

# CONDENSED INTERIM FINANCIAL STATEMENTS **CONSOLIDATED**

**For the nine-month period from January 1<sup>st</sup>, 2023  
to September 30<sup>th</sup>, 2023**

GRUPO DE INVERSIONES SURAMERICANA S.A.

Cra. 43A #5A - 113  
Medellín, Colombia

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## CERTIFICATION OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

That for the issuance of the consolidated statement of financial position as of September 30, 2023, and of the consolidated statement of income for the year and consolidated comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, which in accordance with the regulations are made available to shareholders and third parties, the statements contained therein have been previously verified.

Said affirmations, explicit and implicit, are the following:

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

**Integrity:** All economic events have been recognized.

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

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

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

In accordance with Article 46 of Law 964 of 2005, in my capacity as legal representative of Grupo de Inversiones Suramericana S.A., the Financial Statements and other relevant reports for the public, related to the fiscal year as of September 30, 2023, September 30 and December 31, 2022, do not contain vices, inaccuracies or errors that prevent the true equity situation or the operations of the Company from being known.

Gonzalo Alberto Pérez Rojas  
President

Juan Guillermo Chica Ramírez  
Public Accountant  
Professional Card 64093-T

**AUDITOR REPORT**





# **CHAPTER**

# CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**Condensed Interim Consolidated Statement of Financial Position**  
**At September 30, 2023 and December 31, 2022**

(Amounts expressed in millions of Colombian pesos)

	Note	September 2023	December 2022
<b>Assets</b>			
Cash and cash equivalents		3,246,807	3,569,969
Investments	5	37,588,281	35,973,060
Derivative instruments	5	1,280,507	1,955,887
insurance contract assets	6	4,869,588	6,853,292
Reinsurance contract assets	6	6,305,246	8,026,555
Receivables from related parties	19	594,540	252,071
Other accounts receivable	13	2,321,211	2,139,913
Current tax assets	7	452,832	377,056
Non-current assets available for sale	9	7,560,278	6,004
Deferred acquisition cost		1,579,998	2,132,816
Investments in associates and joint ventures	8	17,656,477	23,224,779
Properties and equipment		1,317,669	1,448,786
Right-of-use assets		439,963	542,537
Other intangible assets	13	3,383,014	4,039,898
Deferred tax assets	7	235,916	836,232
Other assets		558,100	621,463
Goodwill	13	5,412,731	6,393,147
<b>Total assets</b>		<b>94,803,158</b>	<b>98,393,465</b>
<b>Liabilities</b>			
Financial liabilities	5	1,931,254	1,115,538
Derivative instruments	5	209,858	491,544
Lease liabilities		434,176	513,419
Insurance contract liabilities	6	35,905,747	38,721,291
Reinsurance contract liabilities	6	2,337,307	2,051,354
Accounts payable to related entities	19	405,619	117,298
Other accounts payable	5	2,760,979	2,609,496
Current tax liabilities	7	160,687	122,593
Employee benefits		765,733	835,112
Non-current liabilities in assets held for sale	9	2,111,865	-
Provisions		1,076,611	1,084,582
Deferred income		425,579	495,664
Bonds issued	5	7,748,542	9,337,919
Non-controlling interest commitments	5	2,920,950	2,810,956
Deferred tax liabilities	7	2,024,249	1,844,922
Preferred shares		459,781	459,955
<b>Total liabilities</b>		<b>61,678,937</b>	<b>62,611,643</b>
<b>Equity</b>			
Issued capital		109,121	109,121
Share premium		3,290,767	3,290,767
Reserves		5,852,874	5,575,402
Reserves share repurchase		300,000	244,848
Income		1,133,668	2,074,996
Retained earnings		14,823,467	14,232,257
Other comprehensive income	11	5,594,876	8,200,324
<b>Equity attributable to the holders of the controlling interest</b>		<b>31,104,773</b>	<b>33,727,715</b>
Non-controlling interest	12	2,019,448	2,054,107
<b>Total equity</b>		<b>33,124,221</b>	<b>35,781,822</b>
<b>Total equity and liabilities</b>		<b>94,803,158</b>	<b>98,393,465</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  
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 P.C. 140779-T  
 Designated by Ernst & Young Audit S.A.S. TR-530  
 (See my report of November 14, 2023)



**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**Condensed Interim Consolidated Statement of Income**  
**At 30 September 2023 and 2022**

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

	Note	Accumulated		Quarter	
		September 2023	September 2022	September 2023	September 2022
<b>Income</b>					
Insurance premium		15,749,830	12,487,440	4,770,935	3,655,159
Health services premium		7,018,424	5,611,829	2,389,635	1,907,712
<b>Gross written premium income</b>	<b>6</b>	<b>22,768,254</b>	<b>18,099,269</b>	<b>7,160,570</b>	<b>5,562,871</b>
Insurance premium ceded to reinsurers		(3,446,947)	(2,636,285)	(1,174,603)	(900,241)
<b>Net written premium income</b>	<b>6</b>	<b>19,321,307</b>	<b>15,462,984</b>	<b>5,985,967</b>	<b>4,662,630</b>
Unearned premium		(1,831,750)	(89,613)	(874,395)	4,742
<b>Net premium income earned</b>	<b>6</b>	<b>17,489,557</b>	<b>15,373,371</b>	<b>5,111,572</b>	<b>4,667,372</b>
Net return on investments at amortized cost	5	2,228,370	1,437,996	739,825	460,438
Net gain (loss) on investments at fair value	5	831,980	(601,486)	(236,445)	(360,721)
Income from commissions	14	3,641,918	2,350,568	1,147,238	806,476
Sale of services		227,956	203,340	79,726	68,935
Income from equity method	8	1,481,805	1,566,080	399,235	520,107
Gain from sale of investments	5	137,676	49,087	40,734	52,332
Other income		458,331	360,781	105,683	90,805
<b>Total income</b>		<b>26,497,593</b>	<b>20,739,737</b>	<b>7,387,568</b>	<b>6,305,744</b>
<b>Costs and Expenses</b>					
Insurance claims		(7,436,085)	(8,555,204)	(2,169,980)	(2,986,250)
Health services claims		(6,962,334)	(5,470,031)	(2,457,722)	(1,904,090)
<b>Gross claims expense</b>	<b>6</b>	<b>(14,398,419)</b>	<b>(14,025,235)</b>	<b>(4,627,702)</b>	<b>(4,890,340)</b>
Reimbursed claims		617,110	2,899,803	594,243	1,443,918
<b>Retained claims expense</b>	<b>6</b>	<b>(13,781,309)</b>	<b>(11,125,432)</b>	<b>(4,033,459)</b>	<b>(3,446,422)</b>
Commissions paid to intermediaries	14	(2,832,604)	(2,260,816)	(673,271)	(588,780)
Insurance costs and expenses	6	(1,604,235)	(1,317,239)	(457,544)	(441,275)
Costs of services sales		(321,788)	(286,030)	(110,985)	(102,158)
Administrative expenses		(1,808,102)	(1,324,050)	(498,463)	(419,892)
Employee benefits		(1,801,407)	(1,388,400)	(487,023)	(409,630)
Fees		(364,501)	(264,099)	(121,152)	(86,381)
Depreciation and amortization		(486,900)	(394,276)	(135,619)	(123,179)
Other expenses		(76,909)	(21,076)	(43,214)	(10,545)
<b>Total costs and expenses</b>		<b>(23,077,755)</b>	<b>(18,381,418)</b>	<b>(6,560,730)</b>	<b>(5,628,262)</b>
<b>Operating profit</b>		<b>3,419,838</b>	<b>2,358,319</b>	<b>826,838</b>	<b>677,482</b>
Net gain from fair value adjustments to derivatives	5	10,113	35,743	(3,669)	28,898
Foreign exchange, net	15	109,684	(45,756)	36,081	(12,054)
Interest expense	15	(816,522)	(706,671)	(282,890)	(245,070)
<b>Net financial income</b>	<b>15</b>	<b>(696,725)</b>	<b>(716,684)</b>	<b>(230,478)</b>	<b>(228,226)</b>
<b>Profits before tax</b>		<b>2,723,113</b>	<b>1,641,635</b>	<b>596,360</b>	<b>449,256</b>
Income tax	7	(1,317,162)	(228,705)	(283,275)	(81,539)
<b>Net Profit from continuing operations</b>		<b>1,405,951</b>	<b>1,412,930</b>	<b>313,085</b>	<b>367,717</b>
Net income from discontinued operations	9	14,836	44,707	14,837	45,441
<b>Net profit attributable to:</b>		<b>1,420,787</b>	<b>1,457,637</b>	<b>327,922</b>	<b>413,158</b>
Controlling shareholders		1,133,668	1,387,258	310,511	400,304
Non-controlling interests		287,119	70,379	17,411	12,854
<b>Net earnings per share</b>					
Net earnings per share from continuing operations	16	1,983	2,359	588	655
Net earnings per share from discontinued operations	16	26	88	(6)	-
Net earnings per share from diluted continuing operations	16	1,955	2,291	587	661
Net earnings per share from diluted discontinued operations	16	24	85	24	86

The notes are an integral part of the financial statements.

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Designated by Ernst & Young Audit S.A.S. TR-530  
 (See my report of November 14, 2023)

**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**Condensed Interim Consolidated Statement of Comprehensive Income**  
**At 30 September 2023 and 2022**  
(Amounts expressed in millions of Colombian pesos)

	Note	Accumulated		Quarter	
		September 2023	September 2022	September 2023	September 2022
<b>Net income for the year</b>		<b>1,420,787</b>	<b>1,457,637</b>	<b>327,922</b>	<b>413,158</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to income for the period, net of taxes</b>					
Loss on investment in equity instruments	11	(12,304)	(23,914)	(27,021)	(4,237)
Gain (Loss) on revaluation of property	11	13,148	(28,624)	14,878	1,729
<b>Total other comprehensive income that will not be reclassified to the results of the period, net of taxes</b>		<b>844</b>	<b>(52,538)</b>	<b>(12,143)</b>	<b>(2,508)</b>
<b>Items to be reclassified to income for the period, net of taxes</b>					
(Loss) gain from foreign currency translation differences	11	(2,629,774)	1,438,130	(1,551,462)	1,122,743
(Loss) gain on cash flow hedge	11	(3,821)	(81,564)	11,854	(85,716)
Gain (loss) on hedges of net investments in foreign entities	11	306,400	(155,098)	198,347	(90,935)
Participation of OCI from associates and joint ventures accounted for using the equity method	11	(687,951)	1,238,275	(199,406)	476,486
<b>Total other comprehensive income to be reclassified to profit or loss, net of taxes</b>		<b>(3,015,146)</b>	<b>2,439,743</b>	<b>(1,540,667)</b>	<b>1,422,578</b>
<b>Total other comprehensive income</b>		<b>(3,014,302)</b>	<b>2,387,205</b>	<b>(1,552,810)</b>	<b>1,420,070</b>
<b>Total comprehensive income</b>		<b>(1,593,515)</b>	<b>3,844,842</b>	<b>(1,224,888)</b>	<b>1,833,228</b>
Comprehensive income attributable to:					
Controlling interest		(1,471,780)	3,569,806	(999,959)	1,653,698
Non-controlling interest		(121,735)	275,036	(224,929)	179,530

The notes are an integral part of the financial statements.

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(See my report of November 14, 2023)

**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**Condensed Interim Consolidated Statement of Changes in Equity**  
**At 30 September 2023 and 2022**  
(Values expressed in millions of Colombian pesos)

	Note	Issued capital	Share premium	Reserves	Reserves for share repurchase	Profit Net Income for the year	Retained earnings	Other Comprehensive Income (OCI)	Equity attributable to controlling interest	Non- controlling interests	Total equity
<b>Balance at December 31, 2021</b>		109,121	3,290,767	5,025,831	244,848	1,408,560	13,472,670	4,358,527	27,910,324	701,496	28,611,820
Other comprehensive income	11	-	-	-	-	-	-	2,182,548	2,182,548	204,657	2,387,205
Net income for the year		-	-	-	-	1,387,258	-	-	1,387,258	70,379	1,457,637
<b>Total net comprehensive income for the period</b>		-	-	-	-	1,387,258	-	2,182,548	3,569,806	275,036	3,844,842
Transfer to retained earnings		-	-	-	-	(1,408,560)	1,408,560	-	-	-	-
<b>Distribution of 2021 results</b>											
Ordinary dividend (784 pesos per share) recognized as distributions to owners	10	-	-	-	-	-	(454,115)	-	(454,115)	(66,037)	(520,152)
Reserves for protection of investments		-	-	297,982	-	-	(297,982)	-	-	-	-
Minimum dividends, preferred shares		-	-	-	-	-	30,356	-	30,356	-	30,356
Commitments with non-controlling interests	5.2.3	-	-	138,058	-	-	-	-	138,058	(168,997)	(30,939)
Shareholder dividend withholding effect		-	-	-	-	-	1,575	-	1,575	-	1,575
Adjustments for inflation in Argentina		-	-	-	-	-	(25,344)	-	(25,344)	(5,895)	(31,239)
Increases (Decreases) due to other changes, equity		-	-	-	-	-	75,807	-	75,807	17,337	93,144
<b>Balance as of September 30, 2022</b>		109,121	3,290,767	5,461,871	244,848	1,387,258	14,211,527	6,541,075	31,246,467	752,940	31,999,407

	Note	Issued capital	Share premium	Reserves	Reserves for share repurchase	Profit Net Income for the year	Retained earnings	Other Comprehensive Income (OCI)	Equity attributable to controlling interest	Non- controlling interests	Total equity
<b>Balance at December 31, 2022</b>		109,121	3,290,767	5,575,401	244,848	2,074,996	14,232,257	8,200,324	33,727,714	2,054,107	35,781,821
Other comprehensive income	11	-	-	-	-	-	-	(2,605,448)	(2,605,448)	(408,854)	(3,014,302)
Net income for the year		-	-	-	-	1,133,668	-	-	1,133,668	287,119	1,420,787
<b>Total net comprehensive income for the period</b>		-	-	-	-	1,133,668	-	(2,605,448)	(1,471,780)	(121,735)	(1,593,515)
Transfer to retained earnings		-	-	-	-	(2,074,996)	2,074,996	-	-	-	-
<b>Distribution of 2022 results</b>	10										
Ordinary dividend (1,280 pesos per share) recognized as distributions to owners		-	-	-	-	-	(741,413)	-	(741,413)	(110,999)	(852,412)
Reserves for protection of investments		-	-	661,005	-	-	(661,005)	-	-	-	-
Share repurchase <sup>(1)</sup>		-	-	(55,152)	55,152	-	-	-	-	-	-
Minimum dividends, preferred shares		-	-	-	-	-	30,356	-	30,356	-	30,356
Commitments with non-controlling interests	5.2.3	-	-	(353,357)	-	-	-	-	(353,357)	243,363	(109,994)
Withholding tax effect on shareholder dividends		-	-	-	-	-	1,424	-	1,424	-	1,424
Adjustments for inflation in Argentina		-	-	24,977	-	-	(70,426)	-	(45,449)	(16,597)	(62,046)
Decreases due to other changes, equity		-	-	-	-	-	(42,722)	-	(42,722)	(28,691)	(71,413)
<b>Balance as of September 30, 2023</b>		109,121	3,290,767	5,852,874	300,000	1,133,668	14,823,467	5,594,876	31,104,773	2,019,448	33,124,221

<sup>(1)</sup> At the Ordinary Shareholders' Meeting of March 31, 2023, the appropriation of the occasional reserve to the share repurchase program for this amount was approved.

The notes are an integral part of the financial statements.

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Designated by Ernst & Young Audit S.A.S. TR-530  
(See my report of November 14, 2023)

**GRUPO DE INVERSIONES SURAMERICANA S.A.**  
**Condensed Interim Consolidated Statement of Cash Flows**  
**At 30 September 2023 and 2022**  
(Values expressed in millions of Colombian pesos)

	Note	September 2023	September 2022
<b>Cash flows from operating activities</b>			
<b>Net income for the year, continuing operations</b>		<b>2,708,277</b>	<b>1,596,928</b>
Discontinued operations	9	14,836	44,707
<b>Income before taxes</b>		<b>2,723,113</b>	<b>1,641,635</b>
<b>Adjustments to reconcile net income</b>			
Interest	14	801,110	695,490
Depreciation and amortization expense		486,900	394,276
Impairment expense		114,344	6,565
Impairment of investments		50,346	2,618
Variation foreign currency translation		1,102,124	(873,140)
(Gain) Loss on fair value measurements		(1,577,797)	575,928
Valuation of investments at amortized cost		(2,121,479)	(1,209,831)
Undistributed earnings from the application of the equity method	8	(1,481,805)	(1,566,080)
Deferred income tax, net		(116,887)	118,534
Other cash inflows		15,075	46,287
<b>Changes in operating assets and liabilities</b>			
inventories		5,381	328
Accounts receivable from the insurance activity		1,907,221	(428,592)
Other accounts receivable		(181,318)	177,599
Accounts receivable from related parties		60,827	68,655
Other accounts payable		146,986	(80,491)
Accounts payable insurance activity		(583,735)	166,471
Deferred acquisition cost (DAC) adjustment		287,426	(64,562)
Provisions		(77,350)	34,407
Other non-financial assets and liabilities		(81,101)	81,110
Disposal of non-current assets		567,658	14,444
Variation in insurance contracts net		(224,547)	2,038,981
<b>Dividends received from associates</b>		<b>802,062</b>	<b>507,338</b>
<b>Income tax paid</b>		<b>(622,380)</b>	<b>(379,394)</b>
<b>Interest received</b>		<b>1,110,155</b>	<b>651,040</b>
<b>Cash flows from operating activities</b>		<b>3,112,329</b>	<b>2,619,616</b>
<b>Cash flows from investing activities</b>			
Other charges on the sale of equity or debt instruments of other entities		19,843,554	12,201,339
Other payments to acquire equity or debt instruments of other entities		(20,284,282)	(13,159,131)
Cash flows used to obtain control of joint ventures		(2,450)	(78,505)
Sale of property, plant and equipment		72,523	62,514
Purchase of property and equipment		(71,336)	(79,688)
Sales of intangible assets		54,256	22,340
Purchase of intangible assets		(947,728)	(215,456)
Dividends received financial instruments		917	490
Purchases of other long-term assets		24,487	(45,148)
<b>Cash flows from investment activities</b>		<b>(1,310,059)</b>	<b>(1,291,245)</b>
<b>Cash flows from financing activities</b>			
Collections (payments) from futures contracts, forward contracts and financial options (swaps)		8,542	(71,645)
Proceeds from loans		1,196,001	1,387,383
Loan repayments		(2,058,849)	(1,684,297)
Payment of financial lease liabilities		(169,163)	(144,613)
Dividends paid to controlling shareholders		(483,920)	(314,107)
Dividends paid to non-controlling shareholders		(75,654)	(43,891)
Interest paid		(517,180)	(393,381)
<b>Cash flows from financing activities</b>		<b>(2,100,223)</b>	<b>(1,264,551)</b>
<b>Net increase (decrease) in cash before the effect of exchange rate changes</b>		<b>(297,953)</b>	<b>63,820</b>
Effect of exchange rate changes on cash and cash equivalents		(25,209)	11,622
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(323,162)</b>	<b>75,442</b>
Cash and cash equivalents at the beginning of the period		3,569,969	2,282,924
<b>Cash and cash equivalents at the end of the period</b>		<b>3,246,807</b>	<b>2,358,365</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. 140779-T  
Designated by Ernst & Young Audit S.A.S. TR-530  
(See my report of November 14, 2023)



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## **CHAPTER**

# NOTES TO THE FINANCIAL STATEMENTS

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the period ended September 30, 2023 (with comparative figures as of December 31, 2022 for the condensed interim statement of financial position and as of September 30, 2022 and 2023 for the condensed interim statement of income, condensed interim other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows).

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

### NOTE 1. REPORTING ENTITY

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

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

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

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

#### *Suramericana (Seguros SURA)*

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

#### *Sura Asset Management*

Subsidiary specialized in pension fund management, savings and investment, and asset management. It is headquartered in Medellín, Colombia, and has subsidiaries in seven Latin American countries. It was created in 2011 by deed No. 1548.

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

Company	Type of Entity	September 2023	December 2022	Country	Functional Currency
Grupo de Inversiones Suramericana S.A.	Holding Company		Matrix	Colombia	Colombian Peso
<b>Suramericana and subsidiaries:</b>					
Suramericana S.A.	Holding Company	81.13%	81.13%	Colombia	Colombian Peso
Seguros de Vida Suramericana S.A.	Personal Insurance	81.13%	81.13%	Colombia	Colombian Peso
Seguros Generales Suramericana S.A.	General insurance	81.12%	81.12%	Colombia	Colombian Peso
EPS Suramericana S.A.	Organization, guarantee and provision of health services.	81.13%	81.13%	Colombia	Colombian Peso
Servicios de Salud IPS Suramericana S.A.S.	Provision of medical, paramedical and dental services	81.13%	81.13%	Colombia	Colombian Peso
Ayudas Diagnósticas Sura S.A.S.	Provision of diagnostic aid services in health	81.13%	81.13%	Colombia	Colombian Peso
Operaciones Generales Suramericana S.A.S.	Investment in movable and immovable property	81.13%	81.13%	Colombia	Colombian Peso
Servicios Generales Suramericana S.A.S.	Investment in movable property especially through, especially shares.	81.13%	81.13%	Colombia	Colombian Peso
Consultoría en Gestión de Riesgos Suramericana S.A.S.	Consulting services in integrated risk management	81.13%	81.13%	Colombia	Colombian Peso
Suramericana Tech S.A.S. <sup>(6)</sup>	Development of digital channels	81.13%	81.13%	Colombia	Colombian Peso
Seguros de Vida Suramericana S.A.	Life insurance company	81.13%	81.13%	Chile	Chilean peso
Seguros Generales Suramericana S.A.	General insurance company	81.11%	81.11%	Chile	Chilean peso
Chilean Holding Suramericana SPA	Investments	81.13%	81.13%	Chile	Chilean peso
Inversiones Suramericana Chile Limitada	Investments	81.13%	81.13%	Chile	Chilean peso
Inversiones Sura Chile S.A. <sup>(5)</sup>	Investments	81.13%	81.13%	Chile	Chilean peso
Seguros Sura, S.A. de C.V.	General insurance operations	81.13%	81.13%	Mexico	Mexican Peso
Santa Maria del Sol S.A.	Investments	81.13%	81.13%	Argentina	Argentine Peso
Seguros Sura S.A. <sup>(2)</sup>	General insurance operations	80.67%	80.67%	Argentina	Argentine Peso
Seguros Suramericana, S.A.	Insurance	81.13%	81.13%	Panamá	Dollar
Servicios Generales Suramericana S.A.	Inspection service, repair, purchase and sale of vehicles.	81.13%	81.13%	Panamá	Dollar
Seguros Sura S.A. Seguros de Personas <sup>(2)</sup>	Personal Insurance	81.13%	81.13%	El Salvador	Dollar
Seguros Sura S.A. <sup>(2)</sup>	Personal Insurance	81.13%	81.13%	El Salvador	Dollar
Seguros Sura S.A.	Operation in personal and damage insurance	81.13%	81.13%	Brazil	Brazilian Real
Inversiones SURA Brasil Participacoes LTDA.	Investments	81.13%	81.13%	Brazil	Brazilian Real
Serviços Sura Ltda <sup>(4)</sup>	Risk management services	81.13%	81.13%	Brazil	Brazilian Real
Seguros Sura S.A.	General insurance	81.13%	81.13%	Uruguay	Uruguayan Peso
Suramericana Uruguay S.A.	Investments	81.13%	81.13%	Uruguay	Uruguayan Peso

Vinnyc S.A.	Assistance to vehicles, different from insurance business.	81.13%	81.13%	Uruguay	Uruguayan Peso
Russman S.A.	Assistance to vehicles, different from insurance business.	81.13%	81.13%	Uruguay	Uruguayan Peso
Seguros Sura S.A.	Insurance	81.13%	81.13%	Dominican Republic	Dominican Peso
Sura RE Ltd.	Insurance and reinsurance businesses	81.13%	81.13%	Islas Bermudas	Dollar
Sura SAC Ltd.	Insurance and reinsurance businesses	81.13%	81.13%	Islas Bermudas	Dollar
<b>Sura Asset Management and Subsidiaries:</b>					
Sura Investment Management Colombia S.A.S.	Holding Company	83.58%	83.58%	Colombia	Colombian Peso
Activos Estratégicos Sura A.M. Colombia S.A.S.	Holding Company	83.58%	83.58%	Colombia	Colombian Peso
SURA IM Gestora de Inversiones S.A.S.	Management consultancy activities, real estate activities carried out with own or leased property	83.58%	83.58%	Colombia	Colombian Peso
SURA Asset Management S.A.	Holding Company	83.58%	83.58%	Colombia	Colombian Peso
NBM Innova S.A.S.	Diverse commercial activities.	83.58%	83.58%	Colombia	Colombian Peso
Fiduciaria Sura S.A.	Acts, contracts, services and operations of trust companies.	83.58%	83.58%	Colombia	Colombian Peso
SURA Asset Management Chile S.A.	Holding Company	83.58%	83.58%	Chile	Chilean peso
Seguros de Vida SURA S.A.	Life insurance activities.	83.58%	83.58%	Chile	Chilean peso
Administradora General de Fondos SURA S.A.	Management of mutual and investment funds.	83.58%	83.58%	Chile	Chilean peso
Corredores de Bolsa SURA S.A.	Purchase and sale of securities and securities brokerage operations	83.58%	83.58%	Chile	Chilean peso
Sura Data Chile S.A.	Sale of data processing services and leasing of computer equipment	83.58%	83.58%	Chile	Chilean peso
SURA Servicios Profesionales S.A.	Consulting and advice services	83.58%	83.58%	Chile	Chilean peso
AFP Capital S.A.	Pension funds management	83.33%	83.33%	Chile	Chilean peso
Sura Asset Management México S.A. de C.V.	Pension funds management	83.58%	83.58%	Mexico	Mexican Peso
SURA Investment Management S.A. de C.V.	Management of mutual and investment funds.	83.58%	83.58%	Mexico	Mexican Peso
Afore SURA S.A. de C.V.	Management of investment companies specialized in retirement funds.	83.58%	83.58%	Mexico	Mexican Peso
Asesores SURA S.A. de C.V.	Sale of financial products and services	83.58%	83.58%	Mexico	Mexican Peso
Gestión Patrimonial Sura asesores en inversiones S.A. de C.V.	Administration of intellectual property, franchises, concessions and authorizations.	83.58%	83.58%	Mexico	Mexican Peso



Promotora SURA AM S.A. de C.V.	Marketing and promotion services	83.58%	83.58%	Mexico	Mexican Peso
Sura Art Corporation S.A. de C.V.	Company dedicated to collecting Mexican art	83.58%	83.58%	Mexico	Mexican Peso
NBM Innova S.A. de C.V.	Management, promotion and marketing services.	83.58%	83.58%	Mexico	Mexican Peso
Proyectos empresariales AI SURA S.A. de C.V.	Performs the function of Trustee in Titling processes.	83.58%	83.58%	Mexico	Mexican Peso
Sura IM Gestora México S.A. de C.V.	Administer, advise, manage and operate private and/or public capital investment vehicles created through trusts.	83.58%	83.58%	Mexico	Mexican Peso
SURA Asset Management Argentina S.A.	Financial and investment management	83.58%	83.58%	Argentina	Argentine Peso
SUAM Corredora de Seguros S.A. de C.V.	Insurance and reinsurance	83.58%	83.58%	El Salvador	Dollar
SURA Asset Management Perú S.A.	Holding Company	83.58%	83.58%	Perú	Soles
AFP Integra S.A.	Pension Fund Administrator	83.58%	83.58%	Perú	Soles
Fondos SURA SAF S.A.C.	Management of mutual and investment funds	83.58%	83.58%	Perú	Soles
Sociedad Agente de Bolsa S.A.	Securities brokers	83.58%	83.58%	Perú	Soles
Sociedad Titulizadora SURA S.A.	Perform the function of Trustee in Titling processes.	83.58%	83.58%	Perú	Soles
SURA Asset Management Uruguay Sociedad de Inversión S.A.	Holding Company	83.58%	83.58%	Uruguay	Uruguayan Peso
AFAP SURA S.A.	Administration of social security savings funds.	83.58%	83.58%	Uruguay	Uruguayan Peso
AFISA SURA S.A.	Administration of investment funds	83.58%	83.58%	Uruguay	Uruguayan Peso
Corredor de Bolsa SURA S.A.	Intermediation services	83.58%	83.58%	Uruguay	Uruguayan Peso
Disgely S.A.	Marketing of goods and leasing and other services.	83.58%	83.58%	Uruguay	Uruguayan Peso
Inversiones SURA Corp <sup>(3)</sup>	Investments	83.58%	83.58%	United States	Dollar
AFP Crecer S.A. <sup>(7)</sup>	Pension Fund Administrator	83.58%	83.58%	El Salvador	Dollar
Administradora de Fondos de Pensiones y Cesantías Protección S.A. <sup>(7)(*)</sup>	Pension and Severance Funds Administrator	43.72%	44.22%	Colombia	Colombian Peso
Asulado Seguros de Vida S.A. <sup>(8)</sup>	Pension insurance and annuities for the individual savings pension model	65.20%	61.42%	Colombia	Colombian Peso
SURA Investment Management General Partner SARL. <sup>(1)</sup>	Administration of investment funds	100%	-	Luxemburg	Euros
<b>Other companies:</b>					
Arus Holding S.A.S.	Investment in movable and immovable property	100.00%	100.00%	Colombia	Colombian Peso
Arus S.A.	Marketing of products and solutions in telecommunications	100.00%	100.00%	Colombia	Colombian Peso
Inversiones y Construcciones Estratégicas S.A.S.	Investor	100.00%	100.00%	Colombia	Colombian Peso
Enlace Operativo S.A.	Outsourcing of information processing services.	100.00%	100.00%	Colombia	Colombian Peso

Hábitat Adulto Mayor S.A. <sup>(2)</sup>	Provision of health services for the elderly	82.66%	82.66%	Colombia	Colombian Peso
Nubloq S.A.S.	Design, development, production, operation, maintenance and commercialization of software systems, solutions and products.	100.00%	100.00%	Colombia	Colombian Peso
SURA Ventures S.A.	Investor	100.00%	100.00%	Panamá	Dollar

## Changes in investments in controlled entities

### 2023

<sup>(1)</sup> In September 2023, SURA AM, incorporated SURA Investment Management General Partner SARL, whose main activity is to acquire and hold an interest in Investment Funds established under the laws of the Grand Duchy of Luxembourg.

