GRUPO sura

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

GRUPO DE INVERSIONES SURAMERICANA S.A.
Cra. 43A #5A – 113
Medellín, Colombia

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CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

That for the issuance of the consolidated statement of financial position as of December 31, 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 period ended on that date, which according to the regulations are made available to shareholders and third parties, the statements contained therein and the figures faithfully taken from the books 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 December 31, 2023 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
Accountant
Professional Card 64093-T

AUDITOR REPORT

CHAPTER I

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Financial Position
At 31 December, 2023 and 2022
(Amounts expressed in millions of Colombian pesos)

	Note	December 2023	December 2022
Assets			
Cash and cash equivalents	5	3,305,577	3,569,969
Investments	5	39,039,403	35,973,060
Derivative instruments	5	1,061,904	1,955,887
insurance contract assets	6	5,168,514	6,853,292
Reinsurance contract assets	6	6,533,153	8,026,555
Receivables from related parties	34	297,362	252,071
Other accounts receivable	5	2,366,030	2,139,913
Current tax assets	7	409,586	377,056
Non-current assets held for sale	10	4,200,993	6,004
Deferred acquisition cost -DAC	8	1,597,574	2,132,816
Investments in associates and joint ventures	9	18,346,056	23,224,779
Properties and equipment	11	1,416,177	1,448,786
Right- of- use assets	12	429,957	542,537
Other intangible assets	13	3,308,064	4,039,898
Deferred tax assets	7	236,588	836,232
Other assets	14	549,609	621,463
Goodwill	13	5,238,231	6,393,147
Total assets		**93,504,778**	**98,393,465**
Liabilities			
Financial liabilities	5	2,429,280	1,115,538
Derivative instruments	5	208,188	491,544
Lease liabilities	12	426,412	513,419
Insurance contract liabilities	6	38,374,511	38,721,291
Reinsurance contract liabilities	6	1,726,044	2,051,354
Accounts payable to related entities	34	184,966	117,298
Other accounts payable	5	2,843,396	2,609,496
Current tax liabilities	7	212,315	122,593
Employee benefits	15	821,985	835,112
Non-current liabilities in assets held for sale	10	41,935	-
Provisions	16	1,212,158	1,084,582
Deferred income	17	440,675	495,664
Bonds issued	5	7,354,982	9,337,919
Non-controlling interest commitments	5	2,378,630	2,810,956
Deferred tax liabilities	7	1,954,229	1,844,922
Preferred shares	18	459,834	459,955
Total liabilities		**61,069,540**	**62,611,643**
Equity			
Issued capital	19	109,121	109,121
Share premium	19	3,290,767	3,290,767
Reserves	19	1,079,698	8,137,410
Reserves share repurchase	19	7,261,206	244,848
Income		1,539,582	2,074,996
Retained earnings		12,655,691	11,670,249
Other comprehensive income	21	4,466,184	8,200,324
Equity attributable to the holders of the controlling interest		**30,402,249**	**33,727,715**
Non-controlling interest	22	2,032,989	2,054,107
Total equity		**32,435,238**	**35,781,822**
Total equity and liabilities		**93,504,778**	**98,393,465**

The notes are an integral part of the financial statements.

Gonzalo Alberto Pérez Rojas
Legal Representative

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

Daniel Andrés Jaramillo Valencia
Auditor
P.C. 140779-T
Designated by Ernst & Young Audit S.A.S. TR-530
(See my report of February 29, 2024)

GRUPO DE INVERSIONES SURAMERICANA S.A.
Consolidated Income Statement
At 31 December, 2023 and 2022
(Amounts expressed in millions of Colombian pesos except for net income per share)

	Note	December 2023	December 2022
Income			
Insurance premium		22,055,173	22,133,590
Health services premium		9,466,458	7,567,570
Gross written premium income	**6**	**31,521,631**	**29,701,160**
Insurance premium ceded to reinsurers		(4,736,885)	(3,956,158)
Net written premium income	**6**	**26,784,746**	**25,745,002**
Unearned premium		(3,603,764)	(4,949,853)
Net premium income earned	**6**	**23,180,982**	**20,795,149**
Net premium income earned	5	2,879,980	1,759,441
Net gain (loss) on investments at fair value	5	1,559,616	(160,989)
Income from commissions	24	4,809,987	3,481,253
Sale of services	25	316,251	282,828
Income from equity method	9	1,792,706	2,038,764
Gain from sale of investments	5	234,164	101,605
Other income	26	755,521	887,743
Total income		**35,529,207**	**29,185,794**
Costs and Expenses			
Insurance claims		(11,003,254)	(11,270,463)
Health services claims		(9,289,624)	(7,438,137)
Gross claims expense	**6**	**(20,292,878)**	**(18,708,600)**
Reimbursed claims		1,898,688	3,621,040
Net retained claims expense	**6**	**(18,394,190)**	**(15,087,560)**
Commissions paid to intermediaries	24	(3,749,807)	(3,217,027)
Insurance costs and expenses	6	(2,179,354)	(1,814,645)
Costs of services sales	25	(433,562)	(388,900)
Administrative expenses	27	(2,430,275)	(2,037,521)
Employee benefits	15	(2,429,889)	(1,963,865)
Fees	28	(515,467)	(397,866)
Depreciation and amortization	11,12,13	(625,109)	(541,133)
Other expenses	26	(123,356)	(33,639)
Total costs and expenses		**(30,881,009)**	**(25,482,156)**
Operating profit		**4,648,198**	**3,703,638**
Net gain (loss) from fair value adjustments to derivatives	5	(38,283)	37,171
Foreign exchange, net	29	119,891	(33,526)
Interest expense	29	(1,128,275)	(986,102)
Financial income	**29**	**(1,046,667)**	**(982,457)**
Profits before tax		**3,601,531**	**2,721,181**
Income tax	7	(1,569,142)	(392,783)
Net Profit from continuing operations		**2,032,389**	**2,328,398**
Net income from discontinued operations	10	(97,412)	16,943
Net profit attributable to:		**1,934,977**	**2,345,341**
Controlling shareholders		1,539,582	2,074,996
Non-controlling interests		395,395	270,345
Net earnings per share			
Net earnings per share from continuing operations	30	2,915	3,625
Net earnings per share from discontinued operations	30	(187)	27
Net earnings per share from diluted continuing operations	30	2,834	3,529
Net earnings per share from diluted discontinued operations	30	(174)	26

The notes are an integral part of the financial statements.

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Legal Representative

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

Daniel Andrés Jaramillo Valencia
Auditor
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Designated by Ernst & Young Audit S.A.S. TR-530
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GRUPO DE INVERSIONES SURAMERICANA S.A.
Consolidated Statement of Comprehensive Income
At December 31, 2023 and 2022
(Amounts expressed in millions of Colombian pesos)

	Note	December 2023	December 2022
Net income for the year		**1,934,977**	**2,345,341**
Other comprehensive income			
Items that will not be reclassified to income for the period, net of taxes			
Gain (Loss) from investments in equity instruments	21	15,784	(20,595)
Gain (Loss) gain from properties revaluation	21	88,374	(46,029)
New defined benefit plan measurements	21	(14,256)	6,747
Total other comprehensive income that will not be reclassified to the results of the period, net of taxes		**89,902**	**(59,877)**
Items to be reclassified to income for the period, net of taxes			
(Loss) Gain from foreign currency translation differences	21	(3,521,646)	3,206,935
(Loss) on cash flows hedges	21	(22,667)	(108,109)
Gain (Loss) on hedges of net investments in foreign entities	21	395,035	(381,571)
Participation of OCI from associates and joint ventures accounted for using the equity method	21	(1,430,674)	1,688,749
Total other comprehensive income to be reclassified to profit or loss, net of taxes		**(4,579,952)**	**4,406,004**
Total other comprehensive income		**(4,490,050)**	**4,346,127**
Total comprehensive income		**(2,555,073)**	**6,691,468**
Comprehensive income attributable to:			
Controlling interest		(2,194,558)	5,916,795
Non-controlling interest		(360,515)	774,673

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GRUPO DE INVERSIONES SURAMERICANA S.A.
Consolidated Statement of Changes in Equity
At December 31, 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
Balance at December 31, 2021		**109,121**	**3,290,767**	**7,864,409**	**244,848**	**1,408,560**	**10,634,092**	**4,358,527**	**27,910,324**	**701,496**	**28,611,820**
Other comprehensive income	21	-	-	-	-	-	-	3,841,797	**3,841,797**	504,330	**4,346,127**
Net income for the year		-	-	-	-	2,074,996	-		**2,074,996**	270,345	**2,345,341**
Total net comprehensive income for the period		**-**	**-**	**-**	**-**	**2,074,996**	**-**	**3,841,797**	**5,916,793**	**774,675**	**6,691,468**
Transfer to retained earnings		-	-	-	-	(1,408,560)	1,408,560	-	**-**	-	**-**
Distribution of 2021 results											
Ordinary dividend (784 pesos per share) recognized as distributions to owners	20	-	-	-	-	-	(454,115)	-	**(454,115)**	(66,037)	**(520,152)**
Investment protection reserves		-	-	273,001	-	-	(273,001)	-	**-**	-	**-**
Minimum dividends, preferred shares	18	-	-	-	-	-	40,476	-	**40,476**		**40,476**
Commitments with non-controlling interests	5	-	-	-	-	-	276,570	-	**276,570**	(434,133)	**(157,563)**
Shareholder dividend withholding effect		-	-	-	-	-	2,422	-	**2,422**	-	**2,422**
Business merger Protección S.A.		-	-	-	-	-	2,798	-	**2,798**	1,042,911	**1,045,709**
Adjustments for inflation Argentina		-	-	-	-	-	(36,333)		**(36,333)**	(8,451)	**(44,784)**
Increases due to other changes, equity		-	-	-	-	-	68,780	-	**68,780**	43,646	**112,426**
Balance as of December 31, 2022		**109,121**	**3,290,767**	**8,137,410**	**244,848**	**2,074,996**	**11,670,249**	**8,200,324**	**33,727,715**	**2,054,107**	**35,781,822**
Other comprehensive income	21	-	-	-	-	-	-	(3,734,140)	**(3,734,140)**	(755,910)	**(4,490,050)**
Profit for the year		-	-	-	-	1,539,582	-	-	**1,539,582**	395,395	**1,934,977**
Total net comprehensive income for the period		**-**	**-**	**-**	**-**	**1,539,582**	**-**	**(3,734,140)**	**(2,194,558)**	**(360,515)**	**(2,555,073)**
Transfer to retained earnings		-	-	-	-	(2,074,996)	2,074,996	-	**-**	-	**-**
Distribution of 2022 results	20										
Ordinary dividend (1,280 pesos per share) recognized as distributions to owners		-	-	-	-	-	(741,413)	-	**(741,413)**	(133,902)	**(875,315)**
Investment protection reserves		-	-	233,405	-	-	(233,405)	-	**-**	-	**-**
Reserve for share repurchase	19	-	-	(7,016,358)	7,016,358	-	-	-	**-**	-	**-**
Minimum dividends, preferred shares	18	-	-	-	-	-	40,475	-	**40,475**	-	**40,475**
Commitments with non-controlling interests	5	-	-		-	-	(387,823)	-	**(387,823)**	219,992	**(167,831)**
Shareholder dividend withholding effect		-	-	-	-	-	1,565	-	**1,565**	-	**1,565**
Adjustments for inflation Argentina		-	-	(274,759)	-	-	180,109	-	**(94,650)**	41,406	**(53,244)**
Prior period movements of subsidiaries		-	-	-	-	-	(27,124)		**(27,124)**	(4,050)	**(31,174)**
Increases due to other changes, equity	10	-	-	-	-	-	78,062	-	**78,062**	215,951	**294,013**
Balance at December 31, 2023		**109,121**	**3,290,767**	**1,079,698**	**7,261,206**	**1,539,582**	**12,655,691**	**4,466,184**	**30,402,249**	**2,032,989**	**32,435,238**

The notes are an integral part of the financial statements.

Gonzalo Alberto Pérez Rojas
Legal Representative

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

Daniel Andrés Jaramillo Valencia
Auditor
P.C. 140779-T
Designated by Ernst & Young Audit S.A.S. TR-530
(See my report of February 29, 2024)

GRUPO DE INVERSIONES SURAMERICANA S.A.
Consolidated Cash Flows Statement
At December 31, 2023 and 2022
(Values expressed in millions of Colombian pesos)

	Note	December 2023	December 2022
Cash flows from operating activities			
Net profit for the year		**3,698,945**	**2,704,238**
Discontinued operations	9	(97,412)	16,943
Income before taxes		**3,601,533**	**2,721,181**
Adjustments to reconcile net income			
Interest	29	1,089,926	971,964
Depreciation and amortization expense	11-12-13	625,109	541,133
Impairment losses recognized in profit or loss for the period		75,548	9,426
Impairment of investments	5	48,966	16,726
Variation foreign currency translation		(2,179,888)	(2,185,831)
Gain (loss) on fair value measurements		(1,551,809)	73,884
Valuation of investments at amortized cost	5	(2,748,544)	(1,701,390)
Undistributed earnings from the application of the equity method	9	(1,792,706)	(2,038,764)
Net deferred tax		(201,247)	27,079
Other cash inflows		1,565	2,422
Changes in operating assets and liabilities			
Inventories		2,994	1,021
Accounts receivable from the insurance activity		1,684,778	(1,850,732)
Other accounts receivable		(226,142)	(106,189)
Accounts receivable from related parties		61,547	97,664
Other accounts payable		229,403	306,626
Accounts payable insurance activity		(395,651)	487,063
Deferred acquisition cost (DAC) adjustment		237,303	(160,566)
Provisions		96,601	778,158
Other non-financial assets and liabilities		(41,256)	192,195
Disposal of non-current assets		(42,408)	25,213
Variation in insurance contracts net		1,216,964	9,389,993
Dividends received from associates		**1,098,520**	**741,208**
Income tax paid		**(842,445)**	**(477,732)**
Interest received		**1,110,155**	**774,559**
Cash flows from operating activities		**1,158,816**	**8,636,311**
Cash flows from investing activities			
Other charges on the sale of equity or debt instruments of other entities		19,843,554	17,250,816
Other payments to acquire equity or debt instruments of other entities		(20,284,282)	(22,172,219)
Cash flows used in capitalization of joint ventures		(76,500)	(76,660)
Sale of property, plant and equipment	11	185,333	185,494
Purchase of property and equipment	11	(161,785)	(149,000)
Sales of intangible assets	13	225,601	77,634
Cash flows from obtaining control of subsidiary		-	(311,538)
Purchase of intangible assets	13	(947,728)	(353,849)
Sales of other long-term assets		(13,752)	(32,552)
Dividends received financial instruments		917	29,200
Purchases of other long-term assets		(55,940)	(83,572)
Cash flows from investment activities		**(1,284,582)**	**(5,636,246)**
Cash flows from financing activities			
Collections from futures contracts, forward contracts and financial options (swaps)		(88,474)	(147,227)
Proceeds from loans		3,617,381	1,736,041
Loan repayments		(1,303,828)	(2,163,430)
Payment of financial lease liabilities		(63,209)	(60,300)
Dividends paid to controlling shareholders		(669,174)	(427,683)
Dividends paid to non-controlling interests		(167,361)	(65,795)
Interest paid		(1,438,962)	(605,121)
Cash flows from financing activities		**(113,627)**	**(1,733,515)**
Net increase (decrease) in cash before the effect of exchange rate changes		**(239,393)**	**1,266,550**
Effect of exchange rate changes on cash and cash equivalents		(24,999)	20,494
Net increase in cash and cash equivalents		**(264,392)**	**1,287,044**
Cash and equivalents at the beginning of the period		3,569,969	2,282,924
Cash equivalents at the end of the period		**3,305,577**	**3,569,969**

The notes are an integral part of the financial statements.

Gonzalo Alberto Pérez Rojas
Legal Representative

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

Daniel Andrés Jaramillo Valencia
Auditor
P.C. 140779-T
Designated by Ernst & Young Audit S.A.S. TR-530
(See my report of February 29, 2024)

CHAPTER II

NOTES TO THE FINANCIAL STATEMENTS

GRUPO DE INVERSIONES SURAMERICANA S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended December 31, 2023 (with comparative figures as of December 31, 2022 for the statement of financial position, statement of income, other comprehensive income, statement of changes in equity and 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 ten countries in Latin America and participates in strategic sectors of the economy such as insurance, pensions, savings and investment and asset management. It is listed on the Colombian Stock Exchange (BVC for the Spanish original).

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

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

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

Suramericana (Seguros SURA)

Subsidiary specialized in insurance 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	December 2023	December 2022	Country	Functional Currency
Grupo de Inversiones Suramericana S.A.	Holding Company	Matrix		Colombia	Colombian Peso
Suramericana and subsidiaries:					
Suramericana S.A.	Holding Company	81.13%	81.13%	Colombia	Colombian Peso
Seguros de Vida Suramericana S.A.	Personal Insurance	81.13%	81.13%	Colombia	Colombian Peso
Seguros Generales Suramericana S.A.	General insurance	81.12%	81.12%	Colombia	Colombian Peso
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. (8)	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. (7)	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. (4)	General insurance operations	0.00%	80.67%	Argentina	Argentine Peso
Seguros Suramericana, S.A.	Insurance	81.13%	81.13%	Panama	Dollar
Servicios Generales Suramericana S.A.	Inspection service, repair, purchase and sale of vehicles.	81.13%	81.13%	Panama	Dollar
Seguros Sura S.A. Seguros de Personas(4)	Personal Insurance	0.00%	81.13%	El Salvador	Dollar
Seguros Sura S.A. (4)	General insurance	0.00%	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. (6)	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%	Bermuda Islands	Dollar
Sura SAC Ltd.	Insurance and reinsurance businesses	81.13%	81.13%	Bermuda Islands	Dollar
Sura Asset Management and Subsidiaries:					
Sura Investment Management Colombia S.A.S.	Holding Company	93.32%	83.58%	Colombia	Colombian Peso
Activos Estratégicos Sura A.M. Colombia S.A.S.	Holding Company	93.32%	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	93.32%	83.58%	Colombia	Colombian Peso
SURA Asset Management S.A. (1)	Holding Company	93.32%	83.58%	Colombia	Colombian Peso
NBM Innova S.A.S.	Diverse commercial activities.	93.32%	83.58%	Colombia	Colombian Peso
Fiduciaria Sura S.A.	Acts, contracts, services and operations of trust companies.	93.32%	83.57%	Colombia	Colombian Peso
Administradora de Fondos de Pensiones y Cesantías Protección S.A. (9)	Pension and Severance Funds Administrator	48.81%	44.22%	Colombia	Colombian Peso
Asulado Seguros de Vida S.A. (10)	Pension insurance and annuities for the individual savings pension model.	73.08%	61.42%	Colombia	Colombian Peso
SURA Asset Management Chile S.A.	Holding Company	93.32%	83.58%	Chile	Chilean peso
Seguros de Vida SURA S.A.	Life insurance activities.	93.32%	83.58%	Chile	Chilean peso
Administradora General de Fondos SURA S.A.	Management of mutual and investment funds.	93.32%	83.58%	Chile	Chilean peso
Corredores de Bolsa SURA S.A.	Purchase and sale of securities and securities brokerage operations	93.32%	83.58%	Chile	Chilean peso
Sura Data Chile S.A.	Sale of data processing services and leasing of computer equipment	93.32%	83.58%	Chile	Chilean peso
SURA Servicios Profesionales S.A.	Consulting and advice services	93.32%	83.58%	Chile	Chilean peso
AFP Capital S.A.	Pension funds management	93.04%	83.34%	Chile	Chilean peso
Sura Asset Management México S.A. de C.V.	Holding Company	93.32%	83.58%	Mexico	Mexican Peso
SURA Investment Management S.A. de C.V.	Management of investment companies	93.32%	83.58%	Mexico	Mexican Peso
Afore SURA S.A. de C.V.	Management of investment companies specialized in retirement funds.	93.32%	83.58%	Mexico	Mexican Peso
Asesores SURA S.A. de C.V.	Sale of financial products and services	93.32%	83.58%	Mexico	Mexican Peso
Gestión Patrimonial Sura asesores en inversiones S.A. de C.V.	Administration of intellectual property, franchises, concessions and authorizations.	93.32%	83.58%	Mexico	Mexican Peso

Promotora SURA AM S.A. de C.V.	Marketing and promotion services	93.32%	83.58%	Mexico	Mexican Peso
Sura Art Corporation S.A. de C.V.	Company dedicated to collecting Mexican art	93.32%	83.58%	Mexico	Mexican Peso
NBM Innova S.A. de C.V. (2)	Management, promotion and marketing services.	93.32%	83.58%	Mexico	Mexican Peso
Proyectos empresariales AI SURA S.A. de C.V. (2)	Performs the function of Trustee in Titling processes.	93.32%	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.	93.32%	83.58%	Mexico	Mexican Peso
SURA Asset Management Argentina S.A (2)	Financial and investment management	93.32%	83.58%	Argentina	Argentine Peso
SUAM Corredora de Seguros S.A. de C.V. (2)	Insurance and reinsurance	93.32%	83.58%	El Salvador	Dollar
SURA Asset Management Perú S.A.	Holding Company	93.32%	83.58%	Peru	Soles
AFP Integra S.A.	Pension Fund Administrator	93.32%	83.58%	Peru	Soles
Fondos SURA SAF S.A.C.	Management of mutual and investment funds	93.32%	83.58%	Peru	Soles
Sociedad Agente de Bolsa S.A.	Securities brokers	93.32%	83.58%	Peru	Soles
Sociedad Titulizadora SURA S.A. (2)	Perform the function of Trustee in Titling processes.	93.32%	83.58%	Peru	Soles
SURA Asset Management Uruguay Sociedad de Inversión S.A.	Holding Company	93.32%	83.58%	Uruguay	Uruguayan Peso
AFAP SURA S.A.	Administration of social security savings funds.	93.32%	83.58%	Uruguay	Uruguayan Peso
AFISA SURA S.A.	Administration of investment funds	93.32%	83.58%	Uruguay	Uruguayan Peso
Corredor de Bolsa SURA S.A.	Intermediation services	93.32%	83.58%	Uruguay	Uruguayan Peso
Disgely S.A.	Marketing of goods and leasing and other services.	93.32%	83.58%	Uruguay	Uruguayan Peso
Inversiones SURA Corp. (5)	Investments	93.32%	83.58%	United States	Dollar
AFP Crecer S.A. (9)	Pension Fund Administrator	48.81%	44.22%	El Salvador	Dollar
SURA Investment Management General Partner SARL. (3)	Company engaged in acquiring and holding interests in investment funds.	93.32%	-	Luxembourg	Euros
Other companies:					
Arus Holding S.A.S.	Investment in movable and immovable property	100.00%	100.00%	Colombia	Colombian Peso
Arus S.A.	Marketing of products and solutions in telecommunications	100.00%	100.00%	Colombia	Colombian Peso
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. (4)	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%	Panama	Dollar

Changes in investments in controlled entities

2023

(1) The increase corresponds to the subscription of the purchase and sale agreement of the shares of Sura Asset Management S.A. to Grupo Bolivar*. See note 5.2.4* Commitments with non-controlling interests.

(2) In 2023 the subsidiary SURA Asset management suspended the activities and started the liquidation and/or dissolution stage of the companies Sociedad Titularizadora Sura S.A. Perú, Sura Asset Management Argentina S.A., SUAM Corredora de Seguros S.A. de C.V., NMB Innova S.A. de C.V. and Proyectos Empresariales Al Sura S.A. de C.V. Therefore, they were reclassified as discontinued operations. *See note 10* Discontinued operations.

(3) In August 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.

(4) In August 2023, Suramericana S.A. entered into a share purchase and sale 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). These transactions were completed on October 14 and December 4, 2023, respectively. *See note 10 Discontinued operations.*

On the other hand, on December 13, 2023, the subsidiary Inversiones y Construcciones Estratégicas signed a purchase and sale agreement of Habitat shares with the Real Estate Private Equity Fund Grupo Pegasus Colombia Fondo I. *See note 10* Discontinued operations.

(10) In September 2023, SURA AM acquired minority participations of Asulado S.A., as part of the reorganization of its investments through an exchange contract agreed with minority shareholders.

2022

(5) 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.

(6) 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.

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

(8) 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.

(9) 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.

(10) 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 (*)	
	December 2023	December 2022
Grupo SURA Asset Exposure		
Investments at fair value through profit or loss	4,542,111	4,905,414
Total assets in relation to the interests of Grupo SURA in non-consolidated structured entities	**4,542,111**	**4,905,414**
Maximum exposure Grupo SURA	**4,542,111**	**4,905,414**

(*) 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 twelve-month period ended December 31, 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 amendments, 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).
- Financial liabilities at amortized cost, after initial recognition, should be measured at amortized cost using the effective interest rate method.
- 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.

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2.2.2. Principles of consolidation

Subsidiaries

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

a) 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.
b) Exposure, or entitlement, to variable returns from its involvement in the investee.
c) 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 Group 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:

	Final Average rate		Final Closing rate	
	December 2023	December 2022	December 2023	December 2022
Colombian Peso (COP/USD)	4,325.05	4,255.44	3,822.05	4,810.20
Chilean peso (CLP/USD)	839.07	872.33	877.12	855.86
Dominican Peso (DOP/USD)	56.17	55.14	58.24	56.42
Euro (EUR/USD)	1.08	1.05	1.11	1.07
Mexican Peso (MXN/USD)	17.73	20.11	17.04	19.48
Peruvian Nuevo Sol (PEN/USD)	3.75	3.84	3.71	3.82
Uruguayan Peso (UYU/USD)	38.82	41.13	39.02	40.07
Argentina (ARS/USD)	294.95	130.71	806.95	177.06
Brazil (BRS/USD)	5.00	5.17	4.84	5.22

2.3. Significant accounting policies

The following are the most significant accounting policies used by Grupo SURA for the preparation of consolidated financial statements, which have been consistently applied during the years ended December 31, 2023 and 2022, unless otherwise indicated:

2.3.1. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position and in the statement of cash flows include cash on hand and at banks, highly liquid investments and money market transactions readily convertible into a specified amount of cash and subject to an insignificant risk of changes in value, with a maturity of three months or less, from the date of acquisition.

2.3.2. Financial instruments

A financial instrument is any contract that gives rise simultaneously to a financial asset in one entity and a financial liability or equity instrument in another entity.

Financial assets

a) Definition

A financial asset is any asset that is:

1. Cash;
2. An equity instrument of another entity;
3. A contractual right:
   I. to receive cash or another financial asset from another entity; or
   II. to exchange financial assets or financial liabilities with another entity on terms that are potentially favorable to the entity; or
4. A contract that will or may be settled using the equity instruments of the entity.

Accordingly, Grupo SURA has classified its financial assets as: cash and cash equivalents, investments, derivative instruments, accounts receivable and accounts receivable from related parties.

b) Classification of financial instruments included in investments.

In accordance with IFRS 9 "Financial Instruments", Grupo SURA classifies its financial assets for investment in debt securities, taking into account its business model for managing them and the characteristics of the contractual flows of the financial asset in three groups:

I. At fair value through profit or loss.
II. At fair value through other comprehensive income.
III. At amortized cost.

In accordance with its liquidity and risk appetite strategy, Grupo SURA has classified most of its investments in debt securities in financial assets at fair value through profit or loss, and another portion in debt securities at amortized cost. To see how Grupo SURA determines its investment business model, ***see note 3 Significant accounting judgments, estimates and uncertainties in the preparation of the financial statements.***

For investments in equity instruments, an irrevocable election can be made to present in "other comprehensive income - OCI" in equity subsequent changes in the fair value of an investment that is not held for trading. Grupo SURA has decided to take up this option and consequently, elected to measure some of its equity investments where it does not have control or significant influence at fair value through to OCI". ***(See note 5.1.2. Investments).***

c) Initial recognition

Regular purchases and sales of financial assets are recognized on the date on which Grupo SURA and its subsidiaries commit to purchase or sell securities. Financial assets at fair value through profit or loss are initially recognized at fair value and transaction costs are recognized as an expense when incurred. Financial assets classified as at amortized cost are recorded at acquisition or grant at their transaction value in the case of investments, or at their nominal value which, unless there is evidence to the contrary, coincides with their fair value, plus transaction costs directly attributable to their acquisition or grant.

d) Subsequent measurement

After initial recognition, investments are measured as follows:

I. Investments classified and measured at fair value through profit or loss: the profits and losses resulting from changes in fair value are presented net in the statement of income in the account "Net gain in investments at fair value".
II. Investments in debt securities measured at fair value through OCI: changes in their fair value are recorded in the equity account "Other Comprehensive Income - OCI". The value accumulated in this account is transferred to the income statement when the investments are sold.
III. Investments in equity instruments that are not classified as held for trading: changes in their fair value are recorded in the OCI account indicated in item ii) above. The value accumulated in this account is transferred directly to retained earnings, without going through the statement of income, when they are sold.
IV. Investments in debt securities classified as at amortized cost: subsequent to their initial recording, they are adjusted with a credit to income based on the effective interest rate method, deducting payments or credits received from the issuers.

The effective interest rate is the rate that exactly equals the estimated future cash payments or collections over the expected life of the financial instrument; or, when appropriate, for a shorter period, with the net book value of the asset at the initial time. To calculate the effective interest rate, Grupo SURA estimates cash flows considering the contractual terms of the financial instrument, except for future credit losses, and considering in the initial balance, transaction costs and premiums granted, less commissions and discounts received that are an integral part of the effective rate.

e) Impairment

At each reporting date, Grupo SURA measures and records through profit or loss the allowance for losses of a financial instrument at an amount equal to the expected credit loss over the life of the asset, if the credit risk of that financial instrument has increased significantly since its initial recognition. If the credit risk has not increased significantly since initial recognition, an entity should measure the allowance for losses for that financial instrument at an amount equal to the expected credit losses over the next 12 months.

f) Offsetting of financial instruments in the statement of financial position

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when legally there is a right to offset the recognized amounts and there is a management intention to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Operations with derivative financial instruments and hedge accounting

In accordance with IFRS 9 "Financial Instruments", a derivative is a financial instrument whose value changes over time in response to changes in an underlying variable (a specified interest rate, the price of a financial instrument, the price of a quoted commodity, a foreign currency exchange rate, etc.), requires no net initial investment or requires a lower investment than would be required for other types of contracts in relation to the underlying asset and is settled at a future date.

In the development of its operations, Grupo SURA and its subordinated entities trade in the financial markets with forward contracts, futures contracts, swaps and options that meet the definition of a derivative.

Derivative transactions are initially recorded at fair value. Subsequent changes in fair value are adjusted with a charge or credit to income, as appropriate, unless the derivative instrument is designated as a hedge and, if so, it will depend on the nature of the hedged item, in accordance with the following:

a) Fair value hedges of recognized assets or liabilities or firm commitments, in which case changes in the fair value of the derivative are recorded in the statement of income, as well as any change in the fair value of the asset, liability or firm commitment attributable to the hedged risk.

b) Cash flow hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction, in which case the effective portion of the changes in the fair value of the derivatives is recognized in "other comprehensive income" in equity.

c) The profit or loss on the derivative related to the portion that is not effective to the hedge or that does not correspond to the hedged risk is recognized immediately in the statement of income. The amounts accumulated in the other comprehensive income account are transferred to profit or loss in the same period in which the hedged item is taken to profit or loss.

d) Hedges of a net investment in a foreign currency, which are recorded in a manner similar to cash flow hedges: the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized in other comprehensive income and the ineffective portion is recognized in profit or loss. The gain or loss on the hedging instrument accumulated in equity is recorded in the statement of income when the net investment in a foreign subsidiary is fully sold or proportionally when it is partially sold.

Grupo SURA documents at the beginning of the transaction the relationship between the hedging instrument and the hedged item as well as the risk objective and the strategy for undertaking the hedging relationship.

Financial liabilities

A financial liability is any contractual obligation of Grupo SURA to deliver cash or another financial asset to another entity or person, or to exchange financial assets or financial liabilities under conditions that are potentially unfavorable to Grupo SURA, or a contract that will or may be settled using the equity instruments of the entity.

Financial liabilities are initially recorded at their transaction value, which, unless otherwise determined, is similar to their fair value less the transaction costs that are directly attributable to their issuance. Subsequently, such financial liabilities are measured at amortized cost in accordance with the effective interest rate method determined at the initial time and charged to income as financial expenses. Financial liabilities are only derecognized from the consolidated statement of financial position when the obligations they generate have been extinguished or when they are acquired, either with the intention to cancel them or with the intention to reposition them again.

