

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

## TABLE OF CONTENT

RESPONSIBILITIES OF THE DIRECTORS OVER THE ACCOUNTS.....	5
CERTIFICATION OF THE SEPARATE FINANCIAL STATEMENTS.....	6
AUDITORS REPORT.....	7
CONDENSED INTERIM SEPARATE FINANCIAL POSITION STATEMENT .....	9
CONDENSED INTERIM SEPARATE INCOME STATEMENT .....	10
CONDENSED INTERIM SEPARATE STATEMENT OF COMPREHENSIVE INCOME.....	11
CONDENSED INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY.....	12
CONDENSED INTERIM SEPARATE STATEMENT OF CASH FLOWS .....	13
NOTE 1. REPORTING ENTITY.....	14
NOTE 2. BASIS OF PRESENTATION OF SEPARATE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES .....	14
<b>2.1. Statement of compliance .....</b>	<b>14</b>
<b>2.2. Basis of presentation .....</b>	<b>15</b>
<b>2.2.1. Bases of measurement and presentation .....</b>	<b>15</b>
<b>2.3. Significant accounting policies .....</b>	<b>16</b>
NOTE 3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND CAUSES OF UNCERTAINTY IN THE PREPARATION OF THE FINANCIAL STATEMENTS.....	16
NOTE 4. NORMS ISSUED NOT EFFECTIVE YET .....	16
NOTE 5. FINANCIAL INSTRUMENTS .....	20
<b>5.1. Financial assets.....</b>	<b>20</b>
<b>5.1.1 Investments .....</b>	<b>20</b>
<b>5.1.2. Accounts receivable.....</b>	<b>20</b>
<b>5.2. Financial liabilities .....</b>	<b>20</b>
<b>5.2.1. Bonds issued.....</b>	<b>22</b>
<b>5.2.2. Derivative instruments.....</b>	<b>22</b>
<b>5.2.3. Other accounts payable.....</b>	<b>25</b>
NOTE 6.TAXES .....	26
<b>6.1. Current income tax.....</b>	<b>26</b>
<b>6.2. Deferred tax .....</b>	<b>27</b>
<b>6.3. Tax matters in Colombia.....</b>	<b>28</b>
<b>6.4 Deferred Tax Assets Not Recognized .....</b>	<b>28</b>
<b>6.5. Uncertainty regarding income tax treatments.....</b>	<b>28</b>
NOTE 7. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES.....	28
<b>7.1. Investment in associates .....</b>	<b>28</b>
<b>7.2. Investments in subsidiaries.....</b>	<b>31</b>

NOTE 8. DIVIDENDS PAID AND DECLARED .....	32
NOTE 9. OTHER COMPREHENSIVE INCOME.....	33
<b>9.1 New defined benefit plan measures.....</b>	<b>33</b>
<b>9.2 Gain (loss) from investment in equity instruments.....</b>	<b>33</b>
<b>9.3 Cash flow derivative hedges .....</b>	<b>33</b>
<b>9.4 Equity in other comprehensive income of subsidiaries accounted for using the equity method .....</b>	<b>33</b>
NOTE 10. INCOME .....	34
NOTE 11. ADMINISTRATIVE EXPENSES.....	34
NOTE 12. FEES .....	35
NOTE 13. FINANCIAL RESULTS .....	35
<b>13.1 Foreign exchange difference (Net).....</b>	<b>36</b>
<b>13.2 Interests .....</b>	<b>36</b>
NOTE 14. EARNINGS PER SHARE .....	36
NOTE 15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES.....	37
<b>15.1. Credit risk .....</b>	<b>37</b>
<b>15.1.1 Description of the objectives, policies, and processes for risk management .....</b>	<b>37</b>
<b>15.1.2. Methods used to measure risk .....</b>	<b>37</b>
<b>15.1.3. Summary of the risk exposure of the entity .....</b>	<b>37</b>
<b>15.2. Liquidity Risk Management .....</b>	<b>37</b>
<b>15.2.1. Description of the objectives, policies and processes for risk management .....</b>	<b>37</b>
<b>15.2.2. Methods used to measure risk .....</b>	<b>38</b>
<b>15.3. Market risks .....</b>	<b>38</b>
<b>15.3.1. Exchange rate risk.....</b>	<b>38</b>
<b>15.3.1.1. Description of the objectives, policies and processes for risk management .....</b>	<b>38</b>
<b>15.3.1.2. Methods used to measure risk .....</b>	<b>39</b>
<b>15.3.1.3. Description of changes in risk exposure .....</b>	<b>39</b>
<b>15.3.2. Interest rate risk.....</b>	<b>39</b>
<b>15.3.2.1. Description of the objectives, policies and processes for risk management .....</b>	<b>39</b>
<b>15.3.2.2. Methods used to measure risk .....</b>	<b>39</b>
<b>15.3.2.3. Description of changes in risk exposure .....</b>	<b>39</b>
<b>15.3.3. Share price risk .....</b>	<b>39</b>
<b>15.3.3.1. Description of the objectives, policies and processes for risk management .....</b>	<b>39</b>
<b>15.3.3.2. Methods used to measure risk .....</b>	<b>40</b>

<b>15.3.3.3. Description of changes in risk exposure</b> .....	<b>40</b>
<b>15.3.3.4. Summary of quantitative data on the risk exposure of the entity</b> .....	<b>40</b>
NOTE 16. RELATED PARTY DISCLOSURES .....	40
NOTE 17. COMMITMENTS .....	41
NOTE 18. EVENTS SUBSEQUENT TO THE REPORTING DATE .....	44
NOTE 19. APPROVAL OF FINANCIAL STATEMENTS .....	44
ANALYSIS OF FINANCIAL RESULTS (unaudited) .....	45

## RESPONSIBILITIES OF THE DIRECTORS OVER THE ACCOUNTS

The Directors are required to prepare the financial statements, for each financial period, that reasonably present the financial position of the Company, results, and cash flows, at June 30, 2022, with comparative figures at June 30 and December 31, 2021. For the preparation of these financial statements, the Directors are required to:

- Select appropriate accounting policies and apply them consistently.
- Present information, including accounting policies, that are relevant, reliable, comparable, and comprehensive.
- Make judgments, and reasonable, prudent estimates.
- State whether applicable accounting standards have been followed, subject to any significant deviation revealed, and explained, in the accounts.
- Prepare the accounts, based on the ongoing business, unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that the accounts meet the above requirements.

In addition, the Directors consider that they are responsible for maintaining appropriate accounting records, which reveal, with reasonable accuracy, at any time, the financial situation of the Company. They are also responsible for safeguarding the assets of the company and, therefore, for taking reasonable steps to prevent and detect fraud, and other irregularities.

Gonzalo Alberto Pérez Rojas  
President

Juan Guillermo Chica Ramirez  
Public accountant  
Professional Card 64093-T

## CERTIFICATION OF THE SEPARATE FINANCIAL STATEMENTS

We, the undersigned Legal Representative and Certified Public Accountant under whose responsibility the condensed interim separate financial statements were prepared, certify:

That for the issuance of the statement of financial position, at June 30, 2022, and of the separate income statement for the year, as well as, the statement of other comprehensive income, changes in equity statement, and the cash flow statement, for the year ended on that date, which are in compliance with the norms, and are made available to shareholders and third parties, and whose information, contained in them, have been previously verified and the figures taken faithfully from the books.

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 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 reports relevant to the public, related to the fiscal year between June 30, 2022 and June 30 and December 31, 2021, do not contain defects, inaccuracies, or errors, that prevent the knowledge of the true financial situation, and the operations of the Company.

Gonzalo Alberto Pérez Rojas  
President

Juan Guillermo Chica Ramirez  
Public Accountant  
Professional card 64093-T

## AUDITORS REPORT





**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**CONDENSED INTERIM SEPARATE FINANCIAL POSITION STATEMENT**

At 30 June, 2022 and December 31, 2021

(Amounts expressed in millions of Colombian pesos)

	Note	June 2022	December 2021
<b>Assets</b>			
Cash and cash equivalents		9,155	96,327
Investments	5	39,670	40,301
Derivative instruments	5	761,783	651,326
Receivables from related parties	16	919,694	43,883
Other accounts receivables	5	2,378	156
Current tax assets	6	14,208	14,759
Investments in associates	7	14,490,162	14,490,162
Investments in subsidiaries	7	15,405,324	15,142,963
Properties and equipment		2,825	3,064
Right-of-use assets		18,096	18,336
Deferred tax assets	6	83,732	81,834
Other assets		244	244
<b>Total assets</b>		<b>31,747,271</b>	<b>30,583,355</b>
<b>Liabilities</b>			
Financial liabilities	5	897,418	610,628
Derivative instruments	5	353,512	302,049
Lease liabilities		12,768	12,589
Accounts payable to related entities	16	406,957	90,074
Other accounts payable	5	55,410	60,805
Employee benefits		16,972	23,336
Bonds issued	5	4,090,903	4,276,843
Preferred shares		459,845	460,067
<b>Total liabilities</b>		<b>6,293,785</b>	<b>5,836,391</b>
<b>Equity</b>			
Issued capital		109,121	109,121
Share premium		3,290,767	3,290,767
Reserves		6,837,602	6,883,389
Share repurchase reserve		244,848	244,848
Earnings for the year, net		913,283	408,328
Retained earnings		11,904,470	11,884,043
Other comprehensive income	9	2,153,395	1,926,468
<b>Total equity</b>		<b>25,453,486</b>	<b>24,746,964</b>
<b>Total equity and liabilities</b>		<b>31,747,271</b>	<b>30,583,355</b>

The notes are an integral part of the financial statements.

