Details of the bonds issued are presented below:

Date of issue	Maturity date	Nominal value	Emission rate	Amortized cost		Fair value	
				June 2022	December 2021	June 2022	December 2021
29- Apr -16	29- Apr -26	USD 550	5.50%	2,287,923	2,192,744	2,204,836	2,358,458
17-Apr-14	17-Apr-24	USD 500	4.88%	2,091,186	2,004,528	2,064,858	2,107,506
11-Apr-17	14-Apr-27	USD 350	4.38%	1,451,829	1,391,138	1,384,665	1,497,928
22- Jun -16	22- Jun -26	305,622	CPI +4.09%	306,992	305,299	293,785	313,058
07- May -14	07- May -23	223,361	CPI + 3.80%	226,168	225,814	229,046	232,001
23- Feb -17	23- Feb -22	(*)193,549	7.21%	-	194,942	-	195,966
23- Feb -17	23- Feb -29	190,936	CPI + 3.58%	194,121	192,209	174,126	188,219
23- Feb-17	23- Feb -24	165,515	CPI + 3.19%	168,415	166,903	164,550	168,676
07- May -14	07- May -30	100,000	CPI + 4.15%	100,928	100,978	93,476	101,668
25- Nov -09	25- Nov -29	98,000	CPI + 5.90%	98,188	97,141	99,134	108,774
25- Nov -09	25- Nov -49	97,500	CPI + 6.98%	96,568	95,576	104,423	121,664
11- Aug -20	11- Aug -23	(**)123,750	IBR + 2.00%	124,499	224,179	220,425	220,322
11- Aug -20	11- Aug -27	296,350	CPI + 3.00%	302,828	299,932	266,433	284,120
22- Jun -16	22- Jun -31	289,235	CPI +4.29%	290,011	288,387	265,521	293,597
22- Jun -16	22- Jun -23	257,145	CPI +3.90%	258,709	257,523	259,277	264,682
11- Aug -20	11- Aug -32	180,320	CPI + 3.80%	184,519	182,712	158,710	171,578
11- Aug -20	11- Aug -40	299,580	CPI + 4.20%	306,746	303,713	260,317	285,841

Total bonds issued	8,489,630	8,523,718	8,243,582	8,914,058
Current Bonds issued	484,877	194,942	488,323	195,966
Non-current Bonds issued	8,004,753	8,328,776	7,755,259	8,718,092

(*) In February 2022 a bond payment was made in pesos at maturity with a nominal value of \$193,549.

(**) In June 2022, an early repurchase of \$ 100 billion of the bond issued in August 2020 was made, which had a nominal value as of December 2021 of \$ 223,750. This repurchase was paid with credit acquired with Bancolombia.

NOTE 6. INSURANCE CONTRACTS

6.1. Insurance contract Assets

Insurance contract assets primarily represent accounts receivable from insurance contracts, for the years ended June 30 and December 31, 2021 are as follows, net of impairment:

	June 2022	December 2021
Direct insurance	4,604,059	4,562,084
Coinsurance accepted	97,744	90,743
Other	453,748	349,733
Assets under insurance contracts	5,155,551	5,002,560

All insurance contract assets are short-term.

6.2. Reinsurance contract assets

Reinsurance contract assets represent the benefits derived from such contracts, as of June 30 and December 31, 2021, as follows:

	June 2022	December 2021
Current accounts with reinsurers	677,286	631,924
Share of insurance liabilities (claims reported and not cancelled)	2,232,882	2,107,570
Unearned ceded premium	1,930,941	2,104,436
Unnotified claims	384,452	423,934
Reinsurance deposits	1,207	594
Other assets	5,249	80,871
Assets under reinsurance contracts	5,232,017	5,349,329
Current reinsurance contract assets	680,484	635,608
Non-current reinsurance contract assets	4,551,533	4,713,721

The company has diversified its insurance risk by operating in different lines of business and having a broad presence in international markets. Furthermore, it applies a system of procedures and limits that enable it to control the level of insurance risk concentration. It is common practice to use reinsurance contracts to mitigate the insurance risk arising from concentrations or accumulations of guarantees in excess of the maximum acceptance levels.

The insurance companies of the group have ceded part of the risk of their insurance contracts to reinsurance companies, in order to share possible claims.

6.3. Premiums

Net premiums earned by Grupo SURA and its subsidiaries for the years ended June 30 are as follows:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Life insurance contracts	7,397,307	5,977,371	3,794,060	3,088,648
Non-life insurance contracts	5,139,091	4,005,166	2,988,631	2,139,663
Premiums issued	12,536,398	9,982,537	6,782,691	5,228,311
Life insurance contracts - reinsurer party	(137,841)	(139,022)	(73,067)	(80,837)
Non-life insurance contracts - reinsurer party	(1,598,203)	(1,458,610)	(1,013,013)	(842,238)
Premiums ceded in reinsurance	(1,736,044)	(1,597,632)	(1,086,080)	(923,075)
Total net retained premiums	10,800,354	8,384,905	5,696,611	4,305,236
Life insurance contracts	130,329	(70,274)	(137,271)	(28,951)
Non-life insurance contracts	(224,684)	143,444	(234,083)	88,343
Net production reserves	(94,355)	73,170	(371,354)	59,392
Retained earned premiums	10,705,999	8,458,075	5,325,257	4,364,628

6.4. Liabilities for insurance contracts

Insurance contract liabilities represent the estimated insurance contract liabilities of the Insurance Companies and other accounts, which for the years ended June 30 and December 31, 2021 are as follows:

	June 2022	December 2021
Accounts payable insurance activity (note 6.4.1)	1,124,121	1,139,758
Estimated liabilities under insurance contracts (note 6.4.2)	26,126,721	25,437,116
Surplus	49,432	49,059
Liabilities under insurance contracts	27,300,274	26,625,933
Current insurance contract liabilities	10,535,861	10,893,482
Non-current insurance contract liabilities	16,764,413	15,732,451

6.4.1. Accounts payable insurance activity

Insurance payables with insurance companies for the years ended June 30 and December 31, 2021 are as follows:

	June 2022	December 2021
To coinsurance companies	99,947	173,519
Policies	59,460	43,752
Claims payable	134,730	130,011
Commissions	555,099	518,453
Others	274,885	274,023
Insurance portfolios	1,124,121	1,139,758

6.4.2. Estimated insurance contract liabilities

The estimated insurance contract liabilities of Grupo SURA and its subsidiaries are as follows:

	June 2022	December 2021
Actuarial liabilities	6,368,991	6,179,624
Estimated unearned premium liabilities	9,590,032	9,930,105
Estimated incurred but not reported claims (IBNR)	2,283,393	2,197,953
Estimated liabilities for claims reported	7,233,399	6,479,632
Special estimated liabilities	303,428	282,642
Other estimated insurance contract liabilities	347,478	367,160

	June 2022	December 2021
Total insurance technical reserves	26,126,721	25,437,116

Grupo SURA considers that the adequacy of premiums is a particularly important element and its determination is supported by specific computer applications.

The treatment of benefits, as well as the adequacy of provisions, are basic principles of insurance management. Technical provisions are estimated by the actuarial teams in the various countries.

The movement and effects on the measurement of insurance liabilities and reinsurance are presented below:

	Liabilities for insurance contracts	Assets from insurance contracts	Net
At December 31, 2020	23,270,014	4,792,079	18,477,935
Changes in estimated liabilities for insurance contracts	1,837,720	348,925	1,488,795
Adjustments for conversion	329,382	208,325	121,057
At December 31, 2021	25,437,116	5,349,329	20,087,787
Changes in estimated liabilities for insurance contracts	963,449	(165,598)	1,129,047
Adjustments for conversion	(273,844)	48,286	(322,130)
At June 30, 2022	26,126,721	5,232,017	20,894,704

6.5. Liabilities under reinsurance contracts

Liabilities under reinsurance contracts represent obligations arising from reinsurance contracts at the date of the statement of financial position.

	June 2022	December 2021
Ceded premiums payable	13,738	13,618
External reinsurers current account	1,651,578	1,578,811
Liabilities under reinsurance contracts	1,665,316	1,592,429

6.6. Claims withheld

Claims incurred by Grupo SURA and subsidiaries for the years ended June 30, 2022 and 2021 are as follows:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Total claims	(9,134,894)	(6,756,385)	(4,740,975)	(3,518,366)
Claim reimbursement	1,455,885	624,273	736,629	325,159
Retained claims	(7,679,009)	(6,132,112)	(4,004,346)	(3,193,207)

6.7. Insurance costs and expenses

Insurance costs and expenses for the years ended June 30 and December 31, 2021 are as follows:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021

Net reinsurance cost	(301,468)	(229,817)	(153,649)	(117,114)
Services for the promotion and prevention of occupational hazards	(190,751)	(126,884)	(119,005)	(68,698)
Contributions Insurance companies	(55,768)	(45,280)	(27,343)	(22,503)
Fees	(109,742)	(79,449)	(58,688)	(43,428)
Other insurance expenses	(26,776)	18,281	(17,279)	2,710
Technical employee benefits	(215,949)	(229,890)	(95,674)	(115,858)
Technical impairment	24,490	12,321	30,790	15,384
Total insurance costs and expenses	(875,964)	(680,718)	(440,848)	(349,507)

The insurance costs and expenses that contribute to the consolidated statement correspond to investments in the insured other than the payment of the claim.

NOTE 7. TAXES

7.1. Applicable regulations

The current and applicable tax provisions establish that the nominal income tax rates for June 30, 2022 and December 2021 applicable to Grupo SURA and its subsidiaries located in Colombia, Chile, Peru, Argentina, Brazil, Uruguay, Mexico, Panama, Dominican Republic, El Salvador, Bermuda and the United States are as follows:

Country	2022	2021
Colombia	35.00%	31.00%
Chile	27.00%	27.00%
Peru	29.50%	29.50%
Argentina	35.00%	35.00%
Brazil	40.00%	40.00%
Uruguay	25.00%	25.00%
Mexico	30.00%	30.00%
Panama	25.00%	25.00%
Dominican Republic	27.00%	27.00%
El Salvador	30.00%	30.00%
The United States	21.00%	-
Bermuda	0.00%	0.00%

Colombia: In the year 2022 the general income tax rate is 35% and 10% for income from occasional gains. In the case of financial institutions, a surtax of 3 percentage points applies during the years 2022 to 2025.

The audit benefit is extended for the years 2022 and 2023 to reduce the time of finality of the income tax return by 6 or 12 months, provided that the net income tax is increased by 35% or 25% respectively.

Chile: Law 21,210 issued in February 2020 called Income Tax Law classifies income into income from "capital" and income from "labor" and establishes an income tax rate of 27%.

Peru: The income tax rate is 29.5% on taxable income after calculating employee profit sharing, which is calculated by applying a rate of 5% on net taxable income. Losses may be offset within a period of 4 years from the fiscal year following the generation of the loss.

Mexico: Income tax (ISR, acronym in the Spanish original) is calculated at an applicable rate of 30%; additionally, employees' statutory profit sharing is established at 10%. Tax losses may be offset over a period not to exceed 10 years.

Brazil: In Brazil there is a category of taxes on gross income and on net income. The net income tax rate is 15% for income tax purposes, plus 10% on the portion of the taxable income in excess of R\$ 240,000 reais per fiscal year. There is no minimum alternative tax base and tax losses can be taken in future periods indefinitely as long as they do not exceed 30% of net income.