Non-voting preferred shares

In accordance with IAS 32 "Financial Instruments: Presentation", the issuer of a non-derivative financial instrument must evaluate the terms of the instrument to determine whether it contains liability and equity components. These components are classified separately as financial liabilities or equity instruments for the issuer. In accordance with the above, Grupo SURA has evaluated this requirement in relation to the non-voting preferred shares it has issued and has proceeded at the initial moment to separate the liability component that is recorded at amortized cost and the equity component that is recorded in equity for the difference between the value received for the shares issued and the value determined as a liability.

The direct costs incurred at the time of placement of the preferred shares were allocated and recorded proportionally in liabilities and in the equity component of the shares.

Put and call options with non-controlling interests

The accounting treatment of exit options with non-controlling interests depends on the way in which the option is settled, as follows:

- For exit options in which there is the possibility of settling the contract with **equity instruments** by Grupo Sura or one of its subsidiaries, the derivative methodology measured at fair value will be used.
- For **cash-settled** exit options, it will be a financial liability measured at the present value of the exercise price and its counterpart of the initial and subsequent recognition will depend on the determination of whether or not there is a present ownership interest in the underlying shares, taking into consideration the following.

Factors considered in determining whether the put option could provide a present ownership interest to the acquirer include:

- Pricing
- Voting and decision-making rights
- Dividend rights
- Issuance of call options

Where there is a present ownership interest in the underlying shares, the measurement effects are as follows:

- The shares subject to the call option are accounted for as acquired and a financial liability measured at the present value of the exercise price is recognized.
- Subsequent changes in the liability will be recognized in the income statement.

In the event that there is no present ownership interest in the underlying shares, the Group has determined that IFRS 10 takes precedence over IAS 32 and the measurement effects are as follows:

- Reclassify to financial liabilities (Commitments with non-controlling interests) the non-controlling interest recorded in equity at the initial time and at the end of each period.
- The difference between the liability at fair value and the reclassified non-controlling interest is recorded in the parent's equity (other reserves).
- This method of recognition has no effect on the presentation of the non-controlling interest recognized in the statement of comprehensive income, other comprehensive income or cash flows of the company.
- The above accounting treatment is applied until the date of exercise or expiration of the option.

2.3.3. Insurance contracts

Under IFRS 4, the insurer may continue to use non-uniform accounting policies for insurance contracts (as well as for deferred acquisition costs and related intangible assets) of subsidiaries. Although IFRS 4 does not exempt the Group from complying with certain implications of the criteria set out in paragraphs 10 to 12 of IAS 8.

In particular, the Company:

- Does not recognize as a liability provision for future claims when they arise from insurance contracts that do not exist at the end of the reporting period (such as catastrophe or equalization provisions).
- Perform the liability adequacy test.
- Eliminate an insurance contract liability (or a portion of it) from its statement of financial position when, and only when, it is extinguished, i.e., when the obligation specified in the contract is settled or cancelled, or has expired.

- It shall not offset **(i)** reinsurance contract assets against related insurance liabilities, or **(ii)** expenses or income from reinsurance contracts against income or expenses, respectively, from related insurance contracts.
- Consider whether its reinsurance assets have been impaired.

According to the characteristics of our products, the portfolio is classified under the concept of insurance contract. It is important to note that once a contract is classified as an insurance contract, its classification is maintained during its term, even if the insurance risk is significantly reduced during its term.

Permitted practices and policies include mandatory liability adequacy testing and reinsurance asset impairment testing. Prohibited practices and policies include the establishment of catastrophe reserves, maintaining or establishing compensation or contingent reserves and offsetting reinsurance assets and liabilities.

Written premium income

Premiums written comprise the total premiums receivable for the entire period of coverage. Income from premiums written is recognized at the time the respective policies are issued, distributed over the period through the technical reserve; income from these premiums is reduced by cancellations and/or annulments; in the case of cancellations, it corresponds to the amount of the premium accrued up to the time of cancellation due to the expiration of the payment term.

Unearned premiums are calculated separately for each individual policy to cover the remaining portion of premiums written.

Classification of products in accordance with IFRS 4 of Insurance Contracts

Grupo SURA considers for the classification of its insurance portfolios, the following criteria established by IFRS 4:

Insurance Contracts: contracts where the company (the insurer) has accepted a significant insurance risk from the counterparty (insured) by agreeing to compensate it in the event that an adverse event not certain and future should affect the insured. Significant insurance risk is considered to exist when the benefits paid in the case of the occurrence of the event differ materially from those in the case of non-occurrence. Insurance contracts include those in which financial risks are transferred as long as the insurance risk component is more significant.

Investment contracts: contracts where the insured transfers significant financial risk, but not insurance risk. The definition of financial risk includes the risk of a future change in any or any combination of the following variables: interest rate, price of financial instruments, price of commodities, exchange rates, price or rate indexes, credit risk or credit risk index or other non-financial variable, provided that the variable is not specific to one of the parties to the contract.

Revenues from health care providers

The health care companies of Suramericana, as delegates of the Administrator of Resources of the General Social Security Health *System (Administradora de Recursos del Sistema General de Seguridad Social en Salud) (ADRES, acronym for the Spanish original)* for the collection of contributions of the Mandatory Health Plan, receive a per capita value for the provision of services to each member, which is called the Capitation Payment Unit *(unidad de pago por capitación) – (UPC acronym for the Spanish original)*, which is modified annually by the National Social Security Council *(Consejo Nacional de Seguridad Social en Salud)* and recognizes the income for this concept. The Company recognizes income for CPU and promotion and prevention to the extent that the rights arise from the values of the contributions that are expected to be received considering an expected UPC for the population of compensable affiliates.

The compensable population is defined as the users on which the contribution amounts are expected to be collected and therefore are entitled to receive health care coverage.

Revenues from contracts for additional health plans, i.e., prepaid medicine and complementary plans, are accrued as their term elapses.

Income of the labor risk management company

The labor risk management company estimates the value of the mandatory contributions taking into account the workers who were affiliated during all or part of the period (new entries and withdrawals), the contribution base salary and the risk class, reported in the last self-assessment or in the affiliation. When the employer does not report new developments, the estimated value of the contribution cannot be less than the amount contributed in the last self-assessment form.

Reinsurance and coinsurance operations

Reinsurance

Grupo SURA considers reinsurance as a contractual relationship between an insurance company and a reinsurance company, in which the former totally or partially cedes to the reinsurer the risk or risks assumed with its policyholders.

Premiums corresponding to ceded reinsurance are recorded in accordance with the terms of the reinsurance contracts and under the same criteria as for direct insurance contracts.

Ceded reinsurance contracts do not release Grupo SURA from its obligations with policyholders.

Grupo SURA does not offset reinsurance assets with liabilities generated by insurance contracts and they are presented separately in the statement of financial position.

Coinsurance

Grupo SURA considers coinsurance as the agreed concurrence of two or more insurance entities in the coverage of the same risk; for coinsurance contracts the liability of each insurer to the insured is limited to its percentage of participation in the contract.
Grupo SURA recognizes in the statement of financial position the balance derived from coinsurance operations based on the percentage of participation agreed in the insurance contract.

Impairment of reinsurance and coinsurance

Grupo SURA considers that a reinsurance and coinsurance asset is impaired and will reduce its carrying value, and will recognize the effects in income, if, and only if:

- There is objective evidence, as a result of an event occurring after the initial recognition of the reinsurance asset, that the ceding company may not receive all amounts due to it, based on the terms of the contract; and
- that event has a reliably measurable effect on the amounts to be received by the ceding company from the reinsurer.

Reinsurance contract assets are evaluated for impairment at least once a year to detect any events that may cause impairment. Triggering factors may include legal disputes with third parties, changes in capital and surplus levels, modifications to counterparty credit ratings and historical experience with respect to the collection of the respective reinsurance companies. In the case of the insurance companies of Grupo SURA, there is no impairment of assets from reinsurance contracts.

Estimated insurance contract liabilities

Estimated liabilities for insurance contracts represent for Grupo SURA the best estimate of future payments to be made for the risks assumed in the insurance obligations, which are measured and recognized as a liability: The liabilities for Grupo SURA are as follows:

a) Estimated liabilities of insurance contracts for claims: these are provisions constituted to reflect the estimated cost of claims that have occurred and have not been paid. This category includes:

1. **Estimated liabilities of insurance contracts for unsettled notified claims:** correspond to liabilities and direct settlement expenses for notified claims. The liability is recognized on the date on which the insured and/or beneficiary notifies the occurrence of the covered loss and is subject to a monthly recalculation.
2. **Estimated liabilities of insurance contracts for unsettled notified claims:** correspond to liabilities and direct settlement expenses for notified claims. The liability is recognized on the date on which the insured and/or beneficiary notifies the occurrence of the covered loss and is subject to a monthly recalculation.

   The estimate of the reserve for claims incurred but not reported is determined using a range of standard actuarial claims projection techniques.

   The main assumption underlying these techniques is that the past claims development experience of the Group Companies can be used to project future claims development and therefore their ultimate cost. Such methods extrapolate paid and incurred loss development, average cost per claim, and claim numbers based on observed prior years' development and expected loss ratios.

   Historical loss development is mainly analyzed by years of occurrence, yet can also be analyzed by lines of business, products and claim types. Large claims are usually treated separately, either booked for the estimated value of claims adjusters or projected separately to reflect their future development.

   Further qualitative judgment is used to assess the extent to which past trends may not apply in the future, (e.g., to reflect one-time occurrences, changes in external or market factors, economic conditions, claims inflation levels, court decisions and legislation, as well as internal factors such as portfolio mix, policy characteristics and claims handling procedures) so as to arrive at the final estimated cost of claims that presents the expected value of claims.
3. **Estimated liabilities for future commitments:** these are provisions created to reflect expected future commitments with policyholders.
4. **Estimated liability for risks in progress:** this is the liability for compliance with future obligations arising from the commitments assumed in the policies in force at the calculation date. The estimated current risk liability is comprised of the unearned premium liability and the premium deficiency liability.

The estimated unearned premium liability represents the portion of premiums written on policies in force and premiums written on policies with future inception.

The estimated liability for insufficient premiums will supplement the unearned premium liability to the extent that the premium is not sufficient to cover the current risk and unearned expenses.

b) **Actuarial liability:** this liability is constituted to meet the payment of obligations assumed in individual life insurance and in insurance policies whose premium has been calculated on a level basis or insurance policies whose benefit is paid in the form of an annuity.

c) **Actuarial liability for insurance (excluding annuities):** estimated insurance liabilities are calculated based on the actuarial method, taking into account the current conditions of the insurance contracts. The liability is determined as the sum of the present value of expected future benefits, claims handling and policy administration expenses, options and guarantees and the investment income of assets backing such liabilities, which are directly related to the contract, less the discounted value of premiums expected to be required to meet future payments based on the valuation assumptions used.

d) **Actuarial liability for annuities:** it is calculated on the basis of the present value of the future benefits committed under the contract and the direct operating expenses that the company will incur for the payment of the contract commitments.

e) **Estimated liabilities for unearned premiums:** these are constituted for short-term insurance (both group and individual) in which the periodicity of premium payment differs from the term of the coverage and consequently, a premium has been received for the future risk, which must be provisioned. The provision is determined as the premium received net of expenses and is amortized over the term of coverage.

f) **Estimated liabilities for deposit (savings) components in life insurance or fund value reserve:** For unit-linked and flexible products, the savings component is added to the reserve. According to the periodicity of premium payment, the value of the expense for the savings delivered by the insured is increased.

g) **Estimated Asset Deficit Liabilities:** is that which is constituted to compensate the insufficiency that may arise when covering the flows of expected liabilities that make up the actuarial liability with the flows of assets of the insurance company;

h) **Estimated liabilities for pending claims:** are those which are constituted to meet the payment of claims that have occurred once they have been reported or to guarantee the coverage of those not reported, as of the calculation date. The estimated liability for outstanding claims is composed of the liability for claims reported and the liability for claims not reported.

   The estimated liability for claims reported corresponds to the amount of resources that the insurance company must allocate to meet the payments of claims that have occurred once they have been reported, as well as the expenses associated with them, at the date of calculation of this estimated liability.

   The estimated liability for claims incurred but not reported represents an estimate of the amount of resources that the insurance company must allocate to meet future payments for claims that have already occurred, at the date of calculation of this liability, but which have not yet been reported to the insurance company or for which sufficient information is not available.

i) **Embedded derivatives:** Embedded derivatives in insurance contracts are separated if they are not considered to be closely related to the main insurance contract and do not meet the definition of an insurance contract.

   These embedded derivatives are presented separately in the financial instruments category and are measured at fair value through profit or loss.

j) Liability adequacy test: The technical provisions recorded are subject to a reasonableness test at least once a year, in order to determine their adequacy based on projections of all future cash flows of the contracts in force. If, as a result of this test, it becomes apparent that they are insufficient, they are adjusted with a charge to income for the year.

For the adequacy test of estimated insurance contract liabilities, future contractual cash flows measured based on the best estimates available are used. The cash flows consider both assets and liabilities over time and are discounted considering the rate of return associated with the investment portfolio that supports the provisions and the reinvestment assumptions of the Company.

The methodology for testing the adequacy of estimated insurance contract liabilities and assumptions includes the following instances:

- Projection of contractual cash flows using assumptions based on the best estimates available at the time of the projection. The assumptions are reviewed periodically and approved by the Models and Assumptions Committee and by the risk area of the Company.
- Generation of rate of return scenarios (considering the investment-divestment dynamics of each of the subsidiaries of the company).
- Discounting of commitment flows (in order to obtain the present value of the commitments).
- Calculation of the 50th percentile of present values and comparison with booked reserves. In the case of Mexico and Peru, where the contracts do not have optionalities (they are symmetrical), the projection of flows is symmetrical. However, in the case of Chile, where there are non-symmetric contracts (e.g., flexible with guaranteed rates), stochastic projections are made and then the 50th percentile is determined.

Assumptions used for the adequacy test of estimated insurance contract liabilities include:

- **Operative Assumptions:** Leakage, Partial Surrenders, Collection Factor (not applicable to Life Annuities): periodically, experience analyses are performed in order to incorporate the most recent behavior to the assumption. The analyses are performed by family of homogeneous products.

- **Operating Expenses:** annually, the assumptions of operating expenses are reviewed to consider the best estimated expenditure levels (based on portfolio volume and level of expenses). An important tool for defining the assumption is the annual strategic planning of the Company.

- **Operating Expenses:** annually, the assumptions of operating expenses are reviewed to consider the best estimated expenditure levels (based on portfolio volume and level of expenses). An important tool for defining the assumption is the annual strategic planning of the Company.

- **Financial Assumptions:** the reinvestment model generates rate of return scenarios based on updated market and investment assumptions at the reporting date. These reinvestment model assumptions are as follows:

- Scenarios of Zero Rate Government Coupon: together with the Spreads index, it is used to value the assets available for investment/reinvestment.
- Projected spread rate: applies to zero coupon rates
- Multiplicative factors of spread
- Depreciation factor: is applied to real estate and shares
- Projected flows of liabilities and assets

- **Expected favorable returns:** Grupo SURA recognizes the future payments to be realized for the favorable experience in terms of claims and continuity that are agreed at the start of the insurance contracts through the recognition of a provision.

k) Deferred acquisition costs - DAC

Corresponds to the deferral of the acquisition cost, of new clients, for insurance and pension contracts. For international standards, an amortizable intangible asset can be recognized, which represents the right of the Company to obtain benefits from the management of the investments of its affiliates, and is amortized, to the extent that the Company recognizes the income derived during the period in which a customer maintains their investment in the Company.

Deferred acquisition costs are directly related to the issuance of an insurance contract and give the contractual right to obtain economic benefits, during the provision of services.

2.3.4. Taxes

The tax structure of each country where Grupo SURA companies are located, the regulatory frameworks and the plurality of operations carried out by the companies, make each company liable for national and territorial taxes, rates and contributions.

Income tax

- The assets and liabilities for current income tax for the period are measured for the amounts expected to be recovered or paid to the tax authority. The expense for current income tax is recognized in accordance to the tax reconciliation between taxable income and accounting profit or loss calculated at the rate of income tax for the current year and in accordance with the provisions of the tax rules in every country. Tax laws used to compute these values are those that are approved at the end of the reporting period is reported.

Deferred

- The deferred income tax is recognized using the liability method calculated on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and for future compensation of tax credits and unused tax losses to the extent that it is probable that future taxable gains against which they can be imputed will be available. Deferred taxes are not discounted.

- Deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and in the case of deferred tax liabilities when they arise from the initial recognition of goodwill.

- Deferred tax liabilities, related to investments in subsidiaries, associates, and interests in joint ventures, are not recognized when the timing of the reversal of temporary differences can be controlled, and it is probable that these differences will not reverse in the near future; deferred taxes assets related to investments in subsidiaries, associates, and interests in joint ventures, are recognized only to the extent that it is probable that temporary differences will be reversed in the near future and the availability of future taxable profits to offset deductible differences is likely.

- The book value of deferred tax assets is reviewed at each reporting date and it is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to offset the deferred tax asset in whole or in part. Unrecognized deferred tax assets are reassessed, at each reporting date, and are recognized to the extent that it is probable that future taxable income will be available.

- Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on the tax rates and rules that were enacted or substantively enacted at the reporting date, or whose enactment is expected to be completed by that date.

- Deferred tax is recognized in profit or loss, except when relating to items recognized outside profit or loss, in which case will be presented in other comprehensive income or directly in equity.

- Current income tax assets and liabilities are offset if they relate to the same taxation authority and there is an intention settle them for the net value or to realize the asset and settle the liability simultaneously.

Grupo SURA will offset deferred tax assets, with deferred tax liabilities if, and only if:

a) there is a legal recognition of the right to compensate, before the tax authorities, the amounts recognized in those items; and

b) deferred tax assets and liabilities are derived from the income tax, corresponding to the same tax authority, which are:

   I. the same entity or fiscal subject; or
   II. different entities or subjects for tax purposes that expect either to settle the current fiscal assets and liabilities for their net amount, or to realize the assets and to pay the liabilities simultaneously, in each of the future periods in which it is expected to settle or recover significant amounts of assets or liabilities for deferred taxes.

2.3.5. Property and equipment

Grupo SURA defines as property and equipment (P&E), those tangible assets that will be used in more than one accounting period and which book value is expected to be recovered through their use and not through their sale.

The initial cost of property and equipment is determined by Grupo SURA as the costs incurred in the acquisition or construction of these assets, up until they are ready to be used.

Subsequent to their recognition, Grupo SURA measures real estate assets (land and buildings) under a revaluation model. Revaluation gains are credited to other comprehensive income and accumulated as a separate component of equity called "revaluation surplus".

For the other classes of property and equipment the cost model is used for subsequent measurement, that is, their purchase value is depreciated over their useful lives.

Depreciation

Grupo SURA will depreciate its property and equipment using the straight-line method, for all asset classes, except for land. Land and buildings are separate classes of assets and will be accounted for separately, even if they have been acquired jointly.

Depreciation will begin when the assets are in the location and conditions necessary for them to operate, and it will cease on the date on which the asset is classified as held for sale, or as investment property measured at fair value, in accordance with the applicable accounting policies.

Grupo SURA will derecognize property and equipment if sold, or when it is not expected to obtain future economic benefits from their use or disposal. The loss or profit arising from the derecognition of an item of property and equipment will be included in the results of the period.

Useful lives

Grupo SURA defined the following periods of useful lives for property and equipment:

Buildings	20 to 100 years
Technology equipment	3 to 10 years
Medical equipment	6 to 17 years
Furniture and fixtures	6 to 10 year
Vehicles	4 to 10 years

For leasehold improvements, the useful life will be the term of the contract or the estimated economic life of the improvement, whichever is shorter.

Grupo SURA must review the useful lives of all the assets, at least at the end of each accounting period.

2.3.6. Leases

A lease contract is one in which the right to control the use of an asset is granted, for a period of time, in exchange for a compensation.

Initial Recognition

At the beginning of the lease contract, a right-of-use asset and a lease liability are recognized.

Right-of-use asset: It is measured at cost, which includes the initial measurement value of the liability, plus advances, less incentives, plus initial direct costs and estimated decommissioning costs.

Lease liability: It is measured as the present value of the minimum lease payments, that have not been made at the commencement date.

For the determination of the lease liability, the implicit interest rate should be used, as long as it is determinable. If not, the incremental interest rate must be used.

Subsequent measurement

After the start date, a lessee will measure the right-of-use asset applying the cost model. In respect of the asset amortization period, the term of the contract and the expectations over the time of use of the asset must be taken into account.

2.3.7 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance, which is expected to generate economic benefits for more than one accounting period. Intangible assets, acquired separately, are initially measured at cost. The cost of intangible assets acquired in business combinations is their fair value at the acquisition date. After initial recognition, intangible assets are accounted for at cost minus any accumulated amortization and any accumulated impairment loss.

The useful lives of intangible assets are finite or indefinite. Intangible assets with finite useful lives are amortized over their useful lives on a straight-line basis, with useful lives ranging from 3 years to 66 years depending on the asset and are evaluated for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each period. Changes in the expected useful life or in the expected pattern of consumption of the future economic benefits of the asset are accounted for when changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Amortization expense for intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized, but are tested annually for impairment, either individually or at the cash-generating unit level. The indefinite life assessment is reviewed annually to determine whether the indefinite life is still valid. If not, the change of the useful life from indefinite to finite is made prospectively.

The profits or losses, that arise when an intangible asset is derecognized, are measured as the difference between the value obtained in the sale and the book value of the asset, and are recognized in profit or loss for the period.

The goodwill arising from business combinations in the period are presented in the same functional currency of the foreign operation and are translated into the presentation currency at the closing rate of exchange.

Impairment

Grupo SURA periodically analyses the existence of indicators of impairment and, if necessary, recognizes impairment losses in goodwill. Impairment losses are recognized in profit or loss for the period and are calculated as the difference between the recoverable amount of the goodwill, which is the higher between the value in use and fair value less costs to sell, and its book value.

2.3.8. Investments in associates

An associate is an entity over which Grupo SURA has significant influence over the decisions of financial and operating policies without achieving control or joint control.

It should be presumed that Grupo SURA exerts significant influence when:

- has, directly or indirectly, 20% or more of the voting power in the Company, unless it can be shown that such influence does not exist through the management bodies; or
- although it holds, directly or indirectly, less than 20% of the voting power in the company, it can clearly demonstrate that significant influence exists through the management bodies.

Grupo SURA exercises significant influence through its participation in the Board of Directors or equivalent body, when in the development of elections of the Board of Directors carried out by the Meetings of Shareholders of each of the Associates, they exercise the political rights in proportion to their shareholding. To date, this situation is fulfilled with regard to the associates Grupo Bancolombia S.A., Grupo Nutresa S.A. and Grupo Argos S.A.

Investments in associates are recognized under the equity method; under this method, they are initially recorded at cost and subsequently adjusted for the share of Grupo SURA in the results and other comprehensive income of the associate, with a charge or credit to the results and other comprehensive income of the group, respectively. Dividends received from associated companies are recognized as a reduction of the carrying value of the investment.

When significant influence over the associate or joint control over the joint venture is lost, Grupo SURA measures and recognizes any residual investment in the associate at its fair value. The difference between the carrying amount of the associate or joint venture (taking into account the corresponding items of other comprehensive income) and the fair value of the residual investment retained, with the value arising from its sale, is recognized in profit or loss.

Impairment

Grupo SURA periodically analyses the existence of indicators of impairment and, if necessary, recognizes impairment losses on the investment in the associate or joint venture. Impairment losses are recognized in profit or loss for the period and are calculated as the difference between the recoverable amount of the associate or joint venture, which is the higher of its value in use and its fair value less costs to sell, and its carrying amount.

Methodology for impairment of investments in subsidiaries and associated companies

Identifying signs of impairment is a key step in the evaluation process, as it will determine whether or not an impairment test should be performed.

As established in IAS 36 - Paragraph 9: An entity shall assess, at the end of each reporting period, whether there is any indication of impairment of an asset. If such an indication exists, the entity shall estimate the recoverable amount of the asset.

According to IAS 36, "Impairment of Assets". The subsidiaries and associates of Grupo SURA must consider the following facts and circumstances to establish whether or not there are indications of impairment.

- Operating loss or negative cash flows in the current period, as compared to what was budgeted.
- Increases during the period in interest rates associated with investments and debt. Information on investments in securities with indexed rates, agreed rates of debt acquired with banks.
- Significant changes in the technological environment, defined as the risk associated with losses arising from technology (hardware or software) or the use thereof. For example, information on significant decrease in production associated with the technology or high exposure to hacker risk.
- Significant changes in the legal environment, established as losses from penalties or lawsuits due to non-compliance with regulations or contractual obligations.
- Significant changes in the regulatory environment. Referring to the negative implications on a company derived from changes in the regulatory framework in which it operates.
- Changes in the competitive environment. For example, how much market share is lost (measure growth and loss ratio), new competitors or aggressiveness of current competitors and sales compliance on the commercial side.
- Significant changes in the manner or extent to which the cash generating unit (CGU) is used or expected to be used.
- Significant reduction in the use of installed capacity.
- Generation of new debt
- Cessation or significant reduction, other than a mere fluctuation, in the demand or need for the services provided with the asset.
- For investments in associates listed on the Colombian Stock Exchange, internal valuation models are used.

At the end of every reporting period, Grupo SURA and its subsidiaries will perform impairment tests to operations, CGUs or other recorded goodwill and intangible assets where it will estimate the recoverable amount of the assets, and if applicable, adjust the book value to reflect an eventual impairment in the financial statements.

Joint Ventures

A joint venture is recognized when the contractual arrangement is structured through a separate vehicle and gives it rights to the net assets of the arrangement, rather than rights to the assets and obligations related to the arrangement.

When a joint venture is entered into, the group must recognize, in the consolidated financial statements, its participation in a joint venture, as an investment, and it must be accounted for using the equity method, in accordance with the accounting policy of Investments in Associates and Joint Ventures.

2.3.9 Non-current assets held for sale and discontinued operations

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 transaction costs 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.

The sale to be considered highly probable, when:

a) There is a commitment from Grupo Sura and a plan to proceed with the sale.

b) The search for a buyer is already in process and the necessary actions have been initiated to carry out the sale plan.
c) A sale price has been set that is reasonable in relation to the market value of the asset.
d) It is foreseeable that the sale will be completed within a period not exceeding (12) twelve months (from the date of classification) and the actions taken to implement the sale plan make it unlikely that significant changes to the plan or that the plan will not be completed.
e) The intention to sell an asset (or group of assets) is not sufficient to classify as available for sale.

Discontinued operations

Grupo Sura will identify a discontinued operation as a component that has been sold or otherwise disposed of, or has been classified as held for sale, and

f) Represents a line of business or geographic area that is significant and can be considered separate from the rest.
g) It is part of a single coordinated plan to divest or otherwise dispose of a line of business or geographic area of operation that is significant and can be considered separate from the rest; or
h) It is a subsidiary acquired exclusively for the purpose of resale.

Grupo Sura must present the results and cash flows of the group of assets classified as discontinued operations.

2.3.10 Employee benefits

The benefits to employees include all the benefits that Grupo SURA provides to the workers, in exchange for the services provided. Employee benefits are classified as: short-term, post- employment, other long-term benefits and/or termination benefits.

Short-term benefits

Short-term benefits are benefits expected to be paid to employees within twelve months after the date of preparation of the Financial Statements. Short-term benefits are recognized as the employees render the service, at the value expected to be paid. The effects of the change in the valuation of short-term benefits are charged to income for the period.

The short-term benefits of Grupo de Inversiones Suramericana include the following:

i) Social security and mandatory benefits: accrued monthly in accordance with the legal regulations of each country. Payments are made as required by law.
j) Short-term incentive performance bonus: It is accrued monthly based on an estimated percentage of compliance, it is paid in March of each year and, among other considerations, entitled to all employees who have met previously set objectives and provided that corporate objective communicated in a timely manner are met.
k) Other benefits: these correspond to benefits such as vacation bonus, extra-legal service bonus and Christmas bonus, which are charged to expenses as the service or benefit is rendered.

Post-employment benefits

Post-employment benefits are all those remunerations granted to the employee after retirement or termination of the contract other than severance payments.

In Grupo SURA there are the following post-employment benefits:

Retirement pensions directly assumed by the subsidiaries, severance payable to employees who continue in labor regime prior to Law 50 of 1990, and certain extra-legal benefits or those agreed in collective bargaining agreements.

The liability for post-employment benefits is determined based on the present value of the estimated future payments, calculated based on actuarial studies prepared by the projected unit credit method, using actuarial assumptions of mortality rates, salary increases and employee turnover, and interest rates determined by reference to current market yields of bonds at the end of the period of National Government issuances or high-quality corporate bonds. Under the projected unit credit method, future benefits to be paid to employees are allocated to each accounting period in which the employee renders service. Therefore, the corresponding expense for these benefits recorded in the consolidated statement of income of Grupo SURA includes the present service cost allocated in the actuarial calculation plus the financial cost of the calculated liability. Changes in the liability due to changes in actuarial assumptions are recorded in equity in the OCI account.

Variations in the actuarial liability for changes in employee benefits granted retroactively are recorded as an expense at the earliest of the following dates:

- when there is a modification of the employment benefits granted.
- when provisions are recognized for restructuring costs by a subsidiary or business of the Company.

Long-term benefits

These are all additional benefits to employees other than short-term benefits that are paid prior to retirement or termination of service by the employee. In accordance with the collective bargaining agreements and regulations of each of Grupo SURA´s companies, such benefits correspond mainly to seniority premiums and severance indemnities paid to certain employees hired before Law 50 of 1990.

Liabilities for long-term employee benefits are determined in the same way as post-employment benefits, with the only difference that changes in the actuarial liability due to changes in actuarial assumptions are also recorded in income.

Termination benefits

Termination benefits are payments for early retirement or severance payments, and therefore will only arise at the time of the termination of the employment relationship. Grupo SURA must recognize termination benefits as a liability and an expense, when the offer of benefits can no longer be withdrawn, due to contractual issues, or when it recognizes the costs of a restructuring.

2.3.11. Operating segments

An operating segment is a component of Grupo SURA that carries out business activities, from which:

- It can obtain income, and incur in costs and expenses,
- over which financial information is available and,
- whose operating results are reviewed regularly by the highest authority in the decision-making process of Grupo SURA, to decide on the allocation of resources to the segments and evaluate their performance.

Management regularly evaluates the performance of each of the segments; the group discloses separate information for each of the segments identified and such information is prepared under the same accounting policies used in the preparation of Grupo SURA´s consolidated financial statements.

2.3.12. Income

Revenue from customers

Grupo SURA has established a five-step model for accounting for revenue from customer contracts. Revenue is recognized for an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The five steps identified for the determination of revenue recognition are:

1. Identification of the contract with the customer
2. Identification of performance obligations
3. Determination of the transaction price
4. Allocation of the transaction price to each of the performance obligations
5. Recognition of revenue from ordinary activities when performance obligations are met.

Incremental costs (capitalizable costs) will be accounted for as assets if Grupo SURA expects to recover them under the same contract; costs of obtaining a contract that are incurred regardless of whether the contract is won will be carried at cost in the period in which they are incurred.

Below is the detail of the main non-insurance revenue streams of Grupo SURA:

Complementary services to the insurance activity

Complementary services to the insurance activity are services provided which do not relate to insurance risks, these services include: transportation for injury or illness, travel and accommodation of a family member, travel related to the death of a family member, transportation in the event of death, transfer costs for interruption of travel, legal assistance by telephone, among others.

Income received for services complementary to the insurance activity is recognized when the transfer of the services committed to its customers is made, and is recognized for the amounts that reflect the consideration that the Company expects to receive in exchange for such services.

"Policies issued by insurance companies must identify as a separate performance obligation, those that are associated with the rendering of services that do not require the occurrence of an insured loss".

General Insurance

The automobile, home and fire insurance solution include components of services that do not correspond to insurance risks such as: transportation due to injury or illness, travel and lodging of a family member, travel due to the death of a family member, transportation in the event of death, professional driver, transmission of urgent messages, towing, lodging and transportation due to car damage, lodging and transportation due to car theft, mobile workshop and locksmith's shop, location and shipment of spare parts, designated driver, accompaniment in traffic cases, telephone guidance for traffic procedures, plumbing, electricity, locksmithing, replacement of damaged glass, security services, travel interruption expenses, legal assistance by telephone, among other. These components constitute additional performance obligations under the requirements of IFRS15, provided that they do not require the occurrence of an insured loss. For this reason, the group must assign a portion for complementary services from the amount of the premium received for insurance activity, whenever it applies.