<sup>(2)</sup> In August 2023, Suramericana S.A. entered into a share purchase agreement for the operation of Seguros SURA S.A. (El Salvador), Seguros SURA S.A. Seguros de personas (El Salvador) and Seguros SURA S.A. (Argentina). (See note 9.).

On the other hand, Grupo SURA's management presented a plan to sell Hábitat's operation (See note 9).

<sup>(8)</sup> In September 2023, SURA AM acquired minority participations of Asulado S.A., as part of the reorganization of its investments by means of an exchange contract agreed with minority shareholders.

### 2022

<sup>(3)</sup> In January 2022, Sura Asset Management S.A. incorporated Inversiones SURA Corp. whose main activity is to provide financial advice to its clients in Latin America and manage investment portfolios in the United States.

<sup>(4)</sup> On August 9, 2022, Suramericana incorporated the company Servicios Sura Ltda., whose main activity will be risk management, especially in the mobility industry, in order to support the operation of its insurance subsidiary in Brazil.

<sup>(5)</sup> On September 26, 2022, Suramericana incorporated the company Inversiones Sura Chile S.A., in order to facilitate the development and governance of businesses of Suramericana in that country and to provide greater clarity on the ownership structures of its subsidiaries.

<sup>(6)</sup> On September 28, 2022, Suramericana incorporated the subsidiary Suramericana Tech S.A.S., to develop the digital channels of its subsidiaries in Latin America, transform the relationship with its customers and reach new segments.

<sup>(7)</sup> In November 2022, Sura AM took control of the companies Protección S.A. Colombia and AFP Crecer of El Salvador, going from having a 49.36% to 52.91% interest in Protección S.A., which in turn has a 99.9% interest in AFP Crecer.

<sup>(8)</sup> In December 2022, the company Asulado Seguros de Vida S.A. was incorporated through the spin-off of the assets of Protección S.A., whose main activity is to offer pension insurance and life annuities for the affiliates of Protección S.A. Sura Am has a 73.49% share and Grupo SURA indirectly 61.42%.

### Legal and regulatory restrictions

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

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

### Unconsolidated structured entities

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

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

	Managed Funds (*)	
	September 2023	December 2022
<b>Grupo SURA Asset Exposure</b>		
Investments at fair value through profit or loss	4,312,619	4,905,414
<b>Total assets in relation to the interests of Grupo SURA in non-consolidated structured entities</b>	<b>4,312,619</b>	<b>4,905,414</b>
<b>Maximum exposure Grupo SURA (*)</b>	<b>4,312,619</b>	<b>4,905,414</b>

(\*) Represents Grupo SURA's participation in the managed pension funds that must be mandatorily held in each of the countries: Colombia: 1.00%, Chile: 1.00%, Mexico: 0.53%, Peru: 1.00% and Uruguay: Minimum 0.50% - Maximum 2%.

In the normal course of its operations, some subsidiaries of Grupo SURA are asset managers that manage pension funds, which by regulation must maintain a participation in each of the funds under management, called "Encaje". As a result of this administration, commissions are received, according to the conditions of each fund or asset under management.

The obligations of these entities in the management of these assets are average and do not guarantee results. The maximum exposure to the risk of loss is the amount of the investment held in these funds, which may be affected by inefficiencies in management and in the variation of the funds' results, which are mainly impacted by the valuation of the assets under management.

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

### 2.1. Statement of compliance

The consolidated financial statements of Grupo de Inversiones Suramericana S.A., for the nine-month period ended September 30, 2023, 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, as amended. These accounting and financial reporting standards correspond to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), in the versions accepted by Colombia through the aforementioned Decrees.

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

- Exceptions applicable to all financial information preparers.

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

## 2.2. Basis of presentation

### 2.2.1. Bases of measurement and presentation

#### *Bases of measurement*

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

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

### Presentation of financial statements

The consolidated financial statements are presented on the following basis:

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

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

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

## 2.2.2. Principles of consolidation

### *Subsidiaries*

The consolidated financial statements include the financial statements of Grupo SURA and its subsidiaries as of September 30, 2023, September 30, and December 31, 2022. Grupo SURA consolidates the assets, liabilities and financial results of the entities over which it exercises control. Grupo SURA exercises control in another entity if, and only if, it meets all of the following elements:

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

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

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

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

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

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

### *Non-controlling interests*

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

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

## 2.2.3. Currency

### 2.2.3.1. Functional and presentation

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

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

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

### 2.2.3.2. Foreign Currency

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

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

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

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

	Average Rate		Closing rate	
	September 2023	September 2022	September 2023	December 2022
Colombian Peso (COP/USD)	4,410.95	4,069.33	4,053.76	4,810.20
Chilean peso (CLP/USD)	820.78	858.59	895.60	855.86
Dominican Peso (DOP/USD)	55.84	55.26	56.90	56.42
Euro (EUR/USD)	1.08	1.06	1.06	1.07
Mexican Peso (MXN/USD)	17.78	20.26	17.67	19.48
Peruvian Nuevo Sol (PEN/USD)	3.73	3.82	3.80	3.82
Uruguayan Peso (UYU/USD)	38.58	41.53	38.56	40.07
Argentina (ARS/USD)	246.84	120.31	349.45	177.06
Brazil (BRS/USD)	5.01	5.14	5.01	5.22

### 2.3. Significant accounting policies

The accompanying financial statements do not include all the information and disclosures required for a year-end financial statement; therefore, these condensed financial statements should be read in conjunction with the annual financial statements as of December 31, 2022.

### 2.4. Reclassifications

For comparison purposes of the Statement of Income, reclassifications are presented to the results presented as of September 30, 2022, corresponding to the application of IFRS 5-Non-current assets held for sale, of Habitat; the operation of Seguros Argentina S.A. and Seguros Sura del Salvador (individuals and General) direct subsidiaries of Suramericana S.A. See note 9 non-current assets held for sale.

Management of Grupo SURA considers that these adjustments do not affect the reasonableness of the information previously published.

### **NOTE 3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND CAUSES OF UNCERTAINTY IN THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS**

The preparation of the consolidated financial statements in accordance with IFRS 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.

As of the date of this report, there have been no changes in significant accounting estimates and judgments used in the preparation of the consolidated financial statements as of December 31, 2022.

The separate financial statements have been prepared on a going concern basis and as of September 30, 2023 there are no material uncertainties related to events or conditions that cast significant doubt on the ability of any Group company to continue as a going concern, however, given the uncertainty of the EPS Suramericana business, the Suramericana subsidiary has performed the following analysis, which is detailed below.

#### *Evaluation of the going concern principle of the EPS Suramericana S.A. subsidiary.*

In particular for the business of EPS Suramericana S.A., a subsidiary of Suramericana, the capacity of this Company to continue under the ongoing business hypothesis has been evaluated, due to the existence of events or materialized financial conditions that as of said date can be evidenced in accumulated losses as of September 30, 2023 for an amount of \$210 billion pesos and whose main and material causes are summarized as follows:

- i. The increase in the accident rate arising from the higher frequency that has been occurring since the year 2022 and whose trend is continuing.
- ii. The structural and gradual insufficiency of the Capitation Payment Unit (*UPC, acronym in Spanish original*) paid monthly by the government to meet the obligations derived from the Benefit Plan.
- iii. The insufficient payment of maximum budgets for the attention of non-Health Benefits Plan beneficiaries (*PBS, acronym in Spanish original*), as well as pending payment obligations by the State, regarding past periods, for the same concept.
- iv. Existence of portfolio and outstanding balances from past periods, other than maximum budget benefits.
- v. Accumulated debts for Covid Benefits (*Canastas Covid, in Spanish Original*), not recognized by the National Government.

The abovementioned factors have caused the consolidated financial statements to show a negative net asset of EPS Sura's operations in the amount of \$31 billion pesos, as a result of the accumulated losses of said entity.

Considering the circumstances described above, and which have generated impacts on the regulatory indicators, as stated and certified by the National Superintendence of Health in public information disclosed under its legal obligations derived from Article 1° of Decree 647 of 2022, as of July 2023, Management considers that there are important uncertainties related to events and conditions that may generate significant doubts about the entity's capacity to continue as a going concern, mainly derived from situations whose outcome and development will enable to have more decision elements, such as:

- i. The 2024 Capitation Payment Unit\* (*UPC, Acronym in Spanish original*) increase standard project, which will be socialized to stakeholders by the end of 2023 and will have a significant and material impact on the budget, future income and results in 2024.
- ii. The ongoing existence of a legislative discussion in the plenary session of the House of Representatives of the Congress of the Republic that may result in a legislative transition and substantial change of the business, raising the transition or transformation of the business purpose,
- iii. The absence of current regulation of article 153 of the National Development Plan, related to maximum budgets and COVID debts, which imply a substantial materiality in the future development of the business (described in numeral iii);
- iv. The existence of approaches, conversations and technical discussions with the National Government where attributes and continuity of the health system as it is currently and,
- v. The existence of discretionary and optional regulatory conditions of the activity regulator to authorize, condition or deny the eventual withdrawal of E.P.S. SURA from the system.

In this regard, it is important to point out that the subsidiary Suramericana S.A. with the Administration of E.P.S. SURA, have taken a series of management measures to mitigate the described risk event, such as:

- a. Legal action of nullity and direct reparation with regard to the insufficiency of the 2022 Capitation Payment Unit\* (*UPC, Acronym in Spanish original*).
- b. Judicial actions for nullity and direct reparation regarding the insufficiency of maximum budgets for the years 2021 and 2023.
- c. Judicial action for direct reparation regarding the insufficiency of COVID 2021 baskets.
- d. Other recovery processes advanced and managed since 2008 (17 judicial processes advanced, 13 active judicial processes to date).
- e. Constant dialogue with the regulator, through meetings, union negotiations, and other similar activities, seeking the timely and technical resolution of the regulatory and political management required for the country's national health system.

Management considers that it is possible to conclude the existence of the going concern principle in EPS Suramericana S.A., as the flow of resources from the usual UPC compensation process is still occurring periodically.

\* The Capitation Payment Unit is the annual value recognized for each of the members of the general social security health system.



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

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those used in the preparation of the annual consolidated financial statements as of December 31, 2022, except for the adoption of new standards issued on or after January 1, 2023 and interpretations that have been published but are not applicable at the date of these financial statements, the Company will adopt these standards on the date they become effective, in accordance with the decrees issued by the local authorities.

The amendments were incorporated by means of Decree 938 of 2021, which will be effective as from January 1, 2023. This amendment had an impact of the IBOR reform in Colombia, see note 5.2.1. Derivative instruments.

### **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, 2023.**

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

##### **Amendments to IFRS 9, IAS 39 and IFRS 7: Reform of interest rate benchmarks**

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 through decree 938 of 2021, which will be effective from January 1, 2023. These amendments had no impact on these financial statements of the Group.

##### **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 effective as of January 1, 2023. These amendments had no impact on the Group's financial statements.

##### **Amendments to IFRS 3: 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 guidance regarding 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 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 Decree 938 of 2021, which will be effective as of January 1, 2023. These amendments had no impact on the Group's financial statements.

#### **Amendments to IAS 37: Onerous Contracts - Costs Incurred in the Performance of a Contract**

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

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

The amendments were incorporated by Decree 938 of 2021, which will be effective as from January 1, 2023. These amendments had no impact on the Group's financial statements.

#### **Amendments to IFRS 1: First-time Adoption of International Financial Reporting Standards**

The amendment allows 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 IFRS of such controlling entity. This amendment also applies to associates or joint ventures that elect to apply paragraph D16(a) of IFRS 1.

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

#### **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 as of January 1, 2023. These amendments had no impact on the Group's financial statements.

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

##### **IFRS 17: Insurance contracts**

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

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

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

IFRS 17 has not been introduced into the Colombian accounting framework by means of any decree to date.

##### **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 were incorporated by means of Decree 1611 of 2022, which will be effective as from January 1, 2024. The Group is evaluating the potential effect of this standard on its financial statements.

##### **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 were incorporated by Decree 1611 of 2022, which will be effective from January 1, 2024. 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.

**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 were incorporated by Decree 1611 of 2022, which will be effective as of January 1, 2024. The Group is evaluating the potential effect of this standard on its financial statements.

**NOTE 5. FINANCIAL INSTRUMENTS**

For assets and liabilities that are recorded at fair value, there were no changes during the interim period between the different hierarchy levels, valuation processes, techniques and types of inputs used.<sup>1</sup>

**5.1. Financial Assets**

**5.1.1. Investments**

The breakdown of investments is as follows:

	September 2023	December 2022
At fair value through profit or loss	7,581,762	9,432,492

<sup>1</sup>Disclosures such as a description of the valuation processes (IFRS 13.93(g)) and the valuation techniques and inputs used (IFRS 13.93(d)) are available in the 2022 annual financial statements. (see 2.3 significant accounting policies).

At amortized cost	21,961,954	17,008,723
At fair value through OCI <sup>(*)</sup>	974,499	1,174,491
<b>Debt securities</b>	<b>30,518,215</b>	<b>27,615,706</b>
At fair value through profit or loss	7,141,544	8,363,480
At fair value through OCI <sup>(*)</sup>	73,259	94,926
<b>Equity instruments</b>	<b>7,214,803</b>	<b>8,458,406</b>
<b>Subtotal investments</b>	<b>37,733,018</b>	<b>36,074,112</b>
Impairment in investments at fair value through OCI <sup>(*)</sup>	(71,764)	(76,500)
Impairment on investments at amortized cost	(72,973)	(24,552)
<b>Subtotal impairment</b>	<b>(144,737)</b>	<b>(101,052)</b>
<b>Total Investments <sup>(1)</sup></b>	<b>37,588,281</b>	<b>35,973,060</b>
Short-term investments	10,428,102	12,951,679
Long-term investments	27,160,179	23,021,381

<sup>(\*)</sup> OCI: Other Comprehensive Income

The following is a detail of net gains (loss) from investments at fair value:

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Legal reserve <sup>(1)</sup>	122,016	(166,130)	(77,414)	(56,923)
Fair value investments <sup>(3)</sup>	672,117	(349,375)	(184,870)	(259,673)
Trading derivatives <sup>(2)</sup>	109,819	(58,677)	36,065	(44,448)
Dividends Financial Instruments	16,945	11,857	2,625	5,908
Difference on exchange of investments	(88,917)	(39,161)	(12,851)	(5,585)
<b>Total</b>	<b>831,980</b>	<b>(601,486)</b>	<b>(236,445)</b>	<b>(360,721)</b>

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

<sup>(2)</sup> Corresponds to the valuation of trading derivatives.

<sup>(3)</sup> The fair value is detailed below:

	Accumulated				Quarter			
	Profit / Loss							
	For sale (realized)		Unrealized		For sale (realized)		Unrealized	
September 2023	September 2022	September 2023	September 2022	September 2023	September 2022	September 2023	September 2022	
Debt securities	143,677	59,202	295,670	(451,831)	47,226	53,275	(210,631)	(228,168)
Equity instruments	(6,001)	(10,115)	376,447	102,456	(6,492)	(943)	25,761	(31,505)
<b>Total</b>	<b>137,676</b>	<b>49,087</b>	<b>672,117</b>	<b>(349,375)</b>	<b>40,734</b>	<b>52,332</b>	<b>(184,870)</b>	<b>(259,673)</b>

The following is the detail of (realized) and unrealized profits or losses on investments in available-for-sale debt securities as of September 30, 2023 and 2022:

### September 2023

Debt securities	Book value (*)	Accumulated		Quarter	
		Profit (loss)			
		For sale (realized)	Unrealized	For sale (realized)	Unrealized
National issuers	21,853,945	63,426	365,300	7,650	(183,334)
Foreign issuers	2,775,195	-	69	-	69
Mutual funds	4,315,285	5,419	(8,739)	2,336	(5,071)
Investment funds	1,573,790	74,832	(60,960)	37,240	(22,295)
<b>Total</b>	<b>30,518,215</b>	<b>143,677</b>	<b>295,670</b>	<b>47,226</b>	<b>(210,631)</b>

## September 2022

Debt securities	Book value (*)	Accumulated		Quarter	
		For sale (realized)	Unrealized	For sale (realized)	Unrealized
National issuers	12,203,787	14,596	86,993	37,520	(110,656)
Foreign issuers	4,870,338	(2,373)	411	(224)	163
Mutual funds	2,903,910	(7,754)	(482,297)	(1,907)	(99,428)
Investment funds	1,174,306	54,733	(56,938)	17,886	(18,247)
<b>Total</b>	<b>21,152,341</b>	<b>59,202</b>	<b>(451,831)</b>	<b>53,275</b>	<b>(228,168)</b>

(\*) The carrying value and fair value is the same as of September 30, 2023 and 2022.

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

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Investments at amortized cost	2,121,479	1,209,832	566,806	427,045
Investments in cash equivalents	148,705	225,720	200,400	33,947
Income from other assets	8,532	5,062	2,969	1,466
<b>Subtotal return at amortized cost</b>	<b>2,278,716</b>	<b>1,440,614</b>	<b>770,175</b>	<b>462,458</b>
Impairment of investments	(50,346)	(2,618)	(30,350)	(2,020)
<b>Total net yield at amortized cost</b>	<b>2,228,370</b>	<b>1,437,996</b>	<b>739,825</b>	<b>460,438</b>

The following is the detail of equity investments at fair value through profit or loss held at September 30, 2023 and December 31, 2022:

	September 2023	December 2022
Mutual funds	3,948,043	4,567,024
National issuers	2,743,034	2,706,247
Foreign issuers	450,467	1,090,209
<b>Total</b>	<b>7,141,544</b>	<b>8,363,480</b>

## Investments at fair value through Other Comprehensive Income

The following is the detail of major realized and unrealized gains or losses on equity investments with adjustment to other comprehensive income as of September 30, 2023 and 2022:

September 2023	Cost	Profit / unrealized loss
Bolsa de Comercio de Santiago (Chile)	11,131	(1,064)
Enka de Colombia S.A.	43,729	(17,059)
<b>Total</b>	<b>54,860</b>	<b>(18,123)</b>

  

September 2022	Cost	Profit / unrealized loss
Bolsa de Comercio de Santiago (Chile)	12,325	(366)
Enka de Colombia S.A.	61,269	12,206
<b>Total</b>	<b>73,594</b>	<b>11,840</b>

## Investment guarantees

As of September 30, 2023, and December 31, 2022, investments provided in guarantees corresponded to foreign issuers for \$ 1,448 million pesos and \$ 1,220 million pesos, respectively.

### Restrictions on investments

The balance of investments includes the investment that the pension and severance fund administrator Protección S.A. has in the trust sufficiency resources autonomous patrimony PA2 that was constituted by virtue of the administrative order issued by the Financial Superintendence in Colombia, and which is managed by Fiduciaria Bancolombia, represented in liquid assets in the amount of \$239,013 million at September 30, 2023 and \$192,104 million at December 31, 2022, to attend possible deviations in the rate of the pension insurance.

As of September 30, 2023 and December 31, 2022, the subsidiaries of Suramericana S.A. in Colombia have restrictions and embargoes amounting to \$295 million pesos and \$823 million pesos, respectively.

The balance of investments includes a segregated account in Bermuda in July 2022, after entering into a participation agreement with SURA SAC LTD. According to the operation of the cell, the resources invested in the cell of SURA SAC LTD, do not meet the condition of obtaining contractual cash flows with specific dates of payment of principal and interest; this investment is made with the objective of enabling a retention scheme, by the Company, of risks associated to eventual claims made by third parties. In the event of a claim, any obligation will be backed with the resources existing in the cell.

### 5.1.2. Impairment of financial assets

Impairment of financial assets

	September 2023	December 2022
Impairment of accounts receivable	(164,253)	(187,335)
Impairment of investments	(144,737)	(101,052)
<b>Total</b>	<b>(308,990)</b>	<b>(288,387)</b>

### 5.2. Financial liabilities

The following are the financial liabilities of Grupo SURA:

	Note	September 2023	December 2022
Financial obligations <sup>(1)</sup>		1,931,254	1,115,538
Bonds issued	5.2.2	7,748,542	9,337,919
Preferred shares		459,781	459,955
Commitments with non-controlling interests	5.2.3	2,920,950	2,810,956
<b>Subtotal financial liabilities for capital management</b>		<b>13,060,527</b>	<b>13,724,368</b>
Derivative instruments	5.2.1	209,858	491,544
Accounts payable to related parties	19	405,619	117,298
Other accounts payable <sup>(2)</sup>		2,760,979	2,609,496
<b>Subtotal other financial liabilities</b>		<b>3,376,456</b>	<b>3,218,338</b>
<b>Total</b>		<b>16,436,983</b>	<b>16,942,706</b>

- (1) Financial obligations bear interest between 0.36% and 16.23% for the year 2023 and for the year 2022 between 4.36% and 17.25%. The variation compared to the previous period corresponds mainly to the loans acquired in the last quarter by Grupo SURA with Davivienda Miami for USD 40 million and Bancolombia for \$450 billion.
- (2) Corresponds mainly to accounts payable to suppliers and taxes other than income tax.

The breakdown of financial liabilities into current and non-current and by type of financial liability is presented below:

September 2023

Current	Note	Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations		869,529	7,297	876,826
Derivative instruments	5.2.1	-	45,798	45,798
Accounts payable to related parties	19	405,619	-	405,619
Other accounts payable		2,700,572	-	2,700,572
Bonds issued	5.2.2	2,236,831	-	2,236,831
Commitments with non-controlling interests	5.2.3	-	1,502,000	1,502,000
<b>Total</b>		<b>6,212,551</b>	<b>1,555,095</b>	<b>7,767,646</b>
Non-Current	Note	Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations		1,054,428	-	1,054,428
Derivative instruments	5.2.1	-	164,060	164,060
Other accounts payable		60,407	-	60,407
Bonds issued	5.2.2	5,511,711	-	5,511,711
Preferred shares		459,781	-	459,781
Commitments with non-controlling interests	5.2.3	-	1,418,950	1,418,950
<b>Total</b>		<b>7,086,327</b>	<b>1,583,010</b>	<b>8,669,337</b>
<b>Financial liabilities</b>		<b>13,298,878</b>	<b>3,138,105</b>	<b>16,436,983</b>

December 2022

Current	Note	Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations		133,658	61,455	195,113
Derivative instruments	5.2.1	-	7,095	7,095
Accounts payable to related parties	19	117,298	-	117,298
Other accounts payable		2,535,393	-	2,535,393
Bonds issued	5.2.2	612,009	-	612,009
<b>Total</b>		<b>3,398,358</b>	<b>68,550</b>	<b>3,466,908</b>
Non-Current	Note	Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations		920,425	-	920,425
Derivative instruments	5.2.1	-	484,449	484,449
Accounts payable to related parties		74,103	-	74,103
Other accounts payable	5.2.2	8,725,910	-	8,725,910
Bonds issued		459,955	-	459,955
Commitments with non-controlling interests	5.2.3	-	2,810,956	2,810,956
<b>Total</b>		<b>10,180,393</b>	<b>3,295,405</b>	<b>13,475,798</b>
<b>Financial liabilities</b>		<b>13,578,751</b>	<b>3,363,955</b>	<b>16,942,706</b>

5.2.1. Derivative instruments

The following is the detail of derivative financial instruments assets and liabilities outstanding as of September 30, 2023 and December 31, 2022:

	Note	September 2023		December 2022	
		Asset	Liabilities	Asset	Liabilities
Hedge Derivatives	5.2.1.1	1,190,182	141,417	1,822,017	379,215
Trading derivatives	5.2.1.2	90,325	68,441	133,870	112,329
<b>Total derivatives *</b>		<b>1,280,507</b>	<b>209,858</b>	<b>1,955,887</b>	<b>491,544</b>
Current derivatives		54,889	45,798	29	7,095
Non-current derivatives		1,225,618	164,060	1,955,858	484,449
<b>Total derivatives</b>		<b>1,280,507</b>	<b>209,858</b>	<b>1,955,887</b>	<b>491,544</b>

\* The variation in both the asset and liability positions is due to the valuation of the instruments.