Argentina: The country taxes worldwide source income. Law 27,630 published on June 16, 2021 establishes modifications to the Income Tax Law, among them the modification of the tax rate for capital companies which will be gradual depending on the net taxable income as follows: up to \$5,000,000 Argentine pesos (ARS) the rate is 25%; between \$5,000,000 ARS and \$50,000,000 ARS the rate is 30% and from \$50,000,000 onwards the rate is 35%, for fiscal years beginning on or after January 1, 2021.

Panama: The income tax rate for corporations in Panama is 25%. Law No.8 of March 15, 2010, eliminates the Alternative Income Tax Calculation (CAIR, acronym for the Spanish original) and replaces it with another modality of presumptive income taxation, obliging any legal entity that accrues income in excess of B/. 1,500,000 to determine as taxable base for said tax, the amount resulting from the greater of: (a) the net taxable income calculated by the ordinary method established in the Tax Code and (b) the net taxable income resulting from applying 4.67% to the total taxable income.

Dominican Republic: The tax code of the Dominican Republic establishes that the income tax payable will be the higher of the net taxable income or 1% of the taxable assets. The income tax rate for legal entities is 27% on income obtained in the country. In the event of tax losses, taxpayers may offset them within 5 years following the year of generation of the loss.

El Salvador: Legal entities, domiciled or not, will calculate their tax by applying to the taxable income the rate of 30%, except for companies that have obtained taxable income less than or equal to US \$150,000.00, which will apply the rate of 25%, excluding from such calculation those incomes that have been subject to definitive withholding of income tax in the legal percentages established in the Law.

In El Salvador there is no minimum alternative tax and tax losses generated in any period may not be subject to imputation in subsequent periods.

Uruguay: The income tax rate for corporations is 25% and is based on territorial income considering some exceptions, therefore, income outside the country is considered foreign source and not subject to tax. The regulations do not suggest a minimum alternative tax for corporations and any tax loss may be imputed in the future within 5 years of its generation.

Bermuda: In Bermuda, there are no taxes on profits, income, dividends or capital gains, nor withholding taxes on such items. Profits may be accumulated and dividends are not required to be paid. In the event that direct taxes are applicable, there is the possibility of accessing legal stability contracts until 2035. Although there are no taxes on corporate income, investment income derived from foreign sources may be subject to withholding tax. Interest earned on foreign currency deposits is tax exempt.

7.2. Current taxes

The following is a detail of current tax assets and liabilities as of June 30, 2022 and December 31, 2021:

	June 2022	December 2021
Current tax assets		
Income tax and supplemental taxes	148,152	102,170
Withholdings	7,052	4,133
Tax in favor	211,013	139,938
Others	42	26
Total assets for current taxes	366,259	246,267

	June 2022	December 2021
Current tax liabilities		
Income tax and supplemental taxes	80,427	126,665
Total assets for current taxes	80,427	126,665

Grupo Sura and subsidiaries expect to recover current tax assets and settle current tax liabilities as follows:

	June 2022	December 2021
Current tax expense		
Current tax asset recoverable before 12 months	204,544	222,192
Current tax asset recoverable after 12 months	161,715	24,075
Total assets for current taxes	366,259	246,267
Current tax liability payable before 12 months	61,384	112,679
Current tax liability payable after 12 months	19,043	13,986
Total current tax liabilities	80,427	126,665

7.3. Tax recognised in the income statement for the period

The income tax expense for the period is detailed below:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Current tax expense	(221,399)	(301,838)	(102,793)	(129,061)
Current tax	(219,060)	(312,034)	(99,437)	(136,480)
Adjustment of previous periods	(2,339)	10,196	(3,356)	7,419
Deferred tax expense	74,233	69,465	1,986	(10,489)
Constitutions / reversal of temporary differences	71,882	61,369	495	(19,959)
Deferred tax adjustment	2,351	(3,585)	1,491	(2,211)
Exchange rates	-	11,681	-	11,681
Tax expense	(147,166)	(232,373)	(100,807)	(139,550)

7.4. Effective rate reconciliation

The reconciliation of the effective rate is presented below:

	June 2022	June 2021
Profit before tax	1,192,382	905,525
Income tax by applying the local tax rate (*)	34.24% (408,213)	29.26% (264,957)
Plus, tax impact from:	(635,093)	(371,853)
Provisions and Contingencies	-	(11)
Non-deductible expenses ⁽¹⁾	(127,041)	(76,239)

	June 2022	June 2021
Investments ⁽²⁾	(389,357)	(202,283)
Adjustment of previous periods	(2,581)	-
Tax losses	(19,924)	(15,331)
Financial assets	(7,524)	(62,365)
Properties and equipment	(17,715)	(1,446)
Other alternative taxable income	(7,139)	(3,513)
Financial liabilities	(56,509)	-
Others	(7,303)	(10,665)
Minus the tax effect of:	896,140	404,437
Non-taxed income ⁽³⁾	101,896	93,156
Financial assets ⁽⁴⁾	92,041	3,513
Amortization of intangible assets	10	83
Untaxed dividends	336,894	55,695
Financial liabilities	-	63,385
Properties and equipment	1,411	-
Adjustment of previous periods	-	18,071
Discounts / tax deductions	80,282	101,329
Provisions and Contingencies	13,405	-
Exempt income ⁽⁵⁾	159,716	47,191
Others	110,485	22,014
Tax on paid earnings (**)	12.34% (147,166)	25.66% (232,373)

(*) The tax rate determined for the reconciliation of the consolidated effective tax rate corresponds to an average of the nominal rates of each company.

(**) The effective rate decreased by 13 percentage points due to the increase in pre-tax earnings and a decrease in the current tax associated with the increase in untaxed dividends and exempt income.

(1) Includes expenses due to legal limitations such as assumed taxes, expenses associated with untaxed income, among others.

(2) Corresponds to the equity method of associates.

(3) Corresponds to the equity method of subsidiaries.

(4) Includes valuation, impairment and exchange difference.

(5) Correspond to tax exemptions of insurance companies Colombia other exempt income.

7.5. Deferred taxes

The balance of deferred tax assets and liabilities as of June 30, 2022 and December 2021 is as follows:

Asset deferred tax	June 2022	December 2021	Recognized in other equity investments 2021	Recognized in results 2022
Provisions	156,527	155,751	-	776
Employee Benefits	42,738	49,868	127	(7,257)
Other non-financial assets	13,449	19,473	-	(6,024)
Financial Liabilities	453,529	408,406	19,388	25,735
Unused tax losses and tax credits	66,186	93,353	-	(27,167)
Technical insurance reserves	323,243	244,857	-	78,386
Right of use assets	19,312	23,687	-	(4,375)
Total	1,074,984	995,395	19,515	60,074

Deferred tax liability	June 2022	December 2021	Recognized in other equity investments 2021	Recognized in results 2022
Financial assets	303,123	279,488	(1,173)	24,808
Intangible assets	765,312	761,086	-	4,226
Deferred acquisition cost DAC	127,789	125,295	-	2,494
Investments	524,536	622,213	-	(97,677)
Other non-financial assets	2,515	1,649	-	866
Other non-financial liabilities	113,779	51,186	-	62,593
Liability for temporary differences in equity investments PTU	41	39	-	2
Properties and Equipment	254,670	233,033	15,578	6,059
Technical insurance reserves	127,290	121,993	-	5,297
	2,219,055	2,195,982	14,405	8,668
Foreign currency conversion				(142,972)
Total			33,920	(74,230)
Discontinued operations effect	-	-	(16,732)	-
Other equity effect	-	-	526	-
Total	(1,144,071)	(1,200,587)	17,714	(74,230)

Grupo Sura offsets deferred tax assets and liabilities by entity and tax authority, considering the application of tax provisions in Colombia and other countries where there is a legal right to offset tax assets and liabilities and other requirements of IAS 12, as follows:

Deferred tax	Initial	Compensated	June 2022
Deferred tax asset	1,074,984	758,593	316,391
Deferred tax liability	(2,219,055)	(758,593)	(1,460,462)
Total	(1,144,071)	-	(1,144,071)

Deferred tax	Initial	Compensated	December 2021
Deferred tax asset	995,395	722,462	272,933
Deferred tax liability	(2,195,982)	(722,462)	(1,473,520)
Total	(1,200,587)	-	(1,200,587)

Grupo Sura and its subsidiaries expect to recover their deferred tax assets and settle their deferred tax liabilities as follows:

Deferred tax	June 2022	December 2021
Deferred tax asset recoverable before 12 months	124,812	160,102
Deferred tax asset recoverable after 12 months	191,579	112,831
Total deferred tax assets	316,391	272,933
Deferred tax liability payable before 12 months	55,804	407,814
Deferred tax liability payable after 12 months	1,404,658	1,065,706
Total deferred tax liabilities	1,460,462	1,473,520

Deferred tax on unused tax losses and unused tax credits:

The balance of deferred tax for losses originated mainly in Suramericana S.A. In Chile the tax credits with deferred tax correspond to the companies Seguros de Vida, Holding Spa and Inversiones Chile Ltda., these were generated between the periods 2013 and 2018 and are credits that, as established in the Chilean tax regulation, have no expiration and are still recoverable. In Argentina, Brazil and Uruguay the losses were originated by the insurance companies, which will be reversed in future periods.

7.6. Uncertainty in income tax treatments.

As of June 30, 2022 and 2021, the Company analyzed those tax aspects susceptible to be qualified as uncertain and disclosed, according to the tax legislation applicable to each jurisdiction, resulting in a total uncertain tax treatment of \$362 million, distributed in \$47 million in the Dominican Republic and \$315 million pesos in Mexico.