Grupo SURA decided to use the practical expedient of IFRS 15, and will not adjust the value it has committed as consideration to account for the effects of a significant financing component, when it is expected at the beginning of the contract, that the period between the time when the Company will transfer the service committed to the customer and the time when the customer pays for that good or service will be one year or less. Therefore, for short-term advances, the amount of such advances will not be adjusted even if the effect of the financing component is significant.

Life Insurance

The main corporate purpose of the Company is to carry out individual insurance and reinsurance operations on life insurance policies, under the modalities and lines of business expressly authorized by law.

Income from labor risk management

The labor risk management company estimates the value of the mandatory contributions taking into account the workers who were affiliated during all or part of the period (new entries and withdrawals), the contribution base salary and the type of risk, reported in the last self-assessment or in the affiliation. When the employer does not report new developments, the estimated value of the contribution cannot be less than the amount contributed in the last self-assessment form.

Dividend Income

Grupo SURA recognizes dividend income when:

a) the entity's right to receive the dividend payment is established
b) It is probable that the entity will receive the economic benefits associated with the dividend
c) the amount of the dividend can be measured reliably.

This does not apply when the dividend represents a recovery of the cost of the investment.

Commission income

When Grupo SURA involves a third party in providing goods or services to a customer, it is determined whether the nature of its commitment is a performance obligation to provide the specified goods or services itself (i.e., the entity acts as a principal) or to arrange for the third party to provide those goods or services (i.e., the entity acts as an agent).

Grupo SURA will be a principal if it controls the good or service before the entity transfers it to a customer. However, Grupo SURA is not necessarily acting as a principal if it obtains the legal right to a product only momentarily before the right is transferred to the customer.
When Grupo SURA is defined as a principal, i.e., it satisfies a performance obligation, it recognizes income from ordinary activities for the gross value of the consideration to which it expects to be entitled in exchange for the goods or services transferred.

Grupo SURA acts as an agent if the performance obligation is to arrange the supply of goods or services for another entity. When Grupo SURA acts as an agent, revenue from ordinary activities is recognized for the value of any payment or commission to which it expects to be entitled in exchange for arranging the supply of its goods or services for the other party. The payment or commission may be the net value of the consideration that the entity retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party.

Commission income is recognized with the provision of the service. Those arising from trading, or participating in the trading of a third-party transaction such as the disposal of the acquisition of shares or other securities, or the purchase or sale of businesses, are recognized on completion of the underlying transaction.

Portfolio and management consulting fees and other services are recognized based on the services applicable to the contract when the service is provided.

Asset management fees related to investment funds and contract investment fees are recognized during the period of service. The same principle applies to wealth management, financial planning and custodial services that are performed continuously over an extended period of time. Fees charged and paid between banks for payment of services are classified as commission income and commission expense.

Deferred income liability (DIL)

A Deferred Income Liability (DIL) provision is generated in the Mandatory Pension Savings segment in the countries of Chile, Peru and Uruguay, as a result of administration costs, in order to defer the income of contributing members in the periods in which these members become non-contributing members or pensioners who cannot be charged for the administration of their funds and/or payment of pensions.

The foundation of this arises because, under the condition of non-contributor, said affiliates do not generate any income that allows them to face the costs. For this purpose, a provision is created, whose constitution takes place as long as the Company makes the corresponding collection, and its release is given as the aforementioned cost is incurred.

DIL calculation methodology

The provision is calculated periodically, at least quarterly. The currency of calculation is the currency in which the collections and commitments of the company are fixed. For those subsidiaries in which the provision is calculated in a unit indexed by inflation, the provision is restated in legal tender, at the equivalent exchange rate, between said currency and the indexed unit for inflation of the closing period, of the balance or closing month.

The provision is calculated, based on the estimated cost of the non-contributors and the cost of the pensioners, who are not charged for the administration of their funds and/or the pension payment, discounted at the rate of a Corporate AAA Bond, without prepayment options.

2.3.13. Earnings per share

Basic earnings per share are calculated by dividing the results of the period, attributable to holders of outstanding shares, by the weighted average number of ordinary shares outstanding, during the period.

Diluted earnings per share are calculated by adjusting the average number of common and preferred shares outstanding to simulate the conversion of all potential dilutive common shares. Put option contracts with non-controlling interests that can be paid with Grupo Sura shares **(see Note 5.2.4)** could represent dilutive effects.

2.4. Reclassifications

For comparative purposes of the Statement of Income, reclassifications are presented to the result presented as of December 31, 2022, corresponding to the application of IFRS 5-Non-current assets held for sale, of hábitat; the operation of Seguros Argentina S.A. and Seguros Sura del Salvador (individuals and Generarles) direct subsidiaries of Suramericana S.A., on the part of SURA AM are: Titulizadora Sura S.A., SM Asesores S.A. DE C.V., Proyectos Empresariales AI Sura S.A. de C.V., Sura Asset Management Argentina S.A., NBM Innova S.A. de C.V Mexico, NBM Innova S.A. Colombia qiip operation, Pensiones Sura S.A. de C.V. de Mexico, **see note 10 Non-current assets held for sale and discontinued operations.**

The 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 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.

The calculation of the estimate of the liability for commitments with non-controlling interests described in note 5.2.4, is made by determining the fair value on a non-recurring basis and is classified in level 3. These fair values contain significant judgments and estimates due to the fact that there is no active market where prices are available.

Information about key judgments and assumptions that estimate the future behavior of variables at the reporting date and that have a significant risk of causing a material adjustment to the value of assets and liabilities during the next financial statement due to the uncertainty surrounding such behaviors.

a) Liabilities under insurance contracts

Liabilities under insurance contracts and annuities are recognized on the basis of the best estimated assumptions. Additionally, all insurance contracts are subject to an annual liability adequacy test, which reflects Management best estimate of future contractual cash flows. In the event of a deficiency, the assumptions can be updated or remain fixed until the next revision or deficiency identified, whichever occurs first.

As described in the Deferred Acquisition Costs section, certain expenses are deferred and amortized over the term of the contracts. In the event that the assumptions of future profitability of the contracts do not materialize, the amortization of the costs is accelerated, affecting the income statement of the period.

The main assumptions, used in the calculation of technical reserves are: mortality, morbidity, longevity, return on investments expenses, exit and collection rates, rescue rates, and discount rates.

The assumptions of mortality, morbidity, and longevity are based on the standards of the local industries, of each subsidiary, and are adjusted to reflect the own exposure to risk of the company when appropriate, and when the historical information is sufficiently in depth, to perform substantiated experience analyzes that alter industry estimates. Longevity assumptions are introduced through factors of future improvement of mortality rates.

For the assumptions of rates of return, the investment product of the assets, that support the technical reserves of the insurance contracts, based on the market conditions, at the date of subscription of the contract, as well as the future expectations on the evolution of the economic and financial conditions of the markets in which it operates, and the investment strategy of the company.

The assumptions of expenses are constructed, based on the levels of expenditures in force, at the time of signing the contract and are adjusted for the expectation of increase, from inflation in the cases, in which it corresponds.

The exit, collection, and rescue rates are constructed, based on analysis of personal experience of each one of the subsidiaries, and product, or family of products.

The discount rates are based on the current rates for the corresponding industry, and market, and adjusted for the exposure to the own risk of the subsidiary.

In the case of insurance contracts, with savings components, based on units of the fund (Unit- Linked), the commitments are determined based on the value of the assets that support the provisions, which arise from the value of each of the funds in which are the deposits of the policies.

b) Fair value of financial instruments

The fair value of financial instruments where there is no active market or where quoted prices are not available are determined using valuation techniques. In these cases, fair values are estimated based on observable inputs for similar financial instruments or using models. Where observable market inputs are not available, they are estimated based on appropriate assumptions.

When valuation techniques (e.g., models) are used to determine fair values, they are validated and reviewed periodically by qualified personnel independent of those who obtained them. All models are certified prior to use and the models are calibrated to ensure that the results reflect actual data and comparative market prices. To the extent possible, the models use only observable data; however, areas such as credit risk (both own and counterparty credit risk), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. ***See note 31 on fair value.***

Business model of Grupo SURA

The structural portfolio has alternative investments which, due to their nature, do not meet the requirements to be classified at amortized cost, therefore, they must be classified at fair value through profit or loss. These include, but are not limited to, fixed-income securities with prepayment options, private equity funds, and structured products, among others. This type of investment may be acquired, with the objective of matching liabilities and maintaining them for a prolonged period, so that they may be part of the structural portfolio of the Company.

At initial recognition, Grupo SURA can irrevocably designate an equity instrument of other companies, that is not held for trading, such as at fair value through Other Comprehensive Income (OCI), this means that in its subsequent measurements, the changes in the fair value will not impact the income statement, but the equity of the Company.

Calculation of credit risk in derivatives

IFRS 13 introduced the requirement to incorporate credit default risk in fair value calculations: Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA).

Options present only one risk, and Cross Currency Swaps (CCS) present both risks, since the former can only be settled in favor or against depending on whether the right or the obligation is held, while CCS can be settled in both directions depending on market movements.

The Group has defined the following assumptions for the calculation of such credit risk, taking into account that IFRS 13 does not establish a single methodology:

- The calculation of CVA and DVA is performed per transaction and corresponds to an additional component within the valuation of transactions.
- To calculate the counterparty, risk the Expected Loss methodology is used, which has 3 components, Potential Future Exposure (PFE), Probability of Default (PD), Recovery Rate (RR). Where the Potential Future Exposure, which is defined as the maximum credit exposure expected during a specific period of time calculated with some level of confidence, by calculating the CVA (positive) as the DVA (negative),

multiplied by the Probability of Default, which is a measure of credit rating given to a contract in order to estimate its probability of default one year ahead and by one minus the Recovery Rate, which is the percentage of the exposure at risk that is not expected to be recovered in case of default.

Determining efficacy in derivatives

The hedging relationship will be considered effective as long as the hedging instrument mitigates the risk of the hedged item, i.e., its effectiveness will be accepted as long as the hedging relationship has a lower exposure to the USD/COP exchange rate than the item being hedged regardless of the designated hedging instrument.

The Group has defined the following judgments to qualitatively assess hedge effectiveness, taking into account IFRS 9. (Paragraph 6.4.1.(c)).

- Economic relationship: The value of the defined hedged item (USD foreign currency denominated debt issue) and the value of the designated hedging instrument (spot item) in this hedging relationship will change systematically and oppositely in response to movements in the USD/COP exchange rate, which is the hedged risk.
- Non-dominance of credit risk: The Company will monitor on a quarterly basis that there are no significant decreases in the credit rating of its counterparty, in order to maintain the high probability of future compliance with the flows of the derivative designated as a hedge.
- Proportional hedging relationship: Proportional hedging relationship: Provided that, during the life of the hedging relationship, the USD/COP exchange rate is below USD/COP 4,330 (highly probable scenario); the hedging ratio between the hedged item and the hedging instrument will be one to one, fully effectively offsetting the exchange rate risk generated by the principal of the foreign currency (USD) denominated debt issue for the company.

- In a different scenario, when the exchange rate during the life of the hedging relationship is above USD/COP 4,330 (low probability scenario); the hedge ratio between the hedged item and the hedging instrument will be in a very extreme scenario of 0.63 to 1, partially offsetting the exchange rate risk generated by the principal of the debt issue denominated in foreign currency (USD) for the company.

For Sura Asset Management, effectiveness is the variation of the hedging instrument over the variation of the hedged item, i.e., for debt, the difference in exchange rate is taken against the valuation of the exchange component of the derivative USD/COP leg; and for net investments, it will be the variation of the asset versus the variation of the derivative from COP to other currencies (PEN, CLP, MXN).

c) Impairment of financial assets

To calculate the impairment of financial assets, the future cash flows, of the respective financial asset of the group must be estimated. **See note 5.1.4 of financial instruments, impairment section.**

d) Taxes

There is some uncertainty regarding the interpretation of complex tax regulations, changes to tax legislation and measurement and timing of future taxable income. Given the wide range of international trade relations and the complexity and long-term horizons of contractual agreements, differences between actual results and the estimates and assumptions made, as well as future changes to the latter arise. This may require future adjustments to taxable income and expenses already recorded. The Company establishes provisions, based on reasonable estimates, for possible findings of audits performed by tax authorities in all countries where it operates. The scope of these provisions is based on several factors, including historical experience from previous tax audits conducted by the tax authorities, upon the taxable entity.

Deferred tax assets are recognized for unused tax losses, to the extent that it is probable that there are taxable profits to offset such losses. An important judgment by management to determine the value to recognize the deferred tax asset, based on the likely timing and level of future taxable profits, together with future strategies of the tax planning of the Company.

e) Impairement of goodwill

The determination of impairment of goodwill requires an estimation of the value in use of cash- generating units to which goodwill has been allocated it said. The calculation of value in use requires management to estimate the future cash flows of the CGU and appropriate discount rate to calculate the present value. When the actual future cash flows are lower than expected, there may be a loss for impairment. (Note 12.1 Goodwill).

f) The useful life and residual values of property and equipment, right-of-use and intangible assets

Grupo SURA shall review the useful lives of all property and equipment and intangible assets at least at the end of each accounting period. The effects of changes in the estimated life are recognized prospectively over the remaining life of the asset.

g) Term of leasing contract

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. The assessment is reviewed if a significant event occurs or a significant change in circumstances that affects this assessment.

h) The probability of occurrence and the value of liabilities of uncertain or contingent value

Contingent liabilities of the SURA Group include those related to legal proceedings, regulatory proceedings, glosses, arbitration, taxes and other claims arising from the normal activities of the Group. These contingencies are evaluated taking into account the best estimates made by management and the necessary provisions have been established for legal and other claims, validating the probability of occurrence, whether it is probable, possible or remote. Contingencies are provided for and recorded when all available information indicates that their occurrence is feasible, the Group is obliged in the future to make disbursements for events that occurred before the balance sheet date and the amounts can be reasonably estimated. To make an adequate assessment of the probability and estimate of the amounts involved, the Group takes into account the opinions of internal and external experts.

Throughout the existence of a contingency, the Group may obtain additional information that may affect assessments related to the probability of occurrence or estimates of the amounts involved; changes in these assessments may lead to changes in the provisions.

Grupo SURA considers the estimates used to determine the provisions for contingent liabilities as critical estimates because the probability of their occurrence and the amounts that the Group may require to pay them are based on the criteria of the Group and its internal and external experts, which do not necessarily coincide with the future results of the procedures.

i) Employee benefits

The measurement of obligations for post-employment benefits, and defined benefits, includes the determination of key actuarial assumptions that allow for the calculation of the value of the liability. Among the key assumptions are the discount and inflation rates, salary increases, among others.

The Projected Unit Credit Method is used to determine the present value of the defined benefit obligation and the associated cost. Future measurements of the obligations may vary significantly from those presented in the financial statements, among others, due to changes in economic and demographic assumptions and significant events.

j) Evaluation of the going concern principle of the EPS Suramericana S.A. subsidiary.

Particularly for the business of EPS Suramericana S.A., a subsidiary of Suramericana, the capacity of this Company to continue under the going concern hypothesis has been evaluated, derived from the existence of events or materialized financial conditions that as of said date can be evidenced in accumulated losses as of December 31, 2023 in equity, amounting to $224 billion pesos, whose main and material causes are summarized as follows:

- The increase in the accident rate due to the increase in frequencies that has been occurring since the year 2022 and whose trend continues.
- The structural and gradual insufficiency of the Capitation Payment Unit paid monthly by the government to meet obligations derived from the Benefit Plan.
- The insufficiency of the payment of *maximum budgets* for non-HBP (Health Benefit Plan) benefits, as well as outstanding obligations of the State, with respect to past periods, for the same concept.
- Resolution against tax audit processes, generating voluntary corrections of income tax returns for the years 2020, 2021 and 2022.
- Existence of portfolio and outstanding balances from past periods, different from maximum budget benefits.
- Accumulated debts for Covid aid packages, not recognized by the National Government.

The aforementioned factors have generated a negative net asset of $40.5 billion pesos in the separate financial statements of Grupo SURA, as a result of the accumulated losses of said entity.

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:

- Legal action for direct compensation regarding the insufficiency of COVID 2021 relief packages.
- Legal action for annulment and reinstatement regarding the insufficiency of Capitation Payment Unit 2022.
- Legal action for nullity and reinstatement regarding the insufficiency of maximum budgets for the years 2021 and 2023.

- Legal action for direct compensation corresponding to the insufficiency of maximum budgets for 2022.

- Legal Action for protection regarding the adjustment of maximum budgets for the year 2021.

- Legal action for direct reparation with precautionary measure related to insufficiency of Capitation Payment Unit 2023.

- Legal action for nullity and reestablishment of the right corresponding to the insufficiency of maximum budgets of 2023 from July to October.

Management considers that it is possible to conclude the existence of the going concern principle. EPS SURA is a regulated company in a sector that is currently experiencing great uncertainties regarding the operating model of the General Social Security Health System *(SGSSS, acronym in Spanish original),* so the decisions of the Ministry of Health and the National Superintendence of Health will determine the continuity of the operation. For 2024, management has determined that it will continue under a going concern, until the competent authorities make their pronouncements on the matter.

NOTE 4. NORMS ISSUED NOT EFFECTIVE YET

The accounting policies applied in the preparation of the separate financial statements are consistent with those used in the preparation of the annual separate financial statements as of December 31, 2023, the new standards issued as of January 1, 2024 and interpretations that have been published, but are not applicable at the date of these financial statements, are presented below. The Company will adopt these standards on the date they become effective, in accordance with the decrees issued by local authorities.

The amendments that apply for the first time in 2024 have no impact on these financial statements.

Issued Standards Not in Force

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

IFRS 17: Insurance contracts

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

The 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. Grupo SURA evaluated the effect of this standard on its financial statements and concluded that it has no effect on recognition and measurement.

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 means of Decree 1611 of 2022, which will be effective as from January 1, 2024. Grupo SURA evaluated the effect of this standard on its financial statements and concluded that it has no effect on recognition and measurement.

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 means of Decree 1611 of 2022, which will be effective as from January 1, 2024. Grupo SURA evaluated the effect of this standard on its financial statements and concluded that it has no effect on recognition and measurement.

NOTE 5. FINANCIAL INSTRUMENTS

5.1. Financial Assets

5.1.1 Cash and cash equivalents

Cash and cash equivalents correspond to:

	December 2023	December 2022
National banks	1,922,012	2,395,736
Cash equivalents (*)	776,680	290,663
Foreign Bank	605,684	881,720
Cash and banks	1,201	1,850
Total cash and cash equivalents (1)	**3,305,577**	**3,569,969**
Cash and cash equivalents in the statement of cash flows	**3,305,577**	**3,569,969**

(*) Include checks, special investment funds, fiduciary rights and other cash equivalents.
Balances with banks bear interest at variable rates based on daily bank deposit rates. Short-term placements are made for varying periods of between one day and three months, depending on the immediate cash needs of Grupo SURA and its subsidiaries, and bear interest at the applicable short-term placement rates.

(1) Cash and cash equivalents presented a decrease of 7% represented by $264,392 million, mainly due to the increase in interest paid, which represented a greater outflow of cash by the company, which increased by 138% represented by $833,840 million compared to 2022.

Restricted cash is included within Other Assets **(see note 14)**

5.1.2. Investments

The breakdown of investments is as follows:

	December 2023	December 2022
At fair value through profit or loss	7,662,832	9,432,492
At amortized cost	24,191,268	17,008,723
At fair value through OCI (*)	898,903	1,174,491
Debt securities	**32,753,003**	**27,615,706**
At fair value through profit or loss	6,353,197	8,363,480
At fair value through OCI (*)	72,727	94,926
Equity instruments	**6,425,924**	**8,458,406**
Subtotal investments	**39,178,927**	**36,074,112**
Impairment in investments at fair value through OCI (*)	(70,713)	(76,500)
Impairment on investments at amortized cost	(68,811)	(24,552)
Subtotal impairment	**(139,524)**	**(101,052)**
Total Investments (1)	**39,039,403**	**35,973,060**
Short-term investments	9,432,324	12,951,679
Long-term investments	29,607,079	23,021,381

(*) OCI: Other Comprehensive Income
(1) The increase presented in 2023 is mainly due to the 42% increase in investments at amortized cost represented in $7,182,545 million compared to 2022 and to the good performance of local fixed income and alternative assets.

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

	December 2023	December 2022
Legal reserve (1)	462,531	36,537
Fair value investments (3)	1,026,716	(102,563)

Trading derivatives [2]	160,436	(75,587)
Dividends Financial Instruments	19,493	17,277
Difference on exchange of investments	(109,560)	(36,653)
Total	**1,559,616**	**(160,989)**

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

During 2023, there was an increase due to the fact that the reserve requirement reached very positive levels with recoveries during the last quarter, contributing $382.300 million to this year's result.

[2] Corresponds to the valuation of trading derivatives associated with the investment portfolio.

[3] The fair value is detailed below:

	Profit (loss)			
	For sale (realized)		Unrealized	
	December 2023	December 2022	December 2023	December 2022
Debt securities	233,156	104,375	378,634	(295,213)
Equity instruments	1,008	(2,770)	648,082	192,650
Total	**234,164**	**101,605**	**1,026,716**	**(102,563)**

The following is the detail of (realized) and unrealized profits or losses on investments in available-for-sale debt securities as of December 31, 2023 and 2022

December 2023

		Profit (loss)	
Debt securities	Book value (*)	For sale (realized)	Unrealized
National issuers	24,136,834	92,988	508,765
Foreign issuers	2,597,461	-	69
Mutual funds	4,542,112	9,456	(8,590)
Investment funds	1,476,596	130,712	(121,610)
Total	**32,753,003**	**233,156**	**378,634**

December 2022

		Profit (loss)	
Debt securities	Book value (*)	For sale (realized)	Unrealized
National issuers	16,702,344	23,716	189,381
Foreign issuers	4,332,177	(2,442)	395
Mutual funds	4,906,448	(3,731)	(396,674)
Investment funds	1,674,737	86,832	(88,315)
Total	**27,615,706**	**104,375**	**(295,213)**

(*) Book value and fair value are the same as of December 31, 2023 and 2022.

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

	December 2023	December 2022
Investments at amortized cost	2,748,544	1,701,390
Investments in cash equivalents	166,617	67,969
Income from other assets	13,785	6,808
Subtotal return at amortized cost	**2,928,946**	**1,776,167**
Impairment of investments	(48,966)	(16,726)
Total net yield at amortized cost	**2,879,980**	**1,759,441**

The following is a detail of equity investments at fair value through profit or loss as of December 31, 2023 and December 31, 2022:

	December 2023	December 2022
Mutual funds	3,894,688	4,567,024

National issuers	1,887,779	2,706,247
Foreign issuers	570,730	1,090,209
Total	**6,353,197**	**8,363,480**

Investments at fair value through Other Comprehensive Income

The following is the detail of realized and unrealized profits or losses on investments in equity instruments with adjustment to Other Comprehensive Income as of December 31, 2023 and 2022:

December 2023	Cost	Profit / unrealized loss
Bolsa de Comercio de Santiago (Chile)	13,784	(2.565)
Enka de Colombia S.A.	40,846	19,942
Total	**54,630**	**17,377**

December 2022	Cost	Profit / unrealized loss
Bolsa de Comercio de Santiago (Chile)	15,019	93
Enka de Colombia S.A.	60,789	11,725
Total	**75,808**	**11,818**

Investment guarantees

As of December 31, 2023 and 2022, investments provided in guarantees corresponded to foreign issuers for $2,865 and $1,220 million pesos, respectively.

Restrictions on investments

The balance of investments includes the investment that the Administradora de Fondos de Pensiones y Cesantías Protección S.A. has in the trust fund 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, which is represented in liquid assets in the amount of 265,440 million at December 31, 2023 and $192,104 million at December 31, 2022, to attend possible deviations in the pension insurance rate.

As of December 31, 2023 and December 31, 2022, Suramericana S.A.'s subsidiaries in Colombia have restrictions and/or liens of $323 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 with possible claims made by third parties. In the event of a claim, any obligation will be backed with the resources existing in the cell.

5.1.3. Other accounts receivable

The detail of accounts receivable as of December 31, 2023 and 2022 is presented below:

	December 2023	December 2022

Trading accounts receivable	1,449,036	1,086,352
Other receivables*	606,683	640,339
Accounts receivable AFP-Commisiones	206,363	240,087
Tax receivables	78,091	132,184
Employee accounts receivable	25,857	40,951
Total other accounts receivable	**2,366,030**	**2,139,913**

* Corresponds to prepayments of contracts, Securities Brokerage Company *(Sociedad Comisionistas de Valores, in Spanish original)*, judicial deposits and claims to insurance companies.

Current and non-current:

	December 2023	December 2022
Other current accounts receivable	2,365,859	2,139,608
Other non-current accounts receivable	171	305
Total other accounts receivable	**2,366,030**	**2,139,913**

5.1.4. Impairment of financial assets

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

	December 2023	December 2022
Impairment of accounts receivable	(162,057)	(187,335)
Impairment of investments	(139,524)	(101,052)
Total	**(301,581)**	**(288,387)**

The following is the reconciliation of the impairment of financial assets:

	Accounts receivable	Investments	Total
Balance at December 31, 2021	**(210,995)**	**(71,137)**	**(282,132)**
Additions Impairment of the period (*)	(4,037)	(16,726)	(20,763)
Recoveries	49,741	1,748	51,489
Other adjustments	(26,767)	(17,315)	(44,082)
Exchange differences	4,723	2,378	7,101
Balance at December 31, 2022	**(187,335)**	**(101,052)**	**(288,387)**
Additions Impairment of the period (*)	(112,930)	(48,966)	(161,896)
Recoveries	44,632	23,567	68,199
Other adjustments (1)	96,264	(19,059)	77,205
Exchange differences	(2,688)	5,986	3,298
Balance at December 31, 2023	**(162,057)**	**(139,524)**	**(301,581)**

(*) See notes 6.7. Insurance costs and expenses and 5.1.2. Investments (net return on investments at amortized cost).
(1) Includes movements due to the restatement of EPS Sura subsidiaries in 2022, among other adjustments.

5.2. Financial liabilities

The following are the financial liabilities of Grupo SURA:

	Note	December 2023	December 2022
Financial obligations (1)		2,429,280	1,115,538
Bonds issued	5.2.3	7,354,982	9,337,919
Preferred shares	18	459,834	459,955
Commitments with non-controlling interests	5.2.4	2,378,630	2,810,956
Subtotal financial liabilities for capital management		**12,622,726**	**13,724,368**
Derivative instruments	5.2.1	208,188	491,544
Accounts payable to related parties	34	184,966	117,298
Other accounts payable (2)	5.2.2	2,843,396	2,609,496
Subtotal other financial liabilities		**3,236,550**	**3,218,338**

	Note	December 2023	December 2022
Total		**15,859,276**	**16,942,706**

(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 with respect 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:

December 2023

Current	Note	Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations		896,394	-	896,394
Derivative instruments	5.2.1	-	34,342	34,342
Accounts payable to related parties	34	184,966	-	184,966
Other accounts payable	5.2.2	2,781,824	-	2,781,824
Bonds issued	5.2.3	2,096,433	-	2,096,433
Commitments with non-controlling interests	5.2.4	-	982,004	982,004
Total		**5,959,617**	**1,016,346**	**6,975,963**

Non-Current	Note	Financial liabilities at amortized cost	Financial liabilities at fair value	Total
Financial obligations		1,532,886	-	1,532,886
Derivative instruments	5.2.1	-	173,846	173,846
Other accounts payable	5.2.2	61,572	-	61,572
Bonds issued	5.2.3	5,258,549	-	5,258,549
Preferred shares	18	459,834	-	459,834
Commitments with non-controlling interests	5.2.4	-	1,396,626	1,396,626
Total		**7,312,841**	**1,570,472**	**8,883,313**
Financial liabilities		**13,272,458**	**2,586,818**	**15,859,276**

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	34	117,298	-	117,298
Other accounts payable	5.2.2	2,535,393	-	2,535,393
Bonds issued	5.2.3	612,009	-	612,009
Total		**3,398,358**	**68,550**	**3,466,908**

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
Other accounts payable	5.2.2	74,103	-	74,103
Bonds issued	5.2.3	8,725,910	-	8,725,910
Preferred shares	18	459,955	-	459,955
Commitments with non-controlling interests	5.2.4	-	2,810,956	2,810,956
Total		**10,180,393**	**3,295,405**	**13,475,798**
Financial liabilities		**13,578,751**	**3,363,955**	**16,942,706**

5.2.1. Derivative instruments

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

		December 2023		December 2022	
	Note	Asset	Liabilities	Asset	Liabilities
Hedge Derivatives	5.2.1.1	1,002,249	106,649	1,822,017	379,215
Trading derivatives	5.2.1.2	59,655	101,539	133,870	112,329
Total derivatives *		**1,061,904**	**208,188**	**1,955,887**	**491,544**
Current derivatives		45,966	34,342	29	7,095
Non-current derivatives		1,015,938	173,846	1,955,858	484,449
Total derivatives		**1,061,904**	**208,188**	**1,955,887**	**491,544**

*The variation in both the asset and liability position is presented by 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 December 31, 2023:

- 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 5.2.3 Bonds Issued), at December 31, 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.

Following the initial designation, modifications have been made to improve the range of coverage for the hedged portion, which has limited coverage over USD 255 million. This has implied:

- The modification of four (4) Sold Calls.
- The substitution of two (2) Call Purchased for two (2) CCS.
- The constitution of two (2) Seagull structures.
- Early termination of one (1) Call Spread structure.

The following operations were carried out during the year:

- Five (5) call spread structures (call option bought + call option sold), the purpose of which is to widen the hedging range.
- The modification of 3 main CCS and its ceiling.

As of December 31, 2023 and after the amendments executed, 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 purchased + 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.

- On April 17, 2014, the subsidiary Sura Asset Managment 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 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 $1,59.168 million plus a fixed interest rate of 2.54%.
- Swap in which the Subsidiary receives US$ 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:

			December 2023		December 2022	
Country	**Subsidiary**	**Currency**	**Investment value**	**Covered value**	**Investment value**	**Covered value**
Chile	Sura Asset Management Chile S.A.	CLP	4,018,668	1,446,720	4,018,668	1,808,401
Mexico	Sura Asset Management México S.A. de C.V.	MXN	2,276,943	296,003	2,276,943	387,080
Perú	Sura Asset Management Perú S.A.	PEN	797,617	327,023	797,617	406,785

- 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.