5.2.1.1. Hedge derivatives

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



These instruments are applied to match the maturity profile of the estimated payments of the debt instruments of the Group. 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 hedging transactions.
- II. Differences in the discount between the hedged item and the hedging instrument.
- III. The hedging of derivatives with a fair value different from zero at the initial date of designation as hedging instruments.
- IV. Counterparty credit risk, which impacts the fair value of cross-currency swaps without collateral, but does not affect the hedged items.
- V. The impact on the fair value of hedging instruments, caused by interest rate movements and volatilities of these instruments.

Accordingly, the following is a summary of the cash flow hedging transactions in effect as of September 30, 2023:

1. On April 29, 2016 Grupo SURA contracted a foreign currency obligation in the amount of US\$ 550 million, with a single principal maturity on April 29, 2026 and with a fixed interest rate of 5.50% payable semiannually (see note 5.2.2 Bonds Issued), at September 30, 2023 such obligation is US\$ 530 million due to the repurchase made.

On January 31, 2021 Grupo SURA decided to implement cash flow hedge accounting for this obligation with the following transactions:

- Twenty-two (22) swaps (Principal-Only Cross Currency Swap -Principal-Only CCS).
- Four (4) call spread structures (call option bought + call option sold).
- Six (6) out-of-the-money call options sold that are part of the structure and are included in the CCS contracts.

As of September 30, 2023 and after the modifications executed in the first half of the year, (Five (5) call spread structures (call option bought + call option sold)), Grupo SURA uses the following hedging instruments:

- Twenty-three (23) Principal-Only Cross Currency Swap (Principal-Only CCS).
- Two (2) call spread structures (call option bought + call option sold).
- Five (5) call spread structures (call option bought + call option sold), the purpose of which is to widen the hedging range.
- Two (2) Seagull structures (call option bought + call option sold + put option sold), whose purpose is to widen the hedging range of the two call spread structures.
- Seven (7) out-of-the-money call options sold that are part of the structure and are included in the CCS contracts.

In this set of structures, the company acquires the right to receive USD \$530 million at maturity and semi-annual flows in USD at a fixed rate of 0% NASV; and in consideration it is obliged to pay an agreed amount and a specific fixed rate in COP in each of the derivatives that make up the structure.

2. On April 17, 2017, the subsidiary Sura Asset Management S.A. carried out a US\$ 500 million placement of bonds in dollars in the Luxembourg market under Regulation S and Rule 144 A for a value of US\$ 500 million at a price of 99.57%, with a single principal maturity on April 17, 2024 and at a fixed interest rate of 4.875% per annum, payable semiannually.

On April 11, 2017, the Company made a US dollar bond placement in the US market under Regulation S and Rule 144 A for a value of US \$350 million at a price of 99.07%, with a single principal maturity on April 11, 2027 and at a fixed interest rate of 4.375% per annum payable semiannually.

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

- Swap in which the Subsidiary receives US\$ 90 million and pays \$258.174 million plus a fixed interest rate of 2.54%.
- Swap in which the Subsidiary receives US\$ 80 million and pays Mexican Pesos in the amount of \$1,509.168 million plus a fixed interest rate of 2.54%.
- Swap in which the Subsidiary receives US\$ 120 million and pays Chilean pesos in the amount of Ch\$78.738 million plus a fixed interest rate of 2.54%.

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

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

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

Country	Subsidiary	Currency	September 2023		September 2022	
			Investment value	Covered value	Investment value	Covered value
Chile	Sura Asset Management Chile S.A.	CLP	4,018,668	1,527,094	4,018,668	1,728,027
Mexico	Sura Asset Management México S.A. de C.V.	MXN	2,276,943	318,772	2,276,943	364,311
Peru	Sura Asset Management Perú S.A.	PEN	797,617	342,975	797,617	390,832

3. Grupo SURA through the subsidiary Suramericana has investments that support the technical reserves of the insurance activity; a percentage of such investments, present changes in their fair value attributed to foreign currency exposure and/or interest rate risk; therefore, hedge accounting is used to mitigate the effects by exchange rate and interest rate of the investments.
4. In order to hedge payments to foreign suppliers for the purchase of computer equipment, the subsidiary Arus hedged USD 1,691,498, which matures in the short term.

According to the above hedging strategies, Grupo SURA has decided to record the time value of the options and swaps in other comprehensive income and amortize it systematically to income over the life of the hedges.

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

	September 2023		December 2022	
	Nominal value	Fair Value	Nominal value	Fair Value
<b>Assets</b>				
<b>Forward</b>				
Foreign currency to buy	2,811	66	2,851	29
<b>Subtotal</b>	<b>2,811</b>	<b>66</b>	<b>2,851</b>	<b>29</b>
<b>Swap</b>				
Cross Currency Swap	4,092,639	976,467	4,176,590	1,517,003
<b>Subtotal</b>	<b>4,092,639</b>	<b>976,467</b>	<b>4,176,590</b>	<b>1,517,003</b>
<b>Options</b>				
Currency Call Option	1,456,210	213,649	759,300	304,985
<b>Subtotal</b>	<b>1,456,210</b>	<b>213,649</b>	<b>759,300</b>	<b>304,985</b>
<b>Total Assets</b>	<b>5,551,660</b>	<b>1,190,182</b>	<b>4,938,741</b>	<b>1,822,017</b>
<b>Liabilities</b>				
<b>Swap</b>				
Cross Currency Swap	127,876	1,341	41,553	16,851
<b>Subtotal</b>	<b>127,876</b>	<b>1,341</b>	<b>41,553</b>	<b>16,851</b>
<b>Options</b>				
Currency Call Option	2,733,685	135,760	1,668,685	359,608
Currency Put Option	329,650	4,316	329,650	2,756
<b>Subtotal</b>	<b>3,063,335</b>	<b>140,076</b>	<b>1,998,335</b>	<b>362,364</b>
<b>Total Liabilities</b>	<b>3,191,211</b>	<b>141,417</b>	<b>2,039,888</b>	<b>379,215</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 values carried for the ineffectiveness of the hedges, during the period ended September 30, 2023 and 2022:

	OCI	Results
	Effective part	Effective part
<b>Balance at December 31, 2021</b>	<b>63,889</b>	<b>-</b>
Variation in the fair value of hedges during the year.	(106,714)	786,470
Amortization of temporary securities. (Note 15)	(89,135)	-
<b>Balance at September 30, 2022</b>	<b>(131,960)</b>	<b>786,470</b>
<b>Balance at December 31, 2022</b>	<b>(275,646)</b>	<b>-</b>
Variation in the fair value of hedges during the year.	254,126	(966,571)
Amortization of temporary securities. (Note 15)	(105,578)	-
<b>Balance at September 30, 2023</b>	<b>(127,098)</b>	<b>(966,571)</b>

### 5.2.1.2. Trading derivatives

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

The following is a summary detail of derivative financial instruments assets and liabilities outstanding as of September 30, 2023 and December 31, 2022 used for trading purposes:

	Nominal value	Fair Value	Nominal value	Fair Value
<b>Assets</b>				
<b>Forward</b>				
Currency forward	1,591,060	54,822	752,207	8,013
<b>Subtotal</b>	<b>1,591,060</b>	<b>54,822</b>	<b>752,207</b>	<b>8,013</b>
<b>Swap</b>				
Cross currency	1,562,983	35,503	1,562,983	125,857
<b>Subtotal</b>	<b>1,562,983</b>	<b>35,503</b>	<b>1,562,983</b>	<b>125,857</b>
<b>Total Assets</b>	<b>3,154,043</b>	<b>90,325</b>	<b>2,315,190</b>	<b>133,870</b>
<b>Liabilities</b>				
<b>Forward</b>				
Currency forward	394,584	40,035	99,176	37,497
<b>Subtotal</b>	<b>394,584</b>	<b>40,035</b>	<b>99,176</b>	<b>37,497</b>
<b>Swap</b>				
Cross currency	848,262	26,401	769,262	67,952
Interest rate	100,000	2,005	100,000	6,880
<b>Subtotal</b>	<b>948,262</b>	<b>28,406</b>	<b>869,262</b>	<b>74,832</b>
<b>Total liabilities</b>	<b>1,342,846</b>	<b>68,441</b>	<b>968,438</b>	<b>112,329</b>

A detail of the results of trading derivatives is presented below:

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Trading derivative income	228,578	259,586	1,331	(146,969)
Trading derivative expenses	(218,465)	(223,843)	(5,000)	175,867
<b>Total</b>	<b>10,113</b>	<b>35,743</b>	<b>(3,669)</b>	<b>28,898</b>

### 5.2.2. Bonds issued

Details of the bonds issued are presented below:

Issued date	Maturity date	Nominal value	Emission rate	Amortized cost		Fair value	
				September 2023	December 2022	September 2023	December 2022
29-Apr -16	29-abr-26	<sup>(1)</sup> USD 550	5.50%	2,187,240	2,557,294	2,090,075	2,511,803
17-Apr-14	17-Apr-24	USD 500	4.88%	2,069,353	2,424,724	1,999,351	2,329,824
11-Apr-17	14-Apr-27	USD 350	4.38%	1,437,688	1,684,024	1,316,038	1,618,114
22-Jun -16	22-Jun -26	305,622	IPC+4.09%	307,914	308,639	297,022	279,589
07-May-14	07-May-23	<sup>(2)</sup> 223,361	IPC + 3.80%	-	227,625	-	227,875
23-Feb -17	23-Feb -29	190,936	IPC + 3.58%	192,782	194,696	181,280	163,594
23-Feb -17	23-Feb -24	165,515	IPC + 3.19%	167,478	168,657	167,554	162,880
07-May -14	07-May -30	100,000	IPC + 4.15%	101,107	101,117	96,549	87,094
25-Nov -09	25-Nov -29	98,000	IPC + 5.90%	98,811	98,865	100,877	91,408
25-Nov -09	25-Nov -49	97,500	IPC + 6.98%	97,122	97,210	107,217	92,302
11-Aug -20	11-Aug -23	<sup>(3)</sup> 123,750	IBR + 1.49%	-	125,055	-	121,110
11-Aug -20	11-Aug -27	296,350	IPC + 2.54%	303,992	304,612	277,197	253,963
22-Jun -16	22-Jun -31	289,235	IPC+4.29%	291,256	291,688	274,539	243,779
22-Jun -16	22-Jun -23	<sup>(4)</sup> 257,145	IPC+3.90%	-	259,329	-	256,664
11-Aug -20	11-Aug -32	180,320	IPC + 3.39%	185,424	185,675	166,572	146,750
11-Aug -20	11-Aug -40	299,580	IPC + 3.78%	308,375	308,709	273,675	239,817
<b>Total bonds issued</b>				<b>7,748,542</b>	<b>9,337,919</b>	<b>7,347,946</b>	<b>8,826,566</b>
Current bonds issued				2,236,831	612,009	2,166,905	605,649
Non-current bonds issued				5,511,711	8,725,910	5,181,041	8,220,917

<sup>(1)</sup> As of September 30, 2023, the nominal value is USD 530 million, due to the repurchase made during 2022 for USD 20 million.

<sup>(2)</sup> On May 7, 2023, the bond issued by Grupo Sura in 2014 matured.

<sup>(3)</sup> In June 2022, an early repurchase of \$ 100 billion of the bond issued in August 2020 was made, which had a nominal value as of December 2021 of \$ 223,750. This repurchase was paid with a credit acquired with Bancolombia. This bond was acquired in August 2023.

<sup>(4)</sup> In June 2023 the bond issued by Suramericana in 2016 matured.

Grupo SURA had no defaults in the payment of principal or interest or other defaults with respect to its obligations in the year 2023 nor during 2022.

### 5.2.3. Commitments with non-controlling shareholders

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.

According to the relevant information published on March 23, 2023, the Board of Directors of Grupo Bolivar decided to make use of the put option established in the Exit Agreement. **See note 17. Risk management**

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 by which an eventual divestment of MRE would be implemented. The agreement establishes an option whereby MRE may sell to Grupo SURA its 18.87% interest in Suramericana S.A., the price of such interest would be determined by an independent third party using commonly accepted valuation methodologies and determining a fair market value of a minority investment. The option may be exercised only between March 1 and 31 of each year.

#### **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, starting in April 2029, once the agreed permanence period is over. The agreement establishes that, after April 2029 and as long as Sura AM has not been listed on a recognized stock exchange or stock market, and CDPQ has not executed a sale to a third party, CDPQ may sell its Sura AM shares 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 movement generated by this liability in the period is presented below:

	<b>Liabilities to non-controlling interests at fair value</b>
<b>Balance as of December 31, 2022</b>	<b>2,810,956</b>
Reclassification of non-controlling interest	(243,363)
Other reserves	353,357
<b>Balance as of September 30, 2023</b>	<b>2,920,950</b>

The valuations are prepared and reviewed periodically by qualified internal personnel and are compared with other accepted methodologies under international standards, such as multiples of comparable companies and precedent transactions.

In summary, the value of commitments with non-controlling interests was calculated as follows:

Co-investor	Valuation methodology	Significant methodology variables
Múnich Re	Discounted Cash Flow: DDM (Dividend Discount Model)	* Sum of shares of the main business units of the subsidiaries Sura Asset Management and Suramericana.
CDPQ		* Dividends discounted over a 10-year horizon. * Projections based on the companies' business plans. * Discount rate based on CAPM methodology.
Grupo Bolívar	Formula established in the contract (minimum guaranteed return)	* Macroeconomic assumptions according to the average expectation of market analysts. According to the terms of the agreement

On a quarterly basis, the estimate of the commitment with participations is updated with the discount rate, exchange rate and flow date variables.

The estimates made by the company are presented for accounting purposes only and do not represent a commitment of Grupo Sura in possible contract negotiations.

**NOTE 6. INSURANCE CONTRACTS**

**6.1. Insurance contract Assets**

Insurance contract assets representing the insurance companies' portfolio for the years ended September 30, 2023 and December 31, 2022 are as follows:

	<b>September 2023</b>	<b>December 2022</b>
Direct insurance	4,281,608	6,246,042
Coinsurance accepted	82,716	122,345
Other	505,264	484,905
<b>Assets under insurance contracts <sup>(1)</sup></b>	<b>4,869,588</b>	<b>6,853,292</b>

- (1) Consolidated insurance receivables, which include the portfolio of insurance companies and coinsurance, amounted to \$4.8 billion, showing a decrease of 28.9% compared to December 2022.

## 6.2. Reinsurance contract assets

Reinsurance contract assets represent the benefits derived from reinsurance contracts as of September 30, 2023 and December 31, 2022 as follows:

	September 2023	December 2022
Current accounts with reinsurers	1,082,594	734,522
Share of insurance liabilities: claims reported and not cancelled	2,536,253	4,238,050
Unearned ceded premium	2,209,903	2,590,514
Unnotified claims	356,081	399,368
Reinsurance deposits	612	684
Other assets	119,803	63,417
<b>Assets under reinsurance contracts</b>	<b>6,305,246</b>	<b>8,026,555</b>
Current assets under reinsurance contracts	1,085,203	736,601
Non-current assets under reinsurance contracts	5,220,043	7,289,954
<b>Total assets under reinsurance contracts <sup>(1)</sup></b>	<b>6,305,246</b>	<b>8,026,555</b>

<sup>(1)</sup> Consolidated reinsurance receivables correspond mainly to the reinsurance of SURA's insurance companies, which amounted to \$6.3 billion, a decrease with respect to 2022 of 21.4%.

The Company has diversified its insurance risk by operating in different lines of business and having a broad presence in international markets. In addition, it applies a system of procedures and limits that allow it to control the level of insurance risk concentration. It is a common practice to use reinsurance contracts as an element to mitigate the insurance risk derived from concentrations or accumulations of guarantees exceeding the maximum acceptance levels.

The Group's insurance companies have ceded part of the risk of their insurance contracts to reinsurance companies, in order to share possible claims that may arise

## 6.3. Premiums

Net premiums obtained by Grupo SURA, and its subsidiaries, for the years ended September 30th, 2023 are as follows:

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Life insurance contracts	14,836,218	11,135,154	5,188,225	3,737,847
Non-life insurance contracts	7,932,036	6,964,115	1,972,345	1,825,024
<b>Premiums issued</b>	<b>22,768,254</b>	<b>18,099,269</b>	<b>7,160,570</b>	<b>5,562,871</b>
Life insurance contracts - reinsurer party	(165,472)	(161,716)	(28,288)	(23,874)
Non-life insurance contracts - reinsurer party	(3,281,475)	(2,474,569)	(1,146,315)	(876,367)
<b>Reinsurance ceded premiums</b>	<b>(3,446,947)</b>	<b>(2,636,285)</b>	<b>(1,174,603)</b>	<b>(900,241)</b>
<b>Total net premiums retained</b>	<b>19,321,307</b>	<b>15,462,984</b>	<b>5,985,967</b>	<b>4,662,630</b>
Life insurance contracts	(2,374,910)	(18,171)	(1,156,710)	(148,501)
Non-life insurance contracts	543,160	(71,442)	282,315	153,243
<b>Net production reserves</b>	<b>(1,831,750)</b>	<b>(89,613)</b>	<b>(874,395)</b>	<b>4,742</b>
<b>Retained earned premiums <sup>(1)</sup></b>	<b>17,489,557</b>	<b>15,373,371</b>	<b>5,111,572</b>	<b>4,667,372</b>

<sup>(1)</sup> Retained premium income earned as of September 30, 2023 is \$17.489 billion with an increase of 13.8% over the previous year, 12.42% with the previous month; of the retained premium income SURA-AM contributes 2%, and Suramericana contributes 101%.

As of the third quarter of 2023, there was an increase in premiums written compared to September 2022, in Colombia mainly due to increases in corporate business written in business solutions (fire, breakage and loss of profit) and new business through financial entities for auto solutions.

In the life solution, there is a better performance of the promoter and corporate channels for the group life solution. On the other hand, the ARL complies with 99% and reaches an exposed mass of 5.13 million. The EPS population reaches 5.3 million users in PBS, and 48 thousand users have been received through mass transfers up to September.

In Brazil, there is an increase in the auto solution with higher average premium renewals and new business. In Uruguay, good performance in auto and group life with a debit balance, partially offset by lower production in fire, home and transportation solutions due to a lower exchange rate than budgeted.

#### 6.4. Liabilities for insurance contracts

Liabilities for insurance contracts represent the technical reserves of the Insurance Companies and other accounts, the detail for the years ended September 30, 2023 and December 2022 is as follows:

	September 2023	December 2022
Accounts payable insurance activity (note 6.4.1)	1,043,087	1,626,821
Estimated liabilities under insurance contracts (note 6.4.2)	34,820,799	37,058,668
Surplus	41,861	35,802
<b>Liabilities under insurance contracts</b>	<b>35,905,747</b>	<b>38,721,291</b>
Liabilities under current insurance contracts	10,348,685	13,460,635
Liabilities under non-current insurance contracts	25,557,062	25,260,656
<b>Total liabilities under insurance contracts</b>	<b>35,905,747</b>	<b>38,721,291</b>

##### 6.4.1. Accounts payable insurance activity

Insurance payables with insurance companies for the years ended September 30, 2023 and December 31, 2022 are as follows:

	September 2023	December 2022
To insurance companies	159,897	327,062
Policies	66,895	70,338
Claims payable	147,783	157,392
Commissions	425,210	710,328
Others	243,302	361,701
<b>Insurance portfolios <sup>(1)</sup></b>	<b>1,043,087</b>	<b>1,626,821</b>

<sup>(1)</sup> Consolidated insurance accounts payable amounted to \$1 billion, a decrease of 36% compared to the year 2022 of 21.4%.

##### 6.4.2. Estimated insurance contract liabilities

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

	September 2023	December 2022
Actuarial liabilities	13,250,057	12,133,050
Estimated unearned premium liabilities	9,448,707	12,073,540
Estimated incurred but not reported claims (IBNR)	3,655,970	2,707,830
Estimated liabilities for claims reported	7,712,949	9,437,879
Special estimated liabilities	364,423	326,607
Other estimated insurance contract liabilities	388,693	379,762
<b>Total insurance technical reserves</b>	<b>34,820,799</b>	<b>37,058,668</b>



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

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

The variation in insurance technical reserves is mainly explained by Seguros Generales Colombia due to the decrease in compulsory traffic accident insurance (*SOAT, acronym in Spanish original*) premiums and the decrease in claims in Colombia, in addition to a good commercial performance and growth in premiums in the Life and Mobility segment for both Colombia and Chile.

The movements and effects in the measurement of insurance liabilities and reinsurance are presented below:

	Liabilities from insurance contracts	Assets from insurance contracts	Net
<b>At December 31, 2021</b>	<b>25,437,116</b>	<b>5,349,329</b>	<b>20,087,787</b>
Changes in estimated liabilities for insurance contracts	9,263,617	1,653,705	7,609,912
Adjustments for conversion	2,357,935	1,023,521	1,334,414
<b>At December 31, 2022</b>	<b>37,058,668</b>	<b>8,026,555</b>	<b>29,032,113</b>
Changes in estimated liabilities for insurance contracts	1,013,816	(1,248,771)	2,262,587
Adjustments for conversion	(3,251,685)	(876,994)	(2,374,691)
Adjustments for monetary correction	-	404,456	(404,456)
<b>At September 30, 2023</b>	<b>34,820,799</b>	<b>6,305,246</b>	<b>28,515,553</b>

## 6.5. Liabilities under reinsurance contracts

Liabilities for reinsurance contracts represent the obligations arising from reinsurance contracts for the years ended September 30, 2023 and December 31, 2022 are as follows.

	September 2023	December 2022
Ceded premiums payable	18,592	15,507
External reinsurers current account	2,318,715	2,035,847
<b>Liabilities under reinsurance contracts</b>	<b>2,337,307</b>	<b>2,051,354</b>

## 6.6. Claims withheld

Claims incurred by Grupo SURA and subsidiaries for the years ended September 30, 2023 are as follows:

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Total claims	(14,398,419)	(14,025,235)	(4,627,702)	(4,890,340)
Claim reimbursement	617,110	2,899,803	594,243	1443918
<b>Retained claims <sup>(1)</sup></b>	<b>(13,781,309)</b>	<b>(11,125,432)</b>	<b>(4,033,459)</b>	<b>(3,446,422)</b>

<sup>(1)</sup>The increase compared to September 2022 is explained by a higher level of claims in the General Insurance companies in Mexico and Brazil. In Colombia, claims increased in Sura Vida and in group and individual health due to an increase in the frequency of claims. Likewise, the ARL's loss ratio increased due to the adjustment of annuity risk reserves (new and stock) and due to the minimum wage in the ARL.

## 6.7. Insurance costs and expenses

Insurance costs and expenses for the years ended September 30, 2023 are as follows:

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Net reinsurance cost	(561,641)	(468,718)	(174,178)	(167,250)
Services for the promotion and prevention of occupational hazards	(184,223)	(253,738)	(64,748)	(62,989)
Contributions Insurance companies	(71,586)	(94,343)	(25,726)	(38,575)

Fees	(157,178)	(145,939)	(29,084)	(36,197)
Other insurance expenses	(131,703)	(45,190)	(24,566)	(18,413)
Employee benefits	(421,421)	(306,337)	(132,693)	(90,388)
Technical impairment	(76,483)	(2,974)	(6,549)	(27,463)
<b>Total insurance costs and expenses</b>	<b>(1,604,235)</b>	<b>(1,317,239)</b>	<b>(457,544)</b>	<b>(441,275)</b>

Insurance costs and expenses correspond to investments made by the insurance companies in the insured other than the payment of the claim.

**NOTE 7. INCOME TAXES**

**7.1. Applicable regulations**

The current and applicable tax provisions establish that the nominal income tax rates for September 30, 2023 and December 31, 2022 applicable to Grupo SURA and its subsidiaries located in Colombia, Chile, Peru, Argentina, Brazil, Uruguay, Mexico, Panama, Dominican Republic, El Salvador, Bermuda and the United States are as follows:

Country	2023	2022
Colombia	35.0%	35.0%
Chile	27.0%	27.0%
Peru	29.5%	29.5%
Argentina	35.0%	35.0%
Brazil	40.0%	40.0%
Uruguay	25.0%	25.0%
Mexico	30.0%	30.0%
Panama	25.0%	25.0%
Dominican Republic	27.0%	27.0%
El Salvador	30.0%	30.0%
The United States	21.0%	21.0%
Bermuda	0.0%	0.0%

**Colombia:** For the year 2023 the general income tax rate is 35% and 15% for income from occasional gains (10% for 2022). In the case of financial institutions, a surtax of 3 percentage points applies during the years 2022 to 2025.

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

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

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

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

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

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

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

**Dominican Republic:** The tax code of the Dominican Republic establishes that the income tax payable will be the greater of the net taxable income or 1% of taxable assets. The income tax rate for legal entities is 27% on income obtained in the country. In the event of tax losses, taxpayers may offset them within 5 years following the year of generation of the loss, the finality of the income tax returns is 3 years.

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

El Salvador does not have a minimum alternative tax and tax losses generated in any period may not be carried forward to subsequent periods.

**Uruguay:** The income tax rate for corporations is 25% and is based on territorial income considering some exceptions, therefore, income outside the country is considered foreign source and not subject to tax; in the event that the company does not generate fiscal profits, it must be taxed under the minimum IRAE system, Art. 93 of the Law of Income Tax on Economic Activities (IRAE, Acronym for the Spanish Original), which establishes that it must be taxed based on the income of the previous year on a scale of between USD 150 and USD 380 per month approximately. Additionally, the tax loss may be imputed within 5 years of its generation.

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

**The United States:** The corporate income tax rate is 21%. There are also established rates per State that may vary per State without exceeding 12%.

There are several types of corporations, the most common being: Corporation and Limited Liability Company ("LLC"). These two types of entities give protection to the owners from commercial liability (both have "limited liability"). A Corporation is represented by the directors ("officer and directors") the same as an S.A. in Colombia.