Gonzalo Alberto Pérez Rojas  
 Legal Representative

Juan Guillermo Chica Ramírez  
 Accountant  
 T.P. 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 August 12, 2022)

**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**CONDENSED INTERIM SEPARATE INCOME STATEMENT**

June 30, 2022 and 2021

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

	Notes	Accumulated		Quarter	
		June 2022	June 2021	June 2022	June 2021
<b>Income</b>					
Dividends	10	931,885	263,124	-	-
Income from investments	10	519	2,101	324	809
Net gain on investments at fair value	10	1,814	(14,410)	1,821	(14,802)
Income from equity method	7	271,345	277,712	173,933	181,696
Other income		21,474	5	16,112	(4)
<b>Operational income</b>		<b>1,227,037</b>	<b>528,532</b>	<b>192,190</b>	<b>167,699</b>
<b>Operational expenses</b>					
Administrative expenses	11	(28,270)	(21,412)	(22,231)	(16,411)
Employee benefits		(13,911)	(13,363)	(6,599)	(7,162)
Fees	12	(27,965)	(5,516)	(14,996)	(3,987)
Depreciations		(1,282)	(1,090)	(728)	(545)
Other expenses		(1)	-	(1)	-
<b>Operational expenses</b>		<b>(71,429)</b>	<b>(41,381)</b>	<b>(44,555)</b>	<b>(28,105)</b>
<b>Operating profit</b>		<b>1,155,608</b>	<b>487,151</b>	<b>147,635</b>	<b>139,594</b>
Net gain from fair value adjustments to derivatives		7,155	(2,478)	21,841	8,855
Foreign exchange net		(1,012)	39,345	(2,060)	40,474
Interest expense		(247,146)	(207,104)	(135,918)	(98,632)
<b>Financial income</b>	<b>13</b>	<b>(241,003)</b>	<b>(170,237)</b>	<b>(116,137)</b>	<b>(49,303)</b>
<b>Profits before tax</b>		<b>914,605</b>	<b>316,914</b>	<b>31,498</b>	<b>90,291</b>
Income tax	6	(1,322)	(13,550)	(9,838)	(23,545)
<b>Net profit</b>		<b>913,283</b>	<b>303,364</b>	<b>21,660</b>	<b>66,746</b>
<b>Net earnings per share</b>					
Net earnings per share from continuing operations	14	1,575	526	46	124

The notes are an integral part of the financial statements.

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 (See my report of August 12, 2022)

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

June 30, 2022 and 2021

(Amounts expressed in millions of Colombian pesos)

	Note	Accumulated		Quarter	
		June 2022	June 2021	June 2022	June 2021
<b>Net income for the period</b>		<b>913,283</b>	<b>303,364</b>	<b>21,660</b>	<b>66,747</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to income for the period, net of taxes</b>					
Gain (loss) from investments in equity instruments at FVOCI	9	(633)	5,625	(7,697)	(1,579)
<b>Total other comprehensive income that will not be reclassified to the results of the period, net of taxes</b>		<b>(633)</b>	<b>5,625</b>	<b>(7,697)</b>	<b>(1,579)</b>
<b>Items to be reclassified to income for the period, net of taxes</b>					
Gain (Loss) on cash flows hedges	9	(4,777)	13,721	(58,230)	(392)
Participation of other comprehensive income OCI from associates and joint ventures Accounted for using the equity method	9	232,337	641,666	205,330	133,532
<b>Total other comprehensive income to be reclassified to profit or loss, net of taxes</b>		<b>227,560</b>	<b>655,387</b>	<b>147,100</b>	<b>133,140</b>
<b>Total other comprehensive income</b>		<b>226,927</b>	<b>661,012</b>	<b>139,403</b>	<b>131,561</b>
<b>Total comprehensive income</b>		<b>1,140,210</b>	<b>964,376</b>	<b>161,063</b>	<b>198,308</b>

The notes are an integral part of these financial statements.

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 (See my report of August 12, 2022)

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

June 30, 2022 and 2021

(Amounts expressed in millions of Colombian pesos)

	Note	Issued capital	Share premium	Reserves	Reserves for share repurchase	Net income for the period	Retained earnings	Other Comprehensive Income (OCI)	Total equity
<b>Balance at December 31, 2020</b>		109,121	3,290,767	6,654,121	300,000	579,969	11,834,280	1,342,719	24,110,977
<b>Other comprehensive income</b>		-	-	-	-	-	-	661,012	661,012
<b>Net income for the year</b>		-	-	-	-	303,364	-	-	303,364
<b>Total net comprehensive income for the period</b>		-	-	-	-	303,364	-	661,012	964,376
Transfer to retained earnings		-	-	579,969	-	(579,969)	-	-	-
<b>Distribution of 2020 results</b>									
Ordinary dividend (603.40 pesos per share) recognized as distributions to owners	8	-	-	(351,165)	-	-	-	-	(351,165)
Share repurchase		-	-	-	(25,979)	-	-	-	(25,979)
Minimum dividends, preferred shares		-	-	-	-	-	20,314	-	20,314
Shareholder dividend withholding effect		-	-	-	-	-	11,146	-	11,146
<b>At June 30, 2021</b>		109,121	3,290,767	6,882,925	274,021	303,364	11,865,740	2,003,731	24,729,670

		Issued capital	Share premium	Reserves	Reserves for share repurchase	Net income for the period	Retained earnings	Other Comprehensive Income (OCI)	Total equity
<b>Balance at December 31, 2021</b>		109,121	3,290,767	6,883,389	244,848	408,328	11,884,043	1,926,468	24,746,964
<b>Other comprehensive income</b>	9	-	-	-	-	-	-	226,927	226,927
<b>Net income for the year</b>		-	-	-	-	913,283	-	-	913,283
<b>Total net comprehensive income for the period</b>		-	-	-	-	913,283	-	226,927	1,140,210
Transfer to retained earnings		-	-	408,328	-	(408,328)	-	-	-
<b>Distribution of 2021 results</b>									
Ordinary dividend (784 pesos per share) recognized as distributions to owners	8	-	-	(454,115)	-	-	-	-	(454,115)
Minimum dividends, preferred shares		-	-	-	-	-	20,237	-	20,237
Shareholder dividend withholding effect		-	-	-	-	-	190	-	190
<b>At June 30, 2022</b>		109,121	3,290,767	6,837,602	244,848	913,283	11,904,470	2,153,395	25,453,486

The notes are an integral part of these financial statements.

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 (See my report of August 12, 2022)

**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**CONDENSED INTERIM SEPARATE STATEMENT OF CASH FLOWS**

June 30, 2022 and 2021

(Amounts expressed in millions of Colombian pesos)