- In order to hedge payments to foreign suppliers for the purchase of computer equipment, the subsidiary Arus hedged USD 217,197.28, 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:

	December 2023		December 2022	
	Nominal value	**Fair Value**	**Nominal value**	**Fair Value**
Assets				
Forward				
Foreign currency to buy				
Assets	314	18	2,851	29
Subtotal	**314**	**18**	**2,851**	**29**
Swap				
Cross Currency Swap	4,167,885	843,469	4,176,590	1,517,003
Subtotal	**4,167,885**	**843,469**	**4,176,590**	**1,517,003**
Options				
Currency Call Option	1,456,210	158,762	759,300	304,985
Subtotal	**1,456,210**	**158,762**	**759,300**	**304,985**
Total Assets	**5,624,409**	**1,002,249**	**4,938,741**	**1,822,017**

Liabilities				
Forward				
Swap				
Cross Currency Swap	562,675	7,597	41,553	16,851
Subtotal	**562,675**	**7,597**	**41,553**	**16,851**
Options				
Currency Call Option	2,733,685	92,249	1,668,685	359,608
Currency Put Option	329,650	6,803	329,650	2,756
Subtotal	**3,063,335**	**99,052**	**1,998,335**	**362,364**
Total Liabilities	**3,626,010**	**106,649**	**2,039,888**	**379,215**

The following is a summary of the movements in the Other Comprehensive Income account for the effect of the effective cash flow hedges indicated above and for the effect of the time value of the options and swaps used as hedging instruments, as well as the amounts taken to income for the ineffectiveness of the hedges, during the years ended December 31, 2023 and 2022:

	OCI	Results
	Ineffective part	Effective part
Balance at December 31, 2023	**63,889**	**-**
Variation in the fair value of hedges during the year.	(211,838)	1,061,445
Amortization of temporary securities. (note 29)	(127,697)	
Balance at December 31, 2022	**(275,646)**	**1,061,445**
Balance at December 31, 2022	**(275,646)**	**-**
Variation in the fair value of hedges during the year.	345,859	(1,089,378)
Amortization of temporary securities (note 29)	(156,704)	-
Balance at December 31, 2023	**(86,491)**	**(1,089,378)**

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 December 31, 2023 and 2022 used for trading purposes:

	December 2023		December 2022	
	Nominal value	Fair Value	Nominal value	Fair Value
Assets				
Forward				
Currency forward	1,591,060	45,947	752,207	8,013
Subtotal	**1,591,060**	**45,947**	**752,207**	**8,013**
Swap				
Cross currency	1,562,983	13,708	1,562,983	125,857
Subtotal	**1,562,983**	**13,708**	**1,562,983**	**125,857**
Total Assets	**3,154,043**	**59,655**	**2,315,190**	**133,870**
Liabilities				
Forward				
Currency forward	1,456,310	79,910	99,176	37,497
Subtotal	**1,456,310**	**79,910**	**99,176**	**37,497**
Swap				
Cross currency	848,262	21,629	769,262	67,952
Interest rate	-	-	100,000	6,880
Subtotal	**848,262**	**21,629**	**869,262**	**74,832**
Total liabilities	**2,304,572**	**101,539**	**968,438**	**112,329**

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

	December 2023	December 2022
Trading derivative income	249,454	364,352
Trading derivative expenses	(287,737)	(327,181)
Total	**(38,283)**	**37,171**

5.2.2. Other accounts payable

The following is a detail of accounts payable:

	December 2023	December 2022
Others *	1,277,264	1,157,768
Suppliers	1,176,497	972,655
Taxes payable	389,635	479,073
Total other accounts payable	**2,843,396**	**2,609,496**

*Corresponds to: Retirement pensions, fund management fees, surcharges and others, income tax withheld, collections for clarifying and intermediation, withholdings from pensioners, pension funds and premiums to be collected from ceded coinsurance.

Current and non-current:

	December 2023	December 2022
Other current accounts payable	2,781,824	2,535,393
Other non-current accounts payable	61,572	74,103
Total other accounts payable	**2,843,396**	**2,609,496**

5.2.3. Bonds issued

Details of the bonds issued are presented below:

				Amortized cost		Fair value	
Date of issue	Maturity date	Nominal value	Emission rate	December 2023	December 2022	December 2023	December 2022
25- Nov -09	25- Nov -29	98,000	CPI + 5.90%	98,559	98,865	103,698	91,408
25- Nov -09	25- Nov -49	97,500	CPI + 6.98%	96,852	97,210	113,445	92,302
17- Apr -14	17- Apr -24	USD 500	4.88%	1,928,931	2,424,724	1,899,488	2,329,824
07- May -14	07- May -23	(1)223,361	CPI + 3.80%	-	227,625	-	227,875
07- May -14	07- May -30	100,000	CPI + 4.15%	101,029	101,117	99,288	87,094
29- Apr -16	29- Apr -26	(2) USD 550	5.50%	2,035,515	2,557,294	2,014,082	2,511,803
22- Jun -16	22- Jun -31	289,235	CPI +4.29%	290,771	291,688	284,816	243,779
22- Jun -16	22- Jun -23	(3)257,145	CPI +3.90%	-	259,329	-	256,664
22- Jun -16	22- Jun -26	305,622	CPI +4.09%	307,346	308,639	303,418	279,589
11- Apr -17	14- Apr -27	USD 350	4.38%	1,340,735	1,684,024	1,284,057	1,618,114
23- Feb -17	23- Feb -29	190,936	CPI + 3.58%	192,279	194,696	185,500	163,594
23- Feb -17	23- Feb -24	165,515	CPI + 3.19%	167,502	168,657	168,100	162,880
11- Aug -20	11- Aug -23	(4)123,750	IBR + 1.49%	-	125,055	-	121,110
11- Aug -20	11- Aug -27	296,350	CPI + 2.54%	303,066	304,612	282,653	253,963
11- Aug -20	11- Aug -32	180,320	CPI + 3.39%	184,890	185,675	173,201	146,750
11- Aug -20	11- Aug -40	299,580	CPI + 3.78%	307,507	308,709	287,375	239,817
Total bonds issued				**7,354,982**	**9,337,919**	**7,199,121**	**8,826,566**
Current bonds issued				2,096,433	352,680	2,067,588	348,985
Non-current bonds issued				5,258,549	8,985,239	5,131,533	8,477,581

(1) On May 7, 2023, the bond issued by Grupo Sura in 2014 matured.
(2) As of December 31, 2023, the nominal value is USD 530 million, due to the repurchase made during 2022 for USD 20 million.
(3) In June 2023, the bond issued by Suramericana in 2016 matured.
(4) In August 2023, an early repurchase of $ 100 billion of the bond issued in August 2020, which had a nominal value as of December 2021 of $223,750. This repurchase was paid with credit acquired with Bancolombia. This bond matured in August 2023.

Grupo SURA had no defaults in the payment of principal or interest or other defaults regarding its obligations during the period ended December 31, 2023 and December 31, 2022.

5.2.4. 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. **See note 32. 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, as of April 2029, once the agreed permanence period is over. Among others, it is agreed that, after April 2029 and as long as Sura AM has not been listed in a recognized Stock Exchange or Stock Market, and CDPQ has not executed a sale to a third party, CDPQ may sell its shares of Sura AM to Grupo SURA at fair market value, which will be determined by independent third parties and paid by Grupo Sura in cash or with its own equity instruments, applying in any case the corporate procedures required by Colombian law.

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

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 Exit Agreement was mutually terminated by Grupo SURA and GB through the execution of a share purchase and sale agreement on November 30, 2023, as amended on January 16, 2024 ("Purchase and Sale Agreement"). Through the Purchase and Sale Agreement, Grupo SURA undertook to acquire 254,928 common shares of SURA AM, Inversiones y Construcciones Estratégicas S.A.S. (a subsidiary of Grupo SURA) undertook to acquire 1 common share of SURA AM and Fundación SURA undertook to acquire 1 common share of SURA AM, for a total of 254,930 common shares currently owned by GB, equivalent to 9.74% of SURA AM.

The price to be paid for the shares will be one billion six hundred fifteen thousand five hundred seventy-three million $1,615,573, less the value of the dividends paid to GB between November 1, 2023 and the date on which the shares are effectively transferred. As of the date of execution of the Purchase and Sale Agreement, the price to be paid discounting the extraordinary dividends paid by SURA AM to GB on November 29, 2023 amounted to the sum of one billion five hundred eighty-two thousand one hundred sixty-two million $1,582,162. Such amount may be adjusted in the future in the event that there are additional distributions by SURA AM to GB prior to the date on which the shares are effectively transferred.

Said acquisition shall be paid in three (3) installments, the first, in the amount of $612,818 was paid upon execution of the Purchase and Sale Agreement and the remaining two, corresponding to $484,672 each minus the gross aggregate value of the Capital Distributions decreed by Sura AM and paid to the Sellers between (1) the day following the First Payment Date and (2) the Effective Date of the respective payments, shall be paid (i) within five (5) business days following the close of May 2024 or when the shares are effectively transferred, whichever occurs last and (ii) within five (5) business days following the close of November 2024 or when the shares are effectively transferred, whichever occurs last. The payment will be funded one third with extraordinary dividends paid by SURA AM and two thirds with available resources and financing.

The transfer of the shares is subject to certain conditions precedent of the contract, including applicable regulatory approvals.

The Purchase and Sale Agreement gives Grupo SURA access to the returns on all shares held by GB, as any distributions by SURA AM are discounted from the purchase price. Grupo SURA updates the value of the liability to the fair transaction value (purchase price) discounted at an interest rate of IBR nominal annual half-yearly interest rate + 3.43%, interest that may be adjusted according to the Purchase and Sale Agreement (recognizing a higher participation as of December 31, 2023, going from 83.58% to 93.33%).

Below is the movement generated by the liability during the period:

	Liabilities to non-controlling interests
Balance as of December 31, 2022	**2,810,956**
(+) Increase in commitment Grupo Bolivar contract	433,649
(-) Munich Re commitment	(45,826)
Movement in controlling shareholders' equity	**387,823**
(+) Increase of commitment Grupo Bolivar contract	(139,612)
(-) Munich Re commitment	(80,380)
Non-controlling movement	**(219,992)**
(-) Payment of the 1st installment of the agreement with Grupo Bolivar	(612,818)
(+/-) Valuation of the commitment Bolivar Group-Interests	12,661
Other movements	**(600,157)**
Balance at December 31, 2023	**2,378,630**

Valuations are prepared and reviewed quarterly 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. * Dividends discounted over a 10-year horizon. * Projections based on the companies' business plans. * Discount rate based on CAPM methodology. * Macroeconomic assumptions according to the average expectation of market analysts.
CDPQ		
Grupo Bolívar	Formula established in the contract (minimum guaranteed return) until 30, November 2023.	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 by Grupo Sura in possible contract negotiations.

NOTE 6. INSURANCE CONTRACTS

6.1. Insurance contract Assets

Assets from insurance contracts represent mainly accounts receivable from insurance contracts for the years ended December 31, 2023 and 2022 as follows:

	December 2023	December 2022
Direct insurance	4,649,109	6,246,042
Coinsurance accepted	124,298	122,345
Other	395,107	484,905
Assets under insurance contracts (1)	**5,168,514**	**6,853,292**

(1) Consolidated insurance receivables, which include the portfolio of insurance companies and coinsurance, amounted to $5.1 billion, showing a decrease of 25% compared to December 2022. The above mainly corresponds to the drop in the mortgage portfolio insurance settlement of $785,738 and the sale of the subsidiaries in Argentina and El Salvador for $888,921 in 2023.

6.2. Reinsurance contract assets

Reinsurance contract assets represent the benefits derived from reinsurance contracts as of December 31 as follows:

	December 2023	December 2022
Share of insurance liabilities: claims reported and not cancelled	3,139,010	4,238,050
Unearned ceded premium	2,368,334	2,590,514
Unnotified claims	351,436	399,368
Reinsurance deposits	613	684
Total reinsurance reserves	**5,859,393**	**7,228,616**
Other assets	76,155	63,417
Current accounts with reinsurers	597,605	734,522
Assets under reinsurance contracts	**6,533,153**	**8,026,555**
Current assets under reinsurance contracts	599,759	736,601
Non-current assets under reinsurance contracts	5,933,394	7,289,954
Total assets under reinsurance contracts (1)	**6,533,153**	**8,026,555**

[1] Consolidated reinsurance receivables correspond mainly to the reinsurance of SURA's insurance companies, which amounted to $6.5 billion, a decrease compared to 2022 of 18.6%. This corresponds mainly to the sale of subsidiaries in Argentina and El Salvador of $ 504,676 in the year 2023 and to the drop that occurred in Chile, mainly due to the Real Estate Portfolio business, where the terms were renewed at 24 months, which decreased the value of the premium receivable as the terms progressed.

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 insurance companies of the Group 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 December 31st, are as follows:

	December 2023	December 2022
Life insurance contracts	20,432,304	19,288,648
Non-life insurance contracts	11,089,327	10,412,512
Premiums issued	**31,521,631**	**29,701,160**
Life insurance contracts - reinsurer party	(205,815)	(223,026)
Non-life insurance contracts - reinsurer party	(4,531,070)	(3,733,132)
Reinsurance ceded premiums	**(4,736,885)**	**(3,956,158)**
Total net premiums retained	**26,784,746**	**25,745,002**
Life insurance contracts	(3,899,580)	(4,507,555)
Non-life insurance contracts	295,816	(442,298)
Net production reserves	**(3,603,764)**	**(4,949,853)**
Retained earned premiums [1]	**23,180,982**	**20,795,149**

[1] (1) Retained premium income earned as of December 31, 2023 is $23.180 billion, an increase of 11.6% over the previous year; of retained premium income, SURA-AM contributes 9% and Suramericana 91%.

During 2023, written premiums increased compared to 2022, mainly in Suramericana's operations in the following countries:

In Colombia, due to the increase in the issuance of corporate business in the business solutions (fire, breakage and loss of profits) and new business through financial entities for the automobile solution due to greater loyalty and increase of insured amounts in the individual segment.

In the life solution, there was a better performance of the promoter and corporate channels for the group life solution. On the other hand, the claims coverage of the labor risk *(ARL, Acronym in Spanish original)* was 99% met and reached an exposed mass of $ 5.13 million. The number of health insurance users, *(EPS, acronym in Spanish original,)* in the health benefit plan, (*PBS, acronym in Spanish original),* reached $ 5.35 million, and as of December, 48 thousand users have been received due to massive transfers.

In Brazil, the auto solution increased, with renewals at a higher average premium and new business.

In Uruguay there was a good performance in auto and life group with a debtor balance, partially offset by lower production in fire, home and transport solutions due to a lower exchange rate than budgeted.

In the Dominican Republic, there was a good performance in the fire insurance segment due to an increase in the renewal rates of corporate and group life policies.

6.4. Liabilities for insurance contracts

Liabilities for insurance contracts represent the estimated liabilities for insurance contracts of the Insurance Companies and other accounts, which for the years ended December 31 are as follows:

	December 2023	December 2022
Accounts payable insurance activity (note 6.4.1)	1,231,170	1,626,821
Estimated liabilities under insurance contracts (note 6.4.1)	37,101,035	37,058,668
Surplus	42,306	35,802
Liabilities under insurance contracts	**38,374,511**	**38,721,291**
Liabilities under current insurance contracts	10,922,054	13,460,635
Liabilities under non-current insurance contracts	27,452,457	25,260,656
Total liabilities under insurance contracts	**38,374,511**	**38,721,291**

6.4.1. Accounts payable insurance activity

Insurance payables with insurance companies for the years ended December 31 are as follows:

	December 2023	Diciembre 2022
To insurance companies	294,311	327,062
Policies	55,994	70,338
Claims payable	158,882	157,392
Commissions	460,732	710,328
Others	261,251	361,701
Insurance portfolios (1)	**1,231,170**	**1,626,821**

(1) Consolidated insurance accounts payable amounted to $1.2 billion, a decrease of 24% compared to 2022.

6.4.2. Estimated insurance contract liabilities

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

	December 2023	December 2022
Actuarial liabilities	14,311,250	12,133,050
Estimated unearned premium liabilities	9,856,470	12,073,540
Estimated incurred but not reported claims (IBNR)	3,969,421	2,707,830
Estimated liabilities for claims reported	8,204,956	9,437,879
Special estimated liabilities	376,569	326,607
Other estimated insurance contract liabilities	382,369	379,762
Total insurance technical reserves	**37,101,035**	**37,058,668**

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

	Liabilities for insurance contracts	Assets from reinsurance contracts	Net
At December 31, 2021	**25,437,116**	**4,636,534**	**20,800,582**
Changes in estimated liabilities for insurance contracts	9,263,617	1,653,705	7,609,912
Adjustments for conversion	2,357,935	938,377	1,419,558
At December 31, 2022	**37,058,668**	**7,228,616**	**29,830,052**
Changes in estimated liabilities for insurance contracts	3,834,602	(172,863)	4,007,465
Adjustments for conversion	(3,792,235)	(1,196,360)	(2,595,875)
At December 31, 2023 (1)	**37,101,035**	**5,859,393**	**31,241,642**

(1) The net between estimated insurance contract liabilities and reinsurance contract assets amounted to $31,241,642 million, an increase of 5% with respect to 2022.

6.5. Liabilities under reinsurance contracts

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

	December 2023	December 2022
Ceded premiums payable	13,204	15,507
External reinsurers current account	1,712,840	2,035,847
Liabilities under reinsurance contracts	**1,726,044**	**2,051,354**

6.6. Claims withheld

Claims incurred by Grupo SURA and subsidiaries for the years ended December 31 are as follows:

	December 2023	December 2022
Total claims	(20,292,878)	(18,708,600)
Claim reimbursement	1,898,688	3,621,040
Retained claims (1)	**(18,394,190)**	**(15,087,560)**

(1) The increase compared to December 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 as well as in group and individual health due to an increase in the frequency of claims. Likewise, the claims ratio related to labor risk increased due to the adjustment of annuity risk reserves (new and stock) and due to the minimum wage in the labor risk management company, *(ARL, Acronym in Spanish original).*

6.7. Insurance costs and expenses

Insurance costs and expenses for the years ended December 31 are as follows:

	December 2023	December 2022
Net reinsurance cost	(752,361)	(674,050)
Employee benefits	(566,177)	(450,567)
Services for the promotion and prevention of occupational hazards	(251,704)	(291,846)
Fees	(207,455)	(205,798)
Other insurance expenses	(187,857)	(51,858)
Technical impairment	(112,930)	(4,037)
Contributions Insurance companies	(100,870)	(136,489)
Total insurance costs and expenses	**(2,179,354)**	**(1,814,645)**

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

NOTE 7. INCOME TAXES

7.1. Applicable regulations

The current and applicable tax provisions establish that the nominal income tax rates for December 31, 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, Luxembourg 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%
Luxembourg	21.0%	21.0%
Bermuda	0.0%	0.0%
Luxembourg	24.9%	24.9%

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 5 percentage points is applied 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.

With the issuance of Law 2277 of 2022 a minimum tax rate of 15% was created, considering that the company is the parent company of the GROUP and in accordance with paragraph 6 of article 240 of the Tax Statute it is obliged to consolidate the determination of the adjusted tax rate. Once the consolidated calculation has been made, there are no adjustments for the companies that are part of the Business Group.

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

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

Mexico: Income tax, (ISR, acronym 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 applied, there is the possibility of accessing legal stability contracts until 2035. Recently a law was passed enacting a corporate income tax (CIT) of 15%, which will be optional in 2025 for large multinational groups (MNE).

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.

Luxembourg: The general combined corporate income tax rate for Luxembourg resident corporations amounts to 24.94%.

Investment funds can be structured on a contractual basis, as a common fund *(FCP, acronym in French original);* or on a corporate basis as an open-end investment company *(SICAV, acronym in French original)* or closed-end investment company *(SICAF, acronym in French original).*

7.2. Current taxes

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

	December 2023	December 2022
Current tax assets		
Income tax and supplemental taxes	41,674	218,920
Withholdings	45,366	27,591
Tax in favor	322,546	130,428

Others	-	117
Total assets for current taxes	**409,586**	**377,056**

	December 2023	December 2022
Current tax liabilities		
Income tax and supplemental taxes	212,315	122,593
Total current tax liabilities	**212,315**	**122,593**

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

Current tax	December 2023	December 2022
Current tax asset recoverable before 12 months	321,071	320,003
Current tax asset recoverable after 12 months	88,515	57,053
Total Current tax asset	**409,586**	**377,056**
Current tax liability recoverable before 12 months	206,821	106,505
Current tax liability recoverable after 12 months	5,494	16,088
Total current tax liability	**212,315**	**122,593**

7.3. Tax recognized in the income statement for the period

The income tax expense for the period is detailed below:

	December 2023	December 2022
Current tax expense	**(899,637)**	**(363,703)**
Current tax	(873,400)	(374,273)
Adjustment of previous periods	(26,237)	10.570
Deferred tax expense	**(669,505)**	**(29,080)**
Constitutions / reversal of temporary differences	(663,713)	(39,508)
Deferred tax adjustments	(5,792)	989
Exchange rates	-	9.439
Total tax expense	**(1,569,142)**	**(392,783)**

7.4. Effective rate reconciliation

The reconciliation of the effective rate is presented below:

		December 2023		December 2022
Profit before tax		**3,601,531**		**2,721,181**
Income tax by applying the local tax rate (*)	33.81%	(1,217,590)	33.46%	(923,507)
Impact		**(1,665,819)**		**(1,311,868)**
Fines and penalties		(36,308)		(46,364)
Non-deductible expenses [1]		(406,069)		(298,116)
Investments [2]		(570,674)		(517,943)
Non-current assets held for sale [3]		(543,724)		-
Amortization of intangible assets		(13,270)		-
Tax losses		(43,364)		(205,969)
Financial assets		(11,498)		(226,172)
Other alternative taxable income		(14,239)		(1,261)
Financial liabilities		(26,655)		-
Capital Gains		(18)		(1,120)
Others		-		(14,923)
Minus the tax effect of:		**1,314,267**		**1,842,592**
Non-taxed income [4]		435,734		297,926
Financial assets		6,561		-
Unrecorded Dividends		155,520		336,970
Financial liabilities		-		242,215
Amortization of intangibles		-		472
Properties and equipment		9,645		198
Adjustment of previous periods		4,591		9,875
Adjustments in change of rate		-		9,439

		December 2023		December 2022
Discounts / tax deductions		219,756		296,776
Provisions and Contingencies		12,413		97,310
Exempt income [5]		358,440		356,340
Others		111,607		195,071
Income tax (**)	**43.57%**	**(1,569,142)**	**13.51%**	**(392,783)**

(*) 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 9.76 percentage points compared to the nominal rate due to the recognition of the deferred tax related to the investments in associates Grupo Nutresa and Sociedad Portafolio detailed below.

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

(2) Corresponds to the equity method of associates.

(3) The tax related to the investments in the associates Grupo Nutresa and Sociedad Portafolio is recognized. The classification of the investments as available for sale makes it necessary, according to IAS 12, to recognize the deferred tax liability against the statement of income at the separate financial statement level for the temporary difference presented, calculated at the rate of 15%, since according to Article 300 of the Tax Statute, having owned the asset subject to the transaction for a period of more than two years, the income originated therefrom is susceptible to constitute occasional gain. The transaction is explained in detail in Note 10.

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.

(4) Corresponds to the equity method of subsidiaries.

(5) 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 December 31, 2023 and 2022 is:

Deferred tax asset	December 2023	December 2022	Recognized in other equity investments 2023	Recognized results 2023
Provisions	180,649	227,098	-	(46,449)
Employee Benefits	51,419	68,636	-	(17,217)
Other non-financial assets	3,445	16,171	-	(12,726)
Financial Liabilities	413,363	683,885	225,163	(495,685)
Unused tax losses and tax credits	76,723	378,919	-	(302,196)
Technical insurance reserves	189,701	469,411	-	(279,710)
Right of use	5,817	27,430	-	(21,613)
Total	**921,117**	**1,871,550**	**225,163**	**(1,175,596)**
Deferred tax liabilities	**December 2023**	**December 2022**	**Recognized in other equity investments 2023**	**Recognized results 2023**
Financial Assets	(193,781)	(309,387)	5,183	110,423
Intangible assets	(946,818)	(1,114,486)	-	167,668
Deferred acquisition cost DAC	(154,008)	(160,901)	-	6,893
Investments	(675,943)	(690,050)	-	14,107
Non-current assets held for sale	(543,987)	-	-	(543,987)
Other non-financial assets	-	(3,396)	-	3,396
Other non-financial liabilities	(2,240)	(175,987)	-	173,747
Liabilities due to temporary differences in equity investments	(38)	(47)	-	9
Properties and Equipment	(121,943)	(290,159)	13,938	154,278
Technical insurance reserves	-	(135,827)	-	135,827
Total	**(2,638,758)**	**(2,880,240)**	**19,121**	**222,361**
Conversion effect				283,730
Total			**244,284**	**(669,505)**
Other equity effects	-	-	(283,730)	-
Total	**(1,717,641)**	**(1,008,690)**	**(39,446)**	**(669,505)**

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

Deferred tax	Initial	Compensated	December 2023
Deferred tax asset	921,117	(684,529)	236,588
Deferred tax liabilities	(2,638,758)	684,529	(1,954,229)
Total	**(1,717,641)**	**-**	**(1,717,641)**
Deferred tax	**Initial**	**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)
Total	**(1,008,690)**	**-**	**(1,008,690)**

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

Deferred tax	December 2023	December 2022
Deferred tax asset recoverable before 12 months	155,084	318,806
Deferred tax asset recoverable after 12 months	81,504	517,426
Total deferred tax asset (*)	**236,588**	**836,232**
Deferred tax liability recoverable before 12 months	89,967	368,714
Deferred tax liability recoverable after 12 months	1,864,262	1,476,208
Total deferred tax liabilities (*)	**1,954,229**	**1,844,922**

(*) The variations in the 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	-	-
Total tax benefits	**1,226,348**	**1,226,962**	**-**	**274**

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 identified situations in Mexico that generated tax uncertainty, which were recognized for accounting purposes, according to the framework defined by IFRIC 23. As of December 31, 2023, no additional situations have been identified and no additional recognition has been required.

	December 2022	Increase	Decrease	December 2023
Mexico (*)	480	-	195	285

(*) 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. DEFERRED ACQUISITION COST - DAC

The detail of the deferred acquisition costs – DAC movements of the of Grupo SURA is as follows:

DAC as of December 31, 2021	**1,681,436**
Additions	1,051,761

Exchange rate differences	368,496
Amortization for the period (note 24.2)	(968,877)
DAC as of December 31, 2022	**2,132,816**
Additions	898,404
Exchange rate differences	(219,828)
Amortization for the period (note 24.2)	(1,213,818)
DAC as of December 31, 2023	**1,597,574**

NOTE 9. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

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

	Note	December 2023	December 2022
Investments in associates	9.1	18,278,232	23,198,216
Joint ventures	9.2	67,824	26,563
Total investments accounted for using the equity method		**18,346,056**	**23,224,779**

	Note	December 2023	December 2022
Income from equity method associates	9.1	1,827,989	2,052,654
Income from equity method joint ventures	9.2	(35,283)	(15,446)
Others		-	1,556
Total equity method income from investments in associates and joint ventures		**1,792,706**	**2,038,764**

9.1. Investment in associates

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

			December 2023			December 2022		
Companies	**Main activity**	**Country**	**% Participation (*)**	**% Right to vote (**)**	**# Shares**	**% Participation (*)**	**% Right to vote (**)**	**# Shares**
Associates:								
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. (1)	Concrete, energy,	Colombia	27.42%	36.28%	236,465,932	27.20%	35.96%	236,465,932
Grupo Nutresa S.A. *(Ver nota 10)*	Food and processed	Colombia	-	-	-	35.61%	35.61%	163,005,625
Sociedad Portafolio S.A.	Financial services	Colombia	35.61%	35.61%	163,005,625	-	-	-
Promotora de Proyectos	Logistics services	Colombia	-	-	-	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
Interejecutiva de Aviación S.A.S.	Air Transport Administration	Colombia	25.00%	25.00%	1,125,000	25.00%	25.00%	1,125,000
Joint Venture:								
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

(1) The increase in the participation in ARGOS group is a result of the share repurchase program that the Company is executing in 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, Grupo Argos S.A. has 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. has in Grupo SURA and Sociedad Portafolio as of December 31, 2023 and 2022 is as follows:

Partners	% Participation	% Right to vote	% Participation	% Right to vote
	December 2023		December 2022	
Grupo Argos S. A.	27.51%	34.14%	27.51%	34.14%
Grupo Nutresa S.A. (1)	-	-	10.71%	13.29%
Sociedad Portafolio S.A. (2)	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 associated companies as of December 31, 2023 and December 31, 2022 are as follows:

December 2023								
	Location	Asset	Liability	Equity	Income	Profit/ Loss	Other comprehensive income	Comprehensive income
Partners:								
Grupo Bancolombia S.A. (*)	Colombia	342,928,809	303,879,080	39,049,729	21,089,711	6,214,971	(3,684,055)	2,530,916
Grupo Argos S.A. (*)	Colombia	49,402,341	21,612,927	27,789,414	22,593,101	1,459,998	(4,342,833)	(2,882,835)
Sociedad Portafolio S.A.	Colombia	2,855,153	326,268	2,528,885	31,681	31,216	(437,298)	(406,082)
Inversiones DCV S.A.	Chile	37,583	23	37,560	7,302	7,322	-	7,322
Servicios de Administración Previsional S.A.	Chile	116,596	49,373	67,223	174,834	76,220	-	76,220
Fondos de Cesantías Chile II	Chile	68,338	4,828	63,510	153,501	51,505	(95)	51,410
Sociedad Administradora de Fondos de Cesantías Chile III S.A.	Chile	89,130	37,302	51,828	54,182	(9,988)	13	(9,975)
Interejecutiva de aviación S.A.S.	Colombia	131,898	129,598	2,300	63,319	3,696	(823)	2,873
Joint business:								
Subocol S.A.	Colombia	10,989	4,749	6,240	-	2,124	-	2,124
Unión para la infraestructura S.A.S.	Colombia	16,024	10,364	5,660	13,851	5,556	-	5,556
Unión para la infraestructura Perú S.A.C.	Peru	39,902	22,660	17,242	60,407	(8,736)	-	(8,736)
P.A Dinamarca	Colombia	21,122	13,422	7,700	-	(9,649)	-	(9,649)
Vaccigen S.A.S. (Vaxthera)	Colombia	244,065	160,251	83,814	-	(50,852)	-	(50,852)

(*) Figures taken from the Consolidated Financial Statements.

December 2022								
	Location	Asset	Liability	Equity	Income	Profit/ Loss	Other comprehensive income	Comprehensive income
Partners:								
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
Interejecutiva de aviación S.A.S.	Colombia	172,607	169,733	2,874	89,863	(4,521)	-	(4,521)
Joint business:								
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.	Peru	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 Consolidated Financial Statements.

Balance and movement in associates

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

Associate movement	Bancolombia S.A.	Grupo Argos S.A.	Sociedad Portafolio S.A.	Grupo Nutresa S.A.	Administradora de fondos de pensiones y cesantías Protección S.A.	Others	Total
Balance at December 31, 2021	**10,034,891**	**5,504,372**	**-**	**4,974,246**	**1,441,403**	**30,289**	**21,985,201**
Additions [1]	-	31,104	-	-	-	24,791	**55,895**
(-) Transfer to subsidiaries [2]	-	-	-	-	(1,434,498)	-	**(1,434,498)**
Gain from equity method	1,661,379	72,083	-	291,425	(15,124)	42,891	**2,052,654**
Change in equity	752,371	613,162	-	285,769	34,695	2,753	**1,688,750**
(-) Dividends	(734,966)	(118,233)	-	(154,530)	-	(38,012)	**(1,045,741)**
Other movements in equity [3]	-	-	-	(86,991)	-	-	**(86,991)**
Adjustment in conversion	-	-	-	-	(26,476)	9,422	**(17,054)**
Balance at December 31, 2022	**11,713,675**	**6,102,488**	**-**	**5,309,919**	**-**	**72,134**	**23,198,216**
Gain from the equity method	1,498,131	155,831	(165)	142,140	-	32,052	**1,827,989**
Change in equity	(909,935)	(394,445)	(33,995)	(89,669)	-	(1,456)	**(1,429,500)**
(-) Dividends	(832,962)	(135,968)	-	(220,117)	-	(24,629)	**(1,213,676)**
(-) Transfers [4]	-	-	-	(4,110,646)	-	-	**(4,110,646)**
Repurchase of shares		22,638	-				**22,638**
Spin-off of Grupo Nutresa S.A. (see note10)			1,031,627	(1,031,627)	-		**-**
Adjustment in conversion	-	-	-	-	-	(16,789)	**(16,789)**
Balance at December 31, 2023	**11,468,909**	**5,750,544**	**997,467**	**-**	**-**	**61,312**	**18,278,232**

(1) In March 2022, 2,180,250 common shares of Grupo Argos S.A. were acquired.
(2) As of November 2022, this company becomes a subsidiary. See Note 13.3
(3) Corresponds to the dividend declared by Grupo SURA to Grupo Nutresa.
(4) Asset classified as non-current assets held for sale. See Note 10.

Restrictions and commitments

As of December 31, 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.