**7.2. Current taxes**

The following is the detail of current tax assets and liabilities as of September 30, 2023 and December 31, 2022:

	September 2023	December 2022
<b>Current tax assets</b>		
Income tax and supplemental taxes	88,626	218,920
Withholdings	95,910	27,591

Tax in favor	268,296	130,428
Others	-	117
<b>Total assets for current taxes</b>	<b>452,832</b>	<b>377,056</b>

	September 2023	December 2022
<b>Current tax liabilities</b>		
Income tax and supplemental taxes	160,687	122,593
<b>Total current tax liabilities</b>	<b>160,687</b>	<b>122,593</b>

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

Current tax	September 2023	December 2022
Current tax asset recoverable before 12 months	246,858	320,003
Current tax asset recoverable after 12 months	205,974	57,053
<b>Total Current tax asset</b>	<b>452,832</b>	<b>377,056</b>
Current tax liability recoverable before 12 months	153,020	106,505
Current tax liability recoverable after 12 months	7,667	16,088
<b>Total current tax liability</b>	<b>160,687</b>	<b>122,593</b>

### 7.3. Tax recognized in the income statement for the period

The income tax expense for the period is detailed below:

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
<b>Current tax expense</b>	<b>(584,698)</b>	<b>(329,219)</b>	<b>(152,140)</b>	<b>(107,820)</b>
Current tax	(593,428)	(327,377)	(150,270)	(108,317)
Adjustment of previous periods	8,730	(1,842)	(1,870)	497
<b>Deferred tax income (expense)</b>	<b>(732,464)</b>	<b>100,514</b>	<b>(131,135)</b>	<b>26,281</b>
Constitutions / reversal of temporary differences	(726,993)	98,352	(131,217)	26,470
Exchange rates	(5,471)	2,162	82	(189)
<b>Total tax expense</b>	<b>(1,317,162)</b>	<b>(228,705)</b>	<b>(283,275)</b>	<b>(81,539)</b>

### 7.4. Effective rate reconciliation

The reconciliation of the effective rate is presented below:

	September 2023	September 2022
<b>Profit before tax</b>	<b>2,723,114</b>	<b>1,641,635</b>
Income tax by applying the local tax rate (*)	32.67% (889,644)	33.46% (549,299)
<b>Impact</b>	<b>(1,410,983)</b>	<b>(707,268)</b>
Non-deductible expenses <sup>(1)</sup>	(284,326)	(170,620)
Investments <sup>(2)</sup>	(399,029)	(303,467)
Amortization of intangible assets	(1,176)	-
Non-current assets held for sale <sup>(3)</sup>	(618,118)	-
Previous periods adjustment	(4,674)	(2,297)
Compensation of tax losses	(66,818)	(26,777)
Financial assets	(11,281)	(179,408)
Properties and equipment	(3,401)	(6,016)
Other alternative taxable income	-	(7,698)
Provisions and contingencies	(4,179)	(1,491)
Financial liabilities	(17,936)	-
Capital gains	(45)	-

	September 2023	September 2022
Other	-	(9,494)
<b>Minus the tax effect of:</b>	<b>983,465</b>	<b>1,027,862</b>
Non-taxed income <sup>(4)</sup>	323,963	122,891
Financial assets	5,657	7
Unrecorded Dividends	246,505	304,023
Financial liabilities	-	160,891
Discounts / tax deductions	71,681	65,302
Provisions and Contingencies	8,444	-
Exempt income <sup>(5)</sup>	314,887	192,090
Other	12,328	182,658
<b>Income tax (**)</b>	<b>48.37%</b>	<b>13.93%</b>
	<b>(1,317,162)</b>	<b>(228,705)</b>

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

(\*\*) The effective rate increased by 15.7 percentage points due to the recognition of the deferred tax related to the investment in the associate Grupo Nutresa detailed below.

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

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

<sup>(3)</sup> The tax related to the investment in the associate Grupo Nutresa is recognized. The classification of the investment as available for sale makes it necessary, in accordance with IAS 12, to recognize the deferred tax liability against the statement of income, for the temporary difference that arises, calculated at the rate of 15%, since in accordance with Article 300 of the Colombian Tax Statute, having owned the asset subject to the transaction for a period of more than two years, the income originated therefrom is susceptible of constituting occasional gain. The transaction is explained in detail in Note 8.

IAS 12 requires entities to account for the tax consequences of transactions and other events in the same manner as they account for those same transactions or economic events. Thus, the tax effects of transactions and other events that are recognized in profit or loss for the period are also recorded in profit or loss.

<sup>(4)</sup> Corresponds to the equity method of subsidiaries.

<sup>(5)</sup> Corresponds to tax exemptions of insurance companies in Colombia and other exempt income.

## 7.5. Deferred taxes

The balance of deferred tax assets and liabilities as of September 30, 2023 and December 31, 2022 is as follows:

Deferred tax asset	September 2023	December 2022	Recognized in other equity investments 2023	Recognized results 2023
Provisions	192,484	227,098	-	(34,614)
Employee Benefits	55,127	68,636	-	(13,509)
Other non-financial assets	-	16,171	-	(16,171)
Financial Liabilities	456,142	683,885	162,904	(390,647)
Unused tax losses and tax credits	116,586	378,919	-	(262,333)
Technical insurance reserves	220,145	469,411	-	(249,266)
Right of use	32,011	27,430	-	4,581
<b>Total</b>	<b>1,072,495</b>	<b>1,871,550</b>	<b>162,904</b>	<b>(961,959)</b>
Deferred tax liabilities	September 2023	December 2022	Recognized in other equity investments 2023	Recognized results 2023
Financial Assets	(289,459)	(309,387)	3,908	16,020
Intangible assets	(950,690)	(1,114,486)	-	163,796
Deferred acquisition cost DAC	(95,643)	(160,901)	-	65,258
Investments	(575,628)	(690,050)	-	114,422
Non-current assets held for sale	(618,592)	-	-	(618,592)
Other non-financial assets	(11,296)	(3,396)	-	(7,900)
Other non-financial liabilities	(82,953)	(175,987)	-	93,034
Liabilities due to temporary differences in equity investments	(40)	(47)	-	7
Properties and Equipment	(236,527)	(290,159)	(2,748)	56,380
Technical insurance reserves	-	(135,827)	-	135,827
<b>Total</b>	<b>(2,860,828)</b>	<b>(2,880,240)</b>	<b>1,160</b>	<b>18,252</b>
Conversion effect				211,243

<b>Total</b>			<b>164,064</b>	<b>(732,464)</b>
Other equity effects	-	-	(211,243)	-
<b>Total</b>	<b>(1,788,333)</b>	<b>(1,008,690)</b>	<b>(47,179)</b>	<b>(732,464)</b>

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

Deferred tax	Balance before compensation	Compensated	September 2023
Deferred tax asset	1,072,495	(836,579)	235,916
Deferred tax liabilities	(2,860,828)	836,579	(2,024,249)
<b>Total</b>	<b>(1,788,333)</b>	<b>-</b>	<b>(1,788,333)</b>

  

Deferred tax	Balance before compensation	Compensated	December 2022
Deferred tax asset	1,871,550	(1,035,318)	836,232
Deferred tax liabilities	(2,880,240)	1,035,318	(1,844,922)
<b>Total</b>	<b>(1,008,690)</b>	<b>-</b>	<b>(1,008,690)</b>

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

Deferred tax	September 2023	December 2022
Deferred tax asset recoverable before 12 months	33,634	318,806
Deferred tax asset recoverable after 12 months	202,282	517,426
<b>Total deferred tax asset (*)</b>	<b>235,916</b>	<b>836,232</b>
Deferred tax liability recoverable before 12 months	1,053,623	368,714
Deferred tax liability recoverable after 12 months	970,626	1,476,208
<b>Total deferred tax liabilities (*)</b>	<b>2,024,249</b>	<b>1,844,922</b>

(\*) The changes in net deferred tax are mainly due to the tax recognized on the investment in Nutresa explained above.

## 7.6. Unrecognized temporary differences due to unused tax credits

The following table shows, by maturity limit, the basis for deductible temporary differences, corresponding to tax losses and excess of presumptive income on which deferred tax assets have not been recognized:

	Loss		Excess	
	2023	2022	2023	2022
Between one and five years	937,954	937,954	-	274
No time limit	288,394	289,008	-	-
<b>Total tax benefits</b>	<b>1,226,348</b>	<b>1,226,962</b>	<b>-</b>	<b>274</b>

## 7.7. Uncertainty regarding income tax treatments

Taking into account the criteria and judgments in the determination and recognition of taxes, as of December 31, 2020, the entity recognized situations in Mexico that generated tax uncertainty, which were recognized for accounting purposes, in accordance with the framework defined by IFRIC 23. As of September 30, 2023, no additional situations have been identified and no additional recognition has been required.

	December 2022	Increase	Decrease	September 2023
Mexico (*)	480	-	171	309

(\*) Derived from a difference in criteria with the SAT related to third parties.

The movements of the period correspond to the restatement of the estimate as of September 2023, due to the decrease of balances as a result of the statute of limitations of income tax returns.

**NOTE 8. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES**

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

	Note	September 2023	December 2022
Investments in associates	8.1	17,643,712	23,197,497
Joint ventures	8.2	12,765	27,282
<b>Total investments accounted for using the equity method</b>		<b>17,656,477</b>	<b>23,224,779</b>

	Note	September 2023	September 2022
Income from equity method associates	8.1	1,494,322	1,578,892
Income from equity method joint ventures	8.2	(12,517)	(14,521)
Others		-	1,709
<b>Total equity method income from investments in associates and joint ventures</b>		<b>1,481,805</b>	<b>1,566,080</b>

### 8.1. Investment in associates

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

Companies	Main activity	Country	September 2023			December 2022		
			% Participation (*)	% Right to vote (**)	# Shares	% Participation (*)	% Right to vote (**)	# Shares
<b>Associates:</b>								
Grupo Bancolombia S.A.	Universal banking	Colombia	24.49%	46.22%	235,565,920	24.49%	46.22%	235,565,920
Grupo Argos S.A. <sup>(1)</sup>	Concrete, energy,	Colombia	27.30%	36.11%	236,465,932	27.20%	35.96%	236,465,932
Grupo Nutresa S.A. (Ver nota 9)	Food and processed	Colombia	-	-	-	35.61%	35.61%	163,005,625
Promotora de Proyectos	Logistics services	Colombia	48.26%	48.26%	11,076,087	48.26%	48.26%	11,076,087
Inversiones DCV S.A.	Shareholder registration	Chile	34.82%	34.82%	3,431	34.82%	34.82%	3,431
Fondos de Cesantías Chile II	Pension and severance fund	Chile	29.40%	29.40%	167,580	29.40%	29.40%	167,580
Servicios de Administración Previsional S.A.	Voluntary funds	Chile	22.64%	22.64%	168,806	22.64%	22.64%	168,806
Sociedad Administradora de Fondos de Cesantías Chile III S.A.	Pension and severance fund	Chile	36.65%	36.65%	73,300	36.65%	36.65%	73,300
<b>Joint Venture:</b>								
Interejecutiva de Aviación S.A.S.	Air Transport Administration	Colombia	25.00%	25.00%	1,125,000	25.00%	25.00%	1,125,000
Subocol S.A.	Marketing of spare parts for vehicle repair	Colombia	50.00%	50.00%	16,815	50.00%	50.00%	16,815
Unión Para La Infraestructura S.A.S.	Fund	Colombia	50.00%	50.00%	150,000	50.00%	50.00%	150,000
Unión Para La Infraestructura Perú S.A.C.	Fund	Peru	50.00%	50.00%	1,354,000	50.00%	50.00%	1,354,000
P.A Dinamarca	Mobility solutions	Colombia	33.00%	33.00%	-	33.00%	33.00%	-
Vaccigen S.A.S. (Vaxthera)	Biological research and development	Colombia	70.00%	70.00%	93,331	70.00%	70.00%	93,331

<sup>(1)</sup>The increase in the participation in Grupo ARGOS is a result of the share repurchase program that the Company is executing since 2023.

(\*) Participation in the associated company based on total shares issued.

(\*\*) Participation in the associated company based on the total number of common shares with voting rights.



**Cross-shareholdings**

In the course of their operations, both 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 participation that Grupo Argos S.A. and Grupo Nutresa S.A. have in Grupo SURA as of September 30, 2023 and December 31, 2022 is as follows:

Associates	% Participation	% Right to vote	% Participation	% Right to vote
	September 2023		December 2022	
Grupo Argos S. A.	27.51%	34.14%	27.51%	34.14%
Grupo Nutresa S. A. (see Note 9)	10.71%	13.29%	10.71%	13.29%

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

**Financial information of associates (Issuers of securities)**

The assets, liabilities, equity and results for the year of each of the associate companies as of September 30, 2023 and December 31, 2022 are as follows:

September 2023								
	Location	Asset	Asset	Equity	Income	Profit/ Loss	Other comprehensive income	Comprehensive income
<b>Associates:</b>								
Grupo Bancolombia S.A. (*)	Colombia	338,183,915	299,689,245	38,494,670	15,706,296	4,763,030	(2,825,345)	1,937,685
Grupo Argos S.A. (*)	Colombia	52,312,696	22,980,546	29,332,150	16,981,637	1,395,870	(2,790,831)	(1,394,961)
Grupo Nutresa S.A. (See note 9)	Colombia	-	-	-	-	-	-	-
Inversiones DCV S.A.	Chile	37,891	22	37,869	6,419	6,450	-	6,450
Servicios de Administración Previsional S.A.	Chile	147,919	52,568	95,351	133,548	57,887	-	57,887
Fondos de Cesantías Chile II	Chile	74,609	9,890	64,719	160,038	52,212	(99)	52,113
Sociedad Administradora de Fondos de Cesantías Chile III S.A.	Chile	91,774	40,294	51,480	8,845	(13,209)	12	(13,197)
<b>Joint ventures:</b>								
Interejecutiva de aviación S.A.S.	Colombia	138,102	135,621	2,481	88,160	3,282	(1,419)	1,863
Subocol S.A.	Colombia	8,649	4,900	3,749	-	(367)	-	(367)
Unión para la infraestructura S.A.S.	Colombia	13,772	9,349	4,423	10,567	4,319	-	4,319
Unión para la infraestructura Perú S.A.C.	Perú	46,068	25,721	20,347	45,873	(7,118)	-	(7,118)
P.A Dinamarca	Colombia	22,381	15,125	7,256	-	(6,642)	-	(6,642)
Vaccigen S.A.S. (Vaxthera)	Colombia	55,463	48,414	7,049	-	(18,350)	-	(18,350)

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

December 2022								
	Location	Asset	Asset	Equity	Income	Profit/ Loss	Other comprehensive income	Comprehensive income
<b>Associates:</b>								
Grupo Bancolombia S.A. (*)	Colombia	352,814,733	312,817,182	39,997,551	20,632,429	6,996,365	2,883,827	9,880,192
Grupo Argos S.A. (*)	Colombia	56,941,068	24,911,164	32,029,904	21,339,706	1,440,341	3,602,224	5,042,565
Grupo Nutresa S.A. (*)	Colombia	20,757,388	9,952,691	10,804,697	17,037,823	903,767	1,389,980	2,293,747
Inversiones DCV S.A.	Chile	38,050	27	38,023	5,650	6,947	-	6,947
Servicios de Administración Previsional S.A.	Chile	121,913	48,234	73,679	156,179	69,502	-	69,502
Fondos de Cesantías Chile II	Chile	110,055	64,995	45,060	214,278	57,779	-	57,779
Sociedad Administradora de Fondos de Cesantías Chile III S.A.	Chile	70,788	752	70,036	-	570	-	570
<b>Joint ventures:</b>								
Interejecutiva de aviación S.A.S.	Colombia	172,607	169,733	2,874	89,863	(4,521)	-	(4,521)
Subocol S.A.	Colombia	8,093	3,659	4,434	-	(1,121)	-	(1,121)
Unión para la infraestructura S.A.S.	Colombia	13,522	8,655	4,867	11,900	4,764	-	4,764
Unión para la infraestructura Perú S.A.C.	Perú	61,043	28,814	32,229	61,484	3,670	-	3,670
P.A Dinamarca	Colombia	19,170	12,622	6,548	-	(5,828)	-	(5,828)
Vaccigen S.A.S. (Vaxthera)	Colombia	68,716	42,105	26,611	-	(15,149)	-	(15,149)

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

### Balance and movement in associates

The following is the detail of investments in associates as of September 30, 2023 and December 31, 2022:

Associate movement	Bancolombia S.A.	Grupo Argos S.A.	Grupo Nutresa S.A.	Administradora de fondos de pensiones y cesantías Protección S.A.	Other	Total
<b>Balance at December 31, 2021</b>	<b>10,034,891</b>	<b>5,504,372</b>	<b>4,974,246</b>	<b>1,441,403</b>	<b>30,152</b>	<b>21,985,064</b>
Additions <sup>(1)</sup>	-	31,104	-	-	24,791	<b>55,895</b>
(-) Transfer to subsidiaries <sup>(3)</sup>	-	-	-	(1,434,498)	-	<b>(1,434,498)</b>
Gain from equity method <sup>(2)</sup>	1,661,379	72,083	291,425	(15,124)	44,021	<b>2,053,784</b>
Change in equity	752,371	613,162	285,769	34,695	1,041	<b>1,687,038</b>
(-) Dividends	(734,966)	(118,233)	(154,530)	-	(38,012)	<b>(1,045,741)</b>
Other movements in equity <sup>(4)</sup>	-	-	(86,991)	-	-	<b>(86,991)</b>
Adjustment in conversion	-	-	-	(26,476)	9,422	<b>(17,054)</b>
<b>Balance at December 31, 2022</b>	<b>11,713,675</b>	<b>6,102,488</b>	<b>5,309,919</b>	<b>-</b>	<b>71,415</b>	<b>23,197,497</b>
Gain from the equity method	1,143,516	182,835	142,141	-	25,830	<b>1,494,322</b>
Change in equity	(691,516)	94,239	(89,671)	-	1,066	<b>(685,882)</b>
(-) Dividends	(832,961)	(135,968)	(220,116)	-	(13,931)	<b>(1,202,976)</b>
(-) Transfers <sup>(5)</sup>	-	-	(5,142,273)	-	-	<b>(5,142,273)</b>
Adjustment in conversion	-	-	-	-	(16,976)	<b>(16,976)</b>
<b>Balance at September 30, 2023</b>	<b>11,332,714</b>	<b>6,243,594</b>	<b>-</b>	<b>-</b>	<b>67,404</b>	<b>17,643,712</b>

<sup>(1)</sup> In March 2022, 2,180,250 common shares of Grupo Argos S.A. were acquired.

<sup>(2)</sup> In the 2021 profit of Grupo Nutresa S.A. and Grupo Argos S.A., a reclassification adjustment is made according to Decree 1311 of 2021 and Decree 2617 of 2022 in Colombia respectively; which provides the possibility for companies in Colombia to recognize in the equity account of accumulated results of previous years, the impact of the change in the income tax rate, introduced by Article 7 of Law 2155 of 2021. However, Grupo SURA S.A. chose not to make use of this option and proceeded to recognize the rate adjustment in the statement of comprehensive income as established by the standard.

<sup>(3)</sup> As of November 2022, this company is transferred to a subsidiary.

<sup>(4)</sup> Corresponds to the dividend declared by Grupo SURA to Grupo Nutresa.

<sup>(5)</sup> Asset classified as non-current assets held for sale (See note 9).

### Restrictions and commitments

As of September 30, 2023 and December 31, 2022, 43,373,238 shares of Grupo Argos have been pledged as collateral to support financial obligations with Bancolombia S.A.

## 8.2. Joint ventures

The following is the detail of the cost of investments at September 30, 2023 and December 31, 2022:

	Interejecutiva	Viliv S.A.S. <sup>(1)</sup>	UPI Colombia <sup>(**)</sup>	UPI Perú <sup>(**)</sup>	P.A Dinamarca <sup>(*)</sup>	Vaccigen S.A.S. (Vaxthera S.A.S.)	Subocol S.A.	Total
<b>Balance at December 31, 2021</b>	<b>137</b>	<b>3,346</b>	<b>1,170</b>	<b>766</b>	<b>2,375</b>	<b>11,666</b>	<b>3,042</b>	<b>22,502</b>
Additions	-	1,500	-	-	1,667	17,600	-	<b>20,767</b>
Gain from the equity method	(1,130)	(4,846)	2,382	125	(1,942)	(10,605)	(560)	<b>(16,576)</b>
Change in equity	1,712	-	-	215	84	(35)	(265)	<b>1,711</b>
(-) Dividends	-	-	(1,122)	-	-	-	-	<b>(1,122)</b>
<b>Balance at December 31, 2022</b>	<b>719</b>	<b>-</b>	<b>2,430</b>	<b>1,106</b>	<b>2,184</b>	<b>18,626</b>	<b>2,217</b>	<b>27,282</b>
Additions	-	-	-	-	2,450	-	-	<b>2,450</b>
Gain from the equity method	820	-	2,160	(255)	(2,215)	(12,843)	(184)	<b>(12,517)</b>
Change in equity	(919)	-	-	(144)	-	(848)	(158)	<b>(2,069)</b>
(-) Dividends	-	-	(2,381)	-	-	-	-	<b>(2,381)</b>
<b>Balance at September 30, 2023</b>	<b>620</b>	<b>-</b>	<b>2,209</b>	<b>707</b>	<b>2,419</b>	<b>4,935</b>	<b>1,875</b>	<b>12,765</b>

<sup>(1)</sup> Viliv S.A.S., since June 2022 the Company enters into liquidation process, which generated the impairment of the investment.

<sup>(\*)</sup>P.A.: Autonomous patrimony.

<sup>(\*\*)</sup>UPI: Union for Infrastructure S.A.

## NOTE 9. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

### Associates:

As informed by the Company through the relevant information mechanism on June 15<sup>1</sup>, Grupo SURA has entered into a series of documents (the "Agreements") comprised of a framework agreement and annexed documents that regulate in detail the different aspects of a transaction (the "Transaction") to be carried out between Grupo SURA, JGDB Holding S. A.S. ("JGDB"), Nugil S.A.S. ("Nugil"), International Capital Holding L.L.C ("IHC"), Grupo Nutresa S.A. ("Grupo Nutresa") and Grupo Argos S.A. ("Grupo Argos"), collectively the parties (the "Parties"), in development of the Memorandum of Understanding ("MOU") that had been signed and announced to the market on May 24, 2023.

A Through these Agreements, the terms and conditions were defined to enter into a series of transactions which, once the pertinent corporate and regulatory authorizations are obtained and the agreed conditions are fulfilled, are expected to have the following results:

- JGDB, Nugil and IHC would become controlling shareholders of Grupo Nutresa's food business, with a shareholding of at least 87% of the outstanding common shares of such company.
- To achieve this result, Grupo Nutresa will carry out a symmetrical spin-off, as a result of which the food business will be separated from its investment portfolio in Grupo SURA and Grupo Argos. This operation will be described later in this Note.
- JGDB, Nugil and IHC will cease to be shareholders of Grupo SURA.
- Grupo SURA and Grupo Argos would cease to be shareholders of Grupo Nutresa.
- Grupo Nutresa ceases to be a shareholder of Grupo SURA and Grupo Argos.

The Contracts define the main activities, procedures, conditions and operations required to achieve the results outlined above, in addition to other obligations typical of this type of agreement, which must be fulfilled by each of the parties involved, as responsibilities are assigned in the Contracts and in the applicable laws. For illustrative purposes, below is a description of the stages that were defined in the Contracts, identifying the main obligations to be assumed by Grupo SURA.

- As indicated above, Grupo Nutresa would separate its Food business from its portfolio of investments in Grupo SURA and Grupo Argos, through a symmetrical spin-off operation, as a result of which a new company would be created that would own Grupo Nutresa's investments in Grupo Argos and Grupo SURA, which for the purposes of this Note will be called Nueva Sociedad Portafolio.
- Grupo Nutresa's Food business would be maintained in a company that would be called Nutresa Alimentos for purposes of this disclosure.

<sup>1</sup> The relevant information published by the Company when it comes to the Contracts is complemented with the publications of May 24 and June 29 of the current year.

- Both companies will be listed on the Colombian Stock Exchange.
- The spin-off would be symmetrical, which means that for each Grupo Nutresa share, each shareholder will keep one share of Nutresa Alimentos and will receive one share of the New Company. In the case of Nugil, the shares received in the New Company will be subsequently contributed to an autonomous patrimony once the spin-off is completed.
- Once the approval of the Grupo Nutresa Assembly is obtained, the following contributions would be made to an autonomous patrimony, whose constitution and operation would operate in accordance with the provisions of the Basic Legal Circular of the Financial Superintendency for trust businesses:
  - Grupo SURA would contribute the shares it owns in Grupo Nutresa.
  - Grupo Argos contributes the shares it owns in Grupo Nutresa.
  - Nugil, JGDB and IHC contribute the shares owned by them in Grupo SURA.
- Grupo SURA and Grupo Argos would jointly launch, in the proportion of 78.3% and 21.7% respectively, a takeover bid to all Nutresa "Alimentos" shareholders (i.e., after the spin-off of Portafolio) in which they may voluntarily and at their choice participate and choose between:
  - Sell Nutresa Alimentos shares at a price of USD 12 per share payable according to the conditions to be defined in the Tender Offer booklet, and/or
  - Exchange shares of Nutresa Alimentos, receiving shares of Grupo SURA and Nueva Sociedad Portafolio (formed by shares of Grupo SURA and Grupo Argos). The above, in the same terms in which Grupo SURA and Grupo Argos agreed to negotiate with Nugil, JGDB and IHC in the Contracts.
- The terms of the exchange and other conditions of the Offer will be published in the Tender Offer booklet.
- Once the Tender Offer is concluded, Grupo SURA and Grupo Argos will contribute to the AP the awards received up to 10.1%. Likewise, the Contracts establish regulations applicable to Grupo SURA and Grupo Argos in their capacity as bidders in relation to the contribution of this percentage of Nutresa Alimentos shares to the AP. The definition of the rules applicable to this stage and the impacts for Grupo SURA are conditioned to the fulfillment of conditions precedent that, if fulfilled, would be timely disclosed to the market.
  - The following table summarizes some scenarios and their effects on Grupo SURA, for illustrative purposes, that could arise in the takeover bid considering the possibility of choice that Nutresa's minority shareholders will have.

a) Number of Nutresa shares exchanged (millions of shares)	b) Number of Nutresa shares for cash (million of shares)	c) No. shares to complete 10.1% = a + b	d) Cash requirement bX12USD (USD millions)	e) Cash requirement Grupo Sura = d x 78.3% (USD millions)
46,2	-	46,2	0,0	0,0
34,7	11,6	46,2	\$ 138,7	\$ 108,5
23,1	23,1	46,2	\$ 277,3	\$ 217,1
11,6	34,7	46,2	\$ 416,0	\$ 325,6
-	46,2	46,2	\$ 554,7	\$ 434,2

- The tender offer acceptances received in excess of 10.1% and up to 23.1% would be paid by Grupo SURA and Grupo Argos to the tender offer shareholders and their value will be reimbursed, at the same price, by IHC to the Offerors.
- Subsequently, the AP would return the contributions made (by Grupo SURA, Grupo Argos, Nugil, JGDB and IHC), upon compliance with the conditions agreed between the Parties, resulting in the exchange of shares, with which:
  - JGDB, Nugil and IHC will be the controlling shareholders of Nutresa Alimentos, and
  - Grupo SURA and Grupo Argos will receive the shares of Nueva Sociedad Portafolio and Grupo SURA that were owned by Nugil, JGDB and IHC.
  - JGDB, Nugil and IHC would cease to be shareholders of Grupo SURA.
  - Grupo SURA and Grupo Argos would cease to be shareholders of Grupo Nutresa.
  - Grupo Nutresa ceases to be a shareholder of Grupo SURA and Grupo Argos.

Once **this stage is executed, Grupo SURA will present a reduction in its equity, as a result of a decrease** in outstanding shares.

- Subsequently, the New Portfolio Company will be liquidated with the following effects:
  - Grupo SURA will receive its own and Grupo Argos' shares.
  - Grupo Argos will receive its own shares and Grupo SURA's shares.
  - The other shareholders of the New Portfolio Company will receive shares of Grupo SURA and Grupo Argos.

The execution of the stages described above is carried out sequentially, therefore, the completion of each of the phases of the transaction is conditioned to the fulfillment of conditions precedent, on which in turn depend the birth for the parties of the obligations and rights defined in the Agreements. Considering the above, there is no obligation as of September 30, 2023, since the steps required for the completion of the spin-off have not been executed. Grupo SURA will inform the market in a timely manner the progress of the execution of the operations and the corresponding impacts for the Company.

With the prior authorization of the Colombian Financial Superintendency and in order to guarantee compliance with applicable regulations at all times, part of the restitutions that Grupo SURA and Grupo Argos receive will be temporarily contributed to independent autonomous funds. The shares deposited there will not have political rights during the existence of these autonomous patrimonies.

To date, Grupo SURA has obtained all the necessary corporate authorizations for the execution of the Contracts and is in the process of taking the necessary steps before the regulatory authorities.