	Note	June 2022	June 2021
<b>Cash flows from operating activities</b>			
<b>Net profit for the year</b>		<b>914,605</b>	<b>316,914</b>
<b>Adjustments to reconcile net income</b>			
Interest	13	247,146	207,104
Depreciation and amortization expense		1,282	1,090
Unrealized losses (gains) from foreign currency conversion		(802)	1,234
Losses (Gains) on fair value adjustment - Derivatives	13	(7,155)	2,478
Undistributed earnings from the application of the equity method	7	(271,345)	(277,712)
Withholding tax on dividends received		190	13,110
Amortization of usufruct	16	(21,452)	-
<b>Changes in operating assets and liabilities</b>			
Decrease (increase) in other accounts payable		(5,673)	71,560
Decrease in other accounts receivable		(2,222)	(83,497)
Decrease in accounts receivable from related parties		(931,885)	(175,619)
Adjustment for employee benefits and other benefits		(6,364)	(1,810)
Increase in restricted cash		-	(416)
Increase in non-current assets available for sale		-	(71,708)
Other investment or financing cash adjustments		-	12,818
<b>Dividends received from associates</b>		<b>383,202</b>	<b>273,629</b>
<b>Income taxes paid (refunded)</b>		<b>(97)</b>	<b>(297)</b>
<b>Interest paid</b>		<b>(1,168)</b>	<b>(1,894)</b>
<b>Interest received</b>		<b>-</b>	<b>7,446</b>
<b>Cash flows from operating activities</b>		<b>298,262</b>	<b>294,430</b>
<b>Cash flows from (used in) investment activities</b>			
Other payments to acquire equity or debt instruments of other entities		-	(490,904)
Other charges on the sale of equity or debt instruments of other entities		-	1,070,441
Cash flows used to obtain control of subsidiaries or other businesses	7	-	(449)
Sale of property and equipment		3	-
Purchase of property and equipment		(806)	(174)
Collections from futures contracts, forward contracts and financial options (swaps)		-	-
<b>Cash flows from (used in) investment activities</b>		<b>(803)</b>	<b>578,914</b>
<b>Cash flows from (used in) investment activities</b>			
Collections from futures contracts, forward contracts and financial options (swaps)		(6,779)	120,822
Payments for acquiring the company's own stock		-	(25,979)
Proceeds from loans		705,497	73,399
Loan repayments		(716,146)	(1,207,952)
Payment of financial lease liabilities		(239)	(856)
Dividends paid		(201,587)	(172,486)
Interest paid		(167,468)	(95,200)
<b>Cash flows from (used in) financing activities</b>		<b>(386,722)</b>	<b>(1,308,252)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(89,263)</b>	<b>(434,908)</b>
Effect of exchange rate changes on cash and cash equivalents		2,091	1,575
Cash and cash equivalents at the beginning of the period		96,327	437,523
<b>Cash and cash equivalents at the end of the period</b>		<b>9,155</b>	<b>4,190</b>

The notes are an integral part of the financial statements.

Gonzalo Alberto Pérez Rojas  
 Legal Representative

Juan Guillermo Chica Ramírez  
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 P.C. 64093 -T

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 (See my report of August 12, 2022)

## **GRUPO DE INVERSIONES SURAMERICANA S.A.**

### **NOTES TO CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS**

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

*(Amounts expressed in millions of Colombian Pesos, excluding and earnings per shares and exchange rates values expressed in Colombian pesos).*

#### **NOTE 1. REPORTING ENTITY**

Grupo de Inversiones Suramericana S.A., is a public corporation, established and domiciled in Colombia, whose shares are listed on the stock exchange. It is the result of the spin-off of Compañía Suramericana de Seguros S.A., according to Public Deed No. 2295 of December 24, 1997 of the 14th Notary Office of Medellín, formalized in accounting terms on January 1, 1998; its main domicile is the city of Medellín, at Cra. 43ª # 5ª - 113 Piso 13-15; but it may have branches, agencies, offices and representations in other places in the country and abroad, when so determined by its Board of Directors. The duration of the Company is until the year 2097. Its corporate purpose is investment in real estate and personal property. In the case of investment in personal property, in addition to any kind of personal property, investments may be in shares, quotas or parts in companies, entities, organizations, funds or any other legal figure that allows investment of resources. Likewise, it may invest in fixed or variable income papers or documents, whether or not they are registered in the public stock market, in any case, the issuers and/or receivers of the investment may be public or private, national or foreign. The fiscal year shall be adjusted to the calendar year, annually, effective December thirty-first (31).

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

#### **NOTE 2. BASIS OF PRESENTATION OF SEPARATE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES**

##### **2.1. Statement of compliance**

The separate financial statements of Grupo de Inversiones Suramericana S.A., for the three-month period ended June 30, 2022, have been prepared in accordance with the Accounting and Financial Reporting Standards accepted in Colombia (NCIF acronym for the Spanish original), compiled and updated in Decree 2270 of 2019, issued by Decree 2420 of 2015 and amendments. 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 such international standards in Colombia is subject to some 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 as 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 implementation 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, at fair value or by 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 NCIF.

## **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 through other comprehensive income (FVTOCI).
- Investment properties measured at fair value.
- Property and equipment measured at fair value.
- Employee benefits, which are measured at the present value of the defined benefit obligation.

#### *Presentation of financial statements*

The condensed separate interim financial statements are prepared on the following basis:

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

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

The separate cash flow statement 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 related 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.

### **2.3. Significant accounting policies**

The accompanying financial statements do not include all the information and disclosures required for a year-end financial statement and 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 CAUSES OF UNCERTAINTY IN THE PREPARATION OF THE FINANCIAL STATEMENTS**

The preparation of the separate financial statements in accordance with NCIF 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 such estimates and assumptions is subject to internal control procedures and approvals, for which internal and external studies, industry statistics, environmental factors and trends, and regulatory and normative requirements are considered.

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

### **NOTE 4. NORMS ISSUED NOT EFFECTIVE YET**

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements as of December 31, 2021, except for the standards and interpretations that have been published but are not applicable at the date of these financial statements and 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.

#### **4.1 New standards incorporated into the accounting framework accepted in Colombia which application must be evaluated on a mandatory basis in periods subsequent to January 1, 2021.**



### **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.

### **4.2 New standards issued by the International Accounting Standards Board (IASB) that have not yet been incorporated into these financial statements**

#### **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. These amendments had no impact on these financial statements and are not expected to have an impact on future financial statements of the Group.

#### **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. These amendments did not have an impact on these financial statements and are not expected to have an impact on future financial statements of the Group.

#### **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. The Company does not expect significant impacts from this amendment; however, it is evaluating the impact they could have on the financial statements.

### **Amendments to IFRS 3 Business Combinations - 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. These amendments do not impact the Group's current financial statements, but may affect future periods if the Group were to enter into any business combination.

### **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. The Company does not expect significant impacts from this amendment, in any case it is evaluating the impact they could have on the financial statements.

### **Annual Improvements to IFRS Standards 2018-2020 cycle**

#### **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.

These changes had no impact on the Group's financial statements.

## **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 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

The balance of investments is \$39,670 million and \$40,301 million as of June 2022 and December 2021, respectively; this corresponds to Enka de Colombia S.A., a long-term investment classified at fair value through other comprehensive income.

Below is a detail of net gains on investments at fair value (see note 10):

	June 2022	June 2021
Fair value of investments	-	(15,882)
Investment foreign exchange difference	1,814	1,472
<b>Total</b>	<b>1,814</b>	<b>(14,410)</b>

The following is a detail of realized and unrealized gains or losses on investments in available-for-sale equity instruments of domestic issuers as of June 30, 2022 and 2021:

	June 2022 Equity Instruments	June 2021 Equity Instruments
Cost (*)	39,670	28,815
Profit / unrealized loss OCI	(633)	5,625

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

#### 5.1.2. Accounts receivable

The following is a detail of other accounts receivable:

	June 2022	December 2021
Accounts receivable taxes	1,928	-
Trade accounts receivable	264	106
Other accounts receivable	186	50
<b>Total</b>	<b>2,378</b>	<b>156</b>
Other current accounts receivable	2,378	106
Other non-current accounts receivable	-	50
<b>Total</b>	<b>2,378</b>	<b>156</b>

### 5.2. Financial liabilities

The following is a list of financial liabilities, including accounts payable of Grupo SURA:

	Note	June 2022	December 2021
Financial obligations (*)		897,418	610,628
Bonds issued	5.2.1	4,090,903	4,276,843
Preferred shares		459,845	460,067
<b>Subtotal financial liabilities for capital management</b>		<b>5,448,166</b>	<b>5,347,538</b>
Derivative instruments	5.2.2	353,512	302,049
Accounts payable to related parties	16	406,957	90,074
Other accounts payable	5.2.3	55,410	60,805

	Note	June 2022	December 2021
<b>Subtotal other financial liabilities</b>		<b>815,879</b>	<b>452,928</b>
<b>Total financial liabilities</b>		<b>6,264,045</b>	<b>5,800,466</b>

The breakdown of financial liabilities between current and non-current and according to their valuation methodology is presented below:

June 2022				
Current	Note	Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations (*)		232,959	118,615	351,574
Accounts payable to related parties	16	406,957	-	406,957
Other accounts payable	5.2.3	33,428	-	33,428
Bonds issued	5.2.1	226,169	-	226,169
<b>Total</b>		<b>899,513</b>	<b>118,615</b>	<b>1,018,128</b>

Non-Current		Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations (*)		545,844	-	545,844
Derivative instruments	5.2.2	-	353,512	353,512
Other accounts payable	5.2.3	21,982	-	21,982
Bonds issued	5.2.1	3,864,734	-	3,864,734
Preferred shares		459,845	-	459,845
<b>Total</b>		<b>4,892,405</b>	<b>353,512</b>	<b>5,245,917</b>

<b>Financial liabilities</b>	<b>5,791,918</b>	<b>472,127</b>	<b>6,264,045</b>
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December 2021				
Current	Note	Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations (*)		80,653	-	80,653
Accounts payable to related parties	16	90,074	-	90,074
Other accounts payable	5.2.3	12,143	-	12,143
Bonds issued	5.2.1	194,942	-	194,942
<b>Total</b>		<b>377,812</b>	<b>-</b>	<b>377,812</b>

Non-Current		Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations (*)		529,975	-	529,975
Derivative instruments	5.2.2	-	302,049	302,049
Other accounts payable	5.2.3	48,662	-	48,662
Bonds issued	5.2.1	4,081,901	-	4,081,901
Preferred shares		460,067	-	460,067
<b>Total</b>		<b>5,120,605</b>	<b>302,049</b>	<b>5,422,654</b>

<b>Financial liabilities</b>	<b>5,498,417</b>	<b>302,049</b>	<b>5,800,466</b>
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(<sup>1</sup>) The financial obligations correspond to loans acquired with Grupo Bancolombia, BBVA and Davivienda, at rates ranging between 5.45% and 7.15% as of June 2022 and between 3.79% and 5.32% as of December 2021.