9.2. Joint ventures

The following is the detail of the cost of investments as of December 31, 2023 and December 31, 2022:

	Viliv S.A.S. (1)	UPI Colombia (**)	UPI Perú (**)	P.A Dinamarca (*)	Vaccigen S.A.S. (Vaxthera S.A.S.)	Subocol S.A.	Total
Balance at December 31, 2021	**3,346**	**1,170**	**766**	**2,375**	**11,666**	**3,042**	**22,365**
Additions	1,500	-	-	1,667	17,600	-	**20,767**
Gain from the equity method	(4,846)	2,382	125	(1,942)	(10,605)	(560)	**(15,446)**
Change in equity	-	-	215	84	(35)	(265)	**(1)**
(-) Dividends	-	(1,122)	-	-	-	-	**(1,122)**
Balance at December 31, 2022	**-**	**2,430**	**1,106**	**2,184**	**18,626**	**2,217**	**26,563**
Additions	-	-	-	3,599	-	-	**3,599**
Capitalization advances	-	-	-	-	76,500		**76,500**
Gain from the equity method	-	2,778	(311)	(3,217)	(35,595)	1,062	**(35,283)**
Change in equity	-	-	(168)	-	(848)	(158)	**(1,174)**
(-) Dividends	-	(2,381)	-	-	-	-	**(2,381)**
Balance at December 31, 2023	**-**	**2,827**	**627**	**2,566**	**58,683**	**3,121**	**67,824**

(1) Viliv S.A.S., Since June 2022 the Company enters into liquidation process, which generated the impairment of the investment.

(*) P.A.: Patrimonio autónomo

(**) UPI: Unión para la infraestructura.

9.3. Impairment of investments in associates

Fair Value Associates

		2023		2022	
Main Associates of Grupo SURA	Recoverable value> Book value	Book value	Stock market value (1)	Book value	Stock market value (1)
Bancolombia S.A.	Si	11,468,909	7,820,789	11,713,675	10,011,552
Grupo Argos S.A.	Si	5,750,544	2,936,907	6,102,488	2,244,062
Sociedad Portafolio S.A.	Si	997,467	900,529	-	-
Grupo Nutresa S.A.	Si	-	-	5,309,919	7,253,750

(1) Calculated with the market price of the share at the respective cut-off date.

As of December 2023, and 2022, the recoverable value of Grupo SURA's associated companies was determined in order to assess the impairment of investments in associates and subsidiaries.

In the case of Grupo Argos, a sum of parts of the recoverable value of its portfolio of companies was made, also incorporating its expenses, taxes and indebtedness at corporate level, additionally, the recoverable value of its portfolio investments is incorporated in its value, which includes the recoverable value of Grupo SURA.

For Bancolombia, a valuation was made based on a discounted dividend model, based on recent results and expectations of future growth and profitability.

These exercises resulted in a recoverable value of the associated investments higher than their book value, which confirms that there is no impairment in any of them. In future periods the recoverable value of the investments may vary depending on the evolution of the business plans, risk perceptions and sustainability of the businesses that are the basis for the assumptions used in the valuations of each business component.

The exercises for the determination of the recoverable value of associates are made for the exclusive purposes of this note.

Main assumptions

Grupo Argos S.A.

- ✓ To calculate the recoverable value of Grupo Argos, the sum of parts of its investment portfolio was calculated, also incorporating its expenses, taxes and indebtedness at the corporate level.
- ✓ For the case of Cementos Argos, a discounted free cash flow model is made, with a projection for a 10-year horizon, this exercise was performed by region (Colombia and Central America-Caribbean) and took into account the effects of the recent transaction with Summit, by which Cementos Argos would contribute its cement business in the U.S. in exchange for a cash payment + a payment in kind equivalent to 31% of the share of the new merged company. Shareholding of the new merged company.
- ✓ Revenue projections were estimated based on expectations and trends in the main regions. In general, quantity growth was modeled based on the expected economic growth of each region and prices based on inflation.
- ✓ EBITDA margins were also estimated to improve, in line with the Company's most recent results in its Colombian and CCA regions.

- ✓ In order to estimate the recoverable value of the Company, cash flows have been discounted using a discount rate based on its risk profile, where the risk of its countries in Central America and Colombia was weighted. In the case of the U.S., the values disclosed to the market in relation to the transaction with Summit Materials were used.
- ✓ In the case of Celsia, the sum of parts of its investment portfolio was made, also incorporating its expenses, taxes and indebtedness at the corporate level. The sum of parts exercise takes into account the valuations of Celsia Colombia (formerly EPSA), and for the assets in Central America - recently sold - the reference values of the transaction were taken. Additionally, the value of other strategic assets such as Meriléctrica and the Caoba investment platform are included at their book values.
- ✓ Each asset was valued considering its particularities, such as energy generation, distribution and transmission capacity, taking into account their respective margin levels.
- ✓ Celsia Colombia's business was estimated based on projections of energy demand from the Mining and Energy Planning Unit and Energy and Gas Regulatory Commission *(CREG and UPME, abbreviation for the Spanish original),* assuming price growth tied to the PPI / CPI (during the term of the tariff pact) and maintaining a stable EBITDA margin in the projection period.
- ✓ In order to estimate the recoverable value of the companies, cash flows have been discounted using a discount rate based on their risk profile and geography. This rate was calculated in pesos and dollars in nominal terms, applying the CAPM methodology.
- ✓ For the calculation of the terminal value, a nominal growth rate between 2% - 3.5% was used, depending on the region.
- ✓ The other companies in the Grupo Argos portfolio are measured at book value.
- ✓ As for the other investments, a fundamental valuation of their investments is made, which includes the recoverable value of Grupo SURA.
- ✓ In all valuation exercises the respective shareholdings and controlling interests were taken into account.
- ✓ The exercise results in a valuation range above the book value recorded, so there is no evidence of impairment in the investment.

Bancolombia S.A.

- ✓ A discounted dividend valuation exercise was carried out, for which Bancolombia's main financial figures and value levers were projected for 10 years
- ✓ Portfolio: consolidated COP$ growth between 7%-9% for the period (2024-2033)
- ✓ Net interest margin (NIM): range between 6.00%-6.50% for the period (2024-2023)
- ✓ Provisions Expense - Cost of Credit: a cost of credit (provisions expense/average portfolio) between 1.8% and 2% is estimated for the period (2024-2033), reflecting a normalization of the current cost of credit.
- ✓ Expenses and efficiency: Expenses were projected to grow in line with or slightly above revenues in the first years of the projection, but maintaining a slightly higher efficiency indicator than the Bank has recorded so far in 2023 as of December. This indicator is estimated to range between 45%-50% for the projection period.
- ✓ Solvency, TIER I: A conservative estimate was assumed, seeking to maintain a wide solvency margin in the modeling, especially the basic solvency or TIER I. The capacity to deliver dividends is modeled based on the maintenance of a basic solvency target higher than the historical one, TIER I average year range between 11%-11.5%.
- ✓ Net income and ROE: with the assumptions used, the net income and implied profitability of the business would be at a profitability that exceeds the cost of capital used by approximately 250 bps.

- ✓ Perpetuity | Discount rate: cash flows were discounted at a discount rate (cost of capital of 14%)
- ✓ Valuation yields P/E '23E multiples of 9.0x and P/BV of 1.4x, which are within the valuation range of comparable companies in the region during 2023
- ✓ The year shows a range of recoverable value above the book value recorded, so there is no evidence of impairment in the investment.

Sociedad Portafolio

- ✓ For the calculation of the recoverable value of Sociedad Portafolio, the sum of parts of its investment portfolio was calculated by making a fundamental valuation of its investments, which includes the recoverable value of Grupo SURA and Grupo Argos.
- ✓ The exercise yields a range of recoverable value above the book value recorded, so there is no evidence of impairment in the investment.

NOTE 10. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Asociadas:

As informed by the Company through the relevant information mechanism on June 15[1], 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. The Contracts were amended by Addenda No. 1 dated December 11, 2023, Addenda No. 2 dated December 14, 2023 and Addenda No. 3 dated February 2, 2024.

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 (“Nutresa Alimentos”), with a shareholding of at least 87% of the outstanding common shares of such company.

- To achieve this result, Grupo Nutresa carried out a symmetrical spin-off, as a result of which the food business was separated from its portfolio of investments in Grupo SURA and Grupo Argos (The new spun-off entity that maintains the investments in these two companies was called "Sociedad Portafolio S.A."). Both Nutresa Alimentos and Sociedad Portafolio S.A. continue to be listed on the Colombian Stock Exchange.

- JGDB, Nugil and IHC would cease to be shareholders of Grupo SURA and Sociedad Portafolio S.A.

- Grupo SURA and Grupo Argos would cease to be shareholders of Grupo Nutresa's food business, but would maintain their participation in Sociedad Portafolio S.A.

- Grupo Nutresa - "Nutresa Alimentos" is no longer a shareholder of Grupo SURA and Grupo Argos. To achieve these results, the parties agreed to carry out the following transactions:

A **direct exchange of shares**, which will be carried out in two instances:

- In the first phase of the exchange, Grupo SURA will deliver its total shareholding (35.6%) and Grupo Argos will deliver 9.9% of Grupo Nutresa "Nutresa Alimentos" shares to Nugil, JGDB and IHC.
- As a result, NUGIL, JGDB and IHC will now hold a 76.9% interest in Nutresa.
- NUGIL, JGDB and IHC will deliver to Grupo Argos 3.3% of the shares of Sociedad Portafolio and 36,070,836 common shares of Grupo Sura.
- NUGIL, JGDB and IHC will deliver to Grupo SURA 11.8% of Sociedad Portafolio shares and 27.8% of their own common shares (i.e. Grupo SURA shares).
- **The second stage of the exchange** will occur after the completion of the tender offer for 23.1% of the shares of Nutresa Alimentos, which will be launched jointly but not severally by Grupo SURA, Grupo Argos S.A., a vehicle of IHC Capital Holding L.L.C., JGDB and Nugil.
- The procedures to initiate the tender offer for the shares of Nutresa Alimentos will begin no later than 15 business days following the later of (i) the first exchange of shares and (ii) the beginning of trading of the shares of Sociedad Portafolio S.A. on the Colombian Stock Exchange.
- For this tender offer, the parties agreed that Grupo Sura and Grupo Argos undertake to acquire up to 10.1% of the acceptances in a proportion of 78.3% and 21.7% respectively, and the entity appointed by IHC, JGDB and Nugil undertake to acquire at the same price any excess of acceptances above 10.1%, according to the conditions and in the proportions to be agreed among these last 3 parties.
- Current Alimentos Nutresa shareholders may voluntarily choose to participate and choose between:
    - Sell Nutresa Alimentos shares at a price of USD 12 per share payable according to the conditions that will be defined in the Tender Offer booklet, and/or
    - Exchange Nutresa Alimentos shares, receiving 0.7438 Grupo SURA shares and 0.5650 Sociedad Portafolio S.A. shares for each Nutresa Alimentos share.
- Upon completion of the tender offer, Grupo SURA and Argos may deliver any remaining 10.1% of Nutresa shares to JGDB, NUGIL and IHC in cash at the rate of USD$12 per share.
- 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 implementation of the stages described above is performed sequentially; therefore, the completion of each phase of the transaction is conditioned to the fulfillment of preceding conditions, which in turn determine the creation for the parties of the obligations and rights defined in the Contracts.

At the end of the year, 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.

As a result of the two parts in which the exchange will be executed, Grupo SURA will receive its own shares, which will be treated as repurchased shares, according to the authorization given by the Shareholders' Meeting of November 24, 2023. Consequently, the economic and political rights corresponding to these shares will be suspended and a decrease in the number of outstanding shares of the company will be generated.

Afterwards, the shareholders of Sociedad Portafolio, including Grupo SURA, have the legal possibility of proposing to the general shareholders' meeting of Sociedad Portafolio its dissolution and/or liquidation. Should this occur, the following effects would be generated:

- Grupo SURA will receive own shares and those of Grupo Argos.
- Grupo Argos will receive own shares and those of Grupo SURA.
- The other shareholders of Sociedad Portafolio will receive shares of Grupo SURA and Grupo Argos.

Transaction progress

On June 29, 2023, the Board of Directors approved to progress in the execution of the Contracts, the management performed the analysis on June 30 of the requirements established in paragraph 8 of IFRS 5 - non-current assets held for sale, classified the investment of Nutresa Alimentos to non-current assets available for sale, amounting to $ 5,142,273, recognizing the asset at the lower of the book value and the fair value less transaction costs, so there is no impairment. Additionally, the associated deferred tax was recognized in the amount of $493,611[(1)], since the conditions to apply the exception described in IAS 12 Income Taxes are no longer met.

On December 14, 2023, Nutresa Alimentos reported that the spin-off reform was notarized through public deed No. 3838, in accordance with the decisions adopted by the Shareholders' Meeting on September 18, 2023.

In light of the preceding context, Grupo SURA separated from the expenses associated with the investment of Grupo Nutresa S.A. in Nutresa Alimentos. This separation retains the classification of "held for sale" for Nutresa Alimentos and recognizes Sociedad Portafolio S.A. as an investment in associated companies, measured at cost.

Below is a detail of the number of shares and the cost of the two companies, recognized in the financial statements as of December 31, 2023, as follows;

	No. of shares	Book value before spin-off	No. of shares	Book value of shares spun off
Grupo Nutresa S.A. (1)	163.005.625	5,142,273	163.005.625	4,110,646
Sociedad de Portafolio S.A. (2)		-	163.005.625	1,031,627
Total		5,142,273		**5,142,273**

(1) Book amount: $5,142,273; tax amount: $1,021,488; rate: 15%. Grupo Nutresa Alimentos meets the definition of non-current assets held for sale and continues in this classification.

(2) Sociedad de Portafolio S.A. was initially classified as an associate at its initial cost. See note 9.1

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

As of December 31, 2023, the required authorization for the execution of the first share exchange stage had not yet been obtained.

The Company continues to evaluate the impacts derived in each stage of the execution of the transaction, as of December 31, 2023, based on the progress of the operation, the effects identified are the classification of the investment in associate to non-current asset held for sale, the recognition of the deferred tax generated from this and the spin-off of Grupo Nutresa S.A. between Nutresa Alimentos and Sociedad Portafolio.

Subsidiaries

Suramericana

Argentina Operation

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.

Suramericana owns indirectly through the company Santa Maria del Sol 17.68% and directly 81.76% of the shares of the insurance company.

With this transaction, the Company sells its entire stake in Seguros Sura S.A., (Argentina) for a final price of USD 19 million and minus USD 1.29 million for retention and performance bonuses, for a total of USD 17.71 million determined based on the conditions defined in the share sale agreement, equivalent to COP $86,625 million. Of this value, 82.22% corresponds to Suramericana S.A. and 17.78% to Santa María del Sol S.A.S. a subsidiary of Suramericana S.A.

Operation Salvador

On August 14, 2023 Suramericana S.A., entered into 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.

Suramericana owns 97.11% of the shares and is domiciled in this 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 $45.45 million, equivalent to COP $181,026 million.

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

	El Salvador	Seguros Sura S.A Argentina	Total discontinued operation
Sale income	181,026	86,624	267,650
Cost of sale	(248,419)	(111,977)	(360,396)
OCI Translation and inflation adjustments (1)	84,744	(35,819)	48,925
Equity method result	13,429	8,646	22,075
Sales commission	(5,027)	(738)	(5,765)
Total income from discontinued operations	**25,753**	**(53,264)**	**(27,511)**

(1) The derecognition of these investments generated a realization of the other comprehensive income associated with currency translation; additionally, the equity accounts of these investments were derecognized in the amount of $ 143,930.

December 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 Royal and Sun Alliance's operations 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, amounted to ARS 891 million, equivalent to COP28,060 million.

With this decision, Suramericana strategically opted to specialize and consolidate its position in the general and life insurance lines in the local Argentinean market.

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 items related to the sale of both companies are described below:

	December 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)**
Result Seguros Sura S.A Argentina	31,934
Result Seguros Sura S.A El Salvador	23,380
Total profit for the year from discontinued operations	**55,314**
Total profit for the year from discontinued operations (2)	**54,496**

Sura Asset Management

Sociedad Titulizadora Sura S.A. (Peru)

At the end of three years of operation of Sociedad Titulizadora Sura S.A., in which it did not present income from commissions for the years 2022 and 2023; and with constant losses in its results, the Administration, by means of the Minutes of the General Meeting of Shareholders held on December 27, 2023; unanimously approved the dissolution and liquidation of the company stating that due to the time elapsed and not existing conditions to continue with the business of the company it is convenient to dissolve and liquidate it; according to the established by the art. 407º inc. 8) of the General Law of Companies (LGS).

It is expected that once the dissolution process has been completed, the liquidation of the legal vehicle will be carried out in the coming months. It is estimated that this process will be completed by the first quarter of 2024, and the time will depend on the response of the public institutions involved, so that the mercantile obligations remain in force until the company is liquidated.

SM Asesores, S.A. de C.V. (El Salvador)

In June 2023, the 21st session of the AGM was held to agree on the dissolution and liquidation of the company, at which the dissolution agreement was approved and the liquidator and external auditor were appointed.

In July 2023, the required publications for the process were made and the solvency of the Ministry of Finance was requested in order to proceed with the registration of the agreement in the Commercial Registry. At year-end 2023, the Company's management is still waiting for the Ministry of Finance to comply with the request and deliver the solvency certificate for the registration of the dissolution agreement in the Commercial Register in order to start the liquidation process.

It is expected that once the dissolution process is completed, the liquidation process of the legal vehicle can be carried out in the coming months. It is estimated that this process will be completed by the third quarter of 2024, with the timeframe depending on the response of the public institutions involved, so that the commercial obligations remain in force until the company is liquidated.

Proyectos Empresariales AI Sura, S.A de C.V. (México)

During the 2021 financial year, Proyectos Empresariales AI Sura, acted as the transitory company for the creation of the Casa de Bolsa SURA, and was in charge of managing and administering the operations required for the approval of the National Banking and Securities Commission *(Comisión Nacional Bancaria y de Valores, for Spanish original).*

After some months, the Company took the decision to suspend the incorporation of the vehicle for the Casa de Bolsa, considering the complexity to manage the operating license, as well as the high costs for its incorporation and operation with financial viability.

Sura Asset Management Argentina S.A.

It provides financial advisory, administration and portfolio management services through a Mandate of Reserves of Insurance Companies contract. Its main clients were Seguros Sura S.A. (Suramericana S.A. made its sale official in October 2023) and Aseguradora de Créditos y Garantías S.A. (Suramericana S.A. sold it in June 2022).

Due to its losses recorded in recent years and the non-renewal of its main clients' contracts, on 6 December 2023, the shareholders unanimously resolved to approve the early dissolution and subsequent liquidation of Sura Asset Management Argentina S.A. The period for the liquidator to prepare the inventory and the final liquidation balance sheet is 120 days, as established in article 103 of the General Companies Act.

At the end of December 2023, the company assessed the recoverability of the items of the company's assets, determining that there is no possibility of recovery to date. In this sense, they have been written off to profit and loss.

NBM Innova Mexico and Qiip business in Colombia.

NBM Innova S.A.S. (Colombia), was incorporated in March 2020, with the objective of containing SURA AM's New Business exploration initiatives. It started its operations with qiip, and subsequently started the exploration operations of ARATI. This entity will not be liquidated in the short term, considering that ARATI's exploration is being developed from there.
NBM Innova, S.A. de C.V. (Mexico) was incorporated in March 2018, the Company's main purpose is to operate the qiip platform, which has been developed jointly with the Colombian company of the same name. This entity only contains the operation of qiip, so it is highly probable that it will be liquidated, although this final decision has not yet been closed.

In 2023, following a review of the existing exploration processes, and taking into account the lack of traction of qiip's value offer to make it sustainable and scalable in the market, the decision has been taken to close the operation of this intra-venture in an orderly manner.

This responds to a detailed study of its status after 5 years of experimentation, contrasted with the evolution of its results as an emerging business during the time it operated, which failed to find its stabilisation and consolidation.
Below are the effects of discontinued operations for each company, corresponding to year-end 2023 and 2022 respectively.

Company	2023	2022
Titulizadora Sura S.A.	(203)	(816)
SM Asesores S.A. DE C.V.	52	32
Proyectos Empresariales Al Sura S.A. de C.V.	(6,886)	(17,627)
Sura Asset Management Argentina S.A.	(518)	(391)
NBM Innova S.A de C.V México	(35,940)	(19,489)
NBM Innova S.A. Colombia Operación de qiip	(27,230)	(19,608)
Pensiones Sura S.A. de C.V. de México	-	20,814
Total loss from discontinued operations (3)	**(70,725)**	**(37,085)**

Habitat Adulto Mayor S.A.

On 13 December 2023, the share purchase and sale agreement was signed by the following parties: Fondo de Capital Privado Inmobiliario Grupo Pegasus Colombia Fondo I and the Sellers.

The price to be paid by the Purchaser to the Sellers for the Sold Shares will be the result of applying the following formula: (i) COP$58,000 less (ii) the balance (including principal and interest) of the Financial Debt as of the last calendar day of the month immediately preceding the Certificate Delivery Date; less (iii) the balance (including principal and interest) of the Shareholders' Debt as of the last calendar day of the month immediately preceding the Certificate Delivery Date; plus or minus (iv) the Cash Adjustment (the "Purchase Price").

At the closing of ICE's Financial Statements as at 31 December 2023, the Sale Price is reflected according to the subsequent measurement criteria taking into account that the Habitat share purchase agreement exists and the best estimate is made in accordance with the equation detailed in the agreement (sale price).

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 December 2023 is detailed below:

	Associate	Subsidiaries			
	Nutresa	Hábitat	Sura AM	Suramericana	Total
Assets					
Investments in associates and joint ventures	4,110,646	-	-	-	4,110,646
Property and equipment	-	45,513	-	-	45,513
Other assets	-	28,147	13,918	2,769	44,834
Total assets	**4,110,646**	**73,660**	**13,918**(1)	**2,769**	**4,200,993**

(1) Distribution to owners

	December 2023	December 2022
Hábitat Adulto Mayor	40,534	-
Sura Asset Management	1,402	-
Total liabilities	**41,935**	**-**

Discontinued operations

For comparative purposes of the December 2022 income statement, reclassifications are presented, corresponding to the divestments in Suramericana (Argentina and Salvador), some minor operations of SURA AM and Habitat. The reclassification to the statement of comprehensive income is presented below:

	Audited 2022	Reclassified	
Results from discontinued operations	December 2022	December 2022	Variation
Income			
Insurance premiums	24,140,435	22,133,590	2,006,845
Health premiums and services	7,591,453	7,567,570	23,883
Reinsurance ceded premiums	(4,270,787)	(3,956,158)	(314,629)
Net production reserves	(5,158,018)	(4,949,853)	(208,165)
Net return on investments at amortised cost	1,782,340	1,759,441	22,899
Net gain on investments at fair value	317,406	(160,989)	478,395
Commission income	3,528,029	3,481,253	46,776
Rendering of services	283,002	282,828	174
Other income	996,200	887,743	108,457
Total income	**31,350,429**	**29,185,794**	**2,164,635**
			-
Costs and Expenses			**-**
Total costs and expenses	**(27,668,994)**	**(25,482,156)**	**(2,186,838)**
			-
Operating profit	**3,681,435**	**3,703,638**	**(22,203)**
			-
Financial result	**(992,841)**	**(982,457)**	**(10,384)**
			-
Profit before taxes	**2,688,594**	**2,721,181**	**(32,587)**
Income taxes	(363,235)	(392,783)	29,548
Net income from continuing operations	**2,325,359**	**2,328,398**	**(3,039)**
Net income from discontinued operations	19,982	16,943	3,039
Net income attributable to:	**2,345,341**	**2,345,341**	**-**
Controlling shareholders	2,074,996	2,074,996	-
Non-controlling shareholders	270,345	270,345	-

The discontinued operations of the subsidiaries of Suramericana, Hábitat Adulto Mayor and Sura Asset Management, as of December 2023 and 2022 are as follows:

Company	December 2023	December 2022
Suramericana	(27,511)	54,496

Hábitat Adulto Mayor	824	(468)
Sura Asset Management	(70,725)	(37,085)
Total	**(97,412)**	**16,943**

NOTE 11. PROPERTY AND EQUIPMENT

The breakdown of properties and equipment is as follows:

	December 2023	December 2022
Land	395,031	405,354
Buildings	719,185	733,470
Vehicles	31,323	35,612
Office equipment	44,499	44,368
Information technology equipment	117,680	135,850
Appliances and accessories	10,633	14,883
Constructions-in-progress	24,780	11,549
Leasehold improvements	955	76
Machinery	72,091	67,624
Total	**1,416,177**	**1,448,786**

The movement of the properties and equipment, of Grupo SURA, is as follows:

	Land	Buildings	Vehicles	Office equipment	IT equipment	Appliances and accessories	Constructions in progress	Leasehold improvements	Machinery	Total
Cost at January 1, 2022	**444,494**	**765,618**	**48,049**	**93,800**	**386,447**	**45,946**	**24,326**	**6,692**	**103,847**	**1,919,219**
Additions	4,073	32,800	1,044	4,155	67,803	18,945	2,573	-	17,607	**149,000**
Disposals (-)	(82,681)	-	(9,136)	(11,767)	(60,075)	(4,019)	(6,425)	(2,903)	(8,488)	**(185,494)**
Fair value adjustments	-	(41,106)	-	-	-	-	-	-	-	**(41,106)**
Exchange differences	6,754	26,061	2,130	5,976	51,999	13,827	550	1,283	593	**109,173**
Increase due to business combination	38,606	64,179	17,170	18,731	35,572	-	-	-	-	**174,258**
Reclassifications with investment properties	1,934	16,977	-	-	-	-	-	-	-	**18,911**
Reclassification among assets	(6,993)	33,990	-	1,475	-	-	(9,475)	-	(3)	**18,994**
Other changes	1,015	12,464	-	-	(10)	-	-	-	-	**13,469**
Book value at December 31, 2022	**407,202**	**910,983**	**59,257**	**112,370**	**481,736**	**74,699**	**11,549**	**5,072**	**113,556**	**2,176,424**
Accumulated depreciation and impairment at January 1, 2022	**(1,319)**	**(130,244)**	**(16,938)**	**(53,409)**	**(268,353)**	**(45,148)**	**-**	**(3,690)**	**(43,205)**	**(562,306)**
Depreciation	-	(17,811)	(5,501)	(7,840)	(50,750)	(6,363)	-	(23)	(10,090)	**(98,378)**
Impairment	(433)	(55)	-	-	-	-	-	-	-	**(488)**
Disposals (-)	-	5,480	4,279	5,595	39,596	3,682	-	23	7,555	**66,210**
Increase due to business combination	(98)	(10,050)	(1,639)	(8,012)	(17,113)	-	-	-	-	**(36,912)**
Reclassifications with investment properties	-	(73)	-	29	(23)	-	-	(49)	(37)	**(153)**
Exchange differences	2	(24,760)	(3,846)	(4,365)	(49,243)	(11,987)	-	(1,257)	(155)	**(95,611)**
Accumulated depreciation and impairment at December 31, 2022	**(1,848)**	**(177,513)**	**(23,645)**	**(68,002)**	**(345,886)**	**(59,816)**	**-**	**(4,996)**	**(45,932)**	**(727,638)**
Property, plant and equipment as of December 31, 2022	**405,354**	**733,470**	**35,612**	**44,368**	**135,850**	**14,883**	**11,549**	**76**	**67,624**	**1,448,786**

	Land	Buildings	Vehicles	Office equipment	IT equipment	Appliances and accessories	Constructions in progress	Leasehold improvements	Machinery	Total
Cost at January 1, 2023	**407,202**	**910,983**	**59,257**	**112,370**	**481,736**	**74,699**	**11,549**	**5,072**	**113,556**	**2,176,424**
Additions	21,391	22,198	13,409	16,285	39,289	4,674	24,477	3,148	16,914	**161,785**
Disposals (-)	(37,830)	(43,989)	(12,448)	(14,174)	(46,421)	(13,465)	(10,601)	(1,654)	(4,751)	**(185,333)**

Fair value adjustments	26,316	76,839	-	-	-	-	-	-	-	**103,155**
Exchange differences	(20,273)	(28,822)	(8,019)	(8,588)	(39,671)	(9,063)	(645)	(1,047)	(844)	**(116,972)**
Reclassifications with investment properties	(9,246)	(9,104)	-	-	-	-	-	-	-	**(18,350)**
Reclassification from non- current assets held for sale	(16,576)	(33,106)	(2,118)	(1,963)	(6,064)	-	-	-	(31)	**(59,858)**
Other changes	25,372	(18,625)	-	-	-	-	-	-	-	**6,747**
Book value at December 31, 2023	**396,356**	**876,374**	**50,081**	**103,930**	**428,869**	**56,845**	**24,780**	**5,519**	**124,844**	**2,067,598**
Accumulated depreciation and impairment at January 1, 2023	**(1,848)**	**(177,513)**	**(23,645)**	**(68,002)**	**(345,886)**	**(59,816)**	**-**	**(4,996)**	**(45,932)**	**(727,638)**
Depreciation	-	(18,705)	(6,101)	(7,566)	(55,688)	(4,698)	-	(180)	(11,643)	**(104,581)**
Impairment	783	1,203	-	-	-	-	-	-	-	**1,986**
Disposals (-)	339	5,731	5,515	8,979	39,094	10,780	-	(352)	4,543	**74,629**
Reclassifications with investment properties	-	3,231	-		-	-		-	- -	**3,231**
Reclassification from non- current assets held for sale	-	2,142	1,728	1,976	5,108	-		-	23	**10,977**
Exchange differences	(599)	26,722	3,745	5,182	46,183	7,522	-	964	256	**89,975**
Accumulated depreciation and impairment at December 31, 2023	**(1,325)**	**(157,189)**	**(18,758)**	**(59,431)**	**(311,189)**	**(46,212)**	**-**	**(4,564)**	**(52,753)**	**(651,421)**
Property and equipment as of December 31, 2023	**395,031**	**719,185**	**31,323**	**44,499**	**117,680**	**10,633**	**24,780**	**955**	**72,091**	**1,416,177**

As of December 31, 2022, it was detected that some equipment was in a state of obsolescence; therefore, these assets were written off and sent for disposal.

After analyzing the signs of impairment, it was determined that there is no evidence of impairment for all items of property and equipment at the date of presentation of this report.

- It is not expected to have significant changes in their value due to situations adverse to the company.
- There is no evidence of obsolescence or physical impairment of assets.
- No changes in the use of the assets that could adversely affect the company are expected in the foreseeable future.

There are no restrictions related to property and equipment.

Revaluation of land and buildings

The Company uses the revaluation model to measure land and buildings. For this purpose, it engaged a recognized independent appraiser to determine the fair value of land and buildings. The fair value is determined by reference to objective market-based evidence. Valuations are based on quoted prices in active markets, adjusted for differences according to the nature, location and/or condition of the particular property.

NOTE 12. Right-of-use

Grupo SURA has right-of-use assets over land and buildings with terms between 3 and 12 years, and over vehicles between 3 and 7 years.

The Group generally has no restrictions to sublease the leased assets.

There are lease contracts that include extension and early termination options; there are also contracts with variable lease payments.

Grupo SURA also has equipment leases that are short-term and/or of low value. Grupo SURA applies the exception allowed by the standard for this type of contracts.