The Company will be evaluating the impacts derived in each of the stages of the execution of the transaction, as of September 30, 2023, based on the progress of the operation, the only effects identified are the classification of the investment in associate to non-current asset held for sale and the recognition of the deferred tax generated by it.

#### *Progress of the transaction*

On September 18, 2023, the Grupo Nutresa Shareholders' Meeting approved the spin-off of the Company, as part of the operations agreed in the framework agreement. To date, the spin-off operation is in the process of being approved by the Colombian Financial Superintendence.

On the other hand, as announced on September 15, 2023, the Board of Directors authorized management to agree to implement certain amendments to the documents executed on June 15, 2023 (the "Agreements") associated with the exchange of Grupo Nutresa shares (the "Transaction").

The most relevant changes to the structure of the operation are mentioned below:

In the direct exchange agreements, the parties will replace the initially foreseen autonomous patrimony mechanism that will be carried out in two moments:

- The first, once the Grupo Nutresa spin-off is completed. Grupo SURA and Grupo Argos ("Argos") will deliver approximately 45.5% of the shares of Nutresa (after the spin-off, hereinafter "Nutresa") to NUGIL, JGDB and IHC. With the foregoing, from that moment on, NUGIL, JGDB and IHC will have a 76.9% interest in Nutresa. In turn, NUGIL, JGDB and IHC will deliver to SURA and Argos shares of SURA and Sociedad Portafolio S.A. in an equivalent percentage in the exchange terms already reached in the Agreements.
- The second exchange of shares will take place after the completion of the tender offer for Nutresa shares, as detailed below

Modifications to the Agreements in connection with the tender offer:

- The tender offer that, according to the Agreements, Argos and SURA were to launch for 23.1% of Nutresa's shares will be launched, for the same 23.1%, jointly with IHC or an entity to be designated by the latter ("IHC").
- The obligation of SURA and Argos to deliver the 10.1% of Nutresa shares to JGDB, NUGIL and IHC agreed in the Agreements, will no longer be mandatorily fulfilled in Nutresa shares, but may be paid in cash at the rate of USD\$12 per share, in shares or with a combination of both, in the event that the share acceptances do not reach 10.1%.



- the percentage of acceptances of the Tender Offer exceeds 10.1% of Nutresa shares, the shares exceeding such percentage will be acquired directly by IHC, at the price of USD\$12 defined in the Agreements.
- The other conditions of the Tender Offer initially agreed remain the same.

It is important to mention that these amendments have not been incorporated into the signed framework agreement documents as of September 30, 2023.

### **Accounting policy for non-current assets held for sale**

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use; these assets or disposal groups are presented separately as non-current assets and liabilities in the statement of financial position at the lower of their carrying amount or fair value less costs to sell and are not depreciated or amortized from the date of classification.

This condition is met if the asset or group of assets is available for immediate sale in its present condition, the sale transaction is highly probable and is expected to be completed within one year from the classification date.

For the sale to be considered highly probable, when:

- Management must be committed to a sale plan
- An active program to locate a buyer has been initiated
- The asset should be actively traded at a price that is reasonable in relation to its current fair value; and
- The sale is expected to be completed within one year from the date of classification.

Grupo SURA currently owns 163,005,625 common shares of Grupo Nutresa, which represent a 35.6% interest and exercises significant influence over it and is recorded as an investment in associates, under the equity method model, and recognizes dividends as a reduction in the value of the investment.

Considering the above and with the approval of the Board of Directors on June 28, 2023 to advance in the execution of the Framework Agreement, Management, after analyzing the requirements established in paragraph 8 of IFRS 5 - non-current assets held for sale, classified the investment of Grupo Nutresa S.A. as a non-current asset available for sale, for an amount of \$ 5,142,273, recognizing the asset at the lower of carrying amount and fair value less transaction costs, so there is no impairment. Likewise, the deferred tax associated with this new classification was recognized for \$618,118<sup>(1)</sup>, since the conditions to apply the exception described in IAS 12 Income Taxes are no longer met.

As a consequence of this classification, and based on the accounting policy of applying the equity method to investments in an associate, the application of this method on Grupo Nutresa S.A. is suspended as from June 30, 2023.

At the closing of these financial statements, the Grupo Nutresa investment classified as held for sale is not a segment or geographic area of the Group; therefore, it does not meet the requirements to be presented as a discontinued operation.

<sup>(1)</sup> Carrying amount: \$5,142,273; tax amount: \$1,021,488; rate: 15%.

**Subsidiaries**

*Suramericana*

**September 2023**

On August 11, 2023 Suramericana S.A., entered into a share purchase and sale agreement whereby it sells its insurance operation in Argentina to Sudamericana Holding S.A., a company belonging to Grupo Financiero Galicia S.A.

The company Seguros Sura S.A. (Argentina). is a subsidiary of Suramericana domiciled in Argentina, which is dedicated mainly to the insurance activity and in which Suramericana owns indirectly through the company Santa Maria del Sol 17.68% and directly 81.76% of the shares of the insurer. Both companies were acquired by Suramericana in 2016 through the acquisition process of Royal and Sun Alliance's operations in Latin America.

With this Transaction, the Company sells its entire stake in Seguros Sura S.A., (Argentina) for a final price of USD 19 million less USD 3 million for retention of contingent liabilities and less USD 1.1 million for retention and performance bonuses, for a total of USD 14.9 million determined based on the conditions defined in the share sale agreement, equivalent to COP \$95,415 million as of September 30, 2023. On September 21, 2023, approval of the transaction was obtained from the Argentinean Superintendence of Insurance. Upon reclassifying this transaction as discontinued, the Company recognized an impairment of \$25,041.

On August 14, 2023 Suramericana S.A., signed a share purchase and sale agreement whereby it sells its participation in Seguros Sura S.A., and indirectly its participation in Seguros Sura S.A., Seguros de Personas, both companies domiciled in El Salvador and known as Asesuisa, to the company Interamericana Holding Group, S.A., which belongs to Grupo Financiero Ficohsa.

Seguros Sura S.A., Seguros de Personas, is a subsidiary of Suramericana domiciled in El Salvador, which is especially dedicated to the activity of personal insurance; meanwhile, Seguros Sura S.A., is a property and casualty insurance company in which Suramericana owns 97.11% of the shares and is domiciled in the same country, through which it indirectly owns 99.99% of the shares of Seguros Sura S.A., Seguros de Personas. Both companies were acquired by Suramericana in 2012 through the process of acquiring Asesuisa's operations in Central America.

With this transaction, Suramericana sells its entire stake in Asesuisa for a price of USD \$43.7 million, equivalent to COP \$177,153 million as of September 30, 2023.

Seguros Sura S.A., Seguros de Personas is part of the Non-Life Insurance segment; Seguros Sura S.A. of El Salvador and Seguros Sura S.A., of Argentina are part of the Non-Life Insurance segment.

*Non-current assets held for sale*

The value of non-current assets and liabilities held for sale of the Associate and subsidiaries of Grupo SURA at the end of September 2023 is detailed below:

	Associate		Subsidiaries		Total
	Nutresa	Hábitat	Operations SURA Salvador	Seguros Sura Argentina	
<b>Assets</b>					
Cash and cash equivalents	-	-	97,350	19,340	116,690
Investments	-	-	326,522	581,682	908,204
Assets under insurance contracts	-	-	164,401	437,520	601,921
Assets under reinsurance contracts	-	-	75,594	246,052	321,646

Investments in associated companies and joint ventures	5,142,273	-	-	-	5,142,273
Property and equipment	-	64,448	4,555	10,545	79,548
Deferred tax assets	-	-	20,165	125,059	145,224
Other assets	-	2,565	77,196	165,011	244,772
<b>Total assets</b>	<b>5,142,273</b>	<b>67,013</b>	<b>765,783</b>	<b>1,585,209</b>	<b>7,560,278</b>
<b>Liabilities</b>					
Liabilities under insurance contracts	-	-	455,364	1,165,076	1,620,440
Liabilities under reinsurance contracts	-	-	26,701	114,784	141,485
Current tax liabilities	-	-	1,338	27,621	28,959
Other liabilities	-	39,012	98,623	183,346	320,981
<b>Total liabilities</b>	<b>-</b>	<b>39,012</b>	<b>582,026</b>	<b>1,490,827</b>	<b>2,111,865</b>

### Discontinued operation

The results of the discontinued operations of the subsidiaries of Suramericana, Sura Asset Management and Hábitat Adulto Mayor, as of September 2023 and 2022, are detailed below:

Company	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Suramericana	14,450	24,017	14,837	24,837
Hábitat Adulto Mayor	386	(124)	-	(124)
Sura Asset Management	-	20,814	-	20,728
<b>Total</b>	<b>14,836</b>	<b>44,707</b>	<b>14,837</b>	<b>45,441</b>

For comparative purposes of the September 2022 income statement, reclassifications are presented, according to the application of IFRS 5-Non-current assets held for sale.

	Accumulated			Quarter		
	Audited 2022	Reclassified		Audited 2022	Reclassified	
Income from discontinued operations	sept 2022	sept 2022		sept 2022	sept 2022	
<b>Income</b>						
Premiums written	19,519,337	18,099,267	1,420,070	6,982,941	5,562,871	1,420,070
Retained premiums (net)	16,676,581	15,462,982	1,213,599	5,876,229	4,662,630	1,213,599
Retained premiums earned	16,469,408	15,373,368	1,096,040	5,763,412	4,667,372	1,096,040
		-	-		-	-
<b>Total income</b>	<b>22,284,849</b>	<b>20,739,737</b>	<b>1,545,113</b>	<b>7,850,857</b>	<b>6,305,744</b>	<b>1,545,113</b>
		-	-		-	-
Costs and Expenses		-	-		-	-
<b>Total costs and expenses</b>	<b>(19,930,923)</b>	<b>(18,381,418)</b>	<b>(1,549,505)</b>	<b>(7,177,767)</b>	<b>(5,628,262)</b>	<b>(1,549,505)</b>
		-	-		-	-
<b>Operating profit</b>	<b>2,353,926</b>	<b>2,358,319</b>	<b>(4,392)</b>	<b>673,090</b>	<b>677,482</b>	<b>(4,392)</b>
		-	-		-	-
<b>Financial income</b>	<b>(722,788)</b>	<b>(716,684)</b>	<b>(6,104)</b>	<b>(234,330)</b>	<b>(228,226)</b>	<b>(6,104)</b>
		-	-		-	-
<b>Income before taxes</b>	<b>1,631,138</b>	<b>1,641,635</b>	<b>(10,496)</b>	<b>438,760</b>	<b>449,256</b>	<b>(10,496)</b>
Income taxes	(193,497)	(228,705)	35,209	(46,330)	(81,539)	35,209
<b>Net income from continuing operations</b>	<b>1,437,641</b>	<b>1,412,930</b>	<b>24,713</b>	<b>392,430</b>	<b>367,717</b>	<b>24,713</b>
Net income from discontinued operations	19,996	44,707	(24,713)	20,728	45,441	(24,713)
<b>Net income attributable to:</b>	<b>1,457,637</b>	<b>1,457,637</b>	<b>-</b>	<b>413,158</b>	<b>413,158</b>	<b>-</b>
Controlling shareholders	1,387,258	1,387,258	-	400,304	400,304	-
Non-controlling shareholders	70,379	70,379	-	12,854	12,854	-

**September 2022**

The company Aseguradora de Créditos y Garantías S.A., domiciled in Argentina, in which Suramericana held a direct participation of 40.25%, is mainly engaged in the surety insurance business; meanwhile, Atlantis Sociedad Inversora S.A., is an investment company domiciled in the same country, through which Suramericana also indirectly held 59.74% of the shares of Aseguradora de Créditos y Garantías S.A. Both companies were acquired by Suramericana in 2016 through the acquisition process of the operations of Royal and Sun Alliance in Latin America.

On March 18, 2022, Suramericana entered into a purchase and sale agreement with Alberto Daniel Serventich and José Urtubey and Marcelo Rubén Figueiras for the disposal of 100% of the shares it directly and indirectly owned in both companies. The value of the transaction, which was closed on June 10, 2022, amounted to ARS 891 million, equivalent to COP28,060 million.

Aseguradora de Créditos y Garantías S.A. was part of the Non-Life Insurance segment, while Atlantis Sociedad Inversora S.A. was part of the Corporate segment.

The results related to the sale of both companies are described below:

	September 2022
Sales revenue	28,060
Cost of sales	(11,900)
OCI Translation and inflation adjustments	(17,154)
Result from equity method Atlantis Sociedad Inversora S.A.	84
Result of equity method of accounting Aseguradora de Créditos y Garantías S.A.	92
Total loss for the year from discontinued operations	(818)

*Habitat Adulto Mayor S.A.*

During the last quarter, the management of Grupo SURA has been making progress in the sale plan of this operation. At the end of this period, this asset complies with the conditions required by IFRS 5- Non-current assets held for sale, as of September 30, 2023, it was presented in the financial statements as Non-current assets held for sale and discontinued operation.

**NOTE 10. DIVIDENDS PAID AND DECLARED**

The General Shareholders' Meeting of Grupo SURA held on March 31, 2023, approved the following profit distribution project:

*Dividends*

An ordinary dividend of one thousand two hundred and eighty pesos (COP\$1,280) per share, on 579,228,875 common and preferred shares.

The dividend was decreed from the occasional reserve not taxed with profits generated as of January 01, 2017 for \$741,413.

Dividends declared	2023			2022		
	N° of shares	Annual pesos per share ordinary dividend COP\$	Total dividend declared	N° of shares	Annual pesos per share ordinary dividend COP\$	Total dividend declared
Ordinary shares	466,720,702	1,280	597,403	466,720,702	784	365,909
Preferred shares	112,508,173	1,280	144,010	112,508,173	784	88,206
<b>Total</b>	<b>579,228,875</b>		<b>741,413</b>	<b>579,228,875</b>		<b>454,115</b>

The dividend will be payable and paid in cash quarterly in April 2023, July 2023, October 2023 and January 2024. It will be 100% non-taxable to the shareholder.

In Colombia the distribution of dividends is made on the basis of separate financial statements.

The companies that make up Grupo SURA in Colombia are subject to the following restrictions regarding the transfer of profits or development of operations, according to Colombian Law:

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

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

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

### NOTE 11. OTHER COMPREHENSIVE INCOME

The other comprehensive income by concept as of September 2023 and 2022 is presented below:

Concept	December 2022	Movement for the period	September 2023	Non-controlling interest other comprehensive income	Total Other comprehensive income
Gain (loss) on property revaluation <sup>(1)</sup>	227,873	9,877	237,750	3,271	13,148
New defined benefit plan measures	(3,953)	-	(3,953)	-	-
Gain (loss) from investments in equity instruments and debt	(9,373)	(12,490)	(21,863)	186	(12,304)
(Loss) Gain Exchange difference on conversion <sup>(2)</sup>	4,524,266	(2,177,918)	2,346,348	(451,856)	(2,629,774)
Gain (loss) on cash flow hedges	(50,219)	6,940	(43,279)	(10,761)	(3,821)
Gain (loss) on derivative hedges of net investments in foreign operations	(365,454)	256,080	(109,374)	50,320	306,400
Share of other comprehensive income of associates and joint ventures accounted for using the equity method <sup>(3)</sup>	3,877,184	(687,937)	3,189,247	(14)	(687,951)
<b>Total net comprehensive income</b>	<b>8,200,324</b>	<b>(2,605,448)</b>	<b>5,594,876</b>	<b>(408,854)</b>	<b>(3,014,302)</b>

Concept	December 2021	Movement for the period	September 2022	Non-controlling interest other comprehensive income	Total Other comprehensive income
Gain (loss) on property revaluation <sup>(1)</sup>	264,290	(23,224)	241,066	(5,400)	(28,624)
New defined benefit plan measures	(9,768)	1	(9,767)	(1)	-
Gain (loss) from investments in equity instruments and debt	5,131	(17,107)	(11,975)	(6,807)	(23,914)
(Loss) gain foreign exchange translation differences <sup>(2)</sup>	1,870,230	1,196,734	3,066,963	241,396	1,438,130
Gain (loss) on cash flow hedges	58,874	(81,376)	(22,502)	(188)	(81,564)
Gain (loss) on derivative hedges of net investments in foreign operations	(46,549)	(129,627)	(176,175)	(25,471)	(155,098)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method <sup>(3)</sup>	2,216,319	1,237,147	3,453,465	1,128	1,238,275
<b>Total net comprehensive income</b>	<b>4,358,527</b>	<b>2,182,548</b>	<b>6,541,075</b>	<b>204,657</b>	<b>2,387,205</b>

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

<sup>(2)</sup> The conversion differences component, represents the accumulated value of exchange differences arising from the conversion to the presentation currency of Grupo SURA's foreign subsidiaries. The cumulative conversion difference will be reclassified to the results of the period, partially or totally, when the foreign operation is disposed of.

<sup>(3)</sup> The component accounts for changes in equity in associated companies and joint ventures by applying the equity method (See detail in Note 8. Investments in associated companies and joint ventures).

## NOTE 12. NON-CONTROLLING INTEREST

The following table shows summarized financial information as of September 30, 2023 and December 2022, of the main subsidiaries of Grupo SURA that have significant non-controlling interests.

	Suramericana S.A. and Subsidiaries		Sura Asset Management S.A. and Subsidiaries	
	September 2023	December 2022	September 2023	December 2022
<b>Main domicile</b>	Colombia		Colombia	
% Non-controlling interest	18.87%	18.87%	16.42%	16.42%
Ordinary income	20,427,402	25,211,263	4,442,662	3,938,386
Income from continuing operations	418,891	491,195	743,437	524,521
Income from discontinued operations	14,449	(818)	-	20,799
Other comprehensive income	(572,913)	528,175	(1,777,181)	2,205,990
Comprehensive income	(139,573)	1,018,552	(1,033,746)	2,751,310
Assets	39,596,105	41,517,197	30,505,836	31,871,391
Liabilities	33,821,310	35,227,336	18,247,765	18,176,840
Equity	5,774,795	6,289,861	12,258,071	13,694,551
Dividends paid to non-controlling interests	80,780	11,321	60,186	54,715

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

	Suramericana S.A. and Subsidiaries		Sura Asset Management S.A. and Subsidiaries		Others/ Adjustment <sup>(1)</sup>		Grupo SURA and Subsidiaries	
	September 2023	December 2022	September 2023	December 2022	September 2023	December 2022	September 2023	December 2022
Non-controlling income	82,364	93,160	204,687	177,266	68	(81)	287,119	270,345
Total comprehensive income	(27,208)	192,497	(94,573)	541,259	48	10,919	(121,733)	744,675
Equity	1,039,737	907,723	2,967,535	2,538,728	(2,153,210)	(2,407,364)	1,854,062	1,039,087
<b>Total non-controlling interests equity</b>	<b>1,094,893</b>	<b>1,193,380</b>	<b>3,077,649</b>	<b>3,257,253</b>	<b>(2,153,094)</b>	<b>(2,396,526)</b>	<b>2,019,448</b>	<b>2,054,107</b>

(1) Includes reclassification to liabilities of commitments with non-controlling interests in Note 5.2.3.

The Company has purchase option commitments for non-controlling interests, and according to the accounting policy, they are reclassified as financial liabilities, as described in Note 5.2.3.

## NOTE 13. OPERATING SEGMENTS

### 13.1. Reportable segments

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

#### Grupo SURA

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

#### Suramericana (Seguros SURA)

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

- **Life Insurance:** Companies in charge of covering risks against the individual are classified in this segment.
- **Non-life insurance:** Insurance companies covering risks other than personal injury are classified in this segment.

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

### **Sura Asset Management (Sura AM)**

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

- *Mandatory fund management:* Its main activity refers to the collection and management of contributions made by employees in individual mandatory savings accounts and, in turn, the management and payment of benefits established by the pension system.
- *Voluntary fund management:* its main activity is focused on voluntary pension savings, life annuities, among others.
- *Insurance and Annuities:* Risk management in different lines of business and the process of defining the appropriate price for such risk.

### **Others**

Includes companies dedicated to the provision of services and marketing of information processing products and services.

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

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

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

**13.2. Information about operating segments**  
**Consolidated Income Statement at September 30, 2023 by Segment**

September 2023	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	Others	Eliminations and adjustments	Total
<b>Continuing operations</b>						
<b>Income</b>						
Insurance premiums	-	13,828,359	1,928,932	-	(7,461)	<b>15,749,830</b>
Premiums for health services	-	7,018,610	-	-	(186)	<b>7,018,424</b>
<b>Premiums issued</b>	-	<b>20,846,969</b>	<b>1,928,932</b>	-	<b>(7,647)</b>	<b>22,768,254</b>
Premiums ceded in reinsurance	-	(3,440,235)	(6,712)	-	-	<b>(3,446,947)</b>
<b>Retained premiums (net)</b>	-	<b>17,406,734</b>	<b>1,922,220</b>	-	<b>(7,647)</b>	<b>19,321,307</b>
Net production reserves	-	265,006	(2,096,756)	-	-	<b>(1,831,750)</b>
<b>Retained earned premiums</b>	-	<b>17,671,740</b>	<b>(174,536)</b>	-	<b>(7,647)</b>	<b>17,489,557</b>
Return on investments	12,313	1,326,218	885,486	4,951	(598)	<b>2,228,370</b>
Net gain on investments at fair value	(9,847)	443,574	395,445	990	1,818	<b>831,980</b>
Commission Income	-	573,402	3,075,243	808	(7,535)	<b>3,641,918</b>
Sale of services	-	65,238	1,443	211,906	(50,631)	<b>227,956</b>
Gains from equity method <sup>(1)</sup>	2,048,082	(15,242)	27,736	28,681	(607,452)	<b>1,481,805</b>
Gains from sales of investments	-	6,767	130,908	-	1	<b>137,676</b>
Other income	32,160	355,705	100,937	2,709	(33,180)	<b>458,331</b>
<b>Total income</b>	<b>2,082,708</b>	<b>20,427,402</b>	<b>4,442,662</b>	<b>250,045</b>	<b>(705,224)</b>	<b>26,497,593</b>
<b>Costs and expenses</b>						
Insurance claims	-	(6,632,696)	(804,517)	-	1,128	<b>(7,436,085)</b>
Health service claims	-	(6,963,377)	-	-	1,043	<b>(6,962,334)</b>
<b>Total claims</b>	-	<b>(13,596,073)</b>	<b>(804,517)</b>	-	<b>2,171</b>	<b>(14,398,419)</b>
Reimbursement of claims	-	617,110	-	-	-	<b>617,110</b>
<b>Retained claims</b>	-	<b>(12,978,963)</b>	<b>(804,517)</b>	-	<b>2,171</b>	<b>(13,781,309)</b>
Expenses for commissions to intermediaries	-	(2,778,462)	(54,148)	(1)	7	<b>(2,832,604)</b>
Insurance costs and expenses	-	(1,175,037)	(428,122)	(1,791)	715	<b>(1,604,235)</b>
Costs of provision of services	-	(170,656)	-	(151,974)	842	<b>(321,788)</b>
Administrative expenses <sup>(2)</sup>	(51,122)	(1,064,120)	(715,919)	(24,292)	47,351	<b>(1,808,102)</b>
Employee benefits <sup>(3)</sup>	(21,926)	(1,138,297)	(617,389)	(25,760)	1,965	<b>(1,801,407)</b>
Fees	(45,094)	(179,046)	(152,997)	(1,013)	13,649	<b>(364,501)</b>
Depreciation and amortization	(1,837)	(178,230)	(296,396)	(42,614)	32,177	<b>(486,900)</b>
Other expenses	-	(22,039)	(55,115)	245	-	<b>(76,909)</b>
<b>Total costs and expenses</b>	<b>(119,979)</b>	<b>(19,684,850)</b>	<b>(3,124,603)</b>	<b>(247,200)</b>	<b>98,877</b>	<b>(23,077,755)</b>
<b>Operating profit</b>	<b>1,962,729</b>	<b>742,552</b>	<b>1,318,059</b>	<b>2,845</b>	<b>(606,347)</b>	<b>3,419,838</b>
<b>Financial Results</b>	<b>(506,311)</b>	<b>(66,109)</b>	<b>(120,503)</b>	<b>(4,400)</b>	<b>598</b>	<b>(696,725)</b>
<b>Income from continuing operations before income tax</b>	<b>1,456,418</b>	<b>676,443</b>	<b>1,197,556</b>	<b>(1,555)</b>	<b>(605,749)</b>	<b>2,723,113</b>
Provision for income tax	(478,511)	(257,552)	(454,119)	(2,473)	(124,507)	<b>(1,317,162)</b>
<b>Net gains, continued operations</b>	<b>977,907</b>	<b>418,891</b>	<b>743,437</b>	<b>(4,028)</b>	<b>(730,256)</b>	<b>1,405,951</b>
Net gains discontinued operations	-	14,449	-	387	-	<b>14,836</b>
<b>Net income</b>	<b>977,907</b>	<b>433,340</b>	<b>743,437</b>	<b>(3,641)</b>	<b>(730,256)</b>	<b>1,420,787</b>
Net income attributable to controlling shareholders	977,907	432,610	644,858	(3,707)	(918,000)	<b>1,133,668</b>
Net income attributable to non-controlling interest	-	730	98,579	66	187,744	<b>287,119</b>



(1) Includes dividend from associates for 1,161,899 and PPM from subsidiaries for 886,183, which is eliminated in the consolidation process.