NOTE 8. INVESTMENTS IN ASSOCIATES COMPANIES AND JOINT VENTURES

The balance of investments in associates and joint ventures is as follows:

	Note	June 2022	December 2021
Investments in associates	8.1	22,804,213	21,985,064
Joint ventures	8.2	13,469	22,502
Total investments accounted for using the equity method		22,817,682	22,007,566

	Note	June 2022	June 2021
Income from equity method associates	8.1	1,054,656	650,253
(Loss) from equity method joint ventures	8.2	(10,340)	(2,125)
Others		1,658	324
Total equity method income from investments in associates and joint ventures		1,045,974	648,452

8.1 Investment in associates

The detail of the associated companies of Grupo SURA as of the date of the reporting period is as follows:

Companies	Main activity	Country	June 2022			December 2021		
			% Participation ^(*)	% right to vote ^(**)	# Shares	% Participation ^(*)	% right to vote ^(**)	# Shares
Partners :								
Grupo Bancolombia S.A.	Universal banking	Colombia	24.49%	46.22%	235,565,920	24.49%	46.22%	235,565,920
Grupo Argos S.A.	Concrete, energy,	Colombia	27.20%	35.96%	236,465,932	26.95%	35.63%	234,285,682
Grupo Nutresa S.A.	Food and processed	Colombia	35.61%	35.61%	163,005,625	35.61%	35.61%	163,005,625
Administradora de Fondos de Pensiones y Cesantías Protección S.A.	Pension and severance fund	Colombia	49.36%	49.36%	25,407,446	49.36%	49.36%	25,407,446
Promotora de Proyectos	Logistics services	Colombia	48.26%	48.26%	11,076,087	48.26%	48.26%	11,076,087
Inversiones DCV S.A.	Shareholder registration management	Chile	34.82%	34.82%	9,854	34.82%	34.82%	9,854
Fondos de Cesantías Chile I S.A.	Pension and severance fund	Chile	29.40%	29.40%	570,000	29.40%	29.40%	570,000
Servicios de Administración Previsional S.A.	Voluntary funds	Chile	22.64%	22.64%	745,614	22.64%	22.64%	745,614
Acsendo S.A.S.	Investments	Colombia	25.80%	25.80%	63,570	25.80%	25.80%	63,570
Joint Venture:								
Interejecutiva de Aviación S.A.S.	Air Transport Administration	Colombia	25.00%	25.00%	1,125,000	25.00%	25.00%	1,125,000
Subocol S.A.	Marketing of spare parts for vehicle repair	Colombia	50.00%	50.00%	16,815	50.00%	50.00%	16,815
Viliv S.A.S.	Technology services	Colombia	50.00%	50.00%	6,867,886	50.00%	50.00%	6,671,886
Unión Para La Infraestructura S.A.S.	Fund	Colombia	50.00%	50.00%	300,000	50.00%	50.00%	300,000
Unión Para La Infraestructura S.A.S.	Fund	Peru	50.00%	50.00%	2,708,000	50.00%	50.00%	2,708,000
P.A Dinamarca	Mobility solutions	Colombia	33.00%	33.00%	-	33.00%	33.00%	-
Vaccigen S.A.S. (Vaxthera) ⁽¹⁾	Biological research and development	Colombia	69.11%	69,11%	55,944	69.11%	69,11%	55,944

^(*) Equity interest in the associated company based on total issued shares.

^(**) Equity interest in the associated company based on the total number of common shares with voting rights.

⁽¹⁾ On June 28, 2021, Suramericana, through Ayudas Diagnósticas SURA S.A.S., made an investment in the company Vaccigen S.A.S., (Vaxthera). As of March 31, 2022, it has a 69.11% shareholding and is classified as a joint venture by virtue of the shareholders' agreement signed between the parties, which stipulates that the relevant decisions will be taken unanimously.

Cross-shareholdings

In the course of their operations, Grupo Argos S.A. and Grupo Nutresa S.A. have equity interests in Grupo SURA. These shareholdings are not prohibited by Colombian regulations since the shareholders are not subordinate companies of Grupo SURA. The participation that Grupo ARGOS and Grupo Nutresa have in Grupo SURA as of June 30, 2022 and December 31, 2021 is as follows:

Investment in associates	% Participation	% Right to vote	% Participation	% Right to vote
	March 2022		December 2021	
Grupo Argos S. A.	27,51%	34,14%	27,45%	34,77%
Grupo Nutresa S. A.	10,71%	13,29%	10,53%	13,07%

Grupo SURA records its cross-shareholdings by the equity method.

Financial information of associates (Issuers of securities)

The assets, liabilities, equity and results for the year of each of the associated companies included in the consolidated financial statements of the group as of June 30, 2022 and December 31, 2021 are as follows:

June 2022								
	Location	Asset	Liabilities	Equity	Income	Profit/ Loss	Other comprehensive income	Comprehensive income
Partners:								
Grupo Bancolombia S.A. (*)	Colombia	313,431,803	278,332,784	35,099,019	10,226,448	3,668,222	473,357	4,141,579
Grupo Argos S.A. (*)	Colombia	51,303,899	22,211,290	29,092,609	10,511,795	726,045	1,031,449	1,757,494
Grupo Nutresa S.A. (*)	Colombia	18,468,891	8,685,374	9,783,517	7,611,620	515,623	662,640	1,178,263
Fondo de Pensiones y Cesantías Protección S.A. (*)	Colombia	3,779,586	1,619,710	2,159,877	966,296	(78,830)	11,290	(67,540)
Inversiones DCV S.A.	Chile	30,415	1,138	29,277	4,172	1,745	-	4,203
Servicios de Administración Previsional S.A.	Chile	100,804	31,865	68,939	39,304	15,716	-	15,716
Fondos de Cesantías Chile II	Chile	101,509	42,818	58,691	78,999	34,498	-	34,498
Joint ventures:								
Interejecutiva de aviación S.A.S.	Colombia	154,995	152,339	2,656	43,581	440	-	440
Subocol S.A.	Colombia	8,696	3,204	5,492	-	(62)	-	(62)
Unión para la infraestructura S.A.S.	Colombia	8,930	6,559	2,371	5,406	2,268	-	2,268
Unión para la infraestructura S.A.S.	Peru	48,682	22,864	25,818	26,827	1,400	-	1,400
P.A Dinamarca	Colombia	23,802	17,859	5,943	-	(3,335)	-	(3,335)
Viliv S.A.S.	Colombia	1,025	99	926	48	(8,808)	-	(8,808)
Vaccigen S.A.S. (Vaxthera)	Colombia	41,102	33,037	8,065	-	(8,806)	-	(8,806)

(*) Figures taken from the associates' consolidated financial statements

December 2021								
	Location	Asset	Liability	Equity	Income	Profit/ Loss	Other comprehensive income	Comprehensive income
Partners:								
Grupo Bancolombia S.A. (*)	Colombia	289,926,538	256,001,080	33,925,458	15,147,265	4,207,787	1,685,375	1,685,375
Grupo Argos S.A. (*)	Colombia	52,589,344	23,782,786	28,806,558	16,309,119	1,206,033	2,283,690	3,489,723
Grupo Nutresa S.A. (*)	Colombia	16,956,483	7,914,370	9,042,113	12,738,271	693,254	523,581	1,216,835
Fondo de Pensiones y Cesantías Protección S.A. (*)	Colombia	3,698,529	1,461,115	2,237,414	1,771,511	276,519	16,858	293,377
Inversiones DCV S.A.	Chile	31,043	1,333	29,710	5,874	5,920	-	5,920
Servicios de Administración Previsional S.A.	Chile	120,398	74,516	45,882	145,400	63,171	-	63,171
Fondos de Cesantías Chile II	Chile	87,070	56,319	30,751	161,646	10,719	(1,704)	9,015
Joint ventures:								
Interejecutiva de aviación S.A.S.	Colombia	165,487	164,939	548	48,856	(4,628)	412	(4,215)
Subocol S.A.	Colombia	8,914	2,832	6,082	-	(14)	-	(14)
Unión para la infraestructura S.A.S.	Colombia	6,717	4,137	2,580	10	2	-	2
Unión para la infraestructura S.A.S.	Peru	3,266	1,549	1,717	-	510	-	510
P.A Dinamarca	Colombia	9,432	4,285	5,147	-	(2,440)	-	(2,440)
Viliv S.A.S.	Colombia	7,417	724	6,693	97	(4,840)	-	(4,840)
Vaccigen S.A.S. (Vaxthera)	Colombia	17,516	635	16,881	-	(4,324)	-	(4,324)

(*) Figures taken from the associates' consolidated financial statements

Balance and movement in associates

The following is a detail of investments in associates as of June 30, 2022 and December 31, 2021:

Associate movement	Bancolombia S.A.	Grupo Argos S.A.	Grupo Nutresa S.A.	Administradora de fondos de Pensiones y Cesantías Protección S.A.	Others	Total
Balance at December 31, 2020	8,641,541	5,119,598	4,685,934	1,339,515	40,972	19,827,560
Additions ⁽¹⁾	-	60,959	-	-	-	60,959
Decrease - commission	-	-	-	-	-	-
Gain from equity method	1,000,918	42,932	220,434	121,444	15,086	1,400,814
Change in equity	453,680	368,474	182,308	5,225	(238)	1,009,449
(-) Dividends	(61,248)	(87,591)	(114,430)	(24,781)	(23,854)	(311,904)
Adjustment in conversion	-	-	-	-	(1,814)	(1,814)
Balance at December 31, 2021	10,034,891	5,504,372	4,974,246	1,441,403	30,152	21,985,064
Additions ⁽²⁾	-	31,104	-	-	-	31,104
Decrease - commission	-	-	-	-	-	-
Gain from equity method	860,032	42,071	179,184	(46,433)	19,798	1,054,652
Change in equity ⁽³⁾	131,431	392,745	236,502	637	264	761,579
(-) Dividends	(734,966)	(118,233)	(154,530)	-	(16,648)	(1,024,377)
Adjustment in conversion	-	-	-	-	(3,809)	(3,809)
Balance at June 30, 2022	10,291,388	5,852,059	5,235,402	1,395,607	29,757	22,804,213

⁽¹⁾ In 2021, 4,990,503 common shares of Grupo Argos S.A. were received as a stock dividend payment.

⁽²⁾ In March 2022, 2,180,250 shares of Grupo Argos S.A. common stock were acquired.

⁽³⁾ In the profit for the year 2021 Grupo Nutresa S.A. and Grupo Argos S.A. a reclassification adjustment is made in accordance with Decree 1311 of 2021; which provides the possibility for companies in Colombia to recognize in the equity account of retained earnings of previous years, the impact of the change in income tax rate, introduced by Article 7 of Law 2155 of 2021". However, Grupo SURA S.A. chose not to make use of this option and proceeded to recognize the tariff adjustment in the statement of comprehensive income as established by the standard.

Restrictions and commitments



There are 43,373,238 shares of Grupo Argos pledged as collateral to secure financial obligations at June 30, 2022 and December 31, 2022 for a carrying value of \$846,292.

8.2 Joint ventures

The following is a detail of the cost of investments as of June 30, 2022 and December 31, 2021:

	Interejecutiva	Viliv S.A.S.	UPI Colombia(**)	UPI Perú(**)	P.A Dinamarca(*)	Vaccigen S.A.S. (Vaxthera S.A.S.) ⁽²⁾	Subocol S.A. ⁽¹⁾	Total
Balance at December 31, 2020	1,127	1,717	1,287	829	1,715	-	2,040	8,715
Additions	-	4,050	-	-	2,135	14,655	1,195	22,035
Reclassification	-	-	-	-	-	-	-	-
Decrease	(512)	-	-	-	-	-	-	(512)
Gain from the equity method	(781)	(2,421)	1,121	(196)	(1,403)	(2,989)	(7)	(6,676)
Change in equity	303	-	-	133	(72)	-	(186)	178
(-) Dividends	-	-	(1,238)	-	-	-	-	(1,238)
Balance at December 31, 2021	137	3,346	1,170	766	2,375	11,666	3,042	22,502
Additions	-	1,498	-	-	717	-	-	2,215
Reclassification	-	-	-	-	-	-	-	-
Decrease	-	-	-	-	-	-	-	-
Gain from the equity method	110	(4,404)	1,134	49	(1,111)	(6,084)	(30)	(10,336)
Change in equity	417	-	-	66	-	(8)	(266)	209
(-) Dividends	-	-	(1,121)	-	-	-	-	(1,121)
Balance at June 30, 2022	664	440	1,183	881	1,981	5,574	2,746	13,469

⁽¹⁾ On September 11, 2020, Subocol S.A. is reclassified as a joint venture.

⁽²⁾ On June 28, 2021, through Ayudas Diagnósticas SURA S.A.S., Suramericana made an investment in the company Vaccigen S.A.S., now known and promoted as Vaxthera.