As of December 31, the carrying value of right-of-use assets is as follows:

	Right-of-use assets						
	Buildings	Transportation equipment	Office equipment	IT equipment	Leasehold improvements	Medical equipment	Total
Balance at January 1, 2022	**429,488**	**9,854**	**15,686**	**5,929**	**55,868**	**6,296**	**523,121**
Additions and increases	190,905	5,787	-	9,209	17,296	1,371	224,568
Decreases	(74,624)	(137)	(4,814)	-	(1,316)	-	(80,891)
Inflation adjustments	16,231	-	-	-	-	-	16,231
Depreciation	(115,238)	(3,438)	-	(9,445)	(14,610)	(1,996)	(144,727)
Exchange differences	1,332	297	-	1,275	1,372	(41)	4,235
Balance at December 31, 2022	**448,094**	**12,363**	**10,872**	**6,968**	**58,610**	**5,630**	**542,537**
Additions and increases	119,237	1,317	-	9,137	4,926	**-**	134,617
Reclassification between assets	(29,945)	-	(10,872)	10,872	(4,297)	-	(34,242)
Decreases	(28,944)	(338)	-	-	-	(358)	(29,640)
Depreciation	(127,986)	(3,710)	-	(8,841)	(23,292)	(2,205)	(166,034)
Exchange differences	(24,493)	774	-	(673)	7,111	-	(17,281)
Balance at 31 December 2023	**355,963**	**10,406**	**-**	**17,463**	**43,058**	**3,067**	**429,957**

Movements and carrying values of lease liabilities during the period are detailed below:

	December 2023	December 2022
Balance at beginning of period	**513,419**	**501,746**
Increases _ Additions	103,429	80,601
Decrease due to contract terminations	(87,057)	(77,689)
Other changes	-	7,496
Interest accrual	37,001	27,241
Advance payments	-	(1,235)
Reclassifications	(33,599)	-
Lease payments	(94,875)	(14,955)
Exchange differences	(11,906)	(9,786)
Balance at end of period	**426,412**	**513,419**

The term of the finance leases is presented below:

	Minimum payments due 2022	Present value of minimum payments 2022	Future interest charge to 2022
At one year	115,301	83,281	32,020
More than one year and up to five years	286,586	237,333	49,253
More than five years	207,805	192,805	15,000
Total leases	**609,692**	**513,419**	**96,273**

	Minimum payments due 2023	Present value of minimum payments 2023	Future interest charge to 2023
At one year	137,660	89,322	48,338
More than one year and up to five years	389,794	254,318	135,476
More than five years	94,573	82,772	11,801
Total leases	**622,027**	**426,412**	**195,615**

Expenses recognized in income for the period for lease contracts are presented below:

	December 2023	December 2022
Depreciation expense of right-of-use assets	166,034	144,727
Interest expense on lease liabilities (note 29)	37,001	27,241
Lease expense for low value assets	16,450	15,582
Lease expense for short-term contracts	10,565	7,407
Total recognized in results	**230,050**	**194,957**

NOTE 13. INTANGIBLE ASSETS

The classification of Grupo SURA´s intangible assets at the end of December 31 is as follows:

	Note	December 2023	December 2022

Goodwill	13.1	5,238,231	6,393,147
Intangible assets other than goodwill	13.2	3,308,064	4,039,898
Other total intangible assets including goodwill		**8,546,295**	**10,433,045**

13.1. Goodwill

The breakdown of goodwill is as follows:

Company	December 2023	December 2022
AFP Capital S.A. Chile	1,582,929	2,039,380
AFP Integra S.A. Peru	1,381,698	1,690,213
AFORE Sura S.A. de C.V. Mexico	1,219,975	1,343,710
Seguros Generales Suramericana S.A. Chile	149,359	192,644
AFAP Sura S.A. Uruguay	141,936	173,956
Asulado Seguros de Vida S.A. (Colombia)	135,641	116,782
Seguros Sura S.A. Uruguay	104,927	128,597
Seguros Generales Suramericana S.A. (Antes RSA Seguros Colombia e IATM	94,290	94,290
Corredores de Bolsa Sura S.A. y Administradora General de Fondos Sura S.A. Chile	71,266	91,913
Fondos Sura SAF S.A.C. Peru	65,185	79,743
Seguros Suramericana S.A. Panama	64,163	80,751
AFP Crecer S.A. (El Salvador)	51,919	67,111
Seguros Sura S.A. Mexico	63,327	69,750
Seguros Sura S.A. Brazil	39,060	45,613
Sura Investment Management S.A. de C.V. Mexico	28,925	31,858
Arus S.A. Colombia	23,661	23,661
Seguros Sura S.A. Dominican Republic	15,234	19,792
Fiduciaria Sura S.A. Colombia	4,736	4,738
Seguros Sura S.A. El Salvador	-	99,126
Hábitat Colombia	-	1,287
Total	**5,238,231**	**6,393,146**

Impairment of goodwill

The value in use of the cash generating units of the Group was estimated by using different valuation techniques, including the income approach and discounted cash flows, among others. The projections were based on the detailed budget prepared by the management of each country for 2023. Indicators such as growth in premiums, claims, commissions, administrative expenses, financial income, taxes, among others, are also projected.

- **Projection horizon:** Given the current macroeconomic conditions and the characteristics and maturity of the businesses of the different CGUs under analysis, together with the information available, a projection horizon of between 5 and 10 years has been considered depending on each CGU.
- **Residual value:** Since the cash generating units under analysis are expected to continue operating and generating positive cash flows beyond the projection period, a perpetuity has been estimated. This value is known as residual or terminal value.
- **Year-end:** The year-end date considered in the financial projections of the cash-generating units at the date of analysis is December 31 of each year, which coincides with the closing date of the financial statements of the legal entities related to such CGUs.
- **Monetary Unit:** Grupo SURA and its Subsidiaries have estimated their cash flows in the functional currency of their businesses in each market. For the currencies of each country see note 2.2.3 Currencies.
- **Discount rate:** The projected cash flows in current values are discounted at nominal discount rates in the local currency of each CGU, considering inflation variables and risk premiums specific to each CGU according to its country.
- **Income Tax Rates:** Projected cash flows were estimated on an after-tax basis. For these purposes, the income tax rates in effect in each country as of December 31, 2023 were applied. For further details of the tax rates in each country see Note 7 Income Taxes.

- **Macroeconomic assumptions:** the financial projections of the CGUs under analysis have been prepared in light of the macroeconomic variables projected by external information sources

After performing the projections and calculations for the determination of the impairment test of the company's goodwill, Grupo SURA concluded that there is no impairment, since the recoverable value of the company is higher than the value recorded in books.

13.2. Intangible Assets other than goodwill

The detail of the movements of intangible assets of Grupo SURA is as follows:

	Acquired brands	Customer-related intangible assets	Software and computer applications	Derechos	Licenses and franchises	Other intangible assets	Total
Cost							
Cost at January 1, 2022	**144,485**	**4,006,654**	**813,863**	**40,416**	**42,243**	**43,430**	**5,091,091**
Additions	498	19,526	309,494	-	9,688	14,643	353,849
Disposals (-)	-	-	(74,160)	-	(3,687)	213	(77,634)
Business combination (See note 13.3)	-	588,243	-	-	17,582	159,877	765,702
Exchange rate differences	27,369	1,008,031	134,111	6,968	11,898	(154,116)	1,034,261
Cost in books at December 31, 2022	**172,352**	**5,622,454**	**1,183,308**	**47,384**	**77,724**	**64,047**	**7,167,269**
Accumulated amortization and impairment							
Accumulated amortization and impairment at January 1, 2022	**(3,667)**	**(1,858,641)**	**(361,085)**	**(40,416)**	**(25,421)**	**(315)**	**(2,289,545)**
Amortization of the period	-	(176,659)	(116,308)	-	(531)	(4,530)	(298,028)
Business combination	-	-	(5,757)	-	-	-	(5,757)
Restatement of assets	-	(18,544)	(12,253)	-	(212)	-	(31,009)
Exchange rate differences	(764)	(476,461)	(9,596)	(6,968)	(12,678)	3,435	(503,032)
Accumulated amortization and impairment at December 31, 2022	**(4,431)**	**(2,530,305)**	**(504,999)**	**(47,384)**	**(38,842)**	**(1,410)**	**(3,127,371)**
Intangible assets other than goodwill at December 31, 2022	**167,921**	**3,092,148**	**678,309**	**-**	**38,882**	**62,638**	**4,039,898**
Cost at January 1, 2023	**144,485**	**4,006,654**	**813,863**	**40,416**	**42,243**	**43,430**	**5,091,091**
Additions	-	-	910,127	-	37,601	-	947,728
Business combination	47,577	169,836	-	-	-	-	217,413
Disposals (-)	-	-	(39,974)	-	(169,169)	(16,458)	(225,601)
Exchange rate differences	(569)	(61,728)	-	-	37,032	(19)	(25,284)
Cost in books at December 31, 2023	**191,493**	**4,114,762**	**1,684,016**	**40,416**	**(52,293)**	**26,953**	**6,005,347**
Accumulated amortization and impairment							
Accumulated amortization and impairment at January 1, 2023	**(3,667)**	**(1,858,641)**	**(361,085)**	**(40,416)**	**(25,421)**	**(315)**	**(2,289,545)**
Amortization of the period	-	(217,036)	(134,578)	-	(649)	(2,231)	(354,494)
Disposals (-)	-	5,343	56,394	-	4,082	-	65,819
Exchange rate differences	-	54,945	(149,710)	-	(24,471)	173	(119,063)
Accumulated amortization and impairment at December 31, 2023	**(3,667)**	**(2,015,389)**	**(588,979)**	**(40,416)**	**(46,459)**	**(2,373)**	**(2,697,283)**
Intangible assets other than goodwill at December 31, 2023	**187,826**	**2,099,373**	**1,095,037**	**-**	**(98,752)**	**24,580**	**3,308,064**

The following assumptions were used for the impairment test of the trademarks:

- **Projection Horizon:** For the estimation of the value in use of the brands, an indefinite useful life was considered, according to the trajectory and positioning of the brands and the market participant approach assumed. For this reason, an explicit 5-year projection was made for the AFP Capital and AFP Integra brands, respectively; and then the present value of a perpetual net royalty flow was calculated, considering a growth of 4.14% for AFP Capital and 3.5% for AFP Integra nominal in local currency in the long term over the stabilized flow.

- **Income Projection:** In order to estimate the value in use of the AFP Capital and AFP Integra brands, the operational income generated by the AFP Capital and AFP Integra business, respectively, was considered. These are the income from commissions and the return on the reserve requirement, both corresponding to the mandatory and voluntary pension business.
- **Market Royalties and Attributes of Brands:** For the purposes of applying the Royalties Saving methodology ("Relief from Royalty"), a market royalty rate was estimated. Additionally, in order to define the royalty applicable to brands, from the estimated market royalty range, the positioning and relative strength of the brand, was taken into account, based on the following attributes:
  - **Momentum:** The current status and potential for future development of the brands was considered.
  - **Recognition:** According to market studies, the degree of spontaneous knowledge or awareness that the public has about brands was evaluated.
  - **Loyalty:** According to market studies, the degree of customer loyalty to brands was evaluated.
  - **Market share:** According to market studies, the market share of the brands, in the Chilean and Peruvian markets, was analyzed.
  - **Longevity:** According to studies, that the Company has, the age of the brands, in the Chilean and Peruvian markets was evaluated.

Based on the above procedures, an applicable royalty of 1.05% was estimated, for AFP Capital and AFP Integra.

13.3. Business combinations

13.3.1 Protección and Crecer

In 2022, the business combination of the companies AFP Protección (and its subsidiary AFP Crecer) was carried out as a business combination in stages according to IFRS 3 - Business Combinations.

During the measurement period, new relevant information was obtained, which modified some parts of the business combination as known at the end of 2022, mainly:

- Fair value adjustment of AFP Crecer, a subsidiary in which AFP Protección has a 99.99% interest.
- Determination of CGUs.
- Identification and valuation of customer lists associated with the AFP Crecer CGU.
- Identification and valuation of brands associated with the AFP Protección and AFP Crecer CGUs.
- Fair value adjustment of contingent liabilities identified in the AFP Protección and AFP Crecer CGUs
- Fair value adjustment of reserve liabilities identified in the Insurance CGU.
- Recalculation of goodwill as a result of the above items.

SURA Asset Management S.A., until October 2022, owned 49.36% of the shares of AFP Protección. It is a company not controlled by SURA AM, treated as an associate, and whose value in the separate and consolidated financial statements is managed under the equity method.

AFP Crecer (El Salvador) is a subsidiary of AFP Protección (Colombia), which holds 99.99% of the shares representing its capital.

Protección (Colombia) is the administration of mandatory, voluntary and severance pension funds.

Within this context, a project was set up to create an insurance company that could offer life annuity coverage to Protección's members, as well as pension insurance coverage, accessing the minimum wage slippage coverage offered by the government, and ensuring adequate risk coverage for those members with lower salaries with a greater possibility of future decapitalization. This operation was necessary for the future sustainability of Protección's business.

The insurer would be created by spinning off the assets of Protección.

Capitalization of Protección with issuance of shares

In order to obtain sufficient equity resources, it was necessary to make a capitalization of 299,990 COP in Protección.

In accordance with paragraph 41 of IFRS 3, this is a business combination carried out in stages. The previous participation in Protección (49.36%) was a non-controlling participation, and the additional 3.55% brings the new percentage to 52.91%, changing this investment from an associate to a subsidiary.

The shareholders' meeting of Protección took the decision to make the contribution by issuing new shares at the intrinsic value, set at COP 88.092 per share.

Sura AM covered the capitalisation that would have corresponded to other shareholders who did not participate, generating a dilution for them, and an increase in SURA AM's shareholding percentage of 3.55%, leaving it with a total of 52.91% as majority shareholder.

The capitalisation was authorised and carried out on 25 November 2022 at an intrinsic value of COP 88,092 per share, the date taken as the date for the acquisition of control.

As of November 2022 Protección and Crecer are subsidiaries and are incorporated in the consolidation of Sura AM.

Remeasurement of the previously held portion

As required by paragraph 42 of IFRS 3, the previously held interest was remeasured. This means assessing the fair value of Protección in the percentage that corresponded to SURA AM, and contrasting it with the book value, in order to determine whether it is appropriate to adjust the measurement.

To determine the fair value, the methodology used was the present value of the future cash flows of the operation at the end of October, considering this as the measurement date because it was the month prior to the change in the percentage of Protección's stake.

Determination of Goodwill

The business combination takes place without transfer of consideration, since there was no purchase of a stake by Sura AM from other investors, but due to the equity requirement demanded by the Financial Superintendency of Colombia, it was necessary to capitalise Protección by issuing shares, in which only Sura AM, Bancolombia and Fiduciaria Bancolombia participated, diluting the stake of the other investors. Based on this approach, the business combination applies the acquisition method in accordance with paragraphs 33 and 43 of IFRS 3, where the amount of goodwill can be determined using the acquisition-date fair value of the acquiree's equity instruments, rather than the acquisition-date fair value of the equity interests transferred.
Sura AM Management determined 3 cash generating units (CGU's) in the business combination: AFP Protección (Colombia), AFP Crecer (El Salvador) and the Insurance and Annuities business, among which the resulting goodwill will be allocated from the acquisition date, for the purpose of being able to test in the future any impairment in value, if any (paragraph 80 of IAS 36).

The determination of goodwill for each of the CGUs is detailed below:

Method of acquisition	AFP Protección	AFP Crecer	Insurance	Total
Valuation result (including capitalization)	2,047,590	371,000	831,990	3,250,580
Sura AM shareholding	52.91%	52.91%	52.91%	52.91%
Non-controlling interest	47.09%	47.09%	47.09%	47.09%
Valuation of SURA AM shareholding	1,083,443	196,308	440,232	1,719,983
Valuation of non-controlling interest	964,147	174,692	391,758	1,530,597
Net assets at Nov-2022	1,938,356	99,423	785,010	2,822,789
Write-down of goodwill AFP Crecer	(126,485)	-	-	(126,485)
Net assets as at Nov-2022 adjusted	1,811,871	99,423	785,010	2,696,304
Fair value adjustments				
Customer list	453,657	290,850	-	744,507
Deferred tax liabilities customer list	(181,463)	(87,255)	-	(268,718)
Brand	42,095	6,993	-	49,088
Deferred tax liabilities brand	(16,838)	(2,098)	-	(18,936)
Contingent liabilities (contingent)	(102,886)	(4,497)	-	(107,383)
Assets deferred tax liabilities contingent liabilities	41,154	1,349	-	42,503
Liabilities reserves Law 100	-	-	(147,771)	(147,771)
Deferred tax asset deferred tax liability Law 100	-	-	59,108	59,108
	-	-	-	-
Net assets as at Nov-2022 adjusted to fair value	2,047,590	304,765	696,347	3,048,702
Valuation result	**2,047,590**	**371,000**	**831,990**	**3,250,580**
(+) Goodwill	-	66,235	135,643	201,878

Accounting treatment in the period of remeasurement of the business combination Protección S.A.

Sura Asset Management S.A., as of November 2022 recognized an intangible asset of client list with its respective deferred tax liability, and an assumed liability on contingencies with its respective deferred tax asset. These amounts were recognized on a provisional basis with the information available at that time.

During the measurement period of the business combination, information was obtained that allowed determining adjustments to the provisional values recognized at the acquisition date, and the additional recognition of: (i) an intangible asset of trademarks with its respective deferred tax liability related to the AFP Protección and AFP Crecer CGU, and (ii) adjustment to the fair value of the liabilities associated with annuity reserves (Liabilities Law 100) with its respective deferred tax asset related to the Insurance CGU.

All adjustments to the provisional values, and additional assets and liabilities were recognized in accordance with paragraphs 45, 46, 47 and 48 of IFRS 3, affecting the value of goodwill.

According to paragraph 49 of IFRS 3, the adjustments to the provisional values and the additional recognitions should be recorded as if they had been completed at the acquisition date (i.e. November 2022). The Management of Sura Asset Management concluded that such adjustments and additional recognitions are not material on the consolidated financial statements taken as a whole as of December 2022, and do not distort the reading of the consolidated financial statements, nor the Company's financial indicators. With the above analysis, the Company proceeded with the recognition of the adjustments in the financial statements for the year 2023, as detailed below:

Amount of business combination	Type of recognition	Note	
Total goodwill	Provisional value adjustment	13.1	48,492
Asset - Customer list	Provisional value adjustment	13.2	169,836

Assets - Brands	Additional recognition	13.2	47,577
Deferred tax asset contingent liabilities	Provisional value adjustment	7	1,804
Deferred tax asset liabilities Law 100	Additional recognition	7	59,108
Total assets			**326,817**
Liabilities - Deferred tax customer list	Provisional value adjustment	7	42,135
Liabilities - Deferred tax brands	Additional recognition	7	18,936
Contingent liabilities (potential)	Provisional value adjustment		(1,479)
Liabilities - Law 100 (RA Reserves)	Additional recognition		147,771
Total liabilities			**207,362**
Total equity			**119,455**

NOTE 14. OTHER ASSETS

The detail of other assets is as follows:

	Note	December 2023	December 2022
Investment properties	14.1	382,952	435,835
Other assets	14.2	166,657	185,628
Total		**549,609**	**621,463**

14.1 Investment properties

Investment properties in Grupo SURA are recorded at fair value, and are listed below:

	December 2023	December 2022
Land	90,483	86,064
Buildings	292,469	349,771
Total	**382,952**	**435,835**

Changes during the period are presented in note 31.5 fair value.

Income from investment properties

Rental income from investment properties as of December 31, 2023 and 2022 is as follows:

	December 2023	December 2022
Lease income	25,905	22,788
Gain or loss on sale of investment properties	14,821	23,207
Gain or loss at fair value	(9)	(724)
Income from investment properties	**40,717**	**45,271**

Restrictions

Grupo SURA has no restrictions on the possible disposal or sale of its investment properties, nor contractual obligations to purchase, build or develop investment properties, or to carry out repairs, maintenance work and/or expansions.

14.2 Other non-financial assets

The detail of other assets is as follows:

	Note	December 2023	December 2022
Other assets	14.2.1	105,742	125,980
Inventories	14.2.2	30,564	33,558
Restricted cash	14.2.3	30,351	26,090

Total	**166,657**	**185,628**

14.2.1 Other assets

The detail of other assets is as follows:

	December 2023	December 2022
Prepaid expenses	11,242	7,997
Art	50,902	55,892
Inventories	43,598	62,091
Total	**105,742**	**125,980**

14.2.2 Inventories

The detail of inventory is presented below:

	December 2023	December 2022
Merchandise not manufactured by the company	2,749	5,732
Materials, spare parts and accessories	27,115	27,718
Other inventories	700	108
Total	**30,564**	**33,558**

14.2.3 Restricted cash

Restricted cash consists of:

Restriction detail	Country	Restricted cash value 2023	Restricted cash value 2022
Judicial Seizures	El Salvador	-	104
Judicial Seizures	Colombia	24,131	18,331
Employee benefit obligations	Panama	1,500	3,687
Funds destined for the payment of taxes administered by SUNAT	Peru	730	880
Commission hedging funds - Foreign Broker	Peru	3,619	3,088
Legal proceedings conducted on bank accounts	Colombia	371	-
Total		**30,351**	**26,090**

NOTE 15. EMPLOYEE BENEFITS

The following is the breakdown of the benefits to Grupo SURA´s employees:

	Note	December 2023	December 2022
Short-term	15.1	634,947	663,494
Long-term	15.2	89,137	85,876
Post-employment	15.3	84,321	74,051
Termination		13,580	11,691
Total		**821,985**	**835,112**

15.1 Short-term benefits

According to labor regulations, these benefits correspond to salaries, legal and extra-legal bonuses, vacations, severance payments and parafiscal contributions to government entities, which are paid within 12 months following the end of the period.

Additionally, in the short term, there is a performance bonus benefit, which is described below:

Performance bonus: The performance compensation system is a recognition of the effort of all employees to achieve the Company's objectives and continue generating value. It is defined based on a scheme of clear, measurable and achievable performance indicators. These indicators are defined at the beginning of each year and must be aligned with the Company's strategic direction, as well as with the various activities and human competencies required to achieve the Company's objectives. This includes measurement period, evaluation scheme, follow-up and adjustments, definition of indicators.

Short-term benefits are detailed below:

	December 2023	December 2022
Bonuses (Current)	278,399	283,160
Vacations	142,674	149,730
Severance pay	87,579	76,350
Extra-legal bonus	76,589	75,761
Current provisions for employee benefits	22,795	32,864
Labor welfare allowances	11,083	33,949
Interest on severance payments	10,417	9,047
Payroll to be paid	4,718	1,805
Legal bonus	693	828
Total	**634,947**	**663,494**

15.2 Long-term benefits

The following is a description of the long-term benefits of Grupo de Inversiones Suramericana:

- **Seniority premium:** This benefit is paid to employees during their working life each time five years of service are completed, calculated as days of salary per year worked.
- **Bonus bank:** This was paid only until 2022. This benefit corresponded to 30% of the employee's individual performance bonus and in order for it to be paid, the company must comply with the necessary condition of generating EVA. The payment of this benefit will be delivered in cash to employees as of the year following that in which it was generated and distributed over three years in equal amounts (33%).
- **Long-term bonus:** In order to qualify for this benefit, the company must comply with the condition of generating value (EVA) accumulated for 3 consecutive years, starting the evaluation in 2020. The payment of this benefit will be delivered in cash in a single payment to employees from the year following that in which the fulfillment of both short- and long-term goals has directly generated a sustainable profitability above the company's cost of capital in the last three years.
- **Advisor Productivity Bonus:** The benefit is paid upon completion of five-year seniority if and only if the advisor has complied with the minimum commission averages.
- **Severance payments and interest on severance payments payable by the company:** According to Colombian labor regulations, employees hired before the entry into force of Law 50 of 1990, are entitled to receive, upon termination of the employment contract, one month's salary for each year of service and proportionally for each fraction of a year as severance payment, for whatever cause that terminates the employment, including: retirement, disability, death, etc. The benefit is liquidated at the time of retirement of the employee based on the last salary earned. There may be distributions prior to the retirement date at the employee's request, which are not distributable on a mandatory basis.

  With the entry into force of Law 50 of 1990, the Colombian Government allowed companies, subject to the approval of their employees, to transfer their severance benefit obligation to private pension funds.

The long-term benefits are detailed below:

	December 2023	December 2022
Seniority premium	58,303	49,234
Long-term bonus	25,393	32,041
Retro-active severance	3,752	3,969
Productivity bonus	1,689	632
Total	**89,137**	**85,876**

The following shows the movement of long-term employee benefits of Grupo SURA:

	Long-term Bonus	Retro-active Severance	Seniority premium	Productivity bonus	Total
Initial balance at January 1, 2022	**22,990**	**4,036**	**43,387**	**1,076**	**71,489**
Current service cost	1,524	240	5,216	63	7,043
Changes in financial assumptions with effect on profit and loss	8,640	330	2,783	(330)	11,423
Payments to employees	(2,909)	(637)	(5,580)	(177)	(9,303)
Upcoming payments	-	-	367	-	367
Effect on movement due to exchange rates	1,796	-	3,061	-	4,857
Present value of obligations at December 31, 2022	**32,041**	**3,969**	**49,234**	**632**	**85,876**
Current service cost	5,725	401	3,286	1,664	11,076
Changes in financial assumptions with effect on profit and loss	4,109	-	16,297	-	20,406
Payments to employees	(5,705)	(618)	(7,709)	(607)	(14,639)
Terminations	(4,418)	-	-	-	(4,418)
Effect on movement due to exchange rates	(6,359)	-	(2,805)	-	(9,164)
Present value of obligations at December 31, 2023	**25,393**	**3,752**	**58,303**	**1,689**	**89,137**

The main actuarial assumptions used to determine the obligations for long-term benefit plans are as follows:

	Long-term Bonus		Seniority premium		Retro-active Severance		Productivity bonus	
	2023	2022	2023	2022	2023	2022	2023	2022
Discount rate (%)	5.7% al 7.6%	3% al 8.9%	6.7% - 9.7%	2.5% - 9.50%	7.70%	9.10%	7.70%	8.90%
Annual salary increase rate (%)	---	---	3.5% al 6.0%	3.5% al 7.75%	7.75%	7.75%	7.75%	4.50%
Annual inflation rate (%) LP	2.0% al 4.0%, except Argentina with 150%.	2.0% al 4.0%, except Argentina with 50%.	2% al 4.3%	3% al 3.5%	3.00%	3.00%	3.00%	3.00%
Survival tables	RV - 08	RV - 08	RV – 08	RV - 08	RV - 08	RV - 08	RV - 08	RV-08

The following tables show the sensitivity of the effect of a variation of 0.5% in the discount rate and 0.5% in the salary increase for the long-term bonus, retroactive severance, seniority premium and productivity premium benefits:

2023

	Long-term bonus			
	Discount rate		Salary increase	
	Increase +0.5%	Discount +0.5%	Increase +0.5%	Discount +0.5%
Present value of the obligation	25,336	25,455	25,460	25,332
Variation due to sensitivity in the variables	57	(63)	(67)	61

	Seniority premium			
	Discount rate		Salary increase	
	Increase +0.5%	Discount +0.5%	Increase +0.5%	Discount +0.5%
Present value of the obligation	57,217	59,204	59,152	57,074
Variation due to sensitivity in the variables	1,086	(901)	(849)	1,229

	Retro-active Severance			
	Discount rate		Salary increase	
	Increase +0.5%	Discount +0.5%	Increase +0.5%	Discount +0.5%
Present value of the obligation	3,709	3,797	3,830	3,676
Variation due to sensitivity in the variables	43	(44)	(77)	76

	Performance bonus			
	Discount rate		Salary increase	
	Increase +0.5%	Discount +0.5%	Increase +0.5%	Discount +0.5%
Present value of the obligation	1,649	1,730	1,725	1,653
Variation due to sensitivity in the variables	40	(41)	(36)	36

2022

	Long-term bonus			
	Discount rate		Salary increase	
	Increase +0.5%	Discount +0.5%	Increase +0.5%	Discount +0.5%
Present value of the obligation	31,727	32,447	32,711	31,444
Variation due to sensitivity in the variables	314	(406)	(670)	597

	Seniority premium			
	Discount rate		Salary increase	
	Increase +0.5%	Discount +0.5%	Increase +0.5%	Discount +0.5%
Present value of the obligation	48,360	50,152	49,586	48,915
Variation due to sensitivity in the variables	873	(918)	(353)	319

	Retro-active Severance			
	Discount rate		Salary increase	
	Increase +0.5%	Discount +0.5%	Increase +0.5%	Discount +0.5%
Present value of the obligation	3,918	4,021	4,061	3,878
Variation due to sensitivity in the variables	51	(52)	(92)	91

	Performance bonus			
	Discount rate		Salary increase	
	Increase +0.5%	Discount +0.5%	Increase +0.5%	Discount +0.5%
Present value of the obligation	621	644	644	621
Variation due to sensitivity in the variables	11	(12)	(12)	11

15.3 Post-employment benefits

The following is a description of the post-employment benefits offered by Grupo de Inversiones Suramericana:

- **Retirement bonus:** corresponds to a lump sum defined by the company that is payable to employees upon retirement.

- **Retirement pension** is a benefit paid to an employee after completing his or her period of employment and is recognized directly by the Company.
  A bonus in the amount of 20 legal monthly minimum wages in force will be granted, which will be delivered at the time the beneficiary retires from the Company to enjoy his/her pension. This bonus will be subject to legal withholdings. Those who have a special retirement bonus system will not be beneficiaries.

In Colombia, retirement pensions, when employees retire after reaching certain age and years of service, are assumed by public or private pension funds based on defined contribution plans where the entities and the employees contribute monthly amounts defined by law in order to have access to the pension at the time of retirement of the employee. However, for some employees hired by Group entities before 1968 and who met the age and years of service requirements, pensions are assumed directly by the respective Grupo SURA entities

- **Post-employment medical:** The Company offers fully insured medical benefits to all employees and qualified dependents. Health legislation (Colombian Law 9656/98) guarantees the right of employees (and their beneficiaries) who have contributed to medical premiums to the option to extend medical coverage in retirement or in the event of involuntary termination.

The following are the balance of post-employment benefits:

	December 2023	December 2022
Retirement bonus	58,948	47,840
Retirement pensions	15,264	17,915
Medical	10,109	8,296
Total	**84,321**	**74,051**

15.3.1 Defined benefit plans

Grupo SURA has a legal or constructive obligation to respond for the benefit payments that remained under its responsibility, and will require the use of an actuarial calculation, in order to recognize the defined benefit obligation based on actuarial assumptions, in addition to the estimate of the corresponding plan assets; it must determine the value of the net defined benefit by finding the deficit or surplus of the obligation.

The following is the movement of post-employment benefits:

	Retirement benefit	Plan assets	Net profit	Retirement pension	Others benefits	Total
Present value of obligations at January 1, 2022	**81,712**	**26,825**	**54,887**	**17,611**	**6,545**	**79,043**
Current service cost	11,744	-	11,744	216	394	12,354
Interest costs	2,844	-	2,844	357	-	3,201
Recognition of plan assets	-	12,911	(12,911)	-	-	(12,911)
Gains or losses from changes in financial assumptions with effect in results	(829)	-	(829)	179	-	(650)
Gains or losses from changes in actuarial assumptions with effect on OCI	(7,771)	-	(7,771)	233	(541)	(8,079)
Payments to employees	(1,640)	-	(1,640)	(2,182)	-	(3,822)
Effect on movement due to exchange rates	1,516	-	1,516	1,501	1,898	4,915
Present value of obligations at December 31, 2022	**87,576**	**39,736**	**47,840**	**17,915**	**8,296**	**74,051**
Current service cost	10,386	-	10,386	1,146	324	11,856
Interest costs	4,419	-	4,419	10	-	4,429
Recognition of plan assets	-	6,580	(6,580)	-	-	(6,580)
Gains or losses from changes in actuarial assumptions with effect on OCI	12,838	-	12,838	2,038	2,972	17,848
Payments to employees	(4,820)	-	(4,820)	(3,757)	-	(8,577)
Effect on movement due to exchange rates	(5,135)	-	(5,135)	(2,088)	(1,483)	(8,706)
Present value of obligations at December 31, 2023	**105,264**	**46,316**	**58,948**	**15,264**	**10,109**	**84,321**

The main actuarial assumptions, used to determine the obligations, for the defined benefit plans are the following:

	Retirement bonus		Retirement pension	
	2023	2022	2023	2022
Discount rate (%)	7.7% - 8.25%	5.8% - 9.50%	7.70%-9.10%	6.7%-9.50%

Annual salary increase rate (%)	3.0%-4.50%	3% - 4.5%	---	---
Future rate of increase in annual pension (%)	---	---	4.50%-5.0%	4%-5%
Annual inflation rate (%)	3.0%-5.0%	2 - 3.0%	3.00%	3.00%
Survival tables (**)	VA - 08	VA - 08	VA - 08	VA - 08

(**) Mortality Tables of Valid Annuitants prepared by the Superintendency of Colombia.