### Consolidated Income Statement at September 30, 2022 by Segment

September 2022	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	Others	Eliminations and adjustments	Total
<b>Continuing operations</b>						
<b>Income</b>						
Insurance premiums	-	12,085,770	411,272	-	(9,602)	12,487,440
Premiums for health services	-	5,612,026	-	-	(197)	5,611,829
<b>Premiums issued</b>	-	<b>17,697,796</b>	<b>411,272</b>	-	<b>(9,799)</b>	<b>18,099,269</b>
Premiums ceded in reinsurance	-	(2,631,019)	(5,266)	-	-	(2,636,285)
<b>Retained premiums (net)</b>	-	<b>15,066,777</b>	<b>406,006</b>	-	<b>(9,799)</b>	<b>15,462,984</b>
Net production reserves	-	(257,890)	185,591	-	(17,314)	(89,613)
<b>Retained earned premiums</b>	-	<b>14,808,887</b>	<b>591,597</b>	-	<b>(27,113)</b>	<b>15,373,371</b>
Return on investments	817	1,034,571	404,070	(1,307)	(155)	1,437,996
Net gain on investments at fair value	1,587	104,875	(670,752)	(37,479)	283	(601,486)
Commission Income	-	463,130	1,892,608	318	(5,488)	2,350,568
Sale of Services	-	64,908	57	179,461	(41,086)	203,340
Gains from equity method <sup>(1)</sup>	1,243,451	(10,330)	(4,644)	72,555	265,048	1,566,080
Gains from sales of investments	-	(13,833)	62,919	-	1	49,087
Other income	37,606	287,362	65,648	7,936	(37,771)	360,781
<b>Total income</b>	<b>1,283,461</b>	<b>16,739,570</b>	<b>2,341,503</b>	<b>221,484</b>	<b>153,719</b>	<b>20,739,737</b>
<b>Costs and expenses</b>						
Insurance claims	-	(8,167,806)	(389,965)	-	2,567	(8,555,204)
Health service claims	-	(5,470,039)	-	-	8	(5,470,031)
<b>Total claims</b>	-	<b>(13,637,845)</b>	<b>(389,965)</b>	-	<b>2,575</b>	<b>(14,025,235)</b>
Reimbursement of claims	-	2,899,803	-	-	-	2,899,803
<b>Retained claims</b>	-	<b>(10,738,042)</b>	<b>(389,965)</b>	-	<b>2,575</b>	<b>(11,125,432)</b>
Expenses for commissions to intermediaries	-	(2,240,507)	(20,311)	-	2	(2,260,816)
Insurance costs and expenses	-	(1,014,885)	(302,370)	19	(3)	(1,317,239)
Costs of provision of services	-	(151,237)	-	(135,416)	623	(286,030)
Administrative expenses <sup>(2)</sup>	(38,440)	(907,614)	(402,684)	(16,471)	41,159	(1,324,050)
Employee benefits <sup>(3)</sup>	(19,739)	(918,395)	(429,891)	(21,504)	1,129	(1,388,400)
Fees	(32,595)	(155,295)	(82,571)	(1,158)	7,520	(264,099)
Depreciation and amortization	(1,931)	(156,618)	(225,090)	(48,177)	37,540	(394,276)
Other expenses	(2)	(5,740)	(15,202)	(133)	1	(21,076)
<b>Total costs and expenses</b>	<b>(92,707)</b>	<b>(16,288,333)</b>	<b>(1,868,084)</b>	<b>(222,840)</b>	<b>90,546</b>	<b>(18,381,418)</b>
<b>Operating profit</b>	<b>1,190,754</b>	<b>451,237</b>	<b>473,419</b>	<b>(1,356)</b>	<b>244,265</b>	<b>2,358,319</b>
<b>Financial Results</b>	<b>(371,906)</b>	<b>(129,609)</b>	<b>(213,921)</b>	<b>(1,402)</b>	<b>154</b>	<b>(716,684)</b>
<b>Income from continuing operations before income tax</b>	<b>818,848</b>	<b>321,628</b>	<b>259,498</b>	<b>(2,758)</b>	<b>244,419</b>	<b>1,641,635</b>
Provision for income tax	(8,206)	(91,890)	(133,942)	(1,790)	7,123	(228,705)
<b>Net gains continuous operations</b>	<b>810,642</b>	<b>229,738</b>	<b>125,556</b>	<b>(4,548)</b>	<b>251,542</b>	<b>1,412,930</b>
Net gains from discontinued operations	-	24,019	20,814	-	(126)	44,707

<b>Net income</b>	<b>810,642</b>	<b>253,757</b>	<b>146,370</b>	<b>(4,548)</b>	<b>251,416</b>	<b>1,457,637</b>
Net income attributable to controlling shareholders	810,642	253,271	145,612	(4,496)	182,229	1,387,258
Net income attributable to non-controlling interest	-	486	758	(52)	69,187	70,379

(1) Includes dividends from associates for 931,885 and MPP from subsidiaries for 311,566, which is eliminated in the consolidation process.

(2) The variation in administrative expenses is mainly due to the inclusion of the companies of Protección S.A. in the consolidation perimeter; additionally, in SURA there is an increase due to the increase in tax expenses associated with the issuance of premiums, as well as maintenance and repair expenses, and expenses associated with electronic data processing.

(3) The increase in employee benefits is mainly due to annual salary adjustments, in addition to severance payments and the consolidation of Protección S.A. companies.

### Consolidated Statement of Financial Position as of September 30, 2023 by segment

September 2023	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	Others	Eliminations and adjustments	Total
<b>Assets</b>						
Investments	67,402	18,902,920	18,545,000	72,958	1	37,588,281
Assets under insurance contracts	-	4,869,656	-	-	(68)	4,869,588
Assets under reinsurance contracts	-	6,302,638	2,608	-	-	6,305,246
Investments in associated companies and joint ventures	10,177,933	9,229	71,203	45,743	7,352,369	17,656,477
Goodwill <sup>(2)</sup>	-	551,502	4,835,800	23,662	1,767	5,412,731
Non-current assets held for sale	4,312,229	2,350,991	-	67,013	830,045	7,560,278
Other assets <sup>(1)</sup>	18,033,357	6,609,169	7,051,225	276,345	(16,559,539)	15,410,557
<b>Total assets</b>	<b>32,590,921</b>	<b>39,596,105</b>	<b>30,505,836</b>	<b>485,721</b>	<b>(8,375,425)</b>	<b>94,803,158</b>
<b>Liabilities</b>						
Financial liabilities	1,430,133	481,530	2,369	17,223	(1)	1,931,254
Liabilities under insurance contracts	-	24,195,860	11,710,768	-	(881)	35,905,747
Other accounts payable and accounts payable to related parties	516,765	2,073,124	731,460	45,111	(199,862)	3,166,598
Issued bonds and preferred shares	4,102,111	599,170	3,507,042	-	-	8,208,323
Other liabilities	577,259	6,471,626	2,296,126	76,544	3,045,460	12,467,015
<b>Total liabilities</b>	<b>6,626,268</b>	<b>33,821,310</b>	<b>18,247,765</b>	<b>138,878</b>	<b>2,844,716</b>	<b>61,678,937</b>
<b>Total equity</b>	<b>25,964,653</b>	<b>5,774,795</b>	<b>12,258,071</b>	<b>346,843</b>	<b>(11,220,141)</b>	<b>33,124,221</b>
<b>Total equity and liabilities</b>	<b>32,590,921</b>	<b>39,596,105</b>	<b>30,505,836</b>	<b>485,721</b>	<b>(8,375,425)</b>	<b>94,803,158</b>

### Consolidated Statement of Financial Position as of December 31, 2022 by segment

December 2022	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	Others	Eliminations and adjustments	Total
<b>Assets</b>						
Investments	83,577	18,847,731	16,955,131	86,622	(1)	35,973,060
Assets under insurance contracts	-	6,853,345	-	-	(53)	6,853,292
Assets under reinsurance contracts	-	8,024,477	2,079	-	(1)	8,026,555
Investments in associated companies and joint ventures	14,490,162	23,027	75,834	45,743	8,590,013	23,224,779
Goodwill <sup>(2)</sup>	-	728,794	5,637,635	24,950	1,768	6,393,147
Non-current assets held for sale	-	6,004	-	-	-	6,004

Other assets <sup>(1)</sup>	19,448,093	7,033,819	9,200,712	358,763	(18,124,759)	<b>17,916,628</b>
<b>Total assets</b>	<b>34,021,832</b>	<b>41,517,197</b>	<b>31,871,391</b>	<b>516,078</b>	<b>(9,533,033)</b>	<b>98,393,465</b>
<b>Liabilities</b>						
Financial liabilities	839,980	257,065	3,133	15,359	1	<b>1,115,538</b>
Liabilities under insurance contracts	-	28,003,329	10,718,526	-	(564)	<b>38,721,291</b>
Other accounts payable and accounts payable to related parties	193,629	1,786,606	751,476	48,753	(53,670)	<b>2,726,794</b>
Issued bonds and preferred shares	4,829,470	859,656	4,108,747	-	1	<b>9,797,874</b>
Other liabilities	456,664	4,320,680	2,594,958	66,893	2,810,951	<b>10,250,146</b>
<b>Total liabilities</b>	<b>6,319,743</b>	<b>35,227,336</b>	<b>18,176,840</b>	<b>131,005</b>	<b>2,756,719</b>	<b>62,611,643</b>
<b>Total equity</b>	<b>27,702,089</b>	<b>6,289,861</b>	<b>13,694,551</b>	<b>385,073</b>	<b>(12,289,752)</b>	<b>35,781,822</b>
<b>Total equity and liabilities</b>	<b>34,021,832</b>	<b>41,517,197</b>	<b>31,871,391</b>	<b>516,078</b>	<b>(9,533,033)</b>	<b>98,393,465</b>

Intersegment income is eliminated in consolidation and is reflected in the "eliminations" column.

(1) Other accounts receivable: The variation is due to an increase in accounts receivable, payments on account of consumer customers, sundry, advances to contract and suppliers.

(1) Other intangible assets: The variation corresponds mainly to the reclassification of non-current assets held for sale of the operations of SURA Salvador and SURA Argentina.

(2) The variation corresponds mainly to the behavior of the currencies of the countries where the goodwill is allocated.

### 13.3. Geographical information

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

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

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Colombia	18,666,576	14,754,325	6,006,528	5,028,197
Chile	3,494,269	2,727,182	1,078,169	931,644
Mexico	1,978,373	1,522,068	569,270	574,095
Brazil	647,589	525,749	227,619	187,397
Uruguay	479,361	349,618	157,638	134,844
Panama	456,501	380,589	157,417	159,979
Peru	396,145	286,282	118,499	113,383
Dominican Republic	247,839	195,447	84,109	76,773
El Salvador	149,741	53	(265,380)	(230,063)
Argentina	22,203	10,782	(714,818)	(647,017)
United States	275	1	152	1
Bermuda	(41,279)	(12,359)	(31,635)	(23,489)
<b>Total</b>	<b>26,497,593</b>	<b>20,739,737</b>	<b>7,387,568</b>	<b>6,305,744</b>

As of September 2023, and 2022, the Group has no customers representing 10% or more of consolidated revenues.

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

	September 2023	December 2022
Colombia	74,731,837	70,587,569
Chile	10,044,446	14,883,746
Mexico	3,219,893	3,970,585
Argentina	1,666,681	2,036,941
Brazil	1,158,136	1,378,969
Panama	870,790	1,074,682
El Salvador	746,452	977,608
Uruguay	742,142	1,017,522
Dominican Republic	677,329	923,435
Bermuda	478,250	480,778
Peru	465,837	1,058,877
United States	1,365	2,753
<b>Total</b>	<b>94,803,158</b>	<b>98,393,465</b>

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

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Chile	536,748	395,291	210,912	131,715
Colombia	380,456	954,771	(22,387)	196,545
Mexico	265,873	105,210	65,150	69,191
Peru	106,611	24,893	31,511	25,786
El Salvador	78,678	14,956	26,738	5,427
Argentina	30,947	14,044	725	(2,293)
Uruguay	18,892	114	5,844	2,201
Brazil	7,956	(1,371)	2,298	(2,643)
Dominican Republic	3,507	(4,207)	1,217	(3,925)
Panama	(2,060)	(47,476)	10,582	(10,006)
United States	(3,302)	(1,295)	(949)	(658)
Bermuda	(3,519)	2,709	(3,719)	1,818
<b>Total</b>	<b>1,420,787</b>	<b>1,457,639</b>	<b>327,922</b>	<b>413,158</b>

**NOTE 14. COMMISSION INCOME AND EXPENSES**

**14.1. Commission income**

Commission income for Grupo SURA is detailed below:

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Management of mandatory pension funds <sup>(1)</sup>	2,431,663	1,578,480	765,160	554,803
Gains on disposals	548,590	430,000	166,908	131,543
Management of voluntary pension funds <sup>(1)</sup>	349,969	60,688	116,465	20,915
Others <sup>(2)</sup>	306,675	271,188	96,873	96,586
Participation in gains of reinsurers	4,945	9,512	1,822	2,595
Insurance commission income	76	88	10	34
Reinsurance income/cancellations	-	612	-	-
<b>Total</b>	<b>3,641,918</b>	<b>2,350,568</b>	<b>1,147,238</b>	<b>806,476</b>

<sup>(1)</sup> As of September 2023, the companies Protección S.A. of Colombia and AFP Crecer of El Salvador are included within the consolidation perimeter; as of September 2022, these companies were not consolidated.

<sup>(2)</sup> Includes mainly income from the management of Sura Investments' client portfolio.

**14.2. Expenses for commissions paid to intermediaries**

The detail of commissions paid to intermediaries is presented below:

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Deferred acquisition cost (DAC)*	(959,948)	(703,121)	(226,344)	(231,262)
Property and casualty insurance <sup>(1)</sup>	(691,303)	(582,291)	(53,451)	(27,168)
Insurance administration	(484,571)	(448,904)	(172,072)	(161,505)
Affinity Commissions	(218,396)	(138,684)	(71,478)	(51,498)
Profit Sharing Affinity	(167,794)	(138,954)	(52,282)	(48,603)
Occupational risk	(91,075)	(78,817)	(31,746)	(27,506)
Collection commissions (collection) <sup>(2)</sup>	(89,325)	(46,188)	(21,546)	(9,972)
Employee benefits	(60,281)	(53,537)	(20,517)	(995)
Social security insurance	(18,517)	(16,477)	(6,170)	(5,776)
Brokerage commissions	(16,819)	(17,837)	(5,523)	(6,550)
Commissions for sales and services	(9,385)	(7,533)	(3,480)	(2,497)
Commissions for data processing and collection of contributions	(9,376)	(7,703)	(2,679)	(2,531)
Rebates paid	(5,629)	(4,983)	(1,774)	(1,660)
Accepted coinsurance	(5,249)	(3,242)	(2,418)	(4,875)
Advisory bonuses	(3,751)	(8,009)	(1,383)	(4,741)
Acceptance fees	(683)	(671)	(408)	(172)
Profit Sharing Advisors	(500)	-	-	-
Mandatory insurance	(2)	(3,865)	-	(1,469)
<b>Total</b>	<b>(2,832,604)</b>	<b>(2,260,816)</b>	<b>(673,271)</b>	<b>(588,780)</b>

<sup>(1)</sup> The variation is explained by the increases presented in the production received in Life Insurance and General Insurance Colombia, which generates a higher payment of commissions and General Insurance Chile where the increase in commissions is in line with an increase in issuance, compared to the third quarter of the previous year, associated with different solutions, mainly home, mortgage, cargo, severance and commercial property.

<sup>(2)</sup> The increase is due to the massive new business and the increase in the premium of business in the same line of business.

**NOTE 15. FINANCIAL RESULT**

Financial income and expenses as of September 30, 2023 and 2022 are detailed below:

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Earnings at fair value – Derivatives <sup>(1)</sup>	10,113	35,743	(3,669)	28,898
Exchange difference (net) <sup>(2)</sup>	109,684	(45,756)	36,081	(12,054)
Interests <sup>(3)</sup>	(816,522)	(706,671)	(262,890)	(245,070)

<b>Total</b>	<b>(696,725)</b>	<b>(716,684)</b>	<b>(230,478)</b>	<b>(228,226)</b>
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(1) Corresponds to the valuation of trading derivatives Note 5.2.1.2.

(2) Corresponds to net exchange difference on financial liabilities. Includes the application of hedge accounting. (The variation is mainly due to the decrease in the exchange rate from one period to another).

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

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Bond issued	(513,728)	(459,213)	(151,869)	(168,078)
Bank loans	(115,336)	(60,359)	(45,804)	(26,009)
Hedging operations	(105,578)	(89,135)	(38,658)	(25,391)
Preferred shares	(30,182)	(30,190)	(10,170)	(10,173)
Financial leasing	(27,368)	(20,797)	(4,166)	(3,804)
Debt securities	(5,382)	(32,426)	(3,494)	(7,615)
Repo operations	(3,536)	(3,370)	(1,902)	(1,558)
<b>Subtotal</b>	<b>(801,110)</b>	<b>(695,490)</b>	<b>(256,063)</b>	<b>(242,628)</b>
Others <sup>(1)</sup>	(15,412)	(11,181)	(6,827)	(2,442)
<b>Total*</b>	<b>(816,522)</b>	<b>(706,671)</b>	<b>(262,890)</b>	<b>(245,070)</b>

(1) Includes return on Protección funds and loans to employees.

\* Corresponds mainly to an increase in interest on bank loans and interest on securities issued.

## NOTE 16. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the income for the period attributable to shareholders, by the weighted average number of common shares outstanding during the period

The calculation of basic earnings per share is detailed below:

	Accumulated		Quarter	
	September 2023	September 2022	September 2023	September 2022
Profit, net	1,420,787	1,457,637	327,922	413,158
Non-controlling profit	287,119	70,379	17,411	12,854
<b>Profit of controlling shareholder</b>	<b>1,133,668</b>	<b>1,387,258</b>	<b>310,511</b>	<b>400,304</b>
Profit, net of discontinued operations	14,836	44,707	14,836	45,439
Profit, net of non-controlling discontinued operations	2,727	3,418	2,727	3,404
<b>Profit, net from discontinued operations of controlling shareholder</b>	<b>12,109</b>	<b>41,289</b>	<b>12,109</b>	<b>42,035</b>
Plus: Preferred stock interest expense <sup>(1)</sup>	30,182	30,190	10,170	10,173
Less: Undistributed earnings to preferred stockholders <sup>(2)</sup>	(226,064)	(275,322)	(178,327)	(150,804)
<b>Profit from continuing operations</b>	<b>925,677</b>	<b>1,100,837</b>	<b>130,245</b>	<b>217,638</b>
Ordinary shares	466,720,702	466,720,702	466,720,702	466,720,702
<b>Earnings per share from continuing operations</b>	<b>1,983</b>	<b>2,359</b>	<b>588</b>	<b>655</b>
<b>Earnings per share discontinued operations</b>	<b>26</b>	<b>88</b>	<b>(6)</b>	<b>-</b>
Number of shares to be issued from commitments with non-controlling interests	30,419,944	21,479,930	(348,455)	(4,232,880)
<b>Ordinary shareholder's gain from continuing operations with dilutive effects</b>	<b>972,083</b>	<b>1,118,588</b>	<b>291,364</b>	<b>315,976</b>
<b>Earnings per share diluted earnings per share from continuing operations</b>	<b>1,955</b>	<b>2,291</b>	<b>587</b>	<b>661</b>
<b>Earnings per share diluted earnings per share discontinued operations</b>	<b>24</b>	<b>85</b>	<b>24</b>	<b>86</b>

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

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

Diluted earnings per share is calculated by adjusting the average number of common and preferred shares outstanding to simulate the conversion of all potential dilutive common shares.

Within the commitments with non-controlling interest described in Note 5.2.3 there could be a dilutive effect, for the agreement with CDPQ that can be settled with shares of the Company, after the end of the Lock Up (10 years after the signing of the Agreement), in the event that it is decided to pay with common shares of Grupo SURA, the diluted effect on earnings per share as of September 30, 2023 is \$ 28 and \$ 67 as of September 30, 2022.

For the agreement with Grupo Bolivar the dilutive effect is not calculated considering that the agreement does not contemplate settlements with common shares.

### **NOTE 17. RISK MANAGEMENT (UNAUDITED)**

Below are the main risks around which Grupo SURA, Suramericana and SURA Asset Management (hereinafter the Companies) prioritize and focus their management, grouped into three categories: Financial risks, business risks, systemic risk and operational risks.

#### **Financial Risk Management**

Financial risk refers to the possibility that companies' results and capital structure may be affected by variations in asset prices, non-payment of their obligations by third parties, or risk situations derived from the environment.

Additionally, for Grupo Empresarial SURA it is essential to have optimal capital structures and adequate levels of capital, in order to enable compliance with the obligations acquired with its stakeholders, as well as the consolidation and expansion strategies of the Companies. For this reason, management systems are required to monitor and manage exposure to the different financial risks (credit, market and liquidity risks) arising from treasury operations, investment portfolios and the management of third-party portfolios.

Below, the main financial risks will be characterized and the exposures to them in the different activities developed by the Companies that make up the Business Group will be detailed. In this analysis, credit risk, market risks (currency, interest rate, inflation and asset price) and liquidity risk will be taken into account.

#### **1. Crédito Risk Management**

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. For this purpose, policies and procedures have been defined to facilitate the analysis and follow-up of issuers and counterparties in order to mitigate the exposure to this risk in the resources managed in the treasury, the portfolios of insurance companies and third-party funds.

Note 5.1.2. Impairment of financial assets

Note 6.1 Transactions with local and international counterparties insurance contract assets and Note 6.4 Insurance contract liabilities.

**1.1 Risk Management in treasuries:**

In the Companies' treasuries, risk mitigation policies provide guidelines to ensure that investments are aligned with the use of resources and always backed by issuers and/or managers with adequate credit backing.

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

With respect to the credit risk in derivative instruments positions, the Companies have as counterparty local and international banks with adequate credit ratings. At the same time, it is important to highlight that the valuation of financial derivative contracts incorporates the counterparty risk adjustment through the CVA and DVA factor calculated.

**1.2 Credit Risk Management:**

The insurance companies, when managing the investment portfolios that support the technical reserves, manage the exposure to credit risk through policies for the allocation of quotas, limits and controls, which in turn are accompanied by methodologies and procedures that allow characterizing, quantifying and monitoring the evolution of this risk in the different assets of the portfolio. These methodologies contemplate quantitative and qualitative analyses that allow obtaining a comprehensive understanding of the strength and financial conditions of issuers, counterparties and investment managers. As a result, these portfolios are mostly invested in fixed income instruments, with a significant exposure to sovereign instruments.

In order to provide a uniform scale that allows for comprehensive comparisons and analysis of the exposure to this risk, the ratings are restated on an international scale, based on the sovereign ratings issued by S&P, Fitch and Moody's. The rating selection methodology consists of taking the best rating from the three sources, provided that such rating has been issued within the last three months. Otherwise, the most recent rating available from any of the three rating agencies is taken.

The following table presents a detail of the distribution of the Companies' fixed-income financial assets by credit rating (International Scale):

Fixed Income Assets by Credit Rating - September 2023 (International Scale)												
	Suramericana										SURA AM	
	Argentina	Brazil	Chile	Colombia	El Salvador	Mexico	Panama	Dom Rep	Uruguay	Bermuda	Chile	Colombia
Rating	CCC-	BB-	A-	BB+	CC	BBB	BBB	BB	BBB	A	A+	BB+
<b>Government</b>	50%	73%	21%	48%	9%	79%	0%	30%	71%	0%	21%	87%
<b>AAA</b>	0%	0%	0%	1%	0%	0%	0%	0%	11%	0%	0%	0%
<b>AA+</b>	0%	0%	0%	0%	3%	0%	7%	0%	0%	23%	0%	0%
<b>AA</b>	0%	0%	0%	0%	0%	0%	0%	0%	6%	0%	0%	0%
<b>AA-</b>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>A+</b>	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%
<b>A</b>	0%	0%	0%	0%	0%	0%	1%	0%	1%	35%	16%	0%
<b>A-</b>	0%	0%	44%	0%	0%	0%	0%	0%	2%	0%	0%	12%
<b>BBB+</b>	0%	0%	9%	1%	0%	0%	2%	0%	1%	6%	0%	1%
<b>BBB</b>	0%	0%	12%	0%	0%	0%	7%	0%	5%	0%	56%	0%
<b>BBB-</b>	0%	0%	9%	0%	0%	13%	8%	0%	3%	0%	0%	0%



<b>BB+</b>	0%	0%	1%	38%	0%	1%	22%	0%	0%	36%	0%	0%
<b>BB</b>	0%	0%	0%	6%	0%	5%	0%	3%	0%	0%	6%	0%
<b>BB-</b>	0%	18%	0%	5%	0%	2%	0%	17%	0%	0%	0%	0%
<b>Others</b>	50%	9%	4%	1%	88%	0%	52%	50%	0%	0%	1%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Fixed Income Assets by Credit Rating - December 2022 (International Scale)**

Rating	Suramericana								SURA AM			
	Argentina	Brazil	Chile	Colombia	El Salvador	Mexico	Panama	Dom Rep	Uruguay	Bermuda	Chile	Colombia
	CCC	BB-	A-	BB+	B-	BBB-	BBB	BB-	BBB	A	A+	BB+
<b>Government</b>	65%	65%	19%	39%	9%	77%	0%	43%	59%	8%	23%	70%
<b>AAA</b>	0%	0%	0%	0%	0%	0%	3%	0%	2%	0%	0%	0%
<b>AA+</b>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>AA</b>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>AA-</b>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>A+</b>	0%	0%	0%	0%	0%	0%	0%	0%	7%	7%	0%	0%
<b>A</b>	0%	0%	45%	0%	0%	0%	3%	0%	1%	1%	18%	0%
<b>A-</b>	0%	0%	7%	0%	0%	0%	0%	0%	7%	7%	0%	0%
<b>BBB+</b>	0%	0%	11%	0%	0%	0%	2%	0%	7%	10%	0%	0%
<b>BBB</b>	0%	0%	12%	0%	1%	0%	8%	0%	13%	9%	54%	0%
<b>BBB-</b>	0%	0%	1%	0%	0%	15%	15%	0%	4%	0%	0%	0%
<b>BB+</b>	0%	0%	0%	10%	0%	4%	8%	0%	0%	53%	0%	27%
<b>BB</b>	0%	0%	0%	48%	0%	2%	30%	0%	0%	0%	5%	2%
<b>BB-</b>	0%	35%	1%	0%	0%	2%	0%	0%	0%	5%	0%	1%
<b>Others</b>	35%	0%	4%	3%	90%	0%	31%	57%	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

In the case of the "Other" category, there are Securities with an investment-grade local rating, which, when re-expressed on an international scale, are rated lower than BB- due to the sovereign rating of these countries.

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

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

It is important to note that, at the end of each reporting period, companies assess whether it is probable that a financial asset or group of financial assets measured at amortized cost or available-for-sale may be impaired.

To recognize the impairment loss, companies reduce the carrying amount of the associated asset and recognize the loss in profit or loss. If in subsequent periods, the value of the impairment loss decreases and the decrease could be objectively related to an event occurring after the impairment was recognized, the previously recognized impairment loss must be reversed.

Therefore, from the subsidiaries Seguros de Vida Suramericana S.A. and Seguros Generales Suramericana S.A., at the end of September 2023, there was a high accounting impairment as reported in the Financial Statements. This is associated to the investments in TIGO/UNE bonds due to the operational and financial deterioration that this issuer has been suffering. It is important to note that this situation was present in the risk analysis of the companies and decisions had been taken.

*Credit risk in exposures with financial derivatives:*

The following table presents the detail of financial derivative exposures of the Companies, by credit rating:

Net exposure in financial derivatives			
Bank	Rating	September 2023	December 2022
Merrill Lynch International	A+	49,184	105,004
Citibank N.A.	A+	61,971	105,271
JP Morgan Chase Bank, N.A.	A+	112,202	257,080
Morgan Stanley & Co International PLC	A+	11,963	-
Goldman Sachs International	A+	30,956	98,243
Santander	A+	2,036	-
Davivienda S.A.	BB+	(23,910)	-
BBVA S.A.	BB+	(2,005)	(6,879)
Bancolombia S.A.	BB+	(6,303)	(191)

Exposure in financial derivatives by counterparty			
Suramericana – Seguros SURA Colombia			
Counterparty	International rating	September 2023	December 2022
Banco JP Morgan Colombia S.A.	BB+	2,270	(5,793)
Banco de Comercio Exterior de Colombia S.A.	BB+	(9)	(7,081)
Banco de Bogotá S. A.	BB+	2,212	128
Citibank Colombia	BB+	(306)	(12,358)
Banco Davivienda S.A.	BB+	6,461	(3,988)
Banco Itaú Corpbanca Colombia S.A.	BB+	(939)	(151)
Goldman Sachs	AA	6,834	(14,155)
JP Morgan Chase & Co	A-	849	(43,398)

**1.3 Credit Risk Management in Third Party Resource Management**

In its activity of Third-Party Resource Management and in compliance with its fiduciary duty, the management of the funds includes a due diligence process for the issuers, counterparts, and fund managers, in which they are invested.

For this, it has independent risk teams, both functionally and organizationally, from the investment areas. These teams are responsible for monitoring the investment portfolios, monitoring levels of market risk,

credit, liquidity, and other circumstances that may have a negative impact on the return of the portfolios. It is the responsibility of the risk team to warn about the possible breach of the defined limits, both internal and regulatory, and raise said alerts to the Risk Committee to order the necessary corrections.