^(*) P.A.: Patrimonio autónomo

^(**) UPI: Unión para la infraestructura S.A.S.

NOTE 9. DIVIDENDS DECLARED

The General Meeting of Shareholders of Grupo SURA held on March 25, 2022, approved the following profit distribution project:

Dividends

An ordinary dividend of seven hundred eighty-four (\$784) pesos per share, on 579,228,875 common and preferred shares.

The dividend was declared from the untaxed casual reserve with profits generated through December 31, 2016 for \$322,051 and from the untaxed casual reserve with profits generated as of January 1, 2017 for \$132,064 for a total of \$454,115.

Dividends declared	2022			2021		
	N° of shares	Annual ordinary dividend per share in COP\$.	Total dividend declared	N° of shares	Annual ordinary dividend per share in COP\$.	Total dividend declared
Ordinary shares	466,720,702	784	365,909	469,037,260	603.4	283,017
Preferred shares	112,508,173	784	88,206	112,940,288	603.4	68,148
Total	579,228,875		454,115	581,977,548		351,165

The dividend will be payable and paid in cash quarterly in April 2022, July 2022, October 2022 and January 2023. It will be 100% non-taxable to the shareholder.

In Colombia, dividends are distributed on the basis of separate financial statements.

The companies comprising Grupo SURA in Colombia are subject to the following restrictions regarding the transfer of profits or development of operations, in accordance with Colombian law:

- In compliance with the provisions of the Code of Commerce, corporations must constitute a mandatory legal reserve amounting to at least fifty percent of the subscribed capital, formed with ten percent of the net profits of each fiscal year.

The subsidiaries of Grupo SURA abroad are not restricted from transferring dividends to the parent company, except for the legal reserve mentioned before.

Grupo SURA and its subsidiaries have no significant restrictions on their ability to access or use their assets and settle their liabilities other than those resulting from regulatory frameworks.

NOTE 10. OTHER COMPREHENSIVE INCOME

The other comprehensive income by concept as of June 2022 and 2021 is presented below:

2022:

Concept	December 2021	Movement for the period	June 2022	Non-controlling interest other comprehensive income	Total Other comprehensive income
Revaluation of assets ⁽¹⁾	264,290	(24,626)	239,664	(5,726)	(30,352)
New defined benefit plan measures	(9,767)	-	(9,767)	-	-
Gain (loss) from investments in equity instruments	5,131	(16,121)	(10,990)	(3,555)	(19,676)
(Loss) gain Exchange difference on conversion ⁽²⁾	1,870,230	265,778	2,136,007	49,609	315,387
Gain (loss) on cash flow hedges	58,873	2,685	61,559	1,467	4,152
Gain (loss) on derivative hedges of net investments in foreign operations	(46,549)	(38,692)	(85,241)	(7,603)	(46,295)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method ⁽³⁾	2,216,319	761,674	2,977,993	114	761,788
Total comprehensive income	4,358,527	950,698	5,309,225	34,306	985,004

2021:

Concept	December 2020	Movement for the period	June 2021	Non-controlling interest other comprehensive income	Total Other comprehensive income
Gain on revaluation of assets ⁽¹⁾	216,590	60	216,650	15	75
New defined benefit plan measures	(15,691)	-	(15,691)	-	-
Gain (loss) from investments in equity instruments	13,954	(11,920)	2,035	(4,363)	(16,283)
(Loss) gain Exchange difference on conversion ⁽²⁾	1,572,829	560,036	2,132,865	114,137	674,173
Gain (loss) on cash flow hedges	6,557	91,781	98,338	15,338	107,119
Gain (loss) on derivative hedges of net investments in foreign operations	(95,420)	(61,274)	(156,694)	(12,040)	(73,314)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method ⁽³⁾	1,207,488	258,946	1,466,433	383	259,329
Total comprehensive income	2,906,307	837,629	3,743,936	113,470	951,099

(1) The component of other comprehensive income from revaluation of assets corresponds to gains from the valuation at fair value of real estate properties measured under the revaluation model.

(2) The conversion differences component represents the cumulative amount of exchange differences arising from the translation to the presentation currency of Grupo SURA of the results and net assets of foreign operations. The cumulative conversion differences are reclassified to profit or loss for the period, partially or in full, when the foreign operation is disposed of.

(3) The component records changes in equity in investments in associated companies and joint ventures using the equity method (See detail in Note 8. Investments in associated companies and joint ventures).

NOTE 11. NON-CONTROLLING INTEREST

The following table shows summarized financial information as of June 2022 and December 2021, of the main subsidiaries of Grupo SURA that have significant non-controlling interests.

Financial information before eliminations of related party transactions is presented below:

	Suramericana S.A. and Subsidiaries		Sura Asset Management S.A. and Subsidiaries	
	June 2022	December 2021	June 2022	December 2021
Main domicile		Colombia		Colombia
% Non-controlling interest	18.87%	18.87%	16.42%	16.42%
Ordinary income	11,777,137	19,654,025	1,506,593	3,701,887
Income from continuing operations	264,082	69,323	43,262	619,464
Income from discontinued operations	(818)	(2,974)	86	7,374
Other comprehensive income	36,373	169,089	189,871	329,416
Comprehensive income	299,637	235,438	233,219	956,254
Assets	34,541,269	33,291,826	20,411,721	20,752,266
Liabilities	29,067,253	28,109,843	10,331,576	10,570,949
Equity	5,474,016	5,181,983	10,080,145	10,181,317
Dividends paid to non-controlling interests	3,774	44,344	18,238	41,188

The contribution of the main companies to the consolidated financial statements of Grupo SURA that have significant non-controlling interests is presented below:

	Suramericana S.A. and Subsidiaries		Sura Asset Management S.A. and Subsidiaries		Others		Grupo SURA and Subsidiaries	
	June 2022	December 2021	June 2022	December 2021	June 2022	December 2021	June 2022	December 2021
Non-controlling income	49,975	12,824	7,561	103,706	(5)	(499)	57,531	116,031
Total comprehensive income	53,490	45,489	38,357	157,353	(10)	297	91,837	203,139
Equity	932,863	925,989	1,616,612	1,418,452	4,871	5,063	2,554,346	2,349,504
Total non-controlling interests equity	1,036,328	984,302	1,662,530	1,679,511	4,856	4,861	2,703,714	2,668,674

NOTE 12. OPERATING SEGMENTS

12.1. Reportable segments

The operating segments of the Group have been defined as the companies, consolidation groups and the holding company that manage the operations of the following activities:

Grupo SURA:

This segment includes holding companies whose main objective is the acquisition of investment vehicles.

Suramericana (Seguros SURA):

It includes companies engaged in the coverage of risks, in charge of guaranteeing or indemnifying all or part of the loss caused by the occurrence of certain accidental situations.

1.1. Life Insurance: Companies in charge of covering risks against the individual are classified in this segment.

1.2. Non-life insurance: Insurance companies covering risks other than personal injury are classified in this segment.

1.3. Health Insurance: Includes companies engaged in the provision of mandatory and complementary health services.

Sura Asset Management:

Includes companies engaged in the administration of funds, responsible for the administration of contributions made by employees in individual mandatory savings accounts and their voluntary contributions.

1.1. Mandatory fund management: Its main activity refers to the collection and management of contributions made by employees in individual mandatory savings accounts and, in turn, the management and payment of benefits established by the pension system.

1.2. Voluntary fund management: its main activity is focused on voluntary pension savings, life annuities, among others.

Others:

Includes companies engaged in the provision and marketing of information processing products and services.

In addition, other services are reported that are not directly related to the business strategy but they complement the service offering.

The highest authority in operating decision making in the segments in Grupo SURA are the financial vice presidents of the subsidiaries and Grupo SURA, who is responsible for monitoring the operating results of the operating segments separately in order to make decisions on the allocation of resources and evaluate the segments performance.

Segment performance is evaluated on the basis of pre-tax operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

12.2. Information about operating segments

Consolidated Statements of Income as of June 30, 2022 by segment

June 2022	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	Others	Eliminations and adjustments	Total
Continuing operations						
Income						
Insurance premiums	-	8,552,700	286,423	-	(6,842)	8,832,281
Premiums for health services	-	3,692,971	-	11,264	(118)	3,704,117
Premiums issued	-	12,245,671	286,423	11,264	(6,960)	12,536,398
Premiums ceded in reinsurance	-	(1,732,259)	(3,786)	-	1	(1,736,044)
Retained premiums (net)	-	10,513,412	282,637	11,264	(6,959)	10,800,354
Net production reserves	-	(273,494)	179,139	-	-	(94,355)
Retained earned premiums	-	10,239,918	461,776	11,264	(6,959)	10,705,999
Return on investments	519	672,450	304,572	119	(102)	977,558
Net gain on investments at fair value	1,814	304,262	(478,723)	(31,543)	179	(204,011)
Commission Income	-	318,969	1,226,217	226	(1,319)	1,544,093
Sale of services	-	44,529	7	116,284	(26,415)	134,405
Gains from equity method	1,203,230	(17,330)	(25,448)	72,996	(187,474)	1,045,974
Gains from sales of investments	-	(15,419)	(24,580)	-	-	(39,999)
Other income	21,474	219,555	42,772	7,676	(21,502)	269,975
Total income	1,227,037	11,766,934	1,506,593	177,022	(243,592)	14,433,994
Costs and expenses						
Insurance claims	-	(5,314,694)	(255,886)	-	1,627	(5,568,953)
Health service claims	-	(3,558,832)	-	(7,113)	4	(3,565,941)
Total claims	-	(8,873,526)	(255,886)	(7,113)	1,631	(9,134,894)
Reimbursement of claims	-	1,455,885	-	-	-	1,455,885
Retained claims	-	(7,417,641)	(255,886)	(7,113)	1,631	(7,679,009)
Expenses for commissions to intermediaries	-	(1,669,436)	(2,600)	-	-	(1,672,036)
Insurance costs and expenses	-	(665,290)	(210,633)	(15)	(26)	(875,964)
Costs of provision of services	-	(98,560)	-	(85,831)	519	(183,872)
Administrative expenses	(28,270)	(640,584)	(249,569)	(12,256)	26,521	(904,158)
Employee benefits	(13,911)	(669,644)	(280,866)	(15,131)	782	(978,770)
Fees	(27,965)	(102,215)	(51,794)	(881)	5,138	(177,717)
Depreciation and amortization	(1,282)	(114,899)	(147,045)	(29,324)	21,453	(271,097)
Other expenses	(1)	(48)	(10,430)	(51)	(1)	(10,531)
Total costs and expenses	(71,429)	(11,378,317)	(1,208,823)	(150,602)	56,017	(12,753,154)
Operating profit	1,155,608	388,617	297,770	26,420	(187,575)	1,680,840
Financial Results	(241,003)	(82,568)	(162,789)	(2,201)	103	(488,458)
Income from continuing operations before income tax	914,605	306,049	134,981	24,219	(187,472)	1,192,382
Provision for income tax	(1,322)	(52,169)	(91,721)	(1,954)	-	(147,166)
Net gains, continued operations	913,283	253,880	43,260	22,265	(187,472)	1,045,216
Net gains, discontinued operations	-	(818)	86	-	1	(731)
Net income	913,283	253,062	43,346	22,265	(187,471)	1,044,485
Net income attributable to controlling shareholders	913,283	252,697	42,817	22,245	(244,088)	986,954
Net income attributable to non-controlling interest	-	365	529	20	56,617	57,531