Sensitivity analyses

The following tables show the effects of inflation rate variation, benefit increase, salary increase and discount rate:

2023

	Retirement bonus			
	Discount rate		Salary increase	
	Increase +1.0%	Decrease -1.0%	Increase +1.0%	Decrease -1.0%
Present value of the obligation	103,079	107,543	107,420	103,146
Variation due to sensitivity in the variables	2,185	(2,279)	(2,155)	2,199

	Retirement Pension			
	Discount rate		Increase Benefit	
	Increase +0.5%	Decrease -0.5%	Increase +0.5%	Decrease -0.5%
Present value of the obligation	14,822	15,735	15,787	14,769
Variation due to sensitivity in the variables	441	(472)	(524)	494

	Other benefits			
	Discount rate		Salary increase	
	Increase +0.5%	Decrease -0.5%	Increase +0.5%	Decrease -0.5%
Present value of the obligation	9,511	10,770	11,478	8,967
Variation due to sensitivity in the variables	598	(661)	(1,369)	1,142

2022

	Retirement Bonus			
	Discount rate		Salary increase	
	Increase +1.0%	Decrease -1.0%	Increase +1.0%	Decrease -1.0%
Present value of the obligation	85,102	90,211	90,205	85,073
Variation due to sensitivity in the variables	2,475	(2,634)	(2,627)	2,504

	Retirement Pension			
	Discount rate		Increase Benefit	
	Increase +0.5%	Decrease -0.5%	Increase +0.5%	Decrease -0.5%
Present value of the obligation	16,991	18,785	18,357	17,495
Variation due to sensitivity in the variables	925	(870)	(441)	420

	Other benefits			
	Discount rate		Salary increase	
	Increase +0.5%	Decrease -0.5%	Increase +0.5%	Decrease -0.5%
Present value of the obligation	7,926	9,050	9,687	7,443
Variation due to sensitivity in the variables	370	(754)	(1,391)	853

Comparative calculation of retirement pensions according to the requirements established in Colombia. See note 2.1. Statement of compliance

The following is a comparison of the post-employment employee retirement pension benefit and the calculation under International Financial Reporting Standards:

	December 2023	December 2022
Pension liabilities under IFRS	15,264	17,915
Local pension liabilities (*)	13,895	13,312
Variation	**1,369**	**4,603**

(*) Calculated based on Decree 2783 of December 2001 and Law 100 of 1993.

15.3.2 Defined contribution plans

Grupo SURA made contributions to defined contribution plans recognized as an expense in the result for the period 2023 for $126,969 and 2022 for $95,869million.

15.4 Employee benefits expense

	December 2023	December 2022
Salaries (*)	(1,015,225)	(818,779)
Bonuses	(288,389)	(218,352)
Comprehensive salary	(238,419)	(188,579)
Pension contributions	(126,969)	(95,869)
Legal bonus	(89,469)	(75,766)
Vacation	(76,138)	(62,568)
Compensation	(65,799)	(51,881)
Vacation bonus	(65,651)	(53,180)
Health contributions	(65,236)	(54,563)
Extra-legal bonus	(61,853)	(48,056)
Other employee benefits	(57,834)	(60,101)
Family compensation fund, ICBF and SENA contributions	(54,081)	(44,174)
Severance payments	(52,814)	(42,551)
Insurance	(32,411)	(25,253)
Food subsidy	(30,940)	(24,010)
Employee profit sharing	(23,833)	(20,994)
Employee allowance and supplies	(11,940)	(12,923)
Seniority premium	(11,872)	(6,839)
Employee training	(11,587)	(13,427)
Fees	(10,211)	(7,789)
Transportation allowance	(6,497)	(4,852)
Commissions	(6,483)	(7,059)
Overtime	(5,605)	(4,552)
Interest on severance payments	(4,372)	(3,427)
Disability	(3,984)	(3,249)
Events	(3,084)	(3,562)
Special incentives	(2,662)	(5,772)
Personnel allowances	(1,850)	(2,213)
Retirement pensions	(1,465)	(1,188)
Expatriates	(1,087)	(963)
Medical benefits expense	(580)	(562)
Sports and recreation expenses	(485)	(250)
Labor risk management contributions	(461)	(412)
Travel expenses	(311)	(95)
Union contributions	(246)	(17)
Remuneration in kind	(46)	(38)
Total	**(2,429,889)**	**(1,963,865)**

(*) The variation corresponds to salary increases in 2023.

NOTE 16. PROVISIONS AND CONTINGENT LIABILITIES

16.1 Provisions

The following is the breakdown of the provisions of Grupo SURA:

	December 2023	December 2022
Lawsuits and litigation (*)	570,013	539,357
Other provisions (**)	642,145	545,225
Total	**1,212,158**	**1,084,582**

The movement of provisions for claims and litigation, other and provisions for IAS 37 of Grupo SURA as of the cut-off date:

	Provisions for legal processes	Others provisions *	Total
Initial balance at January 1, 2022	**199,602**	**269,050**	**468,652**
New provisions	259,069	16,251	275,320
Provisions used [(2)]	(16,720)	(737,683)	(754,403)
Increase in existing provisions	(90)	58	(32)
Reverted provisions, not used	687	-	687
Proceeds from business combinations [(1)] (see note 13.3)	61,816	998,290	1,060,106
Exchange differences	34,993	(741)	34,252
Final balance at December 31, 2022	**539,357**	**545,225**	**1,084,582**
New provisions [(1)]	-	32,001	32,001
Provisions used	(70,586)	-	(70,586)
Increase in existing provisions	198,162	58	198,220
Reverted provisions, not used	(98,162)	65,602	(32,560)
Exchange differences	1,242	(741)	501
Final balance at December 31, 2023	**570,013**	**642,145**	**1,212,158**

*The other provisions include costs and expenses payable by EPS Suramericana S.A., including disability benefits, accruals, maternity leave, among others.

(1) This value includes the recognition of contingent liabilities that Protección S.A. had, as well as the recognition of provisions in Seguros de Vida Suramericana S.A. Colombia, related to tax proceedings for revision of the income tax for equity (CREE, Acronym for the Spanish original), for the taxable period 2013.

(2) The variation is presented as a net effect between the use and constitution of provisions during the year, where the use in the life insurance company of balances constituted in 2022 to face processes that reached a resolution in June of this year stand out.

16.2 Contingent liabilities

As of December 31, 2023, there are no significant contingent processes to be disclosed under IAS 32 that could represent material contingent obligations for Grupo SURA.

NOTE 17. DEFERRED INCOME LIABILITY (DIL)

The movement of deferred reinsurance commission is presented below:

Deferred cost reinsurance commission as of December 31, 2021	**403,040**
Incorporation	748,543
Exchange rate differences	37,414
Amortization	(693,333)

Deferred reinsurance commission cost as of December 31, 2022	**495,664**
Incorporation	761,177
Exchange rate differences	(67,767)
Amortization	(748,399)
Deferred cost of reinsurance commission as of December 31, 2023	**440,675**

NOTE 18. PREFERRED SHARES

On November 29, 2011, 106,334,963 preferred shares were issued at a value of $32,500 Colombian pesos per share; from the date of the issue and for 3 years, a quarterly dividend of 3% ADP is paid on the issue price. From 2015 onwards, a quarterly dividend of 0.5% EA on the issue price will be paid quarterly.

On March 31, 2017, the Shareholders' Meeting approved the amendments to the Regulations for the Issuance and Placement of Preferred Shares issued in 2011, which establishes the payment of a minimum preferential dividend equivalent to one percent (1%) per annum on the amount equivalent to the Reference Subscription Price (as defined below), provided that the value resulting from this calculation exceeds the dividend decreed for the common shares; otherwise, the latter will be recognized.

For the above purposes, the Reference Subscription Price shall mean the subscription price of Preferred Shares in any placement of Preferred Shares by the Company in the most recent primary market transaction approved by the meeting, including, but not limited to, public issues and offerings, private issues, capitalization of claims, payment of dividends in shares, among others. In no case shall it be understood that the Reference Subscription Price shall correspond to the trading price of the Preferred Shares in the secondary market. The General Shareholders' Meeting shall determine the form and dates of payment of the dividend on the preferred shares under the same conditions as the dividend on the common shares.

The above dividend will be paid in preference to the dividend corresponding to the common shares.

Likewise, on March 31, 2017, the Board of Directors of the Company set at thirty-five thousand nine hundred seventy-three pesos ($35,973) the subscription price of the preferred shares that would be delivered by way of payment of dividends in shares.

The movement of the preferred shares as of December 31, 2023 and December 31, 2022 are detailed below:

At December 31, 2021	**460,067**
Interest accrued	40,364
Interest payments	(40,476)
At December 31, 2022	**459,955**
Interest accrued	40,354
Interest payments	(40,475)
At December 31, 2023	**459,834**

NOTE 19. EQUITY

19.1. Issued capital

The authorized capital of the Company consists of 600,000,000 shares with a par value of $187.50 pesos each. The subscribed and paid-in capital as of December 31, 2023 and 2022 was 579,228,875 shares.

	December 2023	December 2022
Authorized shares	600,000,000	600,000,000
Subscribed and paid shares:		
Ordinary, with nominal value	466,720,702	466,720,702
With a preferred dividend, without voting rights	112,508,173	112,508,173
Total shares	**579,228,875**	**579,228,875**

Subscribed and paid capital (nominal value)	109,121	109,121

To date, 2,316,558 shares of common shares and 432,115 preferred shares have been repurchased at a weighted average price of $20,438 and $18,060.

At the end of fiscal year 2023, there was a significant change in the shareholder composition of Grupo SURA, derived from the transfer of the total shares owned by Grupo Nutresa S.A. in Grupo SURA, equivalent to 62,032,220 common shares, in favor of Sociedad Portafolio S.A., which corresponds to 13.3% of the outstanding common shares of Grupo SURA. *See detail of the agreement in note No. 10.*

19.2. Issuance premium

The balance of the account as of December 31, 2023 and 2022 is $3,290,767. It includes the higher value paid on nominal value of the shares that is charged upon disposal.

19.3. Reserves

The reserves consist of the following concepts:

	December 2023	December 2022
Legal	388,681	394,221
Occasional	691,017	7,743,189
Total	**1,079,698**	**8,137,410**

Legal reserve:

Reserve in compliance with Article 452 of the Colombian Code of Commerce, which establishes that public limited companies will constitute a legal reserve, that will amount to at least fifty percent of the share capital, formed with ten percent of net profits of each reporting. The constitution, of said reserves, will be mandatory until it reaches 50% of the share capital. The legal reserve fulfills two special objectives, increasing and maintaining the capital of the Company, and absorbing losses generated in the operation. Therefore, its value cannot be distributed in dividends for shareholders.

Occasional reserves:

Corresponds to allocations made by the shareholders of Grupo SURA and its subsidiaries, which are available for a specific purpose when they deem it necessary.

Reserve for share repurchase

Changes in the share repurchase reserve are presented below:

	December 2023	December 2022
Initial Balance	**244,848**	**244,848**
Establishment of share repurchase reserve (1)	55,152	-
Establishment of share repurchase reserve (2)	6,961,206	-
Closing Balance	**7,261,206**	**244,848**

(1) At the shareholders' meeting No. 40 of March 31, 2023, it was approved the appropriation of the taxable component of the occasional reserve to be used for the repurchase of shares for $55,152 million.

(2) On November 24, 2023, through the decisions of the 43rd Shareholders' Meeting at its extraordinary meeting, it was decided to appropriate, from the taxable and non-taxable reserves recorded as of September 30, 2023,

the amount of six billion nine hundred sixty-one thousand two hundred six pesos $6,961,206 to be added to the share repurchase reserve.

NOTE 20. 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 COP$741,413.

	2023			2022		
Dividends declared	**N° of shares**	**Annual ordinary dividend per share in COP$**	**Total dividend declared**	**N° of shares**	**Annual ordinary dividend per share in COP$**	**Total dividend declared**
Ordinary shares	466.720.702	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
Total	**579.228.875**		**741,413**	**579.228.875**		**454,115**

The dividend will be payable and paid in cash quarterly in the months of 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.

Grupo SURA's subsidiaries 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 21. OTHER COMPREHENSIVE INCOME

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

Concept	December 2022	Movement for the period	December 2023	Non-controlling interest other comprehensive income	Total Other comprehensive income
Gain (loss) from investments in equity instruments	(9,373)	10,077	704	5,707	**15,784**
Gain on property revaluation (1)	227,873	73,225	301,098	15,149	**88,374**
New defined benefit plan measures	(3,953)	(12,634)	(16,587)	(1,622)	**(14,256)**
Gain (Loss) Exchange difference on conversion (2)	4,524,266	(2,697,967)	1,826,299	(823,680)	**(3,521,646)**
Gain (loss) on cash flow hedges	(365,454)	328,329	(37,125)	66,706	**395,035**
Loss on derivative hedges of net investments in foreign operations	(50,219)	(6,000)	(56,219)	(16,666)	**(22,667)**

Share of other comprehensive income of associates and joint ventures accounted for using the equity method [3]	3,877,184	(1,429,170)	2,448,014	(1,504)	**(1,430,674)**
Total comprehensive income	**8,200,324**	**(3,734,140)**	**4,466,184**	**(755,910)**	**(4,490,050)**

Concept	December 2021	Movement for the period	December 2022	Non-controlling interest other comprehensive income	Total Other comprehensive income
Gain (loss) from investments in equity instruments	5,131	(14,504)	(9,373)	(6,091)	(20,595)
Gain (loss) on property revaluation [1]	264,290	(36,416)	227,874	(9,613)	(46,029)
New defined benefit plan measures	(9,768)	5,814	(3,954)	933	6,747
Gain Exchange difference on conversion [2]	1,870,230	2,654,037	4,524,267	552,898	3,206,935
Gain (loss) on cash flow hedges	58,874	(109,092)	(50,219)	983	(108,109)
Loss on derivative hedges of net investments in foreign operations	(46,549)	(318,907)	(365,454)	(62,664)	(381,571)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method [3]	2,216,319	1,660,865	3,877,184	27,884	1,688,749
Total comprehensive income	**4,358,527**	**3,841,797**	**8,200,324**	**504,330**	**4,346,127**

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

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

[3] The component accounts for changes in equity in associated companies and joint ventures by applying the equity method (See detail in Note 9. Investments in associated companies and joint ventures).

NOTE 22. NON-CONTROLLING INTEREST

The following table shows summarized financial information as of December 31, 2023 and 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	
	December 2023	December 2022	December 2023	December 2022
Main domicile		**Colombia**		**Colombia**
% Non-controlling interest	18.87%	18.87%	6.68%	16.42%
Ordinary income	27,337,598	25,211,263	6,154,977	3,932,768
Income from continuing operations	539,217	435,883	1,134,042	582,451
Income from discontinued operations	(27,511)	54,496	(75,430)	(37,131)
Other comprehensive income	(304,312)	528,175	(2,142,241)	2,205,990
Comprehensive income	207,392	1,018,554	(1,083,631)	2,751,310
Assets	38,402,314	41,517,197	31,277,949	31,871,391
Liabilities	32,548,605	35,227,336	19,429,990	18,176,840
Equity	5,853,709	6,289,861	11,847,959	13,694,551
Dividends paid to non-controlling interests	80,780	11,321	116,500	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 [1]		Grupo SURA and Subsidiaries	
	December 2023	December 2022	December 2023	December 2022	December 2023	December 2022	December 2023	December 2022
Non-controlling income	96,561	93,160	217,189	177,266	81,645	(81)	**395,395**	**270,345**
Total comprehensive income	37,671	192,497	(379,566)	541,259	(18,620)	10,919	**(360,515)**	**744,675**
Equity	928,424	907,723	2,189,565	2,538,728	(1,119,880)	(2,407,364)	**1,998,109**	**1,039,087**
Total non-controlling interests equity	**1,062,656**	**1,193,380**	**2,027,188**	**3,257,253**	**(1,056,855)**	**(2,396,526)**	**2,032,989**	**2,054,107**

(1) Includes reclassification to liabilities of commitments with non-controlling interests in Note 5.2.4.

The Company has purchase option commitments with non-controlling interests, and in accordance with the accounting policy, they are reclassified as financial liabilities; the foregoing is described in Note 5.2.4.

NOTE 23. OPERATING SEGMENTS

23.1. Reportable segments

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

Grupo SURA

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

Suramericana (Seguros SURA)

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

1. *Life Insurance:* Companies in charge of covering risks against the individual are classified in this segment.
2. *Non-life insurance:* Insurance companies covering risks other than personal injury are classified in this segment.
3. *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 (life and general insurance) 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.

Additionally, other services are reported that are not directly related to the business strategy but complement the services offered.

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.

23.2. Information about operating segments
Consolidated Income Statement at December 31, 2023 by Segment

December 2023	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	Others	Eliminations and adjustments	Total
Continuing operations						
Income						
Insurance premiums	-	19,075,384	2,990,105	-	(10,316)	**22,055,173**
Premiums for health services	-	9,467,730	-	-	(1,272)	**9,466,458**
Premiums issued	**-**	**28,543,114**	**2,990,105**	**-**	**(11,588)**	**31,521,631**
Premiums ceded in reinsurance	-	(4,728,537)	(8,348)	-	-	**(4,736,885)**
Retained premiums (net)	**-**	**23,814,577**	**2,981,757**	**-**	**(11,588)**	**26,784,746**
Net production reserves	-	(124,203)	(3,479,560)	-	(1)	**(3,603,764)**
Retained earned premiums	**-**	**23,690,374**	**(497,803)**	**-**	**(11,589)**	**23,180,982**
Return on investments at amortized cost	33,348	1,717,968	1,130,331	2,663	(4,330)	**2,879,980**
Net gain on investments at fair value	(19,130)	622,737	936,162	18,030	1,817	**1,559,616**
Commission Income	-	757,662	4,060,347	1,173	(9,195)	**4,809,987**
Provision of Services	-	89,819	2,703	294,766	(71,037)	**316,251**
Gains from equity method (1)	2,349,071	(37,750)	33,595	28,683	(580,893)	**1,792,706**
Gains from sales of investments	-	6,059	228,105	-	-	**234,164**
Other income	32,214	490,731	261,973	5,612	(35,009)	**755,521**
Total income	**2,395,503**	**27,337,600**	**6,155,413**	**350,927**	**(710,236)**	**35,529,207**
Costs and expenses						
Insurance claims	-	(9,914,531)	(1,090,518)	-	1,795	**(11,003,254)**
Health service claims	-	(9,291,747)	-	-	2,123	**(9,289,624)**
Total claims	**-**	**(19,206,278)**	**(1,090,518)**	**-**	**3,918**	**(20,292,878)**
Reimbursement of claims	-	1,898,688	-	-	-	**1,898,688**
Retained claims	**-**	**(17,307,590)**	**(1,090,518)**	**-**	**3,918**	**(18,394,190)**
Expenses for commissions to intermediaries	-	(3,681,748)	(68,486)	(1)	428	**(3,749,807)**
Insurance costs and expenses	-	(1,603,349)	(572,766)	(3,668)	429	**(2,179,354)**
Costs of provision of services	-	(226,331)	-	(208,180)	949	**(433,562)**
Administrative expenses	(82,671)	(1,438,157)	(942,021)	(34,613)	67,187	**(2,430,275)**
Employee benefits	(41,204)	(1,535,595)	(820,021)	(34,934)	1,865	**(2,429,889)**
Fees	(50,537)	(266,314)	(216,690)	(1,408)	19,482	**(515,467)**
Depreciation and amortization	(2,429)	(233,985)	(374,689)	(46,184)	32,178	**(625,109)**
Other expenses	(71)	(28,764)	(94,616)	100	(5)	**(123,356)**
Total costs and expenses	**(176,912)**	**(26,321,833)**	**(4,179,807)**	**(328,888)**	**126,431**	**(30,881,009)**
Operating profit	**2,218,591**	**1,015,767**	**1,975,606**	**22,039**	**(583,805)**	**4,648,198**
Financial Results	**(777,471)**	**(99,325)**	**(168,747)**	**(5,469)**	**4,345**	**(1,046,667)**
Income from continuing operations before income tax	**1,441,120**	**916,442**	**1,806,859**	**16,570**	**(579,460)**	**3,601,531**
Income taxes	(384,467)	(377,225)	(677,351)	(5,594)	(124,505)	**(1,569,142)**
Net gains, continued operations	**1,056,653**	**539,217**	**1,129,508**	**10,976**	**(703,965)**	**2,032,389**
Net gains discontinued operations	-	(27,511)	(70,898)	824	173	**(97,412)**
Net income	**1,056,653**	**511,706**	**1,058,610**	**11,800**	**(703,792)**	**1,934,977**
Net income attributable to controlling shareholders	1,056,653	511,703	901,862	11,669	(942,305)	**1,539,582**
Net income attributable to non-controlling interest	-	3	156,748	131	238,513	**395,395**

(1) Includes dividends from associates for $ 1,161,899 and the Amount for Equity Participation from subsidiaries for $ 1,187,172, which are eliminated in the consolidation process.

Consolidated Income Statement at December 31, 2022 by Segment

December 2022	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	Others	Eliminations and adjustments	Total
Continuing operations						
Income						
Insurance premiums	-	17,468,381	4,683,515	-	(18,306)	**22,133,590**
Premiums for health services	-	7,567,828	-	-	(258)	**7,567,570**
Premiums issued	**-**	**25,036,209**	**4,683,515**	**-**	**(18,564)**	**29,701,160**
Premiums ceded in reinsurance	-	(3,948,759)	(7,399)	-	-	**(3,956,158)**
Retained premiums (net)	**-**	**21,087,450**	**4,676,116**	**-**	**(18,564)**	**25,745,002**
Net production reserves	-	(826,528)	(4,123,325)	-	-	**(4,949,853)**
Retained earned premiums	**-**	**20,260,922**	**552,791**	**-**	**(18,564)**	**20,795,149**
Return on investments at amortized cost	4,085	1,454,425	301,905	(586)	(388)	**1,759,441**
Net gain on investments at fair value	10,194	213,328	(342,517)	(42,389)	395	**(160,989)**
Commission Income	-	649,903	2,835,801	481	(4,932)	**3,481,253**
Sale of Services	-	85,858	453	253,690	(57,173)	**282,828**
Gains from equity method [(1)]	1,677,631	(13,107)	31,403	72,555	270,282	**2,038,764**
Gains from sales of investments	-	(20,867)	122,472	-	-	**101,605**
Other income	53,816	447,203	430,461	10,536	(54,273)	**887,743**
Total income	**1,745,726**	**23,077,665**	**3,932,769**	**294,287**	**135,347**	**29,185,794**
Costs and expenses						
Insurance claims	-	(10,675,750)	(598,332)	-	3,619	**(11,270,463)**
Health service claims	-	(7,438,153)	-	-	16	**(7,438,137)**
Total claims	**-**	**(18,113,903)**	**(598,332)**	**-**	**3,635**	**(18,708,600)**
Reimbursement of claims	-	3,621,040	-	-	-	**3,621,040**
Retained claims	**-**	**(14,492,863)**	**(598,332)**	**-**	**3,635**	**(15,087,560)**
Expenses for commissions to intermediaries	-	(3,178,374)	(38,658)	-	5	**(3,217,027)**
Insurance costs and expenses	-	(1,372,891)	(441,555)	6	(205)	**(1,814,645)**
Costs of provision of services	-	(204,726)	-	(184,910)	736	**(388,900)**
Administrative expenses	(62,147)	(1,362,272)	(652,957)	(25,148)	65,003	**(2,037,521)**
Employee benefits	(33,416)	(1,293,818)	(610,181)	(28,131)	1,681	**(1,963,865)**
Fees	(44,752)	(222,759)	(139,480)	(1,465)	10,590	**(397,866)**
Depreciation and amortization	(2,567)	(216,302)	(306,867)	(69,026)	53,629	**(541,133)**
Other expenses	-	(12,043)	(21,447)	(146)	(3)	**(33,639)**
Total costs and expenses	**(142,882)**	**(22,356,048)**	**(2,809,477)**	**(308,820)**	**135,071**	**(25,482,156)**
Operating profit	**1,602,844**	**721,617**	**1,123,292**	**(14,533)**	**270,418**	**3,703,638**
Financial Results	**(548,454)**	**(181,008)**	**(251,043)**	**(2,018)**	**66**	**(982,457)**
Income from continuing operations before income tax	**1,054,390**	**540,609**	**872,249**	**(16,551)**	**270,484**	**2,721,181**
Provision for income tax	4,574	(104,726)	(289,798)	(2,834)	1	**(392,783)**
Net gains continuous operations	**1,058,964**	**435,883**	**582,451**	**(19,385)**	**270,485**	**2,328,398**
Net gains from discontinued operations	-	54,496	(37,131)		(422)	**16,943**
Net income	**1,058,964**	**490,379**	**545,320**	**(19,385)**	**270,063**	**2,345,341**
Net income attributable to controlling shareholders	1,058,964	489,608	440,678	(19,543)	105,289	**2,074,996**
Net income attributable to non-controlling interest	-	771	104,642	158	164,774	**270,345**

(1) Includes dividends from associates of $ 931,885 and the Amount for Equity Participation of subsidiaries of $ 745,746, which are eliminated in the consolidation process.

Consolidated Statement of Financial Position as of December 31, 2023 by Segment

December 2023	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	Others	Eliminations and adjustments	Total
Assets						
Investments	60,110	19,412,450	19,491,045	75,797	1	**39,039,403**
Assets under insurance and reinsurance contracts	-	11,700,435	2,154	(75,795)	74,873	**11,701,667**
Non-current assets held for sale	3,054,016	2,769	13,918	73,660	1,056,630	**4,200,993**
Investments in associated companies and joint ventures	11,436,146	64,371	65,073	45,743	6,734,723	**18,346,056**
Intangible assets and goodwill	-	1,088,848	7,430,978	(87,885)	114,354	**8,546,295**
Other assets	18,751,167	6,133,441	4,274,781	467,846	(17,956,871)	**11,670,364**
Total assets	**33,301,439**	**38,402,314**	**31,277,949**	**499,366**	**(9,976,290)**	**93,504,778**
Liabilities						
Financial liabilities and securities issued (1)	6,807,106	1,117,956	3,271,723	29,314	(982,003)	**10,244,096**
Assets under insurance and reinsurance contracts	-	27,210,924	12,889,739	-	(108)	**40,100,555**
Other accounts payable and accounts payable to related parties	301,056	2,136,793	741,409	42,998	(193,894)	**3,028,362**
Commitments with non-controlling interests	-	-	-	-	2,378,630	**2,378,630**
Other liabilities	507,428	2,082,932	2,527,119	75,912	124,506	**5,317,897**
Total liabilities	**7,615,590**	**32,548,605**	**19,429,990**	**148,224**	**1,327,131**	**61,069,540**
Total equity	**25,685,849**	**5,853,709**	**11,847,959**	**351,142**	**(11,303,421)**	**32,435,238**
Total equity and liabilities	**33,301,439**	**38,402,314**	**31,277,949**	**499,366**	**(9,976,290)**	**93,504,778**

(1) In the column eliminations and adjustments corresponds to the reclassification of the obligation with Grupo Bolivar to commitments with non-controlling interests.

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

December 2022	Grupo Sura	Suramericana and Subsidiaries	Sura Asset Management and Subsidiaries	Others	Eliminations and adjustments	Total
Assets						
Investments	83,577	18,847,731	16,955,131	86,622	(1)	**35,973,060**
Assets under insurance and reinsurance contracts	-	14,877,822	2,079	(86,622)	86,568	**14,879,847**
Non-current assets held for sale	-	6,004	-	-	-	**6,004**
Investments in associated companies and joint ventures	14,490,162	23,027	75,834	45,743	8,590,013	**23,224,779**
Intangible assets and goodwill	-	1,410,412	8,994,525	(45,743)	73,851	**10,433,045**
Other assets	19,448,093	6,352,201	5,843,822	516,078	(18,283,464)	**13,876,730**
Total assets	**34,021,832**	**41,517,197**	**31,871,391**	**516,078**	**(9,533,033)**	**98,393,465**
Liabilities						
Financial liabilities and securities issued	5,669,450	1,116,721	4,111,880	(1,032,156)	1,047,517	**10,913,412**
Assets under insurance and reinsurance contracts	-	30,051,940	10,721,269	48,253	(48,817)	**40,772,645**
Other accounts payable and accounts payable to related parties	193,629	1,786,606	751,476	48,753	(53,670)	**2,726,794**
Commitments with non-controlling interests	-	-	-	-	2,810,956	**2,810,956**
Other liabilities	456,664	2,272,069	2,592,215	1,066,155	(999,267)	**5,387,836**
Total liabilities	**6,319,743**	**35,227,336**	**18,176,840**	**131,005**	**2,756,719**	**62,611,643**
Total equity	**27,702,089**	**6,289,861**	**13,694,551**	**385,073**	**(12,289,752)**	**35,781,822**
Total equity and liabilities	**34,021,832**	**41,517,197**	**31,871,391**	**516,078**	**(9,533,033)**	**98,393,465**

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

23.3. Geographical information

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

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

	December 2023	December 2022
Colombia	25,085,063	20,492,356
Chile	4,552,812	3,813,451
Mexico	2,700,776	2,312,515
Brazil	860,757	778,269
Uruguay	639,331	507,153
Panama	630,355	546,574
Peru	538,083	421,923
Dominican Republic	327,789	283,674
El Salvador	211,137	25,198
Argentina	20,127	14,511
United States	525	4
Luxembourg	7	-
Bermuda	(37,555)	(9,834)
Total	**35,529,207**	**29,185,794**

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

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

	December 2023	December 2022
Colombia	75,382,388	70,587,569
Chile	10,149,216	14,883,746
Mexico	3,466,402	3,976,091
Brazil	1,175,684	1,378,969
Panamá	832,538	1,074,682
Dominican Republic	814,179	923,435
Uruguay	705,031	1,017,522
Bermuda	458,050	480,778
Peru	394,306	1,058,877
El Salvador	62,253	977,608
Argentina	59,903	2,036,941
United States	4,827	(2,753)
Luxembourg	1	-
Total	**93,504,778**	**98,393,465**

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

	December 2023	December 2022
Chile	753,789	489,066
Colombia	493,344	1,534,951
Mexico	395,744	244,654
Peru	145,162	48,884
El Salvador	67,567	22,911
Uruguay	30,133	9,111
Panama	23,752	(59,525)
Dominican Republic	19,894	9,360
Brazil	14,739	4,921
Luxembourg	(115)	-
Bermuda	(1,876)	2,826
Argentina	(2,633)	41,267
United States	(4,523)	(3,085)
Total	**1,934,977**	**2,345,341**

NOTE 24. COMMISSION INCOME AND EXPENSES

24.1. Commission income

Commission income for Grupo SURA is detailed below:

	December 2023	December 2022
Management of mandatory pension funds (1)	3,199,752	2,335,371
Gains on disposals	748,399	640,475
Others (2)	385,786	352,222
Management of voluntary pension funds (1)	469,854	142,108
Participation in gains of reinsurers	6,079	10,341
Reinsurance income/cancellations	-	612
Insurance commission income	117	124
Total	**4,809,987**	**3,481,253**

(1) As of December 2023, AFP Protección S.A. from Colombia and AFP Crecer from El Salvador are included within the consolidation perimeter; as of December 2022, these companies were consolidated for only two months.
(2) Mainly includes income from the management of Sura Investments' client portfolio.

24.2. Expenses for commissions paid to intermediaries

The detail of commissions paid to intermediaries is presented below:

	December 2023	December 2022
Deferred acquisition cost (DAC) (1)	(1,213,818)	(968,877)
Property and casualty insurance (1)	(934,728)	(878,197)
Insurance administration	(685,181)	(634,069)
Affinity Commissions	(367,696)	(200,303)
Occupational risk	(123,838)	(107,087)
Affinity Profit Sharing	(123,832)	(199,229)
Collection commissions (collection) (2)	(119,286)	(67,082)
Employee benefits	(86,744)	(71,668)
Brokerage commissions	(21,905)	(25,143)
Social security insurance	(20,812)	(22,574)
Commissions for sales and services	(13,065)	(9,795)
Rebates paid	(13,057)	(6,701)
Commissions for data processing and collection of contributions	(11,813)	(10,492)
Accepted coinsurance	(7,844)	(4,596)
Advisors' Profit Sharing	(3,500)	-
Mandatory insurance	(1,076)	(4,443)
Acceptance fees	(882)	(944)
Advisor Bonuses	(730)	(5,827)
Total	**(3,749,807)**	**(3,217,027)**

(1) 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 to different solutions, mainly home, mortgage, cargo, severance and commercial property.
(2) The increase is due to new mass business ventures and the increase in premium for business within the same sector.

NOTE 25. PROVISION OF SERVICES

Revenues and costs for services rendered correspond mainly to ARUS and Suramericana's general services companies in the different countries.