#### 1.4 Impairment of assets and accounts receivable

The Companies periodically analyze the existence of impairment indicators and, if necessary, recognize impairment losses in the associated account.

As defined in IFRS 9, impairment is recognized as the expected or prospective loss of financial assets, considering a 12-month or whole-life approach to the instrument. In the Companies, both approaches will be applied, based on the type of instrument and the credit conditions of the counterparty.

Specifically, for accounts receivable of associates with the client portfolio, the Companies use the general or 12-month approach considering the nature of the policies and the cancellations associated to them. Based on available historical information, an impairment percentage is calculated for each default level. A percentage that is applied prospectively from the initial moment of the portfolio and is updated over time.

For accounts receivable derived from reinsurance contracts, generally for the entire region, the individual financial strength of each reinsurer is reviewed and the percentage of impairments, associated with each, is estimated. Each subsidiary, according to its market characteristics can consider the payment agreements already established. The percentages are updated in a general manner for all subsidiaries annually.

On the other hand, given that the volume of negotiation of the Company, through coinsurance contracts, is not a relevant item, and that additionally, the accounts receivable associated with this, are not representative of the total accounts receivable. Each subsidiary uses the criteria obtained in the accounts receivable model of the client portfolio.

Finally, for portfolio investments, the financial strength of each counterparty is analyzed through the Credit Risk Process of each subsidiary and "default" probabilities published by international risk rating agencies, are used, in order to maintain a prospective approach, in the calculation.

It is important to highlight that, regarding the operations of third-party funds administration, securities brokerage, and insurance, considering the accounting policy for the recognition of income and the valuation of financial instruments, the entry into force of IFRS 9 did not impact the financial statements or on the equity position of the Companies.

## 2. Market Risk Management

Market risk management seeks to mitigate the impact of variations in market prices, on the value of the portfolios that are managed and the revenues of the Companies.

For this, both the portfolios of insurers and the processes of portfolio management, and third-party resources, Market Risk Management Systems have, through which the exposures are identified, measured, and monitored. These systems are composed of a set of policies, procedures, and internal monitoring and control mechanisms that allow for the integral management of this risk.

In turn, the Companies periodically estimate the impact that fluctuations in variables such as interest rates, exchange rates and asset prices may have on the results of the year in question. In addition, in order to mitigate the exposure to these risks and the volatility that characterizes them, the Company determines the convenience of developing hedging schemes with financial derivatives.

## 2.1 Market Risk Management in Treasuries

In the Companies' treasury, market risk management focuses on exposures to currency risk and interest rate risk derived from financial debt.

The market risk in **Grupo SURA**, is mainly generated by the following factors and activities:

- The liquidity management, in the treasury, through the exposure that the collective portfolios, and issuers of fixed income instruments, have. These activities do not generate a significant market risk, due to their nature of low volatility assets.
- Financial liabilities contracted in foreign currency and those tied to variable rates, which result in an exposure to exchange rate risk and fixed or variable interest rate.
- Operations with financial derivative instruments structured as hedging mechanisms for the financial liabilities that comprise the Company's obligations.

During the period, the treasury of Grupo SURA carried out exchange rate hedges to cover some options that, given the devaluation of the Colombian peso, were uncovered due to the level reached.

In the case of **Suramericana S.A.**, it has the following exposures to market risk:

- Suramericana has, within its accounts, liquidity positions that it handles in accordance with the obligations presented with the different interest groups. In this way, and in accordance with the dividend and capitalization schedules, as well as the commitment acquired in the capital market, resources are managed in Colombian pesos and in US dollars, seeking to optimize exchange risk and take advantage of short-term returns. In this way and taking into account that all the subsidiaries of Suramericana S.A. operate in different countries, with different functional currencies, a foreign exchange risk is generated when exchanging flows between the subsidiaries and Suramericana SA, either due to concepts of capitalization, undercapitalization, and dividend distribution.
- On the other hand, and as a result of the issuance made in 2016 in the Colombian public securities market of ordinary bonds for \$ 1 billion pesos, the Company is exposed to inflation risk in Colombian pesos. This risk is mitigated to a great extent with the revenues from the Insurance operation in Colombia, which are denominated in Colombian pesos.

For their part, **SURA Asset Management**, from the treasuries, has the following exposure to market risk:

- The different business units have unrestricted capital constituted with retained earnings. The investment of such capital is mainly in fixed-income assets, mutual funds, cash and banks, aligned with the uses to which they will be put, including dividend payments or reinvestment in the business units in accordance with their strategic plans.
- Currency risk: it has been decided to maintain unrestricted capital invested in local currencies in accordance with their planned uses.
- On the other hand, within the Capital Structure of SURA Asset Management, there is a debt component composed of a bond issued in the international market and bank debt. Since most of the debt is denominated in USD, this generates an exchange rate matching risk, since the financial results of the subsidiaries of SURA Asset Management are in local currencies and there is an exchange rate risk for their transfer to SURA Asset Management.

## 2.2 Market Risk Management

In Suramericana, for the management of market risk, in the portfolios of the Insurers, methodologies, limits, and/or alerts are established, in accordance with the internal policies and the rules applicable to each of the countries, where the Companies are present. In addition, the companies carry out the construction and joint formulation of methodologies that ensure joint management of assets and liabilities (Asset Liability Management - ALM), allowing for the identification and management of market risks, with a comprehensive view, of the balance. Other measures that are taken into account for the management of this risk are: Value at Risk, Sensibilities, and Simulations.

For its part, SURA Asset Management performs market risk management, framed in a process of joint Asset and Liability Management (ALM), dynamic, and continuous. This process starts with the analysis of the liabilities profile of SURA Asset Management, and is based on, the appetite for risk and return. A strategic allocation of assets is determined, which takes into account its feasibility of implementation, based on market conditions (liquidity and depth) and the distribution of the current investment portfolio (especially in relation to the maturity term and accrual rates).

### Exposure to currency in the portfolios of insurers

The currency exposures of the portfolios of the insurers are presented below.

Assets, in each Country, by type of currency – September 2023					
Suramericana					
Country	Local currency *	Real local currency **	USD	Other	Total
Argentina	30%	0%	70%	0%	100%
Bermuda	0%	0%	100%	0%	100%
Brazil	100%	0%	0%	0%	100%
Chile	15%	85%	0%	0%	100%
Colombia	54%	41%	5%	0%	100%
El Salvador	0%	0%	100%	0%	100%
Mexico	64%	18%	18%	0%	100%
Panama	0%	0%	100%	0%	100%
Dominican Republic	85%	0%	15%	0%	100%
Uruguay	74%	1%	25%	0%	100%
SURA Asset Management					
Country	Local currency *	Real local currency **	USD	Other	Total
Chile	2%	98%	0.0%	0%	100%
Colombia	17%	83%	0.0%	0%	100%

  

Assets, in each Country, by type of currency – December 2022					
Suramericana					
Country	Local currency *	Real local currency **	USD	Other	Total
Argentina	43%	0%	57%	0%	100%
Bermuda	0%	0%	100%	0%	100%

<b>Brazil</b>	100%	0%	0%	0%	<b>100%</b>
<b>Chile</b>	1%	97%	2%	0%	<b>100%</b>
<b>Colombia</b>	58%	37%	5%	0%	<b>100%</b>
<b>El Salvador</b>	0%	0%	100%	0%	<b>100%</b>
<b>Mexico</b>	68%	19%	13%	0%	<b>100%</b>
<b>Panama</b>	0%	0%	100%	0%	<b>100%</b>
<b>Dominican Republic</b>	80%	0%	20%	0%	<b>100%</b>
<b>Uruguay</b>	47%	21%	32%	0%	<b>100%</b>

**SURA Asset Management**

<b>Country</b>	<b>Local currency *</b>	<b>Real local currency **</b>	<b>USD</b>	<b>Other</b>	<b>Total</b>
<b>Chile</b>	2%	98%	0%	0%	<b>100%</b>
<b>Colombia</b>	41%	46%	13%	0%	<b>100%</b>

This table includes the Unit Linked funds (product of insurance and savings component offered by insurers of SURA Asset Management), because they are included in the financial statements of the Companies, even though the risk of the performance of the investment is assumed by the insured.

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

\*\* Real local currency: Colombia - UVR, Chile - UF, Mexico - UDI, Peru - Soles VAC, Uruguay- UI.

**Analysis of sensitivity to exchange rate risk in the portfolios of the insurers**

The following is a sensitivity analysis that measures the impact that a change in the exchange rate would have on the Companies.

The methodology used to perform the exchange rate sensitivity analysis was based on the Company's foreign currency exposure on both the asset and liability sides of the Company's balance sheet, evaluating a -10% variation in the exchange rate.

The net income obtained, is as follows:

<b>Exchange rate sensitivities</b>		
<b>Suramericana</b>		
<b>(-10%) in Exchange Rate</b>	<b>September 2023</b>	<b>December 2022</b>
<b>Argentina</b>	(28,402)	(48,324)
<b>Bermuda</b>	-	-
<b>Brazil</b>	(314)	349
<b>Chile</b>	(1,485)	20,550
<b>Colombia</b>	(11,464)	(21,767)
<b>El Salvador</b>	-	-
<b>Mexico</b>	(2,931)	(1,133)
<b>Panama</b>	-	-
<b>Dominican Republic</b>	(1,253)	(5,023)
<b>Uruguay</b>	299	39
<b>Total</b>	<b>(45,550)</b>	<b>(55,309)</b>
<b>SURA Asset Management</b>		
<b>(-10%) in Exchange Rate</b>	<b>September 2023</b>	<b>December 2022</b>

<b>Chile</b>	0	-
<b>Colombia</b>	0	(81,206)
<b>Total</b>	<b>0</b>	<b>(81,206)</b>

For the management of exchange rate risk, the Companies realized their hedging operations, in accordance with the guidelines, issued by their Board of Directors and/or their business strategies.

A percentage of the investments of Suramericana S.A.'s subsidiaries in Colombia present changes in their fair value attributed to foreign currency exposure and/or interest rate risk. With this in mind, they implement hedge accounting in order to back up the reserves with derivative products, seeking to mitigate the impact on the fair value of the financial instruments due to exchange rate and interest rate. The Company hedged the following instruments for the following amounts:

- Global Bond in dollars maturing in April 2027 with semiannual coupon payment of 14.81%. The amount of the hedge is USD 1,000,000.
- Republic of Colombia bond maturing in September 2037 with a semiannual coupon payment of 8.145%. The amount of the hedge is USD 3,000,000.
- Republic of Colombia bond maturing in September 2037 with semiannual coupon payment of 8.875%. The amount of the hedge is USD 3,000,000.
- Republic of Colombia bond maturing in September 2037 with semiannual coupon payment of 8.930%. The amount of the hedge is USD 3,000,000.

*Sensitivity analysis on Grupo SURA's exposure to exchange rate risk*

A sensitivity analysis is presented below to estimate the impact generated by variations in the exchange rate on liabilities in dollars and financial derivatives.

These sensitivities are made taking into account simulated variations of +/- 10% in the peso-dollar exchange rate against its closing value:

<b>Exchange rate sensitivities</b>		
<b>Impact on pre-tax income - September 2023</b>		
<b>Exchange Rate 4,053.76</b>	<b>+10% in exchange rate</b>	<b>-10% in exchange rate</b>
<b>Financial Liabilities</b>	(16,611)	16,611
<b>Derivatives</b>	251,403	(259,606)
<b>Total</b>	<b>234,792</b>	<b>(242,995)</b>

<b>Exchange rate sensitivities</b>		
<b>Impact on income before income taxes - December 2022</b>		
<b>Exchange Rate 4,810.2</b>	<b>+10% in exchange rate</b>	<b>-10% in exchange rate</b>
<b>Financial Liabilities</b>	(22,755)	22,755
<b>Derivatives</b>	169,597	(177,010)
<b>Total</b>	<b>146,842</b>	<b>(154,255)</b>

*Amounts in millions of pesos*

For the analysis of the results, it is important to highlight that those financial obligations in foreign currency whose associated derivatives are classified as hedge accounting, reflect the mitigation of the impact on results for the hedged exposure of the flows. For this reason, the effects of changes in exchange rate prices are not reflected in the statement of income.

**2.2.1 Interest rate and other asset exposure**

Below is the distribution of the exposures to the Fixed tax and Variable tax, of the insurers' portfolios.

**Exposures to Fixed-Income and Equity Assets and Other Assets – September 2023**

<b>Suramericana</b>						
<b>Fixed tax</b>						
<b>Country</b>	<b>Fixed rate</b>	<b>Variable rate</b>	<b>Subtotal</b>	<b>Variable rate</b>	<b>Others</b>	<b>Total</b>
<b>Argentina</b>	71%	20%	<b>91%</b>	9%	0%	<b>100%</b>
<b>Bermuda</b>	100%	0%	<b>100%</b>	0%	0%	<b>100%</b>
<b>Brazil</b>	0%	92%	<b>92%</b>	8%	0%	<b>100%</b>
<b>Chile</b>	84%	14%	<b>98%</b>	2%	0%	<b>100%</b>
<b>Colombia</b>	60%	28%	<b>88%</b>	6%	6%	<b>100%</b>
<b>El Salvador</b>	100%	0%	<b>100%</b>	0%	0%	<b>100%</b>
<b>Mexico</b>	97%	3%	<b>100%</b>	0%	0%	<b>100%</b>
<b>Panama</b>	97%	0%	<b>97%</b>	3%	0%	<b>100%</b>
<b>Dominican Republic</b>	98%	0%	<b>98%</b>	2%	0%	<b>100%</b>
<b>Uruguay</b>	98%	1%	<b>99%</b>	1%	0%	<b>100%</b>

**SURA Asset Management**

<b>Fixed tax</b>						
<b>Country</b>	<b>Fixed rate</b>	<b>Variable rate</b>	<b>Subtotal</b>	<b>Variable rate</b>	<b>Others</b>	<b>Total</b>
<b>Chile</b>	78%	0%	<b>78 %</b>	2%	20%	<b>100%</b>
<b>Colombia</b>	90%	10%	<b>100%</b>	0%	0%	<b>100%</b>

**Fixed Income and Equity Asset Exposures – December 2022**

<b>Suramericana</b>						
<b>Fixed tax</b>						
<b>Country</b>	<b>Fixed rate</b>	<b>Variable rate</b>	<b>Subtotal</b>	<b>Variable rate</b>	<b>Others</b>	<b>Total</b>
<b>Argentina</b>	69%	31%	<b>100%</b>	0%	0%	<b>100%</b>
<b>Bermuda</b>	100%	0%	<b>100%</b>	0%	0%	<b>100%</b>
<b>Brazil</b>	0%	100%	<b>100%</b>	0%	0%	<b>100%</b>
<b>Chile</b>	97%	0%	<b>97%</b>	3%	0%	<b>100%</b>
<b>Colombia</b>	56%	33%	<b>89%</b>	11%	0%	<b>100%</b>
<b>El Salvador</b>	100%	0%	<b>100%</b>	0%	0%	<b>100%</b>
<b>Mexico</b>	96%	5%	<b>101%</b>	0%	0%	<b>101%</b>
<b>Panama</b>	100%	0%	<b>100%</b>	0%	0%	<b>100%</b>
<b>Dominican Republic</b>	98%	0%	<b>98%</b>	2%	0%	<b>100%</b>
<b>Uruguay</b>	85%	14%	<b>99%</b>	1%	0%	<b>100%</b>

**SURA Asset Management**

<b>Fixed tax</b>						
<b>Country</b>	<b>Fixed rate</b>	<b>Variable rate</b>	<b>Subtotal</b>	<b>Variable rate</b>	<b>Others</b>	<b>Total</b>



<b>Chile</b>	80%	2%	<b>82%</b>	0%	18%	<b>100%</b>
<b>Colombia</b>	68%	32%	<b>100%</b>	0%	0%	<b>100%</b>

In the case of SURA Asset Management, Unit Linked funds are included, since they are part of the financial accounts of the insurance companies, even though the risk of investment performance is assumed by the policyholder.

**Sensitivity analysis of interest rate risk in the portfolios of insurers**

The following is a sensitivity analysis that measures the impact on the companies' profits, before taxes that would have an unfavorable movement in interest rates. The tool used in each Company considers the systems and tools that each one has implemented.

**Suramericana:** In order to perform the interest rate sensitivity analysis, only the investments classified at market (fair value) and the position invested in each one was taken, since the liabilities and the rest of the investments are classified at maturity. For each asset, the modified duration was calculated and weighted by its market value. This measure shows the impact on the price given the variation of the implicit rate. For this purpose, a variation of 10 basis points was evaluated, and this result was applied to the company's position. The net result obtained is presented below for each year respectively:

<b>Interest rate sensitivities</b>		
<b>Suramericana</b>		
<b>(+10pbs) in Interest Rates</b>	<b>September 2023</b>	<b>December 2022</b>
<b>Argentina</b>	(1,424)	(1,592)
<b>Bermuda</b>	-	-
<b>Brazil</b>	(669)	(528)
<b>Chile</b>	(3)	(6)
<b>Colombia</b>	(7,634)	(1,512)
<b>El Salvador</b>	(10)	(14)
<b>Mexico</b>	(197)	(396)
<b>Panama</b>	(179)	(249)
<b>Dominican Republic</b>	-	-
<b>Uruguay</b>	(142)	(158)
<b>Total</b>	<b>(10,258)</b>	<b>(4,449)</b>

**SURA Asset Management:** Interest rate risk is analyzed from the following perspectives:

- a. Accounting: with the adoption of IFRS 9, fixed-income assets are now classified from available for sale to amortized cost; the accounting asymmetry in equity in the face of interest rate movements has been eliminated. As a consequence of this, there is no sensitivity of results or equity to changes in interest rates.
- b. Reinvestment or adequacy of Assets/Liabilities: to estimate the sustainability of this investment margin (accrual of assets over recognition of interest on liabilities), the Liabilities Adequacy Test is performed. This test verifies that the asset flows (including the projected reinvestment) together with the premiums to be collected for the existing commitments are sufficient to cover the commitment established in the reserve. In case of insufficiency, the reserve must be strengthened and consequently the volume of assets must be increased. The following table shows the adequacy levels of the test.

Interest rate sensitivities - Reinvestment risk		
SURA Asset Management – September 2023		
Business Unit	Liabilities reserves	Sufficiency of reserves
Chile	4,556,157	5%
Colombia	6,768,492	1%

Interest rate sensitivities - Reinvestment risk		
SURA Asset Management – December 2022		
Business Unit	Liabilities reserves	Sufficiency of reserves
Chile	5,686,654	3%
Colombia	4,841,774	1%

*Sensitivity analysis on the exposure to interest rate risk in Grupo SURA*

The following is a sensitivity analysis with the objective of estimating the impact that a variation in the interest rate would have on the valuation of the hedging derivatives, based on scenarios of +/- 10 PB in the interest rate in pesos:

Interest rate sensitivities – September 2023		
	+10bp in the interest rate	-10bp in the interest rate
Financial liabilities	232	(232)
Derivatives	1,231	(1,238)
<b>Total</b>	<b>1,463</b>	<b>(1,470)</b>

Interest rate sensitivities – December 2022		
	+10bp in the interest rate	-10bp in the interest rate
Financial liabilities	426	(428)
Derivatives	2,367	(2,384)
<b>Total</b>	<b>2,793</b>	<b>(2,812)</b>

*Amounts in millions of pesos*

**2.2.2 Price Variation Risk: Real Estate and Variable Income**

The portfolios of the insurance companies are exposed to risks derived from the variation in the prices of equities and real estate assets.

The following table shows the impact on pre-tax earnings of a 10% drop in the prices of equities and/or real estate assets in the insurers' portfolios.

Sensitivities, at the price of shares and real estate assets				
Suramericana				
Business Unit	September 2023		December 2022	
	(-10%) in Shares Price	(-10%) in Real Estate	(-10%) in Shares Price	(-10%) in Real Estate

<b>Argentina</b>	-	-	-	-
<b>Bermuda</b>	-	-	-	-
<b>Brazil</b>	-	-	-	-
<b>Chile</b>	(19)	(2,168)	(980)	(2,596)
<b>Colombia</b>	(52,282)	(79,258)	(37,229)	(67,611)
<b>El Salvador</b>	-	-	-	-
<b>Mexico</b>	(237)	-	(146)	-
<b>Panama</b>	(95)	-	(130)	-
<b>Dom. Rep</b>	(321)	-	(384)	-
<b>Uruguay</b>	(178)	-	(216)	-
<b>Total</b>	<b>(53,132)</b>	<b>(81,426)</b>	<b>(39,085)</b>	<b>(70,207)</b>

**Sensitivities, at the price of shares and real estate assets**

<b>SURA Asset Management</b>				
	<b>September 2023</b>		<b>December 2022</b>	
<b>Business Unit</b>	<b>(-10%) in Shares Price</b>	<b>(-10%) in Real Estate</b>	<b>(-10%) in Shares Price</b>	<b>(-10%) in Real Estate</b>
<b>Chile</b>	(3,660)	(35,908)	(3,603)	(41,068)
<b>Colombia</b>	(191)	0	-	-
<b>Total</b>	<b>(3,851)</b>	<b>(35,908)</b>	<b>(3,603)</b>	<b>(41,068)</b>

It should be kept in mind that the sensitivity analyzes, performed previously, do not consider the interdependence of the risks evaluated, so that the impact of these could be considerably less.

*Description of changes in exposure to equity price risk in Grupo SURA*

It is important to highlight that based on the public tender offers for Grupo Nutresa, the liquidity of these shares is expected to be affected in the future as a result of the new shareholder composition of the entity.

**2.3 Risk of Volatility in the Pension Businesses**

The regulations associated with the pension business require that each Company must maintain an equity position invested in a reserve that acts as a buffer in the event of default on the obligations of each Company. It is important to note that the underlying assets invested must maintain the same proportion as the underlying assets in the Managed Funds (meaning, the Company must purchase investment units of the managed funds). The following table shows the different percentages of the reserve requirement in each business unit as a percentage of the managed funds:

<b>Percentage of reserve of managed fund</b>	
<b>Business Unit</b>	<b>% Reserve</b>
<b>Chile</b>	1.00%
<b>Colombia</b>	1.00%
<b>El Salvador</b>	N/A
<b>Mexico</b>	0.53%

<b>Peru</b>	1.00%
<b>Uruguay</b>	0.50%

Faced with these investments, the Companies are exposed to market risks, which may affect the valuation of such reserves, and their Companies. Below is an analysis of the impacts that the market variables could have on the profit, before taxes, in the horizon of one year.

In the case of Mexico and Peru, where the remuneration obtained depends on the amounts administered, this exercise also includes the impact derived from the reduction in the values of the managed funds, product of the market variations.

<b>Volatility Risk of the Pension Businesses</b>		
<b>-10% in Variable Valuation</b>		
	<b>September 2023</b>	<b>December 2022</b>
<b>Chile</b>	(45,539)	(51,832)
<b>Colombia</b>	(41,150)	(51,174)
<b>El Salvador</b>	N/A	-
<b>Mexico</b>	(69,570)	(75,704)
<b>Peru</b>	(17,050)	(12,912)
<b>Uruguay</b>	(2,045)	(2,477)
<b>Total</b>	<b>(175,354)</b>	<b>(194,099)</b>
<b>+100bps in Interest Rates</b>		
	<b>September 2023</b>	<b>December 2022</b>
<b>Chile</b>	(82,781)	(99,378)
<b>Colombia</b>	(43,109)	(32,715)
<b>El Salvador</b>	N/A	-
<b>Mexico</b>	(74,503)	(89,571)
<b>Peru</b>	(14,712)	(6,111)
<b>Uruguay</b>	(1,481)	(1,756)
<b>Total</b>	<b>(216,586)</b>	<b>(229,531)</b>
<b>-10% EM depreciation</b>		
	<b>September 2023</b>	<b>December 2022</b>
<b>Chile</b>	(59,676)	(65,710)
<b>Colombia</b>	(24,086)	(19,877)
<b>El Salvador</b>	N/A	-
<b>Mexico</b>	(41,660)	(42,737)
<b>Peru</b>	(27,062)	(43,887)
<b>Uruguay</b>	(1,309)	(1,577)
<b>Total</b>	<b>(153,793)</b>	<b>(173,788)</b>

The analyzes realized, do not consider the interdependence of the evaluated risks, so that the impact of the risks could be considerably lower.

### 3. Liquidity Risk Management

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

In order to manage this risk, the Companies orient their actions within the framework of a short- and long-term liquidity management strategy, tending to comply with the obligations acquired, under the conditions initially agreed and avoiding incurring in cost overruns.

At the same time, the Companies carry out a proactive follow-up accompanied by projections of their cash flows in the short and medium term, so as to allow them to manage their cash collection and payment activities, as well as to anticipate future liquidity surpluses or deficits that allow for optimum management of resources.

In addition, in order to face potential situations, the Companies maintain available credit lines with national and international financial entities, as well as liquid investments in the treasuries that enable access to immediate liquidity.

#### Summary of quantitative data on risk exposure in Grupo SURA

Grupo SURA has at its disposal assets to manage liquidity, which are presented below:

#### Maturities associated with assets to manage liquidity risk.

September 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
<b>Cash and cash equivalents (*)</b>	485,543	-	-	485,543
<b>Investments</b>	0	-	35,920	35,920
<b>Receivables from related parties</b>	745,836	-	-	745,836
<b>Other accounts receivable</b>	7,341	-	-	7,341
<b>Total</b>	<b>1,238,720</b>	<b>-</b>	<b>35,920</b>	<b>1,274,640</b>

December 2022	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
<b>Cash and cash equivalents (*)</b>	5,025	-	-	5,025
<b>Investments</b>	-	-	49,932	49,932
<b>Receivables from related parties</b>	233,870	-	-	233,870
<b>Other accounts receivable</b>	1,037	-	-	1,037
<b>Total</b>	<b>239,932</b>	<b>-</b>	<b>49,932</b>	<b>289,864</b>

Amounts in millions of pesos

(\*) The variation in cash is mainly due to the fact that in September Grupo Sura received a loan of \$450 billion from Bancolombia and created a CD in USD for \$5 million in order to have resources for the company's upcoming obligations.

For further details see Note 5.1 Financial Assets.

In addition, the maturities of the Company's financial obligations are presented below:

September 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
<b>Financial obligations</b>	665,763	313,621	450,749	1,430,133
<b>Derivative instruments</b>	33,408	167,154	-	200,562
<b>Accounts payable to related parties</b>	407,140	-	-	407,140
<b>Other accounts payable</b>	109,624	-	-	109,625
<b>Bonds issued</b>	167,478	2,491,232	983,620	3,642,330
<b>Preferred stock</b>		-	459,781	459,781
<b>Commitments with non-controlling interests</b>	1,502,000		1,418,950	2,920,950
<b>Total</b>	<b>2,885,413</b>	<b>2,972,007</b>	<b>3,313,100</b>	<b>9,170,521</b>

December 2022	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
<b>Financial obligations</b>	141,308	698,672	-	839,980
<b>Derivative instruments</b>	7,070	430,075	-	437,145
<b>Accounts payable to related parties</b>	159,493	-	-	159,493
<b>Other accounts payable</b>	34,136	-	-	34,136
<b>Bonds issued</b>	352,680	3,030,564	986,271	4,369,515
<b>Preferred stock</b>	-	-	459,955	459,955
<b>Commitments with non-controlling interests</b>			2,810,956	2,810,956
<b>Total</b>	<b>694,687</b>	<b>4,159,311</b>	<b>4,257,182</b>	<b>9,111,180</b>

For further details see Note 5.2 Financial Liabilities.