### 5.2.1. 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
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	( <sup>1</sup> ) -	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	( <sup>2</sup> ) 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
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
<b>Total bonds issued</b>				<b>4,090,903</b>	<b>4,276,843</b>	<b>3,975,476</b>	<b>4,437,287</b>
Current bonds issued				226,169	194,942	229,046	195,966
Non-current bonds issued				3,864,734	4,081,901	3,746,430	4,241,321

(<sup>1</sup>) In February 2022 a bond payment was made in pesos upon maturity with a nominal value of \$193,549.

(<sup>2</sup>) In June 2022, an early repurchase of \$ 100 thousand million 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.

### 5.2.2. Derivative instruments

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

	Note	June 2022		December 2021	
		Asset	Liabilities	Asset	Liabilities
Hedge Derivatives	5.2.2.1	676,290	298,631	583,470	257,937
Trading Derivatives	5.2.2.2	85,493	54,881	67,856	44,112
<b>Total derivatives</b>		<b>761,783</b>	<b>353,512</b>	<b>651,326</b>	<b>302,049</b>
Current Derivatives		2,966	-	-	-
Non-current Derivatives		758,817	353,512	651,326	302,049

#### 5.2.2.1. Hedge derivatives

Grupo SURA accesses international markets to obtain effective sources of funds. As part of this process, it assumes exposure to foreign currencies, mainly with the U.S. dollar (USD). In

accordance with the financial risk policy, Grupo SURA uses hedge accounting to hedge the exchange rate risk due to variations in cash flows of foreign currency obligations.

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 Group's functional currency. These instruments are applied to match the maturity profile of the estimated payments 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.

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

On April 29, 2016 Grupo SURA contracted a foreign currency bond in the amount of USD 550 million, with a single principal maturity on April 29, 2026 and a fixed interest rate of 5.50% payable semi-annually (see note 5.2.1 Bonds Issued).

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

- 23 swaps (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.

According to the aforementioned 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 term of the hedges.

Below is a detail of the nominal and fair value by type of hedging derivative as of June 30, 2022 and December 31, 2021:

	June 2022		December 2021	
	Nominal value	Fair Value	Nominal value	Fair Value
<b>Assets</b>				
<b>Swap</b>				
Cross Currency Swap	1,239,880	400,544	1,239,880	271,402
<b>Subtotal</b>	<b>1,239,880</b>	<b>400,544</b>	<b>1,239,880</b>	<b>271,402</b>
<b>Options</b>				
Currency Call Option	579,450	275,746	579,450	312,068
<b>Subtotal</b>	<b>579,450</b>	<b>275,746</b>	<b>579,450</b>	<b>312,068</b>
<b>Total Assets</b>	<b>1,819,330</b>	<b>676,290</b>	<b>1,819,330</b>	<b>583,470</b>
<b>Liabilities</b>				
<b>Options</b>				
Currency Call Option	1,191,220	296,301	1,191,220	254,218
Currency Put Option	50,000	2,330	50,000	3,719
<b>Subtotal</b>	<b>1,241,220</b>	<b>298,631</b>	<b>1,241,220</b>	<b>257,937</b>
<b>Total Liabilities</b>	<b>1,241,220</b>	<b>298,631</b>	<b>1,241,220</b>	<b>257,937</b>

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 December 2021:

	OCI			Results		
	Note	Effective part	Time value	Ineffective part	Note	Effective part
<b>Balance at December 31, 2021</b>		(29,626)	-			
Variation in the fair value of hedges during the year.		33,767	-	-	13.1	93,528
Amortization of temporary securities.	13.2	(41,117)	(9,313)	50,430		-
<b>Balance at June 30, 2022</b>	<b>9.3</b>	<b>(36,976)</b>	<b>(9,313)</b>	<b>50,430</b>		<b>93,528</b>

	OCI			Results		
	Note	Effective part	Time value	Ineffective part	Note	Effective part
<b>Balance at December 31, 2020</b>		(22,323)	-			
Variation in the fair value of hedges during the year.		61,895	-	-	13.1	303,261
Amortization of temporary securities.	13.2	(42,293)	(7,338)	49,631		-
<b>Balance at June 30, 2021</b>		<b>(2,721)</b>	<b>(7,338)</b>	<b>49,631</b>		<b>303,261</b>

The number of hedging instruments is 42 as of June 30, 2022 and December 31, 2021.

### 5.2.2.2 Trading derivatives



Grupo SURA trades derivative financial instruments for trading purposes, especially Cross Currency Swap contracts and exchange rate and interest rate options. Although they are trading derivatives, their purpose is to hedge foreign currency obligations, they have not been designated as hedge accounting.

The following is a detail of the nominal and fair value by type of trading derivative as of June 30, 2022 and December 31, 2021:

	June 2022		December 2021	
	Nominal value	Fair Value	Nominal value	Fair Value
<b>Assets</b>				
<b>Forward</b>				
Currency option	31,394	2,966	-	-
<b>Subtotal</b>	<b>31,394</b>	<b>2,966</b>	<b>-</b>	<b>-</b>
<b>Swap</b>				
Cross currency	1,115,395	82,527	1,115,395	67,856
<b>Subtotal</b>	<b>1,115,395</b>	<b>82,527</b>	<b>1,115,395</b>	<b>67,856</b>
<b>Total assets</b>	<b>1,146,789</b>	<b>85,493</b>	<b>1,115,395</b>	<b>67,856</b>
<b>Liabilities</b>				
<b>Swap</b>				
Cross currency	769,262	48,399	769,262	42,899
Interest rate	100,000	6,482	100,000	1,213
<b>Subtotal</b>	<b>869,262</b>	<b>54,881</b>	<b>869,262</b>	<b>44,112</b>
<b>Total Liabilities</b>	<b>869,262</b>	<b>54,881</b>	<b>869,262</b>	<b>44,112</b>

The results of trading derivatives are presented below:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Trading income	133,035	75,830	153,986	103,548
Trading expenses	(125,880)	(78,308)	(132,145)	(94,693)
<b>Total</b>	<b>7,155</b>	<b>(2,478)</b>	<b>21,841</b>	<b>8,855</b>

As of June 30, 2022 and December 31, 2021, there were 19 and 18 trading derivatives, respectively.

### 5.2.3. Other accounts payable

The detail of other accounts payable is as follows:

	June 2022	December 2021
Premiums payable <sup>(1)</sup>	29,270	48,662
Suppliers	15,429	3,341
Others	8,463	7,744
Accounts payable taxes	2,248	1,058
<b>Total</b>	<b>55,410</b>	<b>60,805</b>
Other current accounts payable	33,428	12,143
Other non-current accounts payable	21,982	48,662
<b>Total</b>	<b>55,410</b>	<b>60,805</b>

(1) Correspond to premiums financed from derivative transactions.

## NOTE 6. TAXES

The following are the taxes recognized in the statement of financial position:

	Note	June 2022	December 2021
Current tax assets (net)	6.1	14,208	14,759
Deferred tax asset (net)	6.2	83,732	81,834

### 6.1. Current income tax

a. Current tax recognized in the statement of financial position:

	June 2022	December 2021
<b>Current tax assets</b>		
Income tax payable	14,208	14,759
<b>Total current tax assets</b>	<b>14,208</b>	<b>14,759</b>

Grupo Sura estimates the recovery of current tax assets as follows:

Current Tax	June 2022	December 2021
Current tax asset recoverable before 12 months	14,208	14,759

Grupo Sura estimates the recovery of deferred tax assets as follows:

Deferred tax	June 2022	December 2021
Deferred tax asset recoverable after 12 months	83,732	81,834

b. Tax recognized in income for the period:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
<b>Current tax expense</b>	<b>(648)</b>	<b>(1,455)</b>	<b>(534)</b>	<b>(29)</b>
Current tax	(473)	(1,426)	(359)	-
Prior period adjustments	(175)	(29)	(175)	(29)
<b>Deferred tax expense</b>	<b>(674)</b>	<b>(12,095)</b>	<b>(9,304)</b>	<b>(23,516)</b>
<b>Tax expense</b>	<b>(1,322)</b>	<b>(13,550)</b>	<b>(9,838)</b>	<b>(23,545)</b>

c. Effective tax rate reconciliation.