Consolidated Income Statement as of June 30, 2021 by Segment



June 2021	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	Others	Eliminations and adjustments	Total
Continuing operations						
Income						
Insurance premiums	-	6,924,295	260,542	-	(1,704)	7,183,133
Premiums for health services	-	2,791,411	-	9,220	(1,227)	2,799,404
Premiums issued	-	9,715,706	260,542	9,220	(2,931)	9,982,537
Premiums ceded in reinsurance	-	(1,594,694)	(2,938)	-	-	(1,597,632)
Retained premiums (net)	-	8,121,012	257,604	9,220	(2,931)	8,384,905
Net production reserves	-	167,072	(93,902)	-	-	73,170
Retained earned premiums	-	8,288,084	163,702	9,220	(2,931)	8,458,075
Return on investments	2,101	394,850	69,742	436	(12)	467,117
Net gain on investments at fair value	(14,410)	98,004	66,942	26,895	145	177,576
Commission Income	-	279,719	1,285,396	250	(1,134)	1,564,231
Provision of Services	-	36,743	7	108,464	(25,692)	119,522
Gains from equity method	540,836	(1,060)	68,004	(507)	41,179	648,452
Gains from sales of investments	-	(15,420)	40,420	-	-	25,000
Other income	5	150,647	23,747	1,960	22	176,381
Total income	528,532	9,231,567	1,717,960	146,718	11,577	11,636,354
Costs and expenses						
Insurance claims	-	(3,850,785)	(255,691)	-	2,002	(4,104,474)
Health service claims	-	(2,644,946)	-	(7,494)	529	(2,651,911)
Total claims	-	(6,495,731)	(255,691)	(7,494)	2,531	(6,756,385)
Reimbursement of claims	-	624,273	-	-	-	624,273
Retained claims	-	(5,871,458)	(255,691)	(7,494)	2,531	(6,132,112)
Expenses for commissions to intermediaries	-	(1,372,754)	1,496	-	112	(1,371,146)
Insurance costs and expenses	-	(455,011)	(225,979)	122	150	(680,718)
Costs of provision of services	-	(85,299)	-	(82,408)	328	(167,379)
Administrative expenses	(21,412)	(555,215)	(240,206)	(10,073)	20,204	(806,702)
Employee benefits	(13,363)	(588,113)	(248,830)	(13,410)	685	(863,031)
Fees	(5,516)	(93,837)	(52,234)	(535)	5,580	(146,542)
Depreciation and amortization	(1,090)	(109,991)	(145,009)	(7,604)	1	(263,693)
Other expenses	-	7,571	(11,553)	(213)	(3)	(4,198)
Total costs and expenses	(41,381)	(9,124,107)	(1,178,006)	(121,615)	29,588	(10,435,521)
Operating profit	487,151	107,460	539,954	25,103	41,165	1,200,833
Financial Results	(170,237)	(49,816)	(73,978)	(1,290)	13	(295,308)
Income from continuing operations before income tax	316,914	57,644	465,976	23,813	41,178	905,525
Provision for income tax	(13,550)	(52,768)	(165,708)	(348)	1	(232,373)
Net gains continuous operations	303,364	4,876	300,268	23,465	41,179	673,152
Net gains from discontinued operations	-	(5,624)	4,846	-	(2)	(780)
Net income	303,364	(748)	305,114	23,465	41,177	672,372
Net income attributable to controlling shareholders	303,364	(936)	304,711	23,514	(8,398)	622,255
Net income attributable to non-controlling interest	-	188	403	(49)	49,575	50,117

Consolidated Statement of Financial Position as of June 30, 2022 by Segment

June 2022	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	Others	Eliminations and adjustments	Total
Assets						
Investments	39,670	16,708,441	8,677,352	82,710	(1)	25,508,172
Assets under insurance contracts	-	5,155,710	-	-	(159)	5,155,551
Assets under reinsurance contracts	-	5,228,818	3,199	-	-	5,232,017
Investments in associated companies and joint ventures	14,490,162	10,301	1,429,669	46,184	6,841,366	22,817,682
Goodwill	-	626,888	4,510,430	24,950	1,767	5,164,035
Other assets	17,217,439	6,811,111	5,791,071	407,936	(15,722,813)	14,504,744
Total assets	31,747,271	34,541,269	20,411,721	561,780	(8,879,840)	78,382,201
Liabilities						
Financial liabilities	897,418	333,971	2,143	20,999	(1)	1,254,530
Liabilities under insurance contracts	-	22,824,832	4,475,919	-	(477)	27,300,274
Other accounts payable and accounts payable to related parties	462,367	1,519,584	769,906	52,717	(292,673)	2,511,901
Issued bonds and preferred shares	4,550,748	855,711	3,543,016	-	(2)	8,949,473
Other liabilities	383,252	3,533,155	1,540,592	63,587	(2)	5,520,584
Total liabilities	6,293,785	29,067,253	10,331,576	137,303	(293,155)	45,536,762
Total equity	25,453,486	5,474,016	10,080,145	424,477	(8,586,685)	32,845,439
Total equity and liabilities	31,747,271	34,541,269	20,411,721	561,780	(8,879,840)	78,382,201

Consolidated Statement of Financial Position as of December 31, 2021 by Segment

December 2021	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	Others	Eliminations and adjustments	Total
Assets						
Investments	40,301	15,499,563	9,450,569	108,172	-	25,098,605
Assets under insurance contracts	-	5,002,711	-	-	(151)	5,002,560
Assets under reinsurance contracts	-	5,345,645	3,684	-	-	5,349,329
Investments in associated companies and joint ventures	14,490,162	17,084	1,473,771	19,946	6,006,603	22,007,566
Goodwill	-	602,929	4,381,939	24,950	1,767	5,011,585
Other assets	16,052,892	6,823,894	5,442,301	285,607	(15,172,655)	13,432,039
Total assets	30,583,355	33,291,826	20,752,264	438,675	(9,164,436)	75,901,684
Liabilities						
Financial liabilities	610,628	436,509	1,987	14,386	-	1,063,510
Liabilities under insurance contracts	-	21,764,334	4,861,759	-	(160)	26,625,933
Other accounts payable and accounts payable to related parties	150,879	1,599,161	607,850	43,259	(6,882)	2,394,267
Issued bonds and preferred shares	4,736,910	851,209	3,395,666	-	-	8,983,785
Other liabilities	337,974	3,458,631	1,703,687	68,683	-	5,568,975
Total liabilities	5,836,391	28,109,844	10,570,949	126,328	(7,042)	44,636,470
Total equity	24,746,964	5,181,982	10,181,315	312,347	(9,157,394)	31,265,214
Total equity and liabilities	30,583,355	33,291,826	20,752,264	438,675	(9,164,436)	75,901,684

Intersegment revenues are eliminated in consolidation and are reflected in the "eliminations" column.

12.3. Geographical information

Grupo SURA has regional presence in the following Countries: Colombia, Chile, Argentina, Brazil, The United States, El Salvador, Mexico, Panama, Peru, Dominican Republic, Bermuda and Uruguay.

The following table shows the distribution of income, by geographical area:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Colombia	9,726,128	7,476,507	5,004,194	3,924,743
Chile	1,795,538	1,545,840	1,001,503	786,556
Mexico	947,973	989,242	470,598	530,525
Argentina	657,799	466,450	392,078	261,129
Brazil	338,353	183,068	175,252	99,548
El Salvador	230,116	220,675	117,205	117,064
Panama	220,610	261,178	115,228	138,560
Uruguay	214,774	178,301	113,753	90,971
Peru	172,899	213,854	68,879	111,841
Dominican Republic	118,674	95,118	63,924	50,585
Bermuda	11,130	6,121	2,878	3,449
Total	14,433,994	11,636,354	7,525,492	6,114,971

As of June 2022, and June 2021, the Group has no customers representing 10% or more of consolidated revenues.

The following table shows the distribution of assets by geographic area:

	June 2022	December 2021
Colombia	60,224,799	58,004,847
Chile	8,980,238	9,339,516
Mexico	2,881,239	2,571,403
Argentina	1,655,486	1,766,127
Brazil	932,715	827,178
Panama	901,156	862,471
El Salvador	756,446	746,004
Uruguay	676,466	543,380
Peru	582,190	491,382
Dominican Republic	568,854	610,778
Bermuda	222,137	138,598
The United States	475	-
Total	78,382,201	75,901,684

The following table shows net income (loss) by geographic area:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Colombia	758,229	232,566	376,705	204,603
Chile	263,576	166,417	232,679	78,108
Mexico	36,019	171,251	13,832	100,602
Argentina	16,337	2,097	9,573	13,629
El Salvador	9,528	4,770	4,803	5,546
Brazil	1,272	(12,613)	(3,155)	(6,612)

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Bermuda	892	696	(5,182)	544
Dominican Republic	(282)	4,161	(187)	3,927
The United States	(637)	-	(417)	-
Peru	(892)	56,546	(10,008)	30,882
Uruguay	(2,087)	14,404	(1,440)	9,207
Panama	(37,470)	32,077	(14,309)	20,749
Total	1,044,485	672,372	602,894	461,185

NOTE 13. COMMISSION INCOME AND EXPENSES

13.1. Commission income

Commission income for Grupo SURA is detailed below:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Management of mandatory pension funds	1,023,677	1,089,076	515,112	561,611
Gains on disposals	298,458	276,699	162,263	141,512
Others ⁽¹⁾	174,601	104,321	70,593	55,544
Management of voluntary pension funds	39,773	85,997	19,392	44,238
Participation in gains of reinsurers	6,917	6,058	-	561
Reinsurance income/cancellations	612	2,015	-	2,000
Insurance commission income	55	65	16	40
Total	1,544,093	1,564,231	767,376	805,506

⁽¹⁾ Includes mainly income from the administration of client portfolios received.

13.2. Expenses for commissions paid to intermediaries

The detail of commissions paid to intermediaries is presented below:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Property and casualty insurance	(555,123)	(409,470)	(330,845)	(212,714)
Deferred acquisition cost (DAC)	(471,858)	(399,793)	(195,019)	(206,081)
Insurance administration	(287,398)	(208,468)	(153,804)	(109,063)
Profit Sharing Affinity	(90,351)	(109,078)	(47,494)	(52,578)
Affinity Commissions	(87,185)	(86,889)	(45,121)	(43,111)
Employee benefits	(52,542)	(34,202)	(27,681)	(19,190)
Occupational risk insurance	(51,312)	(43,211)	(27,073)	(22,295)
Collection commissions (fund collection)	(36,217)	(35,948)	(18,628)	(17,430)
Intermediation commissions	(11,286)	(10,930)	(5,836)	(5,611)
Social security insurance	(10,701)	(7,536)	(5,421)	(3,897)
Commission for data processing and collection of contributions	(5,172)	(5,255)	(2,545)	(2,670)
Sales and service commissions	(5,037)	(5,918)	(2,237)	(3,248)
Rebates paid	(3,324)	(3,482)	(1,617)	(1,864)
Consultant bonuses	(3,268)	(4,783)	(682)	(2,774)
Mandatory insurance	(2,396)	(4,169)	(1,247)	(1,637)
Acceptance fees	(498)	(386)	(130)	(112)
Accepted coinsurance	1,632	(1,628)	3,273	(867)
Total	(1,672,036)	(1,371,146)	(862,107)	(705,142)

NOTE 14. FINANCIAL RESULT

The financial income and expenses of Grupo SURA and its subsidiaries as of June 30, 2022 and June 30, 2021 are detailed below:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Earnings at fair value – Derivatives ⁽¹⁾	6,845	(8,883)	23,715	8,833
Exchange difference (net) ⁽²⁾	(33,702)	77,820	21,868	72,637
Interests ⁽³⁾	(461,601)	(364,245)	(250,599)	(177,720)
Total	(488,458)	(295,308)	(205,016)	(96,250)

(1) Corresponds to the valuation of trading derivatives.