### Changes in liquidity risk exposure over the period.

During the first quarter of the year, the company did not present relevant changes in its liquidity situation, maintaining stable and adequate levels of coverage of expenses over income and debt over dividends, which allow us to anticipate, with reasonable certainty, that the company has the necessary resources to meet its projected cash commitments.

### Agreements with co-investors

Regarding the co-investment agreements with CDPQ and Munich RE, to date, no cash or liquid resources requirements have been identified for the company arising from these documents. Therefore, these options do not currently represent immediate liquidity pressures.

Regarding the contract signed with Grupo Bolivar and continuing with what was reported in previous quarters, Grupo SURA confirms that as of the date of approval of the Financial Statements, neither the timing nor the exit mechanisms of the operation to dispose of its participation in SURA Asset Management are known. The definition of these elements will be made between both parties and will determine the value of the transaction, in accordance with the clauses established in the contract. Notwithstanding the above, it is important to clarify that, according to the terms of the contract, liquidity requirements could be generated in the short term for the company.

### Framework Agreement

Regarding the operation derived from the Framework Agreement entered into with IHC Capital Holding L.L.C., Nugil S.A.S., JGDB Holding S.A.S., Grupo Nutresa S.A. and Grupo Argos S.A., whose details can be consulted

in Note 8. Non-current assets held for sale, it is worth noting that by virtue of the terms stipulated therein, the Company assumes a series of legal and financial obligations that will have a direct impact on its liquidity position. The magnitude of this impact will depend directly on the way in which each of the mechanisms defined in the transaction are developed, the final set of participants in the transaction and the terms in which the different regulatory approvals currently in process are issued.

For initial market reference, Note 9. Non-current assets held for sale presents a summarized view of the possible impacts on the liquidity of the Company based on different scenarios of participation by the minority shareholders of Grupo Nutresa, in the takeover bid that must be carried out to meet the provisions of the transaction. It is important to note that these estimates do not include the effects that will arise from the tax obligations associated with the operation, whose materialization in the Company's liquidity is projected for the first half of 2024. As the process progresses, this note will disclose with greater precision the specific impacts and risks that may arise in relation to the Company's liquidity management.

With the purpose of complying with the obligations derived from the aforementioned transactions, the Company is implementing a comprehensive liquidity management that takes into account the joint effect of both operations. To achieve this objective, the Company is making arrangements with banks and other mechanisms to finance these transactions. Nevertheless, it is essential to highlight that this process will be subject to several environmental factors that may impact the risk appetite of the banks and by transitivity the liquidity of Grupo SURA. These include high interest rates in the market and the possibility that they will remain at their current level for a prolonged period of time, exchange rate volatility and variations in the national economic cycle. Additionally, the interpretation that each financial entity makes regarding the future economic relationship between Grupo SURA and Grupo Argos could impact the total financing that the Company can access, given that, if it is interpreted that both entities form the same risk group, the internal and regulatory limits could reduce the credit quotas assigned.

### **Suramericana S.A.**

To date, Suramericana S.A. maintains a strong liquidity position at all levels, proactively monitoring and projecting its cash flows in the short and medium term, managing treasury activities and optimizing resource management.

Despite the Company's overall liquidity position, it is worth emphasizing the financial condition of EPS Suramericana S.A. and its potential impact on shareholders. Despite the fact that Suramericana S.A. has never received dividends from this investment, and that there is no legal obligation of Suramericana S.A. as shareholder of such company to be jointly and severally liable for the entity's liabilities, there are scenarios that are being evaluated by the management that would eventually require disbursements by Suramericana, which at this date are not considered probable and could derive from the non-compliance of conditions and financial qualification of EPS Suramericana S. A. It is worth mentioning that the scenario described above is not considered probable and could derive from the non-compliance of conditions and financial qualification of EPS Suramericana S.A. It is important to highlight that the previously described scenario is impacted by the factors described in Note 3. Significant accounting judgments, estimates and causes of uncertainties in the preparation of the financial statements, Evaluation of the going concern principle of EPS Suramericana S.A. subsidiary.

The potential materialization of this risk, as well as its extent and amount, depends on multiple future factors that continue to be evaluated. Suramericana S.A.'s management is taking judicial and management measures to face and mitigate these risks, including constant interaction with the regulator, meetings and union meetings and participation in technical roundtables with the National Government, seeking key definitions

and the continuity of the system. Despite these efforts, uncertainties persist, and it is essential to consider them when assessing the entity's future liquidity position.

Lastly, in August, two purchase and sale agreements were signed under which Suramericana S.A. sold all of its operations in Argentina and El Salvador, for USD 19 million and close to USD 43.7 million respectively. These transactions were carried out in order to recompose its operations in Latin America, optimizing capital management to consolidate and maintain its regional footprint. This strategic development contributes to an improvement in the Company's current liquidity and solvency position.

### Summary of quantitative data on risk exposure in Grupo SURA

Grupo SURA has at its disposal assets to manage liquidity, which are presented below:

September 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Cash and cash equivalents	1,624,555	0	0	1,624,555
Investments	4,446,280	14,102,199	478,113	19,026,593
Receivables from related parties	0	0	0	0
Other accounts receivable	1,541,674	-4,598	0	1,537,076
<b>Total</b>	<b>7,612,509</b>	<b>14,097,601</b>	<b>478,113</b>	<b>22,188,224</b>

December 2022	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Cash and cash equivalents	1,680,718	0	0	1,680,718
Investments	5,266,139	13,158,887	432,978	18,858,004
Receivables from related parties	0	0	0	0
Other accounts receivable	1,359,639	(5,015)	0	1,354,624
<b>Total</b>	<b>8,306,496</b>	<b>13,153,872</b>	<b>432,978</b>	<b>21,893,346</b>

In addition, the maturities of the financial obligations of the Company are presented below:

September 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Financial obligations	290,057	191,473	0	481,530
Derivative instruments	6,776	(649)	177	6,304
Accounts payable to related parties	188,488	0	0	188,488
Other accounts payable	1,586,867	191,407	106,362	1,884,636
Bonds issued	0	307,913	291,257	599,170
Preferred stock	0	0	0	0
<b>Total</b>	<b>2,072,188</b>	<b>690,144</b>	<b>397,796</b>	<b>3,160,128</b>

December 2022	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Financial obligations	52,740	204,325	0	257,065
Derivative instruments	47,434	0	6,700	54,133
Accounts payable to related parties	0	0	0	0
Other accounts payable	1,670,055	116,550	0	1,786,606



<b>Bonds issued</b>	259,329	308,639	291,689	859,656
<b>Preferred stock</b>	0	0	0	0
<b>Total</b>	<b>2,029,558</b>	<b>629,514</b>	<b>298,389</b>	<b>2,957,460</b>

Amounts in millions of pesos

### Summary of quantitative data on exposure to risk at SURA Asset Management

SURA Asset Management has at its disposal assets to manage liquidity, which are presented below:

#### Liquidity risk Assets

September 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Liquidity Chile	446,314	466,541	645,811	1,558,667
Liquidity Colombia	833,495	1,962,787	5,405,689	8,201,971
<b>Total</b>	<b>1,279,809</b>	<b>2,429,328</b>	<b>6,051,500</b>	<b>9,760,638</b>

December 2022	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Liquidity Chile	478,335	811,905	832,553	2,122,793
Liquidity Colombia	2,499,486	1,544,989	1,991,872	6,036,346
<b>Total</b>	<b>2,977,821</b>	<b>2,356,894</b>	<b>2,824,425</b>	<b>8,159,139</b>

Amounts in millions of pesos

#### Liquidity Risk Liabilities

September 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Liquidity	208,785	479,133	622,597	1,310,515
Liquidity Colombia	826,860	1,706,191	4,265,372	6,798,423
<b>Total</b>	<b>1,035,645</b>	<b>2,185,324</b>	<b>4,887,969</b>	<b>8,108,938</b>

December 2022	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Liquidity Chile	361,648	655,539	735,733	1,752,921
Liquidity Colombia	314,288	1,104,442	3,277,479	4,696,209
<b>Total</b>	<b>675,936</b>	<b>1,759,981</b>	<b>4,013,212</b>	<b>6,449,130</b>

Amounts in millions of pesos

## 4. Business Risk Management

These are risks derived from the business model and the operation of the companies. For Suramericana and SURA Asset Management, these risks arise especially from the insurance activity, the pension business and the management of third-party funds.

Below is a detail of the business risks to which the companies are exposed:

### 4.1.1 Management of technical risks of the insurance companies

The main technical risks that may affect the companies are related to adverse deviations in claims ratios, adequacy of technical reserves and the operating efficiency of the General, Life and Health companies.

#### Suramericana

In relation to technical risks, those events or deviations are reported which, due to their materiality, could affect the financial statements of the subsidiaries, taking into account the following materiality criteria:

- SURA Colombia: 1% equity: COP 63 billion (US\$13.7 million).
- Other subsidiaries: COP 9.19 billion (USD 2.0 million).

The following are the events that in the current quarter exceeded the materiality criteria in the different companies:

**General:** According to what is reported in the notes to the Financial Statements of Seguros Generales Colombia, it is reported that as of September 30, 2023 there was a deviation from the budget in its statement of income, which exceeded the materiality criterion, mainly explained by an increase in the loss ratio.

**Life:** There are no deviations from the budget that exceed the materiality criteria.

**Health:** As detailed in the notes to the Financial Statements of EPS Sura in Colombia, it should be reported that to date the deviation of the results from what was budgeted in its financial statements continued to be consolidated. The reasons for this discrepancy are the same as those explained in the notes of the previous period, as well as some additional ones detailed in Note 2 of this report. In order to address this situation, action plans are being evaluated in the relevant Corporate Governance bodies.

#### SURA Asset Management

The following is an analysis from a structural change perspective of 10% in the mortality and longevity behaviors of the portfolios, which reflect the effects on the long-term commitments with the clients.

Sensitivities		
SURA Asset Management		
	September 2023	December 2022
<b>Business Unit</b>	<b>+10% on mortality</b>	<b>+10% on mortality</b>
Chile	(17,531)	(19,137)
Colombia	(31,571)	N/A
<b>Total</b>	<b>(49,102)</b>	<b>(19,137)</b>
	<b>+10% on mortality</b>	<b>+10% on mortality</b>
Chile	(12,406)	(12,772)
Colombia	(68,881)	N/A
<b>Total</b>	<b>(81,287)</b>	<b>(12,772)</b>
	<b>+10% in longevity</b>	<b>+10% in longevity</b>
Chile	N/A	N/A
Colombia	(69,372)	(56,858)
<b>Total</b>	<b>(69,372)</b>	<b>(56,858)</b>

In SURA Asset Management, the morbidity risk is mainly related to the exposure to the disability and survival insurance of the insurance company in Colombia (Asulado).

Exposure in Colombia to longevity risk also comes from the life insurance company Asulado Seguros de Vida S.A.'s annuity portfolio.

#### 4.2 Liability Adequacy Test

In the insurance companies of Suramericana, the technical reserves recorded are analyzed periodically to determine whether they are adequate. If, as a result of these analyses, it becomes evident that they are not sufficient, an adjustment is made in accordance with the defined methodologies and according to the plans established by the organization.

In the insurance companies of SURA Asset Management, a Liability Adequacy Test is performed. This test seeks to verify that the reserves booked are sufficient in all their aspects (technical assumptions, expenses and discount rates). To this end, it is verified that the flow of assets (including the projected reinvestment in a manner consistent with the reinvestment strategy of the Company) together with the premiums to be collected for existing commitments are sufficient to cover the established commitment.

#### 4.3 Reinsurance Risk

This is the possibility of incurring losses resulting from inadequate reinsurance management. This involves the design of the reinsurance program, the placement of reinsurance and differences between the conditions originally accepted from policyholders and those accepted in turn by the entity's reinsurers.

In order to manage this risk, part of the obligations to policyholders is transferred through proportional and non-proportional reinsurance schemes and facultative treaties for special risks with previously approved reinsurers. Proportional treaties reduce the value at risk and non-proportional treaties limit the loss ratio and the retained catastrophe exposure.

Despite having a defined reinsurance scheme, the organization is directly responsible for the obligations with its clients, so there is credit risk with respect to the cession, mitigated through the diversification of counterparties and quantifying the respective credit risk.

Regarding reinsurance contracts, the Companies analyze the capacity and financial soundness of the reinsurers to comply with the obligations contracted. In order to manage this risk, their financial strength is analyzed through quantitative and qualitative variables (financial soundness, market positioning, among others), in order to support decision making and comply with internal control procedures.

The participation of the most representative reinsurers with which the Company cedes risks is shown below in a general manner and through an indicator of ceded premiums:

Suramericana	SURA Asset Management
Munich Re	American Bankers Life
Lloyd's	Generali
Mapfre Re	GEN Re
HDI	Hannover Re
Swiss Re	Scor Global Life
Hannover	Scotia Insurance (Barbados) Ltd
	Swiss Re

Additionally, in accordance with asset impairment practices, Accounts Receivable from Reinsurers and Coinsurers are impaired under the principles and methodologies defined by the Companies.

Due to their business models, this reinsurance risk is relevant for Suramericana's insurance operations, but not for SURA Asset Management's insurance operations, whose strategy is focused on life solutions.

#### 4.4 Risk Management in Pension Fund Administrators

##### Risks of the Business Variables

The Business Risks in the Pension Companies are related to the deviation in variables, that could affect the financial results of the Companies. From the perspective of this volatility risk, the financial effects are analyzed in the horizon of one year, taking into account the following variables:

- **Commission income behavior:** the effects of a 10% decrease in commission income are analyzed.
- **Customer behavior:** the effects of a 10% increase in the number of transfers from affiliates are analyzed.

The following table contains the effects of the Pension Business Volatility Risk, in SURA Asset Management.

Sensitivities			
SURA Asset Management			
Business Unit	Sensitivities	September 2023	December 2022
Chile		(90,548)	(101,507)
Colombia		(132,336)	(85,606)
El Salvador	-10% in Commission	(16,522)	(16,309)
Mexico		(113,238)	(118,328)
Peru		(39,981)	(45,336)
Uruguay		(6,759)	(6,938)
<b>Total</b>			<b>(399,384)</b>
Business Unit	Sensitivities	September 2023	December 2022
Chile		(8,976)	(8,282)
Colombia		(12,155)	(10,927)
El Salvador	-10% in Commission	N/A	N/A
Mexico		(5,187)	(5,397)
Peru		(1,516)	(2,220)
Uruguay		(45)	(2)
<b>Total</b>			<b>(27,879)</b>

The results presented do not consider the interdependence of the risks assessed. The greatest effects stem from the risks that impact the behavior of commission income. This income can be affected for the following reasons:

- (1) a reduction in commission rates (low market competitiveness, etc.);
- (2) a drop in the number of contributors (unemployment, informality, etc.);

- (3) a fall in the wage base due to causes not included in the previous point (fall in real wages, deflation, etc.) or,
- (4) a regulatory change. In the case of Mexico (collection on assets), cause (3) is related to the fall in members' funds.

The commission sensitivity presented here accounts for any combination of the above risks that has the effect of reducing the commission collected by 10%.

Regarding the risk of transfers, its magnitude has increased slightly with respect to the previous year.

*Guaranteed Minimum Return Risks*

The regulation, associated with the Pension business (with the exception of Mexico), requires that each Company maintain performance, against the other funds, in the industry. In this sense, the Companies monitor the gap between the profitability of the funds, managed by the business units of SURA Asset Management, and the return of funds from the industry.

In the event that the profitability gap is greater than that allowed, the Pension Funds Administrator must refund the sums of money, so that the yield limit is respected.

The effects of a 1pbs deviation on the minimum yield gap, if activated, are shown below.

It is important to note that, given that average return measurements are made over a period of 36 months, and the great similarity between the strategic asset allocation of the industry's funds, it is very unlikely that there will be significant deviations in the short and medium term.

<b>Sensitivities</b>			
<b>SURA Asset Management</b>			
<b>Chile</b>			
<b>Business Unit</b>	<b>Deviation</b>	<b>September 2023</b>	<b>December 2022</b>
Fund A		(2,072)	(2,310)
Fund B		(2,315)	(2,609)
Fund C	1pbs against minimum profitability	(4,508)	(5,556)
Fund D		(2,626)	(3,284)
Fund E		(2,206)	(3,056)
<b>Peru</b>			
<b>Business Unit</b>	<b>Deviation</b>	<b>September 2023</b>	<b>December 2022</b>
Fund 1		(749)	(799)
Fund 2	1pbs against minimum profitability	(3,047)	(3,250)
Fund 3		(434)	(536)
<b>Uruguay</b>			
<b>Business Unit</b>	<b>Deviation</b>	<b>September 2023</b>	<b>December 2022</b>
Accumulation		(1,290)	(1,391)
Retirement	1pbs against minimum profitability	(320)	(322)
<b>El Salvador</b>			
<b>Business Unit</b>	<b>Deviation</b>	<b>September 2023</b>	<b>December 2022</b>

Conservative Fund		(2,795)	(2,880)
Retirement Fund	1pbs against minimum profitability	NA	(158)
<b>Colombia</b>			
<b>Business Unit</b>	<b>Deviation</b>	<b>September 2023</b>	<b>December 2022</b>
Higher Risk		(2,621)	(2,138)
Moderate		(7,717)	(7,603)
Conservative		(1,056)	(958)
Programmed withdrawal	1pbs against minimum profitability	(1,764)	(1,458)
Severance LP		(720)	(598)
Severance CP		(209)	(23)

*Volatility Risk in the valuation of the deferred income provision*

Those Pension Fund Administrators who charge their administration fee on a salary basis constitute a deferred income provision, in order to cover resource administration expenses, in those periods of inactivity in which the affiliate does not make contributions to the funds, but maintains its savings under the custody and administration of the Companies, without the latter receiving income from such management.

This provision is determined as the present value of the estimated costs, which are calculated on historical variables of customer behavior. This present value is determined, using the discount rate of a local AAA corporate bonds, without a prepayment option, which has a similar term to the projection horizon (20 years). For this reason, given the volatility of the discount rate, there will be variations in the valuation of the provision, which could impact the results of the SURA Asset Management Companies.

The following table contains the effects of volatility risk, in the valuation of the deferred income provision, of SURA Asset Management, as a result of variations, in the discount rates.

<b>Sensitivities</b>			
<b>SURA Asset Management</b>			
<b>Business Unit</b>	<b>Deviation</b>	<b>September 2023</b>	<b>December 2022</b>
Chile		(2,640)	(3,257)
Peru	-100pbs in Interest Rates	(741)	(1,083)
Uruguay		(266)	(291)
<b>Total</b>		<b>(3,647)</b>	<b>(4,631)</b>

The results presented do not consider the interdependence of the evaluated risks.

**4.5 Management in Funds Management Companies and Securities Brokers**

Business Risks in Fund Management Companies and Brokerage Firms are related to the deviation in variables that could affect the financial results of the Company, as is the case of the performance in income from commissions.

The effects of a 10% decrease in commission income over a 1-year horizon are shown below.

<b>Sensitivities</b>							
<b>SURA Asset Management</b>							
		<b>Sep-23</b>			<b>Dec-22</b>		
<b>Business Unit</b>	<b>Deviation</b>	<b>Retail</b>	<b>Institutional</b>	<b>Retail</b>	<b>Institutional</b>	<b>Retail</b>	<b>Institutional</b>
Argentina		0	-7	-18,855	-1,198		
Chile	-10% in Administration Commission	-14,939	-1,794	-5,929	-6,253		

Colombia	-1,879	-592	-7,589	-747
El Salvador	NA	NA	-1,099	-49
Mexico	-4,859	-7,238	0	-4
Peru	-5,281	-706	0	-3,748
Uruguay	-972	-50		0
<b>Total</b>	<b>-</b>	<b>27,930 -</b>	<b>10,387 -</b>	<b>33,472 -</b>
				<b>12,083</b>

It is important to note that the results presented do not consider the interdependence of the risks evaluated.

**NOTE 18. OTHER MATTERS**

As reported during the last Ordinary Shareholders' Meeting, the Company received a requirement from the Financial Superintendence of Colombia on March 30, which is related to the accounting treatment of exit agreements with non-controlling interests. Grupo SURA responded on April 24, 2023, at the date of this report the company has not received a response on the same. Grupo SURA will inform the market in a timely manner about the eventual measures and their effects on the financial statements to be taken as a result of this request.

**NOTE 19. RELATED PARTY DISCLOSURES**

**19.1. Related party**

Subsidiaries, associated companies, key management personnel, as well as entities over which key management personnel (including family members) may exercise control are considered related parties of Grupo SURA.

The following is the detail of related parties as of September 30, 2023 and December 31, 2022 of Grupo SURA:

- a) Companies under direct or indirect control of Grupo SURA are listed in Note 1. Reporting entity.
- b) Associated companies and joint ventures of Grupo SURA are listed in Note 8.1 Investments in associates and Note 8.2. Joint ventures.

**19.2. Transactions with related parties**

Among the operations registered between related parties are:

*Subsidiaries*

Among the most significant transactions between related parties are:

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

These transactions are eliminated in the Financial Statement consolidation process.

*Associates*

- Sale of insurance policy from insurance companies.
- Bank loans to Bancolombia Group entities.
- Brokerage commission from the Bancaseguros channel.

- Collection and payment of investment dividends.
- Purchase of financial instruments

All operations are deemed to be short-term and are considered market transactions.

The following are the reciprocal transactions between Grupo SURA and its direct associates and shareholders of Grupo SURA and its subsidiaries as of September 30, 2023 and December 31, 2022:

Assets	September 2023		December 2022	
	Individuals Key management personnel	Entities Associates and joint ventures	Individuals Key management personnel	Entities Associates and joint ventures
<b>Dividend receivables</b>				
Bancolombia S.A.	-	416,480	-	183,742
Grupo Argos S.A.	-	67,984	-	29,559
Grupo Nutresa S.A.	-	110,058	-	38,631
Others	-	18	-	139
<b>Total assets</b>	-	<b>594,540</b>	-	<b>252,071</b>
<b>Liabilities</b>				
<b>Accounts payable related parties</b>				
JDGB Holding S.A.S.	-	121,131	-	34,598
Grupo Argos S.A.	-	83,208	-	25,362
Grupo Nutresa S.A.	-	39,701	-	12,101
Sociedades Bolivar	-	6,695	-	44,445
CDPO	-	6,120	-	-
Munich Re	-	35,569	-	-
Compañías de Seguros Bolívar	-	2,232	-	-
Others	-	110,963	-	792
Employee benefits (key personnel)	95,087	-	135,475	-
<b>Total accounts payable related parties</b>	<b>95,087</b>	<b>405,619</b>	<b>135,475</b>	<b>117,298</b>

Amounts outstanding are not guaranteed and will be settled in cash. No guarantees have been given or received. No expense has been recognized during the current or prior periods in respect of uncollectible or doubtful accounts related to amounts due from related parties.

## NOTE 20. EVENTS AFTER THE REPORTING DATE

These condensed interim consolidated financial statements as of September 30, 2023 were prepared for supervisory purposes and authorized for issuance by the Board of Directors of Grupo SURA on November 14, 2023, after that cut-off date and until their publication, the following relevant events of its subsidiary Suramericana have occurred:

Changes in the subsidiaries of Suramericana S.A.

*Aseguradora suiza salvadoreña S.A. and subsidiaries*

On October 5, 2023, the Superintendence of Competition of El Salvador referred to the transaction of the sale of the operations of Seguros Sura in El Salvador, stating that there is no need to make a ruling regarding a possible economic concentration as a result of such transaction, considering that it does not imply a



concentration of business in the country, since the acquiring group does not have active operations in El Salvador.

With the foregoing, we are still awaiting the authorization of the Superintendence of the Financial System of El Salvador and Panama (domicile of the buyer), in order to finalize the necessary acts to close the transaction and consequently transfer the shares to complete the transaction.

On October 18, 2023 a decision of the Contentious Administrative Chamber of El Salvador was known, by which it ruled in relation to an action initiated by Seguros Sura Personas in that country, where it sought to attack the Resolutions of the Board of Directors of the Superintendence of Competition on 17/04/2014 and 27/05/2015 under reference SC-012-0-PS-R-2013 in which a fine of USD \$ 1,365,364.56 was imposed. The pronouncement of the Contentious-Administrative Chamber leaves the fine imposed on Seguros Sura Personas firm.

*Seguros SURA Argentina S.A.*

On October 11, 2023, the share purchase and sale agreement was completed, through which Suramericana S.A. sold its insurance operation in Argentina to Sudamericana Holding S.A., which belongs to Grupo Financiero Galicia S.A., after having obtained the authorizations from the relevant authorities and having carried out the last acts necessary for the closing of the transaction, such as the approval of the Board of Directors and the transfer of the shares.

With the closing of this transaction, the South American subsidiary will have a negative effect on results of \$77 billion.

## **NOTE 21. APPROVAL OF THE FINANCIAL STATEMENTS**

The issuance of the financial statements of Grupo SURA for the year ended September 30, 2023 was authorized by the Board of Directors for publication, as stated in Act No. 412 of the Board of Directors dated November 14, 2023, to be presented to the market.



## **CHAPTER**

# ANALYSIS OF FINANCIAL

# RESULTS

(UNAUDITED)

**ANALYSIS OF FINANCIAL RESULTS (UNAUDITED)**

INDEX	September		December		INTERPRETATION	
	2023		2022			
Solvency	61,678,937	= 65.06%	62,611,643	= 63.63%	Creditors own 65.06% as of September 2023 and 63.63% as of December 2022, leaving shareholders owning the complement: 34.94% as of September 2023 and 36.37% as of December 2022.	Total liability
	94,803,158		98,393,465			Total asset
Total	61,678,937	= 65.06%	62,611,643	= 63.63%	Of every peso the company has invested in assets, 65.06% as of September 2023 and 63.63% as of December 2022 have been financed by creditors.	Total liability
	94,803,158		98,393,465			Total asset
Coverage of interest	2,237,309	= 274.00%	3,339,600	= 335.89%	The Company generated a net gain equal to 274% at September 2023 and 335.89% at December 2022 from Interest Paid	Net profit + interest
Leverage	816,522		994,259		Every \$1 peso of the Company's owners is committed 186.2% at September 2023 and 174.98% at December 2022.	Financial expenses
	61,678,937		62,611,643			Total liabilities with third parties
Total	33,124,221	= 186.20%	35,781,822	= 174.98%		Equity
	10,139,577		10,913,412		For each peso of equity, 30.61% is financially committed as of September 2023 and 30.5% as of December 2022.	Total liabilities with financial entities
Financial Total	33,124,221	= 30.61%	35,781,822	= 30.50%		Equity
Net profit margin	1,420,787	= 5.36%	2,345,341	= 7.48%	Net income corresponds to 5.36% of net income in September 2023 and 7.48% of net income in December 2022.	Net Profit
	26,497,593		31,350,427			Net Income
Return on equity	1,420,787	= 4.48%	2,345,341	= 7.01%	Net income corresponds to 4.48% of equity at September 2023 and 7.01% at December 2022.	Net Profit
	31,703,434		33,436,481			Equity - profits
Return on total assets	1,420,787	= 1.50%	2,345,341	= 2.38%	Net income to total assets corresponds to 1.5% as of September 2023 and 2.38% in December 2022.	Net Profit
	94,803,158		98,393,465			Total assets

INDEBTNESS

PERFORMANCE