The reconciliation of the effective tax rate of the Group applicable for the years ended June 30, 2022 and 2021, respectively, is as follows:

June 2022		June 2021	
Rate	Balance	Rate	Balance

<b>Profit before tax</b>		<b>914,605</b>		<b>316,914</b>
Income tax by applying the local tax rate	35.0%	(320,112)	31.0%	(98,243)
<b>Plus, tax impact from:</b>				
<b>Items that increase taxable income</b>		<b>(92,097)</b>		<b>(57,256)</b>
Non-deductible expenses <sup>(1)</sup>		(91,920)		(44,843)
Property and equipment		(1)		(5)
Financial liabilities		-		(10,953)
Capital gains		-		(1,426)
Prior period adjustments		(175)		(29)
<b>Items that decrease taxable income</b>		<b>410,887</b>		<b>141,949</b>
Non-taxed income <sup>(2)</sup>		94,971		86,090
Untaxed dividends		308,078		55,695
Provisions and contingencies		7,707		164
Tax discounts		131		-
<b>Income tax</b>	<b>(0.14%)</b>	<b>(1,322)</b>	<b>(4.28%)</b>	<b>(13,550)</b>

<sup>(1)</sup> Includes expenses for legal limitations associated with non-income taxable income and donations, among others.

<sup>(2)</sup> Corresponds to the equity method income of subsidiaries.

The variation in income tax is mainly due to the increase in income before taxes due to an increase in dividends received.

#### d. Movement in current tax

The following is the movement that generated the balance of income and supplementary income as of June 30, 2022 and 2021:

	<b>June 2022</b>	<b>June 2021</b>
<b>Balance of income tax payable as of January 1</b>	<b>14,759</b>	<b>1,356</b>
Current income tax liability	(648)	(1,455)
Withholding and advances	97	297
<b>Balance of income tax payable as of June 30</b>	<b>14,208</b>	<b>198</b>

Income tax returns for the years 2021 and 2020 will become final according to the general rule of 3 years; for transfer pricing returns, the term of their finality will be 6 years.

## 6.2. Deferred tax

Movement and net balance of deferred taxes consists of the following items:

Deferred tax assets (liabilities)	June 2022	Recognized results	Other comprehensive income	December 2021	Recognized results	Other comprehensive income	December 2020
Financial Assets	(132,650)	(30,008)	2,573	(105,215)	(69,297)	3,672	(39,590)
Properties and Equipment	277	(140)	-	417	192	-	225
Financial Liabilities	215,229	31,910	-	183,319	64,202	-	119,117
Employee Benefits	538	(2,692)	-	3,230	1,173	-	2,057
Right of use	338	256	-	83	119	-	(36)
Investments	-	-	-	-	363	-	(363)
<b>Total</b>	<b>83,732</b>	<b>(674)</b>	<b>2,573</b>	<b>81,834</b>	<b>(3,248)</b>	<b>3,672</b>	<b>81,410</b>

### 6.3. Tax matters in 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 industry and commerce discount (income tax) will continue at 50%.

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.

### 6.4 Deferred Tax Assets Not Recognized

In accordance with current tax legislation, losses generated in income tax and complementary taxes may be offset with the net income obtained in the following 12 periods, taking into account the formula established in paragraph 5 of Article 290 of the Tax Statute. The tax losses determined shall not be fiscally readjusted.

The deferred tax asset related to these tax losses has not been recognized, as the Company has assessed and concluded that it is not probable that the deferred tax asset related to these losses will be recoverable.

### 6.5. Uncertainty regarding income tax treatments

Taking into account the criteria and judgments in the determination and recognition of taxes, as of June 30, 2022, no situations have been identified that generate tax uncertainty and that should be recognized for accounting purposes, in accordance with the framework defined by IFRIC 23.

## NOTE 7. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

### 7.1. Investment in associates

#### General information on investments in associates

The detail of the associates of Grupo SURA at the date of the reporting period is as follows:

June 2022	December 2021
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Investment	% Participation ( <sup>(*)</sup> )	% Right to vote ( <sup>(**)</sup> )	# Shares	% Participation ( <sup>(*)</sup> )	% Right to vote ( <sup>(**)</sup> )	# Shares
Bancolombia S.A.	24.43%	46.11%	235,012,336	24.43%	46.11%	235,012,336
Grupo Argos S.A.	26.95%	35.63%	234,285,682	26.95%	35.63%	234,285,682
Grupo Nutresa S.A.	35.61%	35.61%	163,005,625	35.61%	35.61%	163,005,625

(<sup>(\*)</sup>) Participation in the associated company based on total shares issued.

(<sup>(\*\*)</sup>) Equity interest in the associated company based on the total number of common shares with the benefit of voting rights.

### **Cross shareholdings**

The associates 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 equity interest that Grupo Argos S.A. and Grupo Nutresa S.A. have in Grupo SURA as of June 30, 2022 and December 31, 2021 is as follows:

Associates	% Participation	% Right to vote	% Participation	% Right to vote
	June 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 participations at the cost model.

### **Balance and movement in associates**

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

	Bancolombia S.A.	Grupo Argos S.A.	Grupo Nutresa S.A.	Total
As of December 31, 2020	5,606,586	4,510,388	4,312,229	14,429,203
Additions ( <sup>(1)</sup> )	-	60,959	-	60,959
As of December 31, 2021 and June 30, 2022	5,606,586	4,571,347	4,312,229	14,490,162

(<sup>(1)</sup>) In 2021, 4,990,503 common shares of Grupo Argos S.A. were received corresponding to dividends paid in shares.

The shares pledged by Grupo Argos to guarantee obligations correspond to a book value of \$846,292 as of June 30, 2022 and December 31, 2021.

### **Dividends received**

Dividend income is derived from the following issuers:

Note	June 2022	June 2021
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Bancolombia S.A.		733,238	61,103
Grupo Argos S.A.		117,143	87,591
Grupo Nutresa S.A.		80,813	114,430
<b>Total dividends received from associates</b>	<b>10</b>	<b>931,194</b>	<b>263,124</b>

### Financial information of associates

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

June 2022	Location	Asset	Liabilities	Equity	Income	Profit	Other comprehensive income	Comprehensive income
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	51,303,900	22,211,291	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

December 2021	Location	Asset	Liabilities	Equity	Income	Profit	Other comprehensive income	Comprehensive income
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

## 7.2. Investments in subsidiaries

General information on investments in subsidiaries

The following are the shareholdings of the subsidiaries in which Grupo SURA has direct control as of June 30, 2022 and December 2021:

Company	Country	Economic activity	Percentage of property		Date of creation
			June 2022	December 2021	
SURA Asset Management S.A.	Colombia	Investor	83.58%	83.58%	15/09/2011
ARUS Holding S.A.S.	Colombia	Investment in real estate and personal property	100%	100%	11/07/2012
ARUS S.A.	Colombia	Marketing of products and solutions in telecommunications	100%	100%	16/08/1988
Enlace Operativo S.A.	Colombia	Outsourcing of Information processing services	100%	100%	31/05/2006
Inversiones y Construcciones Estratégicas S.A.S.	Colombia	Investor	100%	100%	30/08/2007
Suramericana S.A.	Colombia	Investor	81.13%	81.13%	25/05/1999
SURA Ventures S.A.	Panama	Investor	100%	100%	21/02/2018

### Balance and movement in investments in subsidiaries

The following is the detail of the balance and movement of investments in subsidiaries accounted for under the equity method as of June 30, 2022 and December 2021:

	SURA Asset Management S.A.	Suramericana S.A.	Inversiones y construcciones estratégicas S.A.S.	SURA Ventures S.A.	Arus Holding S.A.S.	Enlace Operativo S.A.	Arus S.A.	Total
<b>Balance at January 01, 2021</b>	<b>10,092,039</b>	<b>4,109,517</b>	<b>105,257</b>	<b>39,444</b>	<b>72,147</b>	<b>1,335</b>	<b>3,341</b>	<b>14,423,080</b>
Additions <sup>(1)</sup>	-	-	-	449	-	-	-	<b>449</b>
Withdrawals <sup>(2)</sup>	-	-	-	(23,044)	-	-	-	<b>(23,044)</b>
Equity method	523,132	53,524	(6,701)	25,914	456	143	(106)	<b>596,362</b>
Dividends	(230,343)	(190,654)	-	-	-	(13)	-	<b>(421,010)</b>
Change in equity	274,002	225,273	7,558	60,493	(200)	-	-	<b>567,126</b>
<b>Balance as of December 31, 2021</b>	<b>10,658,830</b>	<b>4,197,660</b>	<b>106,114</b>	<b>103,256</b>	<b>72,403</b>	<b>1,465</b>	<b>3,235</b>	<b>15,142,963</b>
Additions <sup>(3)</sup>	-	-	85,806	-	-	-	-	<b>85,806</b>
Equity method	35,787	213,288	53,751	(31,668)	167	73	(53)	<b>271,345</b>
Dividends	(278,449)	(48,678)	-	-	-	-	-	<b>(327,127)</b>
Change in equity	158,251	71,718	(127)	2,495	-	-	-	<b>232,337</b>
<b>Balance as of June 30, 2022</b>	<b>10,574,419</b>	<b>4,433,988</b>	<b>245,544</b>	<b>74,083</b>	<b>72,570</b>	<b>1,538</b>	<b>3,182</b>	<b>15,405,324</b>

<sup>(1)</sup> Capitalization made to SURA Ventures in January 2021, corresponding to 41,737 shares

<sup>(2)</sup> Corresponds to the capital decrease in August 2021 equivalent to 2,358,333 shares.