25.1. Income from sale of services

The income for services rendered, of Grupo SURA, is as follows:

	December 2023	December 2022
Maintenance and repairs	122,624	106,689
Interests	62,140	66,310
Data processing	50,271	39,288
Sale of office machinery equipment and computer programs	23,682	22,588
Rental of machinery and equipment	21,632	22,704
Activities related to wiring	18,048	16,275
Business consulting activities	5,562	2,263
Others	4,720	1,865
IT service	2,994	1,444
Sale of parts, pieces, and accessories	2,722	2,297
Claims settlement	1,409	760
Salvage management	447	345
Total	**316,251**	**282,828**

25.2. Costs of sale of services

The costs of services rendered, of Grupo SURA, are as follows:

	December 2023	December 2022
Data processing	(131,196)	(112,256)
Business consulting activities	(104,612)	(91,570)
Others (*)	(87,951)	(82,098)
Consulting of computer equipment and software	(48,333)	(48,380)
Maintenance and repairs	(25,454)	(23,343)
Sales of office machinery, office equipment, and computer programs	(22,749)	(18,889)
Pension contributions	(6,937)	(5,997)
Sale of parts, pieces, and accessories	(4,159)	(4,299)
Health contributions	(1,000)	(929)
Amortization and depreciation	(784)	(805)
Rental of machinery and equipment	(387)	(334)
Total	**(433,562)**	**(388,900)**

(*) Includes mainly general operations assistance.

NOTA 26. OTHER INCOME AND EXPENSES

The following is a breakdown of other income:

	December 2023	December 2022
Penalties for collection of contributions	158,980	194,978
Interest on savings accounts (*)	149,384	79,997
Income from pension bonds office	149,332	104,221
Conditional trade discounts	138,873	157,384
Recoveries	62,246	147,566
Investment properties *(See note 14.1)*	40,717	45,271
On policies	21,488	68,445
Other	17,290	20,266
Demand deposits	8,761	6,853
Office equipment, furniture and fixtures	2,979	1,273
Recoveries other than operating risk insurance	1,592	1,654
Buildings	1,348	7,002
Due to loss	914	469
Vehicles	545	827
Reimbursements for occupational illness	413	411
Computer equipment	277	126
Related party services	198	314
Land	184	364
Simultaneous operations and repurchase agreements	-	115
Shipping expense income	-	50,207
Total	**755,521**	**887,743**

(*) The increase in this item is due to the positive performance of interest rates during 2023.

The following is a breakdown of the other expenses:

	December 2023	December 2022
Impairment of other assets	(73,178)	(5,924)
Adjustments for inflation in hyperinflationary economies	(24,662)	(3,878)
Custodial expenses and others	(20,686)	(20,571)
Casualty losses	(4,973)	(3,259)
Impairment of intangible assets	(640)	-
Impairment of land and buildings	783	-
Expenses generated in operations and joint ventures	-	(1)
Loan portfolio	-	(6)
Total	**(123,356)**	**(33,639)**

NOTE 27. ADMINISTRATIVE EXPENSES

	December 2023	December 2022
Others (1)	(519,773)	(453,933)
Taxes	(428,751)	(350,783)
Maintenance and repairs	(341,671)	(268,226)
Temporary services	(174,943)	(159,920)
Contributions	(158,682)	(119,929)
Utilities	(153,995)	(128,682)
Advertising	(144,686)	(167,625)
Electronic data processing	(139,523)	(77,876)
Commissions	(93,792)	(66,427)
Travel and representation expenses	(88,709)	(77,759)
Insurance	(57,725)	(42,454)
Sale expense	(57,674)	(59,150)
Leases	(27,014)	(22,990)
Supplies and stationery	(24,579)	(23,701)
Legal	(18,758)	(18,066)
Total	**(2,430,275)**	**(2,037,521)**

(1) (*) Correspond mainly to expenses for cleaning and security services, transportation services and subscriptions, public relations expenses and donations.

NOTE 28. FEES

The expenses from fees, for Grupo SURA, are as follows:

	December 2023	December 2022
Technology (**)	(228,284)	(197,257)
Consulting	(147,188)	(94,959)
Legal Advisory	(57,016)	(34,924)
Financial Advisory	(31,245)	(28,068)
External Auditing and Statutory Auditing (*)	(18,186)	(19,126)
Commissions	(13,180)	(7,084)
Board of Directors	(11,114)	(10,286)
Human talent management services	(6,884)	(5,170)
Others	(1,840)	(765)
Appraisals	(530)	(227)
Total	**(515,467)**	**(397,866)**

(*) During 2023 and 2022 no fees were paid to EY (the Company's current External Auditor) for services other than External Audit.

(**) Increase in companies in Colombia; (General Insurance, Life Insurance, EPS Suramericana) where there is a higher level of spending associated with software development and technical consulting projects.

NOTE 29. FINANCIAL RESULT

Financial income and expenses as of December 31, 2023 and 2022 are detailed below:

	December 2023	December 2022
Earnings at fair value – Derivatives (1)	(38,283)	37,171
Exchange difference (net) (2)	119,891	(33,526)
Interests (3)	(1,128,275)	(986,102)
Total	**(1,046,667)**	**(982,457)**

(1) Corresponds to the valuation of trading derivatives. See 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:

	December 2023	December 2022
Bond issued	(657,023)	(643,480)
Bank loans	(189,728)	(94,831)
Hedging operations	(156,704)	(127,697)
Preferred shares	(40,354)	(40,364)
Financial leasing	(37,001)	(27,241)
Debt securities	(5,572)	(33,371)
Repo operations	(3,544)	(4,980)
Sub total	**(1,089,926)**	**(971,964)**
Others (1)	(38,349)	(14,138)
Total *	**(1,128,275)**	**(986,102)**

(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 30. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit 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:

	December 2023	December 2022
Profit, net	1,934,977	2,345,341
Non-controlling profit	395,395	270,345
Profit of controlling shareholder	**1,539,582**	**2,074,996**
Profit, net of discontinued operations	(97,412)	16,943
Profit, net of non-controlling discontinued operations	(9,915)	4,193
Profit, net from discontinued operations of controlling shareholder	**(87,496)**	**12,750**
Plus: Preferred stock interest expense (1)	40,354	40,364
Less: Undistributed earnings to preferred stockholders (2)	(306,883)	(410,883)
Income attributable to common stockholders from continuing operations	**1,360,549**	**1,691,727**
Ordinary shares	466.720.702	466.720.702
Profit from continuing operations	**2,915**	**3,625**
Earnings per share from discontinued operations	**(187)**	**27**
Number of shares of commitments with non-controlling interests (3)	37.263.034	24.082.714
Earnings per share of common stockholders from continuing operations with dilutive effects	**1,428,343**	**1,732,073**
Earnings per share from continuing operations with dilutive effects	**2,834**	**3,529**
Earnings per share from discontinued operations with dilutive effects	**(174)**	**26**

(1) Corresponds to the guaranteed minimum preferred stock dividend declared as an expense during the period.
(2) Corresponds to the portion of the parent's income attributable to preferred stock that has not been declared as a dividend.
(3) The number of shares of commitments with CDPQ's non-controlling interest is updated each quarter according to Sura Asset Management's valuations and is divided by Grupo Sura's share price on the Colombian stock exchange.

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 5.2.4 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 in 2023 is $ 81 and $ 96 in 2022.

NOTE 31. FAIR VALUE

Fair value is the price that would be received to sell an asset for or paid for transferring a liability in an orderly transaction between market participants at the measurement date.

- The fair value of financial assets and liabilities traded in active markets (such as financial assets in debt securities, equity instruments and derivatives that are actively traded on stock exchanges or interbank markets) is based on prices provided by a price vendor, calculated based on the average prices taken on the last trading day at the cut-off date of the financial statements.
- The fair value of financial assets that are not quoted in an active market is determined using valuation techniques. Grupo SURA uses a variety of methods and assumptions based on market conditions existing at each reporting date. The valuation techniques used include the use of recent comparable and arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants, making maximum use of market data.

Valuation techniques used for non-standardized financial instruments, such as options, currency swaps and OTC derivatives, include the use of interest rate or currency valuation curves constructed by vendors and extrapolated to instrument-specific conditions for valuation, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants that are based primarily on market data rather than entity-specific data.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and the valuation techniques used may not fully reflect all factors relevant to the positions of the Group. Therefore, valuations are adjusted, if necessary, to take into account additional factors, including country risk, liquidity risks and counterparty risks.

Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of financial instruments that are recognized and measured at fair value in the financial statements. To indicate the reliability of the inputs used in determining fair value, the Group classified its financial assets and liabilities into the three levels indicated by accounting standards. An explanation of each level is provided below.

- **Level 1:** Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- **Level 2**: Level 2 inputs are different from the quoted prices included in Level 1 as they are observable for the assets or liabilities, directly or indirectly in markets that are not active.
- **Level 3**: Level 3 inputs are unobservable inputs for the asset or liability.

The level of the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined based on the lowest level input that is most significant to its overall fair value measurement. For this purpose, the significance of an input is assessed in relation to the overall fair value measurement. Financial instruments that are quoted in markets that are not considered active, but are valued according to quoted market prices, quotations from price vendors or alternative pricing sources supported by observable inputs, are classified in Level 2.

If a fair value measurement uses observable inputs that require significant adjustments based on unobservable inputs, that measurement is classified as Level 3. Assessing the significance of a particular input to the fair value measurement as a whole requires judgment, taking into account factors specific to the asset or liability.

Determining what is considered 'observable' requires significant judgment by the Group. The Group considers as observable inputs market data that are already available, distributed or updated by price vendors, and are reliable and verifiable, non-proprietary, and provided by independent entities actively participating in the relevant market.

31.1. Fair value measurement on a non-recurring basis

The fair value of non-recurring assets classified as Level 3 is determined using pricing models, discounted cash flow methodologies, a current replacement cost or similar techniques, using internal models or external experts with sufficient experience and knowledge of the real estate market or the assets being evaluated. In general, these evaluations are carried out by reference to market data or on a replacement cost basis, when sufficient market data is not available.

Grupo SURA presents within assets at fair value on a non-recurring basis the investment properties, which are in the Level 3 category and their value as of December 31, 2023 and 2022 is found in Note 31.5 The fair value of the investment properties of Grupo SURA is determined according to the valuation performed by external consultants. These companies are independent and have the capacity and experience in performing valuations in the sites and types of assets that were valued. The appraisers are accredited before the Colombian Real Estate Market or in the case of foreign appraisers, a second signature of a Colombian appraiser accredited before the Real Estate Market is required.

31.2. Determination of fair value

a) Debt securities

Grupo SURA assigns the price to its debt investments, making use of the prices provided by its official price vendor and assigns the corresponding level in accordance with the procedure described above. For unlisted securities such as certain bonds issued by other financial institutions, Grupo SURA generally determines fair value using standard internal valuation techniques. These techniques include the determination of future cash flows, which are discounted using curves of the applicable currencies or interest rates such as the Consumer Price Index (CPI), adjusted with a premium for credit and liquidity risk. The interest rate is usually determined using observable market data and benchmark yield curves obtained from interest rates quoted in appropriate time bands, which match the timing of the cash flows and maturities of the instruments.

b) Equity instruments

Grupo SURA performs the valuation at market prices of its equity investments by applying the prices provided by its official price vendor and performs the classification of such investments following the procedure described above. In addition, the fair value of unlisted equity instruments is based on the individual valuation of the investments using methodologies that include publicly traded comparables, obtained by multiplying a key performance metric (e.g., earnings before interest, taxes, depreciation and amortization) of the company, by the relevant valuation multiple observed for comparable companies, acquisition comparables and, if deemed necessary, subject to discounts for lack of liquidity and or marketability.

The participations in investment funds, trusts and collective portfolios are valued taking into account the value of the unit calculated by the management company; in the case of trusts that own investment properties, the value of the unit reflects the value of these, which is measured as indicated in item "d. Investment properties".

c) Derivative instruments

Grupo SURA has positions in standardized derivatives, such as futures on local shares and on the representative market rate, which are valued with the information provided by the official price provider of Grupo SURA, which in turn corresponds to the information provided by the central counterparty risk chambers that clear and settle such instruments.

Additionally, Grupo SURA records positions in OTC derivatives, which, in the absence of prices, are valued using the inputs and methodologies supplied by the price provider, which have the no objection of the Financial Superintendence of Colombia. The key inputs depend on the type of derivative and the nature of the underlying instrument and include yield rate curves, foreign currency exchange rates, the spot price of the underlying volatility, and credit curves.

d) Investment properties

The investment properties of Grupo SURA are valued by external experts, who use valuation techniques based on comparable prices, direct capitalization, discounted cash flows and replacement cost.

31.3. Fair value measurement on a recurring basis

Fair value measurements on a recurring basis are those required or permitted in the statement of financial position at the end of each accounting period.

The following table presents an analysis, within the fair value hierarchy, of assets and liabilities of the Group (by class), measured at fair value at December 31, 2023 and 2022 on a recurring basis.

December 2023	Level 1	Level 2	Level 3	Total
Assets				
At fair value through profit or loss				
Debt securities				
National issuances	2,297,342	4,394,833	-	6,692,175
Foreign issuances	969,984	673	-	970,657
	3,267,326	**4,395,506**	**-**	**7,662,832**
Equity Instruments				
National issuances	974,364	4,808,271	-	5,782,635
Foreign issuances	115,705	454,857		570,562
	1,090,069	**5,263,128**	**-**	**6,353,197**
Total investments at fair value through profit or loss	**4,357,395**	**9,658,634**	**-**	**14,016,029**
At fair value through other comprehensive income				
Debt securities				
National issuances	382,486	242,253	117	624,856
Foreign issuances	138,896	31,778	-	170,674
	521,382	**274,031**	**117**	**795,530**
Equity Instruments				
National issuances	41,534	-	1,913	43,447
Foreign issuances	13,784	570	47,586	61,940
	55,318	**570**	**49,499**	**105,387**
Total investments at fair value with changes in equity	**576,700**	**274,601**	**49,616**	**900,917**
Total investments at fair value	**4,934,095**	**9,933,235**	**49,616**	**14,916,946**

December de 2022	Level 1	Level 2	Level 3	Total
Assets				
At fair value through profit or loss				
Debt securities				
National issuances	61,961	7,168,702	-	7,230,663
Foreign issuances	1,872,430	342,984	1,434	2,216,848
	1,934,391	**7,511,686**	**1,434**	**9,447,511**
Equity Instruments				
National issuances	108,283	7,779,586	-	7,887,869
Foreign issuances	40,879	434,732		475,611
	149,162	**8,214,318**	**-**	**8,363,480**
Total investments at fair value through profit or loss	**2,083,553**	**15,726,004**	**1,434**	**17,810,991**
At fair value through other comprehensive income				
Debt securities				
National issuances	160,986	539,203	-	700,189
Foreign issuances	278,599	64,116	-	342,715
	439,585	**603,319**	**-**	**1,042,904**
Equity Instruments				
National issuances	65,895	-	2,147	68,042
Foreign issuances	1,120	2,665	63,168	66,953
	67,015	**2,665**	**65,315**	**134,995**
Total investments at fair value with changes in equity	**506,600**	**605,984**	**65,315**	**1,177,899**
Total investments at fair value	**2,590,153**	**16,331,988**	**66,749**	**18,988,890**

The following are derivatives that are classified at fair value level 2 and are presented on a net basis:

December 2023	Level 1	Level 2	Level 3	Total
Derivatives				
Negotiation				
Interest rate swaps	-	-	-	-
Exchange rate swaps	-	(7,921)	-	(7,921)
Currency forwards	-	(33,963)	-	(33,963)
Total trading derivatives	**-**	**(41,884)**	**-**	**(41,884)**
Hedging				
Interest rate swap	-	122,123	-	122,123
Exchange rate swap	-	713,769	-	713,769
Options	-	59,709	-	59,709
Total hedging derivatives	**-**	**895,601**	**-**	**895,601**
Total derivatives	**-**	**853,717**	**-**	**853,717**

December 2022	Level 1	Level 2	Level 3	Total
Derivatives				
Negotiation				
Interest rate swap	-	(6,880)	-	(6,880)
Exchange rate swap	-	57,905	-	57,905
Currency forwards	-	(29,484)	-	(29,484)
Total trading derivatives	**-**	**21,541**	**-**	**21,541**
Hedging				
Interest rate swap	-	564,832	-	564,832
Exchange rate swap	-	935,107	-	935,107
Options	-	(57,137)	-	(57,137)
Total hedging derivatives	**-**	**1,442,802**	**-**	**1,442,802**
Total derivatives	**-**	**1,464,343**	**-**	**1,464,343**

31.4. Transfer between hierarchy level 1 and fair value hierarchy level 2

The following table summarizes the transfer between fair value Levels 1 and 2 during 2023 and 2022. In general, transfers between Level 1 and Level 2 in the investment portfolios are primarily due to changes in the liquidity levels of investments in the markets.

	December 2023	December 2022

	Transfer between:		Transfer between:	
	Level 2 to 1	Level 1 to 2	Level 2 to 1	Level 1 to 2
In local currency				
Government-issued or government-guaranteed securities	-	-	12,055	212
Securities issued or guaranteed by other financial institutions	84,720	46,267	115,488	99,654
Debt securities - Domestic issues	1,205	-	-	-
Equity instruments - Domestic issues	851	-	-	-
Total securities in local currency	**86,777**	**46,267**	**127,543**	**99,866**
Total	**86,777**	**46,267**	**127,543**	**99,866**

31.5. Reconciliation of fair value hierarchy level 3

	Financial assets in debt securities	Equity instruments	Investment properties
December 31, 2021	**969**	**54,330**	**332,018**
Additions	-	26	63,596
Sales /disposals	811		(3,660)
Valuation adjustment affecting net income	(58)	10,547	29,313
Valuation adjustment with effect on equity	-	151	-
Reclassification of balance sheet balances	-		(18,758)
Impairment	-	-	(724)
Conversion effect	(288)	261	34,050
December 31, 2022	**1,434**	**65,315**	**435,835**
Additions	-	2,052	13,549
Sales /disposals	(317)	(31,078)	(31,593)
Valuation adjustment affecting net income	-	1,454	(24,280)
Valuation adjustment with effect on equity	-	(125)	-
Reclassification of balance sheet balances	-	317	15,119
Impairment	-	11,970	-
Conversion effect	(1,117)	(289)	(25,678)
December 31 de 2023	**-**	**49,616**	**382,952**

31.6. Fair value of financial assets and liabilities recognized at amortized cost or other valuation method

The following table shows a summary of assets and liabilities with a value other than fair value as of December 31, 2023 and 2022 for disclosure purposes only.

	December 2023		December 2022	
	Book Value	Fair Value	Book Value	Fair Value
Assets				
Debt securities at amortized cost (1)	24,122,458	25,161,589	16,984,171	15,393,786
Insurance contracts assets (2)	5,168,514	5,168,514	6,853,292	6,853,292
Reinsurance contracts assets (2)	6,533,153	6,533,153	8,026,555	8,026,555
Accounts receivable from related parties (2)	297,362	297,362	252,071	252,071
Other accounts receivable (2)	2,366,030	2,366,030	2,139,913	2,139,913
Investments in associated companies and joint ventures (4)	18,346,056	11,951,299	23,512,458	19,590,984
Total Assets	**56,833,573**	**51,477,947**	**57,768,460**	**52,256,601**
Liabilities				

Financial obligations (1)	2,429,280	2,429,280	1,115,538	1,115,538
Finance lease liabilities (1)	426,412	426,412	513,419	501,746
Liabilities under insurance contracts (2)	38,374,511	38,374,511	38,721,291	38,721,291
Liabilities under reinsurance contracts (2)	1,726,044	1,726,044	2,051,354	2,051,354
Other accounts payable (2)	2,843,396	2,843,396	2,609,496	2,609,496
Accounts payable to related parties (2)	184,966	184,966	117,298	117,298
Bonuses (3)	7,354,982	7,199,121	9,337,919	8,826,566
Preferred shares (5)	459,834	401,776	459,955	403,917
Total Liabilities	**53,799,425**	**53,585,506**	**54,926,270**	**54,347,206**

(1) Debt securities at amortized cost and other financial assets and liabilities

Debt securities

The fair value of fixed income investments at amortized cost was determined using the price calculated by the pricing vendor, investments in an active market and with a market price for the day of valuation are classified as level 1, investments without active market and / or with an estimated price (present value of the flows of a security, discounted with the reference rate and the corresponding margin) given by the vendor are classified as level 2.

Financial obligations and lease liabilities

The fair value of these liabilities is determined using discounted cash flow models. The projections of principal and interest cash flows were made in accordance with the contractual terms, considering the amortization of principal and accrued interest. Subsequently, cash flows were discounted using reference curves.

(2) Accounts receivable and accounts payable

For these accounts, the carrying value was considered similar to their fair value, due to their short-term nature.

(3) Bonds issued

The fair value of securities issued is determined according to quoted or estimated prices provided by the price vendor. This is considered to be a level 2 valuation.

(4) Investments in associated companies and joint ventures

Fair value was determined using prices based on those provided by a price vendor when traded in the stock market. For other equity investments that are not traded on the stock market, the value was measured in the same way as the carrying value was measured because it is difficult to make a special valuation for them.

(5) Preferred shares

The book value of preferred stock is valued using the market TES curve.

NOTE 32. RISK MANAGEMENT

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 the Companies 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 business. For this reason, among others, 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.

It is important to highlight that within the information reported, the data related to Suramericana's operations in Argentina and El Salvador, for the reporting period, are at zero, given the sale reported in the previous report.

Credit 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 5.1.4 Impairment of financial assets

Note 6.1 Assets under insurance contracts and Note 6.4. Liabilities under insurance contracts.

1.1 Risk Management in treasuries

In the treasury departments of the Companies, 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 support.

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

Companies have as counterparty local and international banks with adequate credit ratings. In turn, 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 - December 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+	CCC+	BBB	BBB	BB	BBB+	A	A	BB+
Government	-	73%	42%	50%	-	80%	0%	32%	70%	37%	16%	88%
AAA	-	0%	0%	1%	-	0%	0%	0%	13%	0%	0%	0%
AA+	-	0%	0%	0%	-	0%	12%	0%	0%	0%	0%	0%
AA	-	0%	0%	0%	-	0%	0%	0%	6%	0%	0%	0%
AA-	-	0%	0%	0%	-	0%	0%	0%	0%	0%	0%	0%
A+	-	0%	0%	0%	-	0%	1%	0%	0%	4%	0%	0%
A	-	0%	0%	0%	-	0%	1%	0%	1%	34%	16%	0%
A-	-	0%	28%	0%	-	0%	0%	0%	2%	0%	0%	0%
BBB+	-	0%	12%	1%	-	0%	2%	0%	1%	6%	0%	0%
BBB	-	0%	11%	0%	-	0%	7%	0%	5%	3%	57%	0%
BBB-	-	0%	7%	0%	-	15%	7%	0%	2%	0%	0%	0%
BB+	-	0%	0%	37%	-	0%	22%	0%	0%	16%	0%	11%
BB	-	0%	0%	5%	-	2%	14%	0%	0%	0%	8%	1%
BB-	-	23%	0%	5%	-	3%	11%	18%	0%	0%	0%	0%
Others	-	4%	0%	1%	-	0%	23%	50%	0%	0%	3%	0%
Total	**0%**	**100%**	**100%**	**100%**	**0%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

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

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

Rating	CCC	BB-	A-	BB+	B-	BBB-	BBB	BB-	BBB	A	A+	BB+
Government	65%	65%	19%	39%	9%	77%	0%	43%	59%	8%	23%	70%
AAA	0%	0%	0%	0%	0%	0%	3%	0%	2%	0%	0%	0%
AA+	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
AA	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
AA-	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
A+	0%	0%	0%	0%	0%	0%	0%	0%	7%	7%	0%	0%
A	0%	0%	45%	0%	0%	0%	3%	0%	1%	1%	18%	0%
A-	0%	0%	7%	0%	0%	0%	0%	0%	7%	7%	0%	0%
BBB+	0%	0%	11%	0%	0%	0%	2%	0%	7%	10%	0%	0%
BBB	0%	0%	12%	0%	1%	0%	8%	0%	13%	9%	54%	0%
BBB-	0%	0%	1%	0%	0%	15%	15%	0%	4%	0%	0%	0%
BB+	0%	0%	0%	10%	0%	4%	8%	0%	0%	53%	0%	27%
BB	0%	0%	0%	48%	0%	2%	30%	0%	0%	0%	5%	2%
BB-	0%	35%	1%	0%	0%	2%	0%	0%	0%	5%	0%	1%
Others	35%	0%	4%	3%	90%	0%	31%	57%	0%	0%	0%	0%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

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.

Currently, the countries in which we have financial instruments classified as amortized cost are: Colombia, Mexico, Dominican Republic, Panama and Chile: Colombia, Mexico, Dominican Republic, 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.

In order 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, at the end of September 2023, there was an accounting impairment higher than the materiality defined by Suramericana for the companies Seguros Generales and Seguros de Vida Suramericana S.A., associated to the investments held in TIGO/UNE due to the operating and financial deterioration that this issuer has been suffering. However, in the following months until December 31, 2023, the rating agency pronounced positively regarding this issuer, reporting a credit rating of A- in local scale. The impairment on this issuer at the end of December 2023 was reduced to COP 4,374 million.

Credit risk in exposures with financial derivatives:

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

Net exposure in financial derivatives			
Banco	**Calcification**	**December 2023**	**December 2022**
Merrill Lynch International	**A+**	48,118	105,004
Citibank N.A.	**A+**	30,655	105,271
JP Morgan Chase Bank, N.A.	**A+**	75,970	257,080
Morgan Stanley & Co International PLC	**A+**	8,127	-
Goldman Sachs International	**A+**	13,823	98,243
Santander	**A+**	(11,709)	-
Davivienda S.A.	**BB+**	-	-
BBVA S.A.	**BB+**	-	(6,879)
Bancolombia S.A.	**BB+**	(67,715)	(191)

Exposure in financial derivatives by counterparty			
Suramericana – Seguros SURA Colombia			
Counterparty	International rating	December 2023	December 2022
Banco JP Morgan Colombia S.A.	BB+	(12)	(5,793)
Banco de Comercio Exterior de Colombia S.A.	BB+	-	(7,081)
Banco de Bogotá S. A.	BB+	-	128
Citibank Colombia	BB+	(58)	(12,358)
Banco Davivienda S.A.	BB+	(22)	(3,988)
Banco Itaú Corpbanca Colombia S.A.	BB+	(39)	(151)
Goldman Sachs	AA	(1)	(14,155)
JP Morgan Chase & Co	A-	(11)	(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 Credit risk management in accounts receivable

The Companies periodically evaluate the credit risk associated with accounts receivable according to their nature. For detailed information on aggregate accounts receivable, refer to Note 5.1.3 "Other accounts receivable".

1.5 Impairment of assets

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.

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 Companies determines the convenience of developing hedging schemes with financial derivatives.

Market Risk Management in Treasures

In the treasuries of the Companies, 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 and short duration.

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 made 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 invested in fixed income assets, mutual funds, cash and banks; aligned with the uses that will be given to them, among them: dividend payments or reinvestments 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.

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 Asset and Liability Management, 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, 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 – December 2023

Suramericana

Country	Local currency *	Actual local currency **	USD	Other	Total
Argentina	0%	0%	0%	0%	**0%**
Bermuda	0%	0%	100%	0%	**100%**
Brazil	100%	0%	0%	0%	**100%**
Chile	6%	93%	1%	0%	**100%**
Colombia	53%	42%	5%	0%	**100%**
El Salvador	0%	0%	0%	0%	**0%**
Mexico	77%	7%	16%	0%	**100%**
Panama	0%	0%	100%	0%	**100%**
Dom. Rep	84%	0%	16%	0%	**100%**
Uruguay	70%	3%	27%	0%	**100%**

SURA Asset Management

Country	Local currency *	Actual local currency **	USD	Other	Total
Chile	2%	98%	0%	0%	**100%**
Colombia	16%	84%	0%	0%	**100%**

Assets, in each Country, by type of currency – December 2022

Suramericana

Country	Local currency *	Actual local currency **	USD	Other	Total
Argentina	43%	0%	57%	0%	**100%**
Bermuda	0%	0%	100%	0%	**100%**

Brazil	100%	0%	0%	0%	**100%**
Chile	1%	97%	2%	0%	**100%**
Colombia	58%	37%	5%	0%	**100%**
El Salvador	0%	0%	100%	0%	**100%**
Mexico	68%	19%	13%	0%	**100%**
Panama	0%	0%	100%	0%	**100%**
Dom. Rep	80%	0%	20%	0%	**100%**
Uruguay	47%	21%	32%	0%	**100%**

SURA Asset Management

Country	Local currency *	Actual local currency **	USD	Other	Total
Chile	2%	98%	0%	0%	**100%**
Colombia	41%	46%	13%	0%	**100%**

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.*

*** Actual 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 movement in the exchange rate would have on the Companies.

As a methodology to perform the exchange rate sensitivity analysis, the Company's foreign currency exposure was taken as both the asset and liability portion of the Company's balance sheet, evaluating a variation of -10% in the exchange rate.

The net income obtained, is as follows:

Exchange rate sensitivities

Suramericana		
(-10%) in exchange rate	**December 2023**	**December 2022**

Argentina	-	(48,324)
Bermuda	-	-
Brazil	(218)	349
Chile	14,138	20,550
Colombia	(6)	(21,767)
El Salvador	-	-
México	(2,872)	(1,133)
Panamá	-	-
Dominican Republic	(831)	(5,023)
Uruguay	(104)	39
Total	**10,107**	**(55,309)**

SURA Asset Management		
(-10%) in exchange rate	**December 2023**	**December 2022**
Chile	-	-
Colombia	-	(81,206)
Total	**-**	**(81,206)**

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 foreign exchange risk exposure at Grupo SURA

The following is a sensitivity analysis to estimate the impact generated by variations in the exchange rate on the liabilities in dollars and financial derivatives.

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

Exchange rate sensitivities

Impact on pre-tax profit - December 2023

Exchange rate 3,822.05	+10% in the exchange rate	-10% in the exchange rate
Financial Liabilities	(13,193)	13,193
Derivatives	309,197	(315,558)
Total	**296,004**	**(302,365)**

Exchange rate sensitivities

Impact on pre-tax profit - December 2022

Exchange rate 4,810.2	+10% in the exchange rate	-10% in the exchange rate
Financial Liabilities	(22,755)	22,755
Derivatives	169,597	(177,010)
Total	**146,842**	**(154,255)**

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.

Interest rate exposure and other assets

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

Exposures to Fixed Income and Variable Income Assets and Other Assets - December 2023

Suramericana						
	Fixed Rate					
Country	Fixed rate	Variable rate	Subtotal	Variable rate	Others	Total
Argentina	0%	0%	**0%**	0%	0%	**0%**
Bermuda	100%	0%	**100%**	0%	0%	**100%**
Brazil	0%	100%	**100%**	0%	0%	**100%**
Chile	97%	0%	**97%**	0%	3%	**100%**
Colombia	59%	29%	**88%**	9%	3%	**100%**
El Salvador	0%	0%	**0%**	0%	0%	**0%**
Mexico	97%	3%	**100%**	0%	0%	**100%**
Panama	100%	0%	**100%**	0%	0%	**100%**
Dom. Rep	98%	0%	**98%**	0%	2%	**100%**
Uruguay	92%	3%	**95%**	0%	5%	**100%**

SURA Asset Management						
	Fixed Rate					
Country	Fixed rate	Variable rate	Subtotal	Variable rate	Others	Total
Chile	77.00%	0.00%	**77.00%**	2.00%	21.00%	**100.00%**
Colombia	91.00%	9.00%	**100.00%**	0.00%	0.00%	**100.00%**

Exposure to Fixed Income and Variable Income Assets - December 2022

Suramericana						
	Fixed Rate					
Country	Fixed rate	Variable rate	Subtotal	Variable rate	Others	Total
Argentina	69%	31%	**100%**	0%	0%	**100%**

Bermuda	100%	0%	**100%**	0%	0%	**100%**
Brazil	0%	100%	**100%**	0%	0%	**100%**
Chile	97%	0%	**97%**	3%	0%	**100%**
Colombia	56%	33%	**89%**	11%	0%	**100%**
El Salvador	100%	0%	**100%**	0%	0%	**100%**
Mexico	96%	5%	**101%**	0%	0%	**101%**
Panama	100%	0%	**100%**	0%	0%	**100%**
Dom. Rep	98%	0%	**98%**	2%	0%	**100%**
Uruguay	85%	14%	**99%**	1%	0%	**100%**

SURA Asset Management						
	Fixed Rate					
Country	**Fixed rate**	**Variable rate**	**Subtotal**	**Variable rate**	**Others**	**Total**
Chile	80%	2%	**82%**	0%	18%	**100%**
Colombia	68%	32%	**100%**	0%	0%	**100%**

In the case of SURA Asset Management, the Unit Linked funds are included, since they are part of the financial accounts of the insurers, although the risk of the performance, of the investment, is that of the insured.

Sensitivity analysis of