(2) Corresponds to net exchange difference on financial liabilities. Includes the application of hedge accounting.

(3) Below is a detail of interest as of the reporting date:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Bond issued	(291,134)	(235,309)	(151,259)	(117,779)
Hedging operations	(63,743)	(65,302)	(39,225)	(29,362)
Bank loans	(34,350)	(17,836)	(19,562)	(7,741)
Debt securities	(24,811)	(8)	(16,216)	(4)
Preferred shares	(20,017)	(19,447)	(10,062)	(9,422)
Financial leasing	(16,993)	(17,700)	(8,475)	(8,841)
Repo operations	(1,812)	(60)	(1,446)	(60)
	(452,860)	(355,662)	(246,245)	(173,209)
Others ^(*)	(8,741)	(8,583)	(4,354)	(4,511)
Total	(461,601)	(364,245)	(250,599)	(177,720)

*Includes yields on Protection funds and loans to employees.

NOTE 15. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the income for the period attributable to stockholders by the weighted average number of common shares outstanding during the period.

The calculation of basic earnings per share is detailed below:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Profit, net	1,044,485	672,372	602,894	461,185
Non-controlling profit	57,531	50,117	45,211	33,160
Profit of controlling shareholder	986,954	622,255	557,683	428,025
Profit, net of discontinued operations	(731)	(780)	(632)	(2,493)
Profit, net of non-controlling discontinued operations	14	796	(6)	98
Profit, net from discontinued operations of controlling shareholder	(745)	(1,576)	(626)	(2,591)
Less: Preferred dividends declared - Preferred shares interest	(88,206)	(68,148)	(22,076)	(17,037)
Plus: Preferred stock interest expense ⁽¹⁾	20,017	19,447	10,062	9,422
Less: Undistributed earnings to preferred stockholders ⁽²⁾	(124,519)	(69,607)	(92,491)	(71,161)
Profit from continuing operations	794,991	505,522	453,803	351,840

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Ordinary shares ⁽³⁾	466,720,702	469,037,260	467,232,923	469,037,260
Earnings per share from continuing operations	1,703	1,078	971	750
Income from ordinary discontinued operations	(745)	(1,576)	(626)	(2,591)
Earnings per share discontinued operations	(2)	(3)	(1)	(6)

(1) It corresponds to the minimum guaranteed dividend of the preferential shares caused as an expense during the period.

(2) Corresponds to the portion of the income of the parent company attributable to the preferred stock that has not been declared as a dividend.

(3) Corresponds to the weighted average of the shares of the period, which includes the repurchase of the shares performed

NOTE 16. FINANCIAL RISK MANAGEMENT

The following information describes the main characteristics of the Risk Management System Governance Framework in the Companies of the Business Group and some definitions in relation to the Conglomerates Law. Likewise, the most relevant risks to which the Companies are exposed are analyzed, taking into account their characteristics, complexity, business dimension, and the particularities that arise in the geographies where they develop their economic activities.

Governance Framework

For Grupo Empresarial SURA, risk management is a dynamic and interactive process, framed within the internal control system, aimed at supporting the achievement of the strategic objectives and sustainability of the Companies. The Risk Management System allows making strategic, administrative and operational decisions, aimed at creating value, not only maximizing revenues under tolerable risk levels, but also understanding global trends and the internal context of the Companies, creating the relevant control mechanisms and ensuring the sustainability and continuity of the business in the long term.

Grupo SURA, as a parent company, is exposed to its own risks as well as those derived from its investments. It is for this reason that it has framework guidelines for risk management that allow articulating the Companies to generate value through their interaction and face the new challenges and opportunities of a changing environment.

The Board of Directors, its Committees and the Senior Management of each of the Companies are responsible for an adequate Risk Management System and for making decisions based on an understanding of the opportunities and risks involved in each strategic issue. These responsibilities are complemented by an organizational structure, policies and manuals, which seek consistency and feedback with the organizational risk strategy.

Grupo SURA has adequate communication and interaction mechanisms to follow up on the Group's risk profile and management, including, among others, participation in Boards of Directors, Committees and joint spaces to share best practices, make reports and execute projects.

In addition to the existing risk management system, the Conglomerates Law issued on September 21, 2017, imparts new obligations for Grupo SURA as Financial Holding Company of the Conglomerate in terms of risk management. The scope of this system covers not only the Business Group but also all the Companies that make up the Financial Conglomerate. This regulation seeks to develop a Risk Management Framework for the SURA-Bancolombia Financial Conglomerate (FC), emphasizing the development of guidelines to define the risk appetite, adequate level of capital and the management of strategic, contagion, concentration and reputational risks.

Financial Risks

The Business Group has management systems that allow it to monitor exposure to the different financial risks (credit, liquidity and market risks) from treasury management, investment portfolios and the responsibility for managing third party portfolios.

1. Credit risk

Credit risk refers to the possibility of incurring losses arising from non-compliance with financial obligations that third parties have contracted with the Companies.

1.1. Description of the objectives, policies, and processes for risk management

Credit risk management seeks to reduce the probability of incurring losses derived from non-compliance with financial obligations contracted by third parties with the Companies. To this end, policies and procedures have been defined to facilitate the analysis and follow-up of issuers and counterparties, from the resources managed in the treasury, the insurance companies' portfolios and third parties' funds, in order to mitigate the exposure of the Companies.

1.2. Methods used to measure risk

In the treasury departments of Grupo SURA, Suramericana and SURA Asset Management, risk mitigation policies provide guidelines to ensure that investments are always backed by issuers and/or managers with adequate credit backing.

For their part, the insurance companies, from the management of their portfolios made up of profitable and liquid assets, which back their technical reserves, manage credit risk based on policies for the allocation of quotas, limits and controls, as well as methodologies and procedures that are adjusted to the different assets in the portfolio and allow the quantification and monitoring of the evolution of this risk. These methodologies contemplate detailed analyses of the financial strengths and conditions, and of different qualitative aspects of the issuers and investment fund managers.

Similarly, in the third-party resources management activity, and in compliance with its fiduciary duty, the management of the funds includes a due diligence process to the issuers, counterparties and fund managers in which their resources are invested.

1.3. Description of the objectives, policies, and processes for risk management

During the quarter there were no relevant changes in the policies and processes for credit risk management.

1.4. Summary of quantitative data on risk exposure of the entity

Exposures of resources administered in the treasury:

At the end of the quarter, the Companies' cash investments are mostly concentrated in liquid collective portfolios managed by high credit quality managers, savings accounts and checking accounts.

To date, the portfolios of the insurance companies of Suramericana and SURA AM are distributed as follows:

Assets Fixed Income by Credit Rating 2Q 22 (International Scale)

Sovereign Rating*	Suramericana										SURA AM
	Argentina CCC	Brazil BB-	Chile A-	Colombia BB+	El Salvador B-	Mexico BBB-	Panama BBB	Dom. Rep BB-	Uruguay BBB-	Bermuda A	Chile A+
Government	63%	50%	18%	30%	16%	72%	6%	42%	69%	63%	27.5%
AAA	0%	0%	0%	2%	0%	0%	0%	0%	0%	0%	0.0%
AA+	0%	0%	0%	0%	0%	0%	3%	0%	0%	0%	0.0%
AA	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0.0%
AA-	0%	0%	0%	0%	0%	0%	5%	0%	0%	0%	0.0%
A+	0%	0%	0%	0%	0%	0%	0%	0%	8%	0%	13.5%
A	0%	0%	0%	1%	0%	0%	1%	0%	0%	0%	9.1%
A-	0%	0%	45%	0%	2%	0%	0%	0%	0%	0%	20.2%
BBB+	0%	0%	7%	1%	0%	0%	3%	0%	3%	0%	22.8%
BBB	0%	0%	11%	0%	0%	0%	0%	0%	12%	0%	3.9%
BBB-	0%	0%	11%	0%	3%	19%	17%	0%	6%	0%	1.0%
BB+	0%	0%	0%	42%	0%	2%	3%	0%	2%	0%	1.0%
BB	0%	0%	2%	12%	0%	3%	8%	0%	0%	0%	0.9%
BB-	0%	20%	3%	1%	1%	4%	23%	0%	0%	0%	0.0%
Otros	37%	30%	3%	11%	78%	0%	31%	58%	0%	37%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Assets Fixed Income by Credit Rating 1Q 22 (International Scale)

Suramericana										SURA AM
Argentina	Brazil	Chile	Colombia	El Salvador	Mexico	Panama	Dom. Rep	Uruguay	Bermuda	Chile

Sovereign Rating	CCC	BB-	A-	BB+	B-	BBB-	BBB	BB-	BBB-	A	
Government	65%	56%	19%	28%	21%	75%	7%	46%	57%	0%	28.0%
AAA	0%	0%	0%	2%	0%	0%	0%	0%	0%	0%	0.0%
AA+	0%	0%	0%	0%	0%	0%	4%	0%	0%	0%	0.0%
AA	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0.0%
AA-	0%	0%	0%	0%	0%	0%	0%	0%	6%	0%	0.0%
A+	0%	0%	0%	0%	0%	0%	1%	0%	6%	0%	13.1%
A	0%	0%	0%	1%	0%	0%	0%	0%	1%	0%	9.1%
A-	0%	0%	43%	0%	0%	0%	0%	0%	2%	0%	20.8%
BBB+	0%	0%	6%	1%	0%	0%	2%	0%	6%	0%	21.3%
BBB	0%	0%	12%	0%	0%	0%	0%	0%	11%	0%	5.0%
BBB-	0%	0%	8%	0%	0%	17%	21%	0%	8%	100%	0.8%
BB+	0%	0%	1%	43%	0%	2%	0%	0%	3%	0%	1.9%
BB	0%	0%	0%	13%	0%	2%	17%	0%	0%	0%	0.0%
BB-	0%	16%	0%	1%	3%	4%	3%	0%	0%	0%	0.0%
Others	35%	28%	11%	11%	76%	0%	45%	54%	0%	0%	0.0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

1.5. Description of changes in risk exposure

During the second quarter 2022 the general credit risk situation in terms of investment portfolio issuers did not present significant changes regarding what was evidenced during the previous quarter. This taking into account that the portfolio is diversified in issuers with a good credit quality and high operational soundness that has allowed them to remain stable in the midst of the pandemic. During the quarter, we continued analyzing the possible impacts that the war in Russia and Ukraine and the changes in macroeconomic variables, such as interest rate and inflation, could have on issuers and counterparties; however, no important alerts were evidenced from their credit risk profile.