<sup>(3)</sup> The increase of \$ 85,806 million corresponds to capitalization in the subsidiary Inversiones y Construcciones Estratégicas S.A.S., with which 274,304 shares of this company are received. The capitalization is made through the delivery of a usufruct right for 16 months on 73,240,000 shares of Grupo Nutresa S.A.

## Financial information of subsidiaries

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

June 2022	Asset	Liability	Equity	Profit	Other comprehensive income
SURA Asset Management S.A. (*)	20,411,719	10,331,574	10,080,145	42,819	190,678
Arus Holding S.A.S. (*)	155,315	77,025	78,289	173	-
ARUS S.A.	113,301	85,903	27,397	(1,017)	-
Enlace Operativo S.A.	32,271	5,454	26,816	1,263	-
Inversiones y construcciones Estratégicas S.A.S.	265,619	20,074	245,545	53,751	(126)
Suramericana S.A. (*)	34,541,269	29,067,253	5,474,016	262,899	36,373
Sura Ventures S.A.	74,237	155	74,082	(31,668)	2,495

(\*) Figures taken from the Consolidated Financial Statements

December 2021	Asset	Liability	Equity	Profit	Other comprehensive income
SURA Asset Management S.A. (*)	20,752,264	10,570,949	10,181,315	625,926	329,416
Arus Holding S.A.S. (*)	152,933	74,837	78,096	473	1,690
ARUS S.A.	112,160	83,746	28,414	(2,078)	-
Enlace Operativo S.A.	30,171	4,617	25,554	2,498	-
Inversiones y construcciones Estratégicas S.A.	117,549	11,435	106,115	(6,701)	7,602
Suramericana S.A. (*)	33,291,826	28,109,843	5,181,983	65,974	169,089
Sura Ventures S.A.	103,297	42	103,255	25,914	57,307

(\*) Figures taken from the Consolidated Financial Statements

## NOTE 8. DIVIDENDS PAID AND 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 pesos (COP\$784) per share on 579,228,875 common and preferred shares.

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

Dividends declared	2022			2021		
	N° of shares	Annual ordinary dividend per	Total dividend declared	N° of shares	Annual ordinary dividend per	Total dividend declared



		share in COP\$.			share in COP\$.	
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
<b>Total</b>	<b>579,228,875</b>		<b>454,115</b>	<b>581,977,548</b>		<b>351,165</b>

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.

## NOTE 9. OTHER COMPREHENSIVE INCOME

The other comprehensive income of Grupo SURA is presented below:

Concept	Note	December 2020	Movement for the period	December 2021	Movement for the period	June 2022
New defined benefit plan measurements	9.1	(701)	3,142	2,441	-	2,441
Gain on investments in equity instruments	9.2	(980)	17,112	16,132	(633)	15,499
Loss on conversion exchange differences		(10,827)	-	(10,827)	-	(10,827)
Cash flow Hedges	9.3	(15,626)	(3,631)	(19,257)	(4,777)	(24,034)
Share of other comprehensive income of subsidiaries accounted for using the equity method	9.4	1,370,853	567,126	1,937,979	232,337	2,170,316
<b>Total comprehensive income</b>		<b>1,342,719</b>	<b>583,749</b>	<b>1,926,468</b>	<b>226,927</b>	<b>2,153,395</b>

### 9.1 New defined benefit plan measures

The component of defined benefit plan remeasurements represents the accumulated value of actuarial gains or losses, excluding the values included in the net interest on the net defined benefit liability. The net value of remeasurements is transferred to retained earnings and is not reclassified to profit or loss for the period.

### 9.2 Gain (loss) from investment in equity instruments

Corresponds to the variation of Enka de Colombia S.A., which is classified at fair value with changes in equity.

### 9.3 Cash flow derivative hedges

Below is a detail of the movement of the cash flow derivative hedge:

	Note	December 2020	Movement period	December 2021	Movement period	June 2022
Cash flow hedges	5.2.2.1	(22,323)	(7,303)	(29,626)	(7,350)	(36,976)
Taxes	6.2	6,697	3,672	10,369	2,573	12,942
<b>Total</b>		<b>(15,626)</b>	<b>(3,631)</b>	<b>(19,257)</b>	<b>(4,777)</b>	<b>(24,034)</b>

### 9.4 Equity in other comprehensive income of subsidiaries accounted for using the equity method

This component records the changes in equity in investments in subsidiaries by applying the equity method (see details in Note 7.2 Investments in subsidiaries).

## NOTE 10. INCOME

The following is a detail of income:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Dividends <sup>(1)</sup>	931,885	263,124	-	-
Income from the Equity Method (note 7.2)	271,345	277,712	173,933	181,696
Other income <sup>(2)</sup>	21,474	5	16,112	(4)
Fair value investment income (note 5.1.1)	1,814	(14,410)	1,821	(14,802)
Investment income, net <sup>(3)</sup>	519	2,101	324	809
<b>Total</b>	<b>1,227,037</b>	<b>528,532</b>	<b>192,190</b>	<b>167,699</b>

<sup>(1)</sup> Below is a detail of dividend income

	Note	Accumulated		Quarter	
		June 2022	June 2021	June 2022	June 2021
Dividend income from associates	7.1	931,194	263,124	-	-
Dividend income Enka instruments		691	-	-	-
<b>Total</b>		<b>931,885</b>	<b>263,124</b>	<b>-</b>	<b>-</b>

<sup>(2)</sup> Details of other income are presented below:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Usufruct <sup>(*)</sup>	21,451	-	16,089	-
Others	16	5	16	(4)
Medical leave payment	7	-	7	-
<b>Total</b>	<b>21,474</b>	<b>5</b>	<b>16,112</b>	<b>(4)</b>

<sup>(\*)</sup> Amortization of usufruct (See note 16 Related party disclosures).

<sup>(3)</sup> The balance corresponds to yields on cash equivalents.

## NOTE 11. ADMINISTRATIVE EXPENSES

The administrative expenses are as follows:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Taxes	(7,931)	(3,107)	(6,468)	(1,833)
Donations	(6,678)	(6,276)	(6,678)	(6,276)
Travel	(3,233)	(3,928)	(1,905)	(1,794)
Insurance	(2,911)	(3,715)	(2,910)	(3,715)
Publicity	(2,257)	(1,897)	(1,022)	(1,471)
Commissions	(1,707)	(718)	(1,113)	(370)
Contributions	(1,146)	(497)	(416)	(162)
Others	(748)	(284)	(636)	(128)
Leases	(349)	(124)	(298)	(63)

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Representative expenses	(345)	(277)	(125)	(231)
Maintenance and repairs	(319)	(224)	(242)	(162)
Utilities	(262)	(289)	(124)	(160)
Electronic data processing	(240)	(22)	(184)	(15)
Seasonal services	(103)	(26)	(88)	(10)
Legal	(21)	(5)	(8)	(4)
Supplies and stationery	(20)	(23)	(14)	(17)
<b>Total</b>	<b>(28,270)</b>	<b>(21,412)</b>	<b>(22,231)</b>	<b>(16,411)</b>

## NOTE 12. FEES

Fee expenses are detailed as follows:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Advisory <sup>(1)</sup>	(22,824)	-	(12,107)	-
Consultancy	(3,330)	-	(1,921)	-
Board of Directors	(947)	(566)	(430)	(294)
Other	(412)	(4,818)	(407)	(3,655)
Auditor	(246)	(132)	(131)	(38)
IT	(206)	-	-	-
<b>Total</b>	<b>(27,965)</b>	<b>(5,516)</b>	<b>(14,996)</b>	<b>(3,987)</b>

<sup>(1)</sup> The variation corresponds mainly to extraordinary expenses in fees for financial and legal advice related to the tender offers.

## NOTA 13. FINANCIAL RESULTS

The financial results are detailed below:

	Note	Accumulated		Quarter	
		June 2022	June 2021	June 2022	June 2021
Gains at fair value - Derivatives	5.2.2.2	7,155	(2,478)	21,841	8,855
Exchange rate difference (Net)	13.1	(1,012)	39,345	(2,060)	40,474
Interest	13.2	(247,146)	(207,104)	(135,918)	(98,632)
<b>Total</b>		<b>(241,003)</b>	<b>(170,237)</b>	<b>(116,137)</b>	<b>(49,303)</b>

### 13.1 Foreign exchange difference (Net)

A detail of the difference in exchange rate is presented below:

	Note	Accumulated		Quarter	
		June 2022	June 2021	June 2022	June 2021
Hedging derivatives	5.2.2.1	93,528	303,261	217,349	94,058
Bonds		(94,540)	(263,916)	(219,409)	(53,584)
<b>Total</b>		<b>(1,012)</b>	<b>39,345</b>	<b>(2,060)</b>	<b>40,474</b>

### 13.2 Interests

A detail of the interest is presented below:

	Note	Accumulated		Quarter	
		June 2022	June 2021	June 2022	June 2021
Bonds issued		(161,460)	(134,754)	(83,453)	(66,133)
Hedging transactions	5.2.2.1	(41,117)	(42,293)	(27,984)	(17,679)
Bank loans		(21,156)	(8,226)	(12,110)	(4,028)
Preferred shares		(20,017)	(19,447)	(10,062)	(9,422)
Repo transactions		(1,812)	(60)	(1,446)	(60)
Other		(1,167)	(1,896)	(651)	(1,097)
Financial leases		(417)	(428)	(212)	(213)
<b>Total</b>		<b>(247,146)</b>	<b>(207,104)</b>	<b>(135,918)</b>	<b>(98,632)</b>

### NOTE 14. EARNINGS PER SHARE

Basic earnings for share are calculated by dividing profit and loss, attributable to shareholders, by the number of outstanding shares, during the year.

The following table shows the data on income and shares used in basic earnings:

	Accumulated		Quarter	
	June 2022	June 2021	June 2022	June 2021
Profit, net	913,283	303,364	21,660	66,745
<b>Controlling profit</b>	<b>913,283</b>	<b>303,364</b>	<b>21,660</b>	<b>66,745</b>
Less: preferred dividends declared - Interest on preferred stocks <sup>(1)</sup>	(88,206)	(68,148)	(22,052)	(17,037)
Plus: Interest expense on preference shares (Note 13.2) <sup>(2)</sup>	20,017	19,447	10,062	9,422
Less: undistributed earnings to preference stockholders	(110,209)	(7,723)	11,607	(1,050)
<b>Profit from continuing operations</b>	<b>734,885</b>	<b>246,940</b>	<b>21,277</b>	<b>58,080</b>
Ordinary shares <sup>(3)</sup>	466,720,702	469,037,260	466,720,702	469,037,260
<b>Earnings per share from continuing operations</b>	<b>1,575</b>	<b>526</b>	<b>46</b>	<b>124</b>

<sup>(1)</sup> It corresponds to the minimum guaranteed dividend of the preferred shares caused as an expense during the period.

<sup>(2)</sup> Corresponds to the portion of the earnings of the parent company attributable to the preferred shares, that has not been declared as a dividend.

<sup>(3)</sup> Corresponds to the weighted average of the shares for the year.

## **NOTE 15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The performance of the financial markets and the economies of the region have an impact on the operation of the businesses and, therefore, on their financial results. In order to manage these eventualities and their effect on the sustainability of the Company, there are management systems in place to monitor exposure to credit, market and liquidity risk, from treasury management and investment portfolios.

The risk management of the Company is framed under the Risk Management Framework Policy of Grupo Empresarial SURA and the Internal Risk Manual of Grupo SURA, which establishes the responsibilities of the Board of Directors, the Risk Committee and Senior Management regarding the Risk Management System and defines the Company's framework for action in this area. Furthermore, these documents provide guidelines for the risks of the Company itself, associated with its business model and derived from its strategy, as well as for the risks of its investments. The latter are managed by each business unit, taking into account its level of experience and expertise. In this case, the work of Grupo SURA focuses on developing appropriate interaction mechanisms to monitor their profiles and the way they manage their risks.

### **15.1. Credit risk**

Credit risk management seeks to reduce the probability of incurring losses derived from the non-compliance of financial obligations contracted by third parties with the Companies.

#### **15.1.1 Description of the objectives, policies, and processes for risk management**

To manage this risk, from the management of treasury resources, guidelines have been defined, which facilitate the analysis and monitoring of issuers and counterparties, ensuring that investments are always backed by issuers and/or managers, with adequate strength credit.

#### **15.1.2. Methods used to measure risk**

The risk instances, of the Company, analyze the counterparts, issuers, and managers, in order to evaluate their credit support and deliver the investment limits that should be considered by the treasury.

#### **15.1.3. Summary of the risk exposure of the entity**

To date, investments made by the treasury of Grupo SURA are mostly concentrated in liquid mutual funds managed by high credit quality managers, savings accounts and checking accounts.

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

### **15.2. Liquidity Risk Management**

Liquidity risk refers to the ability of the Company to generate the necessary resources to comply with the obligations acquired and the operation of its business.

#### **15.2.1. Description of the objectives, policies and processes for risk management**

For the management of this risk, Grupo SURA orients its actions within the framework of a liquidity management strategy for the short and long term in accordance with the policies and guidelines issued by the Board of Directors and Senior Management, which contemplate short-term and structural aspects, in order to ensure compliance with the obligations acquired, under the conditions initially agreed and without incurring in cost overruns.

#### **15.2.2. Methods used to measure risk**

To manage this risk, following the policies and guidelines issued by the Board of Directors and Senior Management, the Company monitors cash flow in the short term to manage collection and payment activities from the treasury, and cash flow projections in the medium term, in order to determine the liquidity position and anticipate the necessary measures for an adequate management.

In addition, the Company has credit lines available with financial institutions and treasury investments that could be sold as a mechanism to access liquidity, in addition to other complementary sources of liquidity.

#### **15.2.3. Description of changes in risk exposure**

During the last quarter, there were no significant changes in the exposure to this risk.

#### **15.2.4. Summary of quantitative data on risk exposure of the entity**

At the end of the quarter, the Company has an adequate availability of liquid assets to meet its financial obligations.

### **15.3. Market risks**

Market risk refers to how variations in market prices affect the income of the Company or the value of its investments.

Market risk in Grupo SURA is mainly generated by the following factors and activities:

- Liquidity management in the treasury through exposure to collective portfolios and issuers of fixed income instruments; these activities do not generate significant market risk, due to their low volatility and short duration.
- Financial liabilities contracted in foreign currency and those tied to variable rate, which result in an exposure to exchange rate risk and fixed or variable interest rate. Currently all foreign currency debt principals are covered.
- Operations with financial derivative instruments structured as hedging mechanisms for financial liabilities that comprise the obligations of the Company.

Grupo SURA analyzes the impact that variables such as interest rate and exchange rate generate on its results, to determine whether it is convenient to have hedging strategies to mitigate their volatility.

#### **15.3.1. Exchange rate risk**

Exchange rate risk is the probability that the fair value, or future cash flows, of a financial instrument may fluctuate as a result of changes in exchange rates. The Company is exposed to this risk to the extent that it has assets and liabilities denominated in foreign currency.

##### **15.3.1.1. Description of the objectives, policies and processes for risk management**

To manage this risk, the Company monitors its exposures in accordance with the policies and guidelines issued by the Board of Directors and, if necessary, determines the convenience of having some type of coverage scheme.

#### **15.3.1.2. Methods used to measure risk**

The exchange rate risk management realized, from the treasury of the Company, is focused on the analysis of the advisability of hedging to neutralize the impact that variations in the exchange rate that may have on its results and thus reduce exposure to this risk.

#### **15.3.1.3. Description of changes in risk exposure**

During the quarter there were no significant variations in this risk factor.

#### **15.3.1.4. Summary of quantitative data on risk exposure of the entity**

Regarding financial liabilities, the Company currently has no bank loans in foreign currency and for international bonds it maintains several hedging strategies in order to reduce the possible impacts of a devaluation of the Colombian peso.

### **15.3.2. Interest rate risk**

Interest rate risk is 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 and/or liabilities associated with variable interest rates.