Currently, the countries in which we have financial instruments classified as amortized cost are: Colombia, Dominican Republic, El Salvador, Panama and Chile, in which we permanently monitor to determine in a timely manner any impact on investment portfolios and financial statements associated with downgrades in the credit rating of issuers, this through structured impairment models. Securities classified at market value permanently incorporate the effects of price and interest rate fluctuations, therefore, they do not involve additional effects associated with prospective impairment analyses. However, as a consequence of the downgrade in the credit rating of the issuers, for those securities classified at market value with changes in the OCI, the company may reflect negative impacts in the results of the period associated with an estimated impairment.

From the point of view of credit risk management, and in order to achieve an even more structured and continuous follow-up, adjustments continue to be made to the management processes and credit risk assessment models, in order to achieve greater speed and anticipation.

On the other hand, with respect to the discontinued operation in Mexico of SURA Asset Management, it is important to mention that the necessary resources have been made

available to allow the Company to comply with its contractual commitments while it completes the closing of its operation for the remainder of the year.

For Grupo SURA, cash investments are mostly concentrated in liquid mutual funds managed by high credit quality managers, savings accounts and checking accounts.

On the other hand, regarding the credit risk exposure in the current positions with financial derivative instruments, the Company has as counterparties local and international banks with adequate credit ratings.

2. Liquidity Risk

Liquidity risk refers to the ability of companies to generate the resources that allow them to meet their obligations to stakeholders and the proper functioning of their businesses.

In order to evaluate the exposure to this risk, a detailed review of the liquidity and solvency levels of the Companies, as well as those additional factors that could affect them in the current context, has been carried out. Based on these analyses, strategies were developed to strengthen the liquidity position, thus generating the capacity to respond to its short-term obligations and also the foreseeable effects derived from the current situation.

2.1. Description of the objectives, policies, and procedures for risk management

To manage this risk, the Companies focus their actions within the framework of a liquidity management strategy for the short and long term, in order to ensure compliance with the obligations acquired, under the conditions initially agreed and without incurring in cost overruns.

2.2. Methods used to measure risk

The Companies monitor their cash flows in the short term to manage cash collections and payments, and make cash flow projections in the medium term to determine the liquidity position of the Companies and anticipate the necessary measures for an adequate management.

In addition, the Companies have credit lines available with domestic and international financial institutions and have cash investments that could be sold as a mechanism to access immediate liquidity, in addition to other complementary sources of liquidity.

2.3. Description of changes in risk exposure

To date there have been no significant changes in the exposure to this risk.

3. Market risk

The management of this risk focuses on how variations in market prices affect the value of the portfolios under management and the income of the Companies. For this purpose, there are Market Risk Management Systems in the insurance companies' portfolios and in the portfolio and third-party resources management processes, through which exposures are identified, measured and monitored.

These systems are composed of a set of policies, procedures and internal monitoring and control mechanisms.

3.1. Foreign exchange rate risk

Exchange rate risk refers to the risk that the fair value or future cash flows of a financial instrument may fluctuate as a result of changes in exchange rates. The Companies are exposed to this risk to the extent that they have assets or liabilities denominated in foreign currency.

3.1.1. Description of risk management objectives, policies and processes

To manage exposure to this risk, the Companies monitor their exposures and, if necessary, determine the convenience of having a hedging scheme, constantly monitored by the areas in charge and aligned with the guidelines issued by their Boards of Directors.

3.1.2. Methods used for measuring risk

The management of this risk in the portfolios of the Insurance Companies establishes methodologies, limits and/or alerts in accordance with the internal policies and regulations applicable to each of the countries. Some of the measures taken into account are: Value at Risk, Information Ratio, and Sensitivities and Simulations.

Within its methodology, Suramericana uses Value at Risk (VaR) measurement tools, which estimate the maximum expected loss that could be incurred in a one-month period with a 95% confidence level. VaR can be expressed as a percentage of the value of the investment portfolio. Additionally, within the conformation of the portfolios, the insurance companies take into account the characteristics of their liabilities, in order to optimize the risk/return ratio.

SURA Asset Management's methodology consists of a dynamic and continuous ALM (Asset and Liability Management) process that starts with the analysis of the liabilities profile and, based on the risk/return appetite, determines a strategic asset allocation.

Within the ALM process, sensitivity analyses of the impact on the Balance Sheet to changes in the market value of exchange rates and inflation are performed.

3.1.3. Summary of quantitative data on risk exposure of the entity

To date, we have the following exposures:

Assets by company by type of currency 2Q 22					
Country	Local currency *	Real local currency **	USD	Other	Total
Suramericana					
Argentina	45%	0%	55%	0%	100%
Bermuda	0%	0%	100%	0%	100%
Brazil	100%	0%	0%	0%	100%
Chile	2%	97%	1%	0%	100%
Colombia	63%	32%	5%	0%	100%
El Salvador	0%	0%	100%	0%	100%
Mexico	82%	9%	10%	0%	100%

Panama	0%	0%	100%	0%	100%
Dom. Rep	76%	0%	24%	0%	100%
Uruguay	55%	14%	31%	0%	100%
SURA Asset Management					
Chile Seguros	0%	100%	0%	0%	100%
Mexico (Discontinued. Op)	0%	0%	0%	0%	0%

Assets by company by type of currency 1Q 22					
Country	Local currency *	Real local currency **	USD	Other	Total
Suramericana					
Argentina	56%	0%	44%	0%	100%
Bermuda	0%	0%	100%	0%	100%
Brazil	100%	0%	0%	0%	100%
Chile	5%	94%	1%	0%	100%
Colombia	66%	29%	5%	0%	100%
El Salvador	0%	0%	100%	0%	100%
Mexico	88%	5%	7%	0%	100%
Panama	0%	0%	100%	0%	100%
Dom. Rep	77%	0%	23%	0%	100%
Uruguay	45%	19%	36%	0%	100%
SURA Asset Management					
Chile Seguros	0%	100%	0%	0%	100%
Mexico (Discontinued. Op)	0%	0%	0%	0%	0%

*Local currency: Colombia – COP, Panama – PAB, Dominican. Rep – DOP, El Salvador – SVC, Chile – CLP, Mexico – MXN, Peru – PEN, Uruguay – UYU, Brazil – BRL.

** Actual local currency: Colombia – UVR, Chile – UF, Mexico – UDI, Peru – Soles VAC, Uruguay – UI.

Exposures exclude Unit Link. Local currency includes both real and nominal currency.

3.1.4. Changes in exposure to risk description

To date there are no significant changes in the exposure to this risk.

3.2. Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument may fluctuate as a result of changes in market interest rates. Exposure to this risk arises from holding fixed-income assets or liabilities associated with variable interest rates.

3.2.1. Risk management objectives, policies and processes

To manage exposure to this risk, the Companies monitor their exposures and, if necessary, determine the convenience of having a hedging scheme, constantly monitored by the areas in charge and aligned with the guidelines issued by their Boards of Directors.

In the case of the insurance companies, the aim is to support the technical reserves by matching the liabilities in terms of interest rates and terms, thus mitigating this risk. Additionally, through an adequate investment classification strategy, financial income is stabilized and risk exposure is reduced.

3.2.2. Methods used for measuring risk

For the management of this risk in the portfolios of the Insurance Companies, methodologies, limits and/or alerts are established according to the internal policies and regulations applicable to each of the countries where they are present. Some of the measures taken into account are: Value at Risk, Information Ratio, and Sensitivities and Simulations.

Within its methodology, Suramericana uses both regulatory and internal Value at Risk (VaR) measurement tools. The internal methodology is based on a MonteCarlo VaR. Additionally, in order to make connections with the characteristics of the liabilities, it constantly monitors the match in terms of durations, tranches and flows, between the liabilities and the assets of the insurance companies.

SURA Asset Management's methodology consists of a dynamic and continuous ALM (Asset and Liability Management) process that starts with the analysis of the liability profile and, based on the risk/return appetite, determines a strategic asset allocation. It also controls this risk by monitoring the duration mismatch and a sensitivity analysis of the balance sheet at market value, in the face of interest rate variations and a liability adequacy test that allows quantifying the reinvestment risk of the portfolios.

3.2.3. Summary of quantitative data on the risk exposure of the entity

From the resources managed in the treasury, the exposure of the Companies to this risk arises from loans tied to variable interest rates.

Exposures of the portfolios of the Suramericana and SURA AM insurance companies:

In the portfolios of insurance companies of Suramericana, the exposures to real estate assets are consolidated in the equity exposures.

Exposures to fixed income and variable income assets 2Q 22					
Country	Fixed income	Variable income	Real estate assets	Mortgage-backed securities	Total
Suramericana					
Argentina	100%	0%	-	-	100%
Bermuda	100%	0%	-	-	100%
Brazil	100%	0%	-	-	100%
Chile	96%	4%	-	-	100%
Colombia	89%	11%	-	-	100%
El Salvador	100%	0%	-	-	100%
Mexico	100%	0%	-	-	100%
Panama	100%	0%	-	-	100%
Dom. Rep	99%	1%	-	-	100%
Uruguay	100%	0%	-	-	100%
Sura Asset Management					
Chile	77.8%	2.4%	19.8%	0%	100%
Mexico (Discontinued. Op)	0%	0%	0%	0%	0%

Exposures to fixed income and equity assets 1Q 22

Country	Fixed income	Variable income	Real estate assets	Mortgage-backed securities	Total
Suramericana					
Argentina	100%	0%	-	-	100%
Bermuda	100%	0%	-	-	100%
Brazil	100%	0%	-	-	100%
Chile	96%	4%	-	-	100%
Colombia	89%	11%	-	-	100%
El Salvador	100%	0%	-	-	100%
Mexico	100%	0%	-	-	100%
Panama	100%	0%	-	-	100%
Dom. Rep	100%	0%	-	-	100%
Uruguay	100%	0%	-	-	100%
Sura Asset Management					
Chile	78%	2%	20%	0%	100%
Mexico (Discontinued. Op)	0%	0%	0%	0%	0%

In the case of SURA Asset Management in Chile, the fixed-income securities in its portfolio are mostly tied to fixed rates.

3.3. Price variation risk Variable income

Equity price risk refers to the risk that the fair value of a financial instrument will fluctuate as a result of changes in the prices of shares or other variable income assets. Since the Companies' investment portfolio includes variable income assets, they are exposed to this risk.

3.3.1. Description of risk management objectives, policies and processes

The Companies carry out continuous analysis and monitoring of the exposure to this risk, through the different tools that each one has.

Some of the Companies have regulatory limits with respect to exposure in local and foreign equity instruments, in addition to having limits on aggregate and individual exposure to financial instruments.

3.3.2. Methods used for measuring risk

The management of this risk in the portfolios of the Insurance Companies establishes methodologies, limits and/or alerts in accordance with the internal policies and regulations applicable to each of the countries where they are present. Some of the measures taken into account are: Value at Risk, Information Ratio, Sensitivities and Simulations.

Within its methodology, Suramericana uses both regulatory and internal Value at Risk (VaR) measurement tools. The internal methodology is based on a MonteCarlo VaR.

SURA Asset Management's methodology consists of a dynamic and continuous ALM (Asset and Liability Management) process that starts with the analysis of the liabilities profile and, based on the risk/return appetite, determines a strategic asset allocation.