#### **15.3.2.1. Description of the objectives, policies and processes for risk management**

To manage exposure to this risk, the Company monitors its exposures and, if necessary, determines the convenience of having a hedging scheme, monitored periodically and aligned with the guidelines issued by its Board of Directors.

#### **15.3.2.2. Methods used to measure risk**

The interest rate risk management performed by the treasury of the Company focuses on the analysis of the convenience of hedging in order to neutralize the impact that interest rate variations may have on its results and thereby reduce exposure to this risk.

#### **15.3.2.3. Description of changes in risk exposure**

During the quarter there were no significant variations in this risk factor.

#### **16.3.2.4. Summary of quantitative data on the risk exposure of the entity**

To date, the Company does not have any interest rate hedges, as a result of the healthy mix between variable and fixed rate liabilities.

### **15.3.3. Share price risk**

Equity price risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in equity asset prices.

#### **15.3.3.1. Description of the objectives, policies and processes for risk management**

For the management of this risk, treasury resource management has defined guidelines to facilitate the analysis and follow-up of how variations in the market prices of the instruments held could affect the Company.

### 15.3.3.2. Methods used to measure risk

The internal risk management system considers the process of evaluating how changes in market prices affect the income of the Company or the value of its investments.

### 15.3.3.3. Description of changes in risk exposure

It is important to highlight that during the course of the quarter, Grupo Nutresa has presented several takeover bids, and as a result of these, it is anticipated that the liquidity of these shares will be affected in the future as a result of the new shareholder composition of the entity.

### 15.3.3.4. Summary of quantitative data on the risk exposure of the entity

Given the nature of the portfolio and the investments, the exposures to this risk are not material.

For further details please refer to **Note 5.1.1 "Investments"**.

## NOTE 16. RELATED PARTY DISCLOSURES

Subsidiaries, associated companies, key management personnel, as well as entities over which key management personnel can exercise control are considered related parties of Grupo SURA.

The following is the detail of related parties as of June 30, 2022 and June 30 and December 31, 2021 of Grupo SURA:

Assets	June 2022			December 2021		
	Individuals	Entities		Individuals	Entities	
	Key Management Personnel	Associates	Subsidiaries	Key Management Personnel	Associates	Subsidiaries
<b>Dividends receivable</b>						
Bancolombia S.A.	-	549,929	-	-	15,276	-
Grupo Argos S.A.	-	87,857	-	-	-	-
Grupo Nutresa S.A.	-	63,823	-	-	28,607	-
Sura Asset Management S.A.	-	-	185,633	-	-	-
Suramericana S.A.	-	-	32,452	-	-	-
<b>Total assets</b>	<b>-</b>	<b>701,609</b>	<b>218,085</b>	<b>-</b>	<b>43,883</b>	<b>-</b>
<b>Liabilities</b>						
<b>Accounts payable to related parties</b>						
JDGB Holding S.A.S.	-	104,288	-	-	-	-
Grupo Argos S.A.	-	73,807	-	-	18,935	-
Grupo Nutresa S.A.	-	36,807	-	-	8,959	-
Other <sup>(1)</sup>	-	127,701	-	-	62,180	-
Usufructuary contract <sup>(2)</sup>	-	-	64,354	-	-	-
<b>Total accounts payable to related parties</b>	<b>-</b>	<b>342,603</b>	<b>64,354</b>	<b>-</b>	<b>90,074</b>	<b>-</b>
Employee benefits <sup>(3)</sup>	34,556	-	-	34,555	-	-
Financial obligations <sup>(4)</sup>	-	530,986	-	-	-	-
<b>Total liabilities</b>	<b>34,556</b>	<b>873,589</b>	<b>64,354</b>	<b>34,555</b>	<b>90,074</b>	<b>-</b>



- (1) Corresponds to the dividend payable to other shareholders.  
(2) Corresponds to deferred income generated by the usufruct contract explained in note 7.2, with a duration of 16 months as of March 2022.  
(3) Corresponds to employee benefits of key management personnel, accrued to date.  
(4) Corresponds to three outstanding loans with Bancolombia S.A.

Income	Accumulated						Quarter			
	June 2022			June 2021			June 2022		June 2021	
	Individuals	Entities		Individuals	Entities		Entities		Entities	
	Key Management Personnel	Associates	Subsidiaries	Key Management Personnel	Associates	Subsidiaries	Associates	Subsidiaries	Associates	Subsidiaries
<b>Dividends</b>										
Bancolombia S.A.	-	733,238	-	-	61,103	-	-	-	-	-
Grupo Argos S.A.	-	117,143	-	-	87,591	-	-	-	-	-
Grupo Nutresa S.A.	-	80,813	-	-	114,430	-	-	-	-	-
<b>Total dividends</b>	-	<b>931,194</b>	-	-	<b>263,124</b>	-	-	-	-	-
Amortization of usufruct <sup>(1)</sup>	-	-	21,452	-	-	-	-	16,090	-	-
<b>Total income</b>	-	<b>931,194</b>	<b>21,452</b>	-	<b>263,124</b>	-	-	<b>16,090</b>	-	-

Expenses	Accumulated						quarter			
	June 2022			June 2021			June 2022		June 2021	
	Individuals	Entities		Individuals	Entities		Individuals	Entities	Individuals	Entities
	Key Management Personnel	Associates	Subsidiaries	Key Management Personnel	Associates	Subsidiaries	Key Management Personnel	Subsidiaries	Key Management Personnel	Subsidiaries
Administrative expenses	-	-	2,949	-	-	303	-	2,916	-	296
Employee benefits	7,804	-	-	5,050	-	-	4,500	-	2,834	-
Fees	947	-	-	566	-	-	430	-	294	-
<b>Total expenses</b>	<b>8,751</b>	-	<b>2,949</b>	<b>5,616</b>	-	<b>303</b>	<b>4,930</b>	<b>2,916</b>	<b>3,128</b>	<b>296</b>

- (1) Corresponds to the value of the amortization between March and June 2022 of the usufruct contract signed with Inversiones y Construcciones Estratégicas S.A.S. for a term of 16 months.

Subsidiaries under direct control of Grupo SURA are listed in Note 7.2 Investments in subsidiaries.

## NOTE 17. COMMITMENTS

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 formalized 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, in line with 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 include:

**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 this type of agreements.

Grupo Sura is currently reviewing the applicable accounting policies to ensure the appropriate recognition and measurement of these agreements. Therefore, a possible policy change scenario under IFRS 9 "*Financial Instruments*", and as appropriate in each contract, could imply an eventual recognition of a derivative asset or liability measured at fair value, as well as possible effects on results.

**NOTE 18. EVENTS SUBSEQUENT TO THE REPORTING DATE**

These separate financial statements as of June 30, 2022 were prepared for supervisory purposes and authorized for issuance 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 19. 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 for publication, 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 (Expressed in millions of pesos)

	INDEX	June 2022	December 2021	INTERPRETATION	
	Solidity	6,293,785	5,836,391	Creditors own 19.82% as of June 2022 and 19.08% as of December 2021, leaving shareholders owning the complement: 80.18% in June 2022 and 80.92% as of December 2021.	Total liability
		= 19.82%	= 19.08%		Total asset
		31,747,271	30,583,355		
INDEBTNESS	Total	6,293,785	5,836,391	Of every peso the company has invested in assets, 19.82% as of June 2022 and 19.08% as of December 2021 have been financed by creditors.	Total liability
		= 19.82%	= 19.08%		Total asset
		31,747,271	30,583,355		
	Coverage of interest	1,160,429	816,125	The Company generated a net gain equal to 469.53% as of June 2022 and 200.13% in December 2021 from Interest Paid	Net profit + interest
		= 469.53%	= 200.13%		Financial expenses
	Leverage	247,146	407,797		
		6,293,785	5,836,391	Every \$1.00 peso of the Company's owners is committed 24.73% as of June 2022 and 23.58% as of December 2021.	Total liabilities with third parties
	Total	25,453,486	24,746,964		Equity
		5,448,166	5,347,538	For each peso of equity, 21.4% is financially committed as of June 2022 and 21.61% as of December 2021.	Total liabilities with financial entities
	Financial Total	25,453,486	24,746,964		Equity
PERFORMANCE	Net profit margin	913,283	408,328	Net income corresponds to 74.43% of net income as of June 2022 and 46.78% as of December 2021.	Net Profit
		= 74.43%	= 46.78%		Net Income
		1,227,037	872,778		
	Return on equity	913,283	408,328	Net income corresponds to 3.72% of equity in June 2022 and 1.68% in December 2021.	Net Profit
		= 3.72%	= 1.68%		Equity - profits
		24,540,203	24,338,636		
Return on total assets	913,283	408,328	Net income in relation to total assets corresponds to 2.88% as of June 2022 and 1.34% in December 2021.	Net Profit	
	= 2.88%	= 1.34%		Total assets	
		31,747,271	30,583,355		