3.3.3. Summary of quantitative data on the risk exposure of the institution

As of June 2022, exposures in the portfolio of SURA Asset Management, are not material, only 2.4% of the investment portfolio excluding Unit Link funds, compared to 1.8% in the same period of 2021.

3.3.4. Description of changes in exposure to risk

It is important to highlight that during the course of the quarter several takeover bids have been presented for Grupo Nutresa and Grupo Argos, and as a result of these, the liquidity of these shares could be affected in the future as a result of the new shareholder composition of the entity.

3.4. Real Estate Asset price risk

Real estate asset price risk refers to the risk that the market value of a real estate asset will decline.

3.4.1. Description of risk management objectives, policies and processes

Those companies to which it is applicable, have limits on exposure to real estate and, if applicable, also have internal limits on exposure to Real Estate Assets.

3.4.2. Methods used for measuring risk

SURA Asset Management in its dynamic and continuous ALM (Asset and Liability Management) process, based on the analysis of the liability profile and according to the risk/return appetite, determines a strategic asset allocation, which serves as input to determine the investment limit in real estate assets, among others. Additionally, a sensitivity analysis of the balance sheet at market value is performed against variations in the value of the real estate assets of the investment portfolio.

3.4.3. Summary of quantitative data on the risk exposure of the institution

The exposure to this type of assets in the investment portfolio of the insurance companies of SURA Asset Management is shown in the table in section 3.2.3.

NOTE 17. RELATED PARTIES DISCLOSURES

17.1. Related parties

Related parties to Grupo SURA are considered to be subsidiaries, associated companies, key management personnel, as well as entities over which key management personnel (including family members) may exercise control.

The following is the detail of related parties as of June 30, 2022 and December 2021 of Grupo SURA:

a) Companies under direct or indirect control of Grupo SURA are listed in Note 1. Reporting entity.

b) Investments in associates and joint ventures

Associated companies and joint ventures of Grupo SURA are listed in Note 8.1 Investments in associates and Note 8.2 Joint ventures.

17.2. Transactions with related parties

Among the operations registered between related parties are:

Subsidiaries:

- Loans between related companies, with contractually agreed terms and conditions and at interest rates established in accordance with market rates. All are repaid in the short term.
- Provision of financial services, administration services, IT services, payroll services.
- Leases and subleases of offices and commercial premises, as well as the re-invoicing of related utilities.
- Cash reimbursements

These transactions are eliminated in the Financial Statement consolidation process.

Associates:

- Sale of insurance policy from insurance companies.
- Bank loans to Bancolombia Group entities.
- Brokerage commission from the Bancaseguros channel.
- Collection and payment of investment dividends.
- Purchase of financial instruments

All operations are considered short-term and are considered market transactions.

The transactions with related parties disclosed in the statement of financial position are presented below, but do not include all transactions between related parties for interim periods:

	June 2022		December 2021	
	Individuals Key management personnel	Entities Associates	Individuals Key management personnel	Entities Associates
Assets				
Accounts receivable dividends				
Bancolombia S.A.	-	551,224	-	15,276
Grupo Nutresa S.A.	-	115,897	-	28,607
Grupo Argos S.A.	-	88,675	-	-
Other ⁽¹⁾	-	869	-	199
Total assets	-	756,665	-	44,082
Liabilities				
Accounts payable related parties				
JDGB Holding S.A.S.	-	104,288	-	-
Grupo Argos S.A.	-	73,807	-	18,935
Grupo Nutresa S.A.	-	36,807	-	8,959
Sociedades Bolivar	-	16,231	-	-
CDPQ	-	14,835	-	-
Munich Re	-	7,547	-	-
Compañías de Seguros Bolivar S.A.	-	5,410	-	-
Other ⁽²⁾	-	128,329	-	62,606
Total accounts payable to related entities	-	387,254	-	90,500

	June 2022		December 2021	
	Individuals Key management personnel	Entities Associates	Individuals Key management personnel	Entities Associates
Employee benefits ⁽³⁾	100,193	-	114,809	-
Financial obligations ⁽⁴⁾	-	640,044	-	896,966
Total liabilities	100,193	1,027,298	114,809	987,466

- (1) Corresponds to dividends receivable from other investments not classified as associates.
(2) Corresponds to dividends payable to other shareholders.
(3) Corresponds to employee benefits of key management personnel, accrued to date.
(4) Corresponds to outstanding loans with Bancolombia S.A.

NOTE 18. OBLIGATIONS

Grupo Sura, as an investor of Suramericana S.A. and Sura Asset Management S.A., has entered into shareholder agreements ("Agreements") through which rules have been established for the participation of strategic partners in the capital stock of the companies that are part of Grupo Empresarial SURA, with which long-term relationships have been established, based on the mutual interest of sharing knowledge and business strategies in each of these subsidiaries. All of them have been developed with the support of expert advisors in financial, legal, accounting and tax matters, among others, responding to the strategic objectives defined by Grupo SURA.

These agreements include corporate governance provisions, minimum shareholder tenure periods, declarations, exit mechanisms and, in general, the usual clauses for this type of contract in companies not listed on a stock market, and may eventually generate future commitments for Grupo SURA.

To date, Grupo SURA has not been notified of the interest of its current partners to exercise the exit rights provided for in the Agreements.

In general terms, these agreements consider:

Agreement with Munich RE ("MRE") as a partner in Suramericana S.A., holder of an 18.87% equity interest:

- ✓ It has been signed since 2001 and establishes, among other matters, mechanisms with which an eventual divestment of MRE would be implemented. For example, it establishes that in the event that MRE decides to sell its 18.87% stake in Suramericana S.A. to Grupo SURA, the price of such stake would be determined by an independent third party using commonly accepted valuation methodologies and determining a fair market value of a minority investment.

Agreement with Caisse De Dépôt Et Placement Du Québec ("CDPQ") as a partner in Sura Asset Management S.A., holder of a 6.68% equity interest:

- ✓ It was entered into in 2019, amended in 2022 and establishes that Grupo SURA, during the period between February and May 2024, may sell to CDPQ up to 3.3% of Sura AM shares (not to exceed a total CDPQ stake of 9.9%) at fair market value, which will be determined by independent third parties.
- ✓ Additionally, this Agreement establishes the mechanisms by which an eventual divestment of CDPQ would be implemented, as of April 2029, once the agreed permanence period is over. Among others, it is agreed that, after April 2029 and as long as Sura AM has not been listed in a recognized Stock Exchange or Stock Market, and CDPQ has not executed a sale to a third party, CDPQ may sell its shares of Sura AM to Grupo SURA at fair market value, which will be

determined by independent third parties and paid by Grupo Sura in cash or with its own equity instruments, applying in any case the corporate procedures required by Colombian law.

Agreement with Grupo Bolivar and affiliates ("GB") as a partner in Sura Asset Management S.A., holder of a 9.74% equity interest:

- ✓ This Agreement was entered into in 2011, amended in 2013 and establishes the following mechanisms through which an eventual divestment of GB would be implemented: i) direct sale to third parties, ii) acquisition funded with dividends declared by Sura AM, and iii) exchange for Grupo SURA's own equity instruments, consisting of preferred shares, applying in all cases the corporate procedures required by Colombian law. The full text of the exit agreement can be consulted [here](#).
- ✓ A formula is established to determine the yield that GB must obtain when it decides to divest its participation in Sura AM. Said yield is calculated in Colombian pesos and is established based on: (i) 4 percentage points higher than Colombian inflation for the first 5 years on the GB investment and; (ii) the equity variations of Sura AM thereafter. Grupo Sura will be responsible for the obligation to complete the differential between the value of the divestment made by GB and the result obtained from the application of the formula, when the divestment value is not higher than the result of the divestment.

It is important to consider that these agreements are complex and require a significant level of judgment to determine the respective accounting treatment. This is based on the interpretation of different accounting standards that must be analyzed in conjunction with the specific characteristics of these types of agreements.

Grupo Sura is currently reviewing the applicable accounting policies to ensure the appropriate recognition and measurement of these agreements. In this regard, a possible policy change scenario under IAS 32 "Presentation of Financial Instruments", and as appropriate in each contract, could imply an eventual reclassification of the non-controlling interest (see note 11) to a liability and an adjustment in such liability to fair value, with effects on the equity of the controlling company, as well as possible effects on the results.

NOTE 19. EVENTS SUBSEQUENT TO THE REPORTING DATE

These consolidated financial statements as of June 30, 2022 were prepared for supervisory purposes and authorized for issue by the Board of Directors of Grupo SURA on August 12, 2022, after that date and until their publication, there were no relevant events that may significantly affect the financial position of the Company.

NOTE 20. APPROVAL OF FINANCIAL STATEMENTS

The issuance of the financial statements of Grupo SURA for the year ended June 30, 2022 was authorized by the Board of Directors, as stated in Act No. 373 of the Board of Directors dated August 12, 2022, to be presented to the market.

ANALYSIS OF FINANCIAL RESULTS (unaudited)

The following is an analysis of the financial results for the period ended June 30, 2022, with comparative figures as of December 31, 2021. These analyses are made by management and are not part of the Financial Statements.

INDEX	June		December		INTERPRETATION			
	2022		2021					
Solvency	45,536,762	= 58.10%	44,636,470	= 58.81%	Creditors own 58.1% as of June 2022 and 58.81% as of December 2021, leaving shareholders owning the complement: 41.9% in June 2022 and 41.19% as of December 2021.	Total liability		
	78,382,201		75,901,684			Total asset		
INDEBTNESS	Total	45,536,762	= 58.10%	44,636,470	= 58.81%	Of every peso the company has invested in assets, 58.1% as of June 2022 and 58.81% as of December 2021 have been financed by creditors.	Total liability	
		78,382,201		75,901,684			Total asset	
	Coverage of interest	1,506,086	= 326.27%	2,259,022	= 307.59%	The Company generated a net gain equal to 326.27% as of June 2022 and 307.59% in December 2021 from Interest Paid	Net profit + interest	
		461,601		734,430			Financial expenses	
	Leverage	45,536,762		44,636,470		Every peso (\$1.00) of the owners of the Company is committed 138.64% as of June 2022 and 142.77% as of December 2021.	Total liabilities with third parties	
		32,845,439	= 138.64%	31,265,214	= 142.77%		Equity	
	Financial Total	10,204,005		10,047,295		For each peso of equity, 31.07% is financially committed as of June 2022 and 32.14% as of December 2021.	Total liabilities with financial entities	
		32,845,439	= 31.07%	31,265,214	= 32.14%		Equity	
	PERFORMANCE	Net profit margin	1,044,485	= 7.24%	1,524,592	= 6.67%	The net gain corresponds to 7.24% of net income in June 2022 and 6.67% of net income in December 2021.	Net Profit
			14,433,994		24,847,946			Net Income
Return on equity		1,044,485	= 3.28%	1,524,592	= 5.13%	Net income corresponds to 3.28% of equity in June 2022 and 5.13% in December 2021.	Net Profit	
		31,800,954		29,740,622			Equity - profits	
Return on total assets		1,044,485	= 1.33%	1,524,592	= 2.01%	Net profit to total assets corresponds to 1.33% as of June 2022 and 2.01% in December 2021.	Net Profit	
		78,382,201		75,901,684			Total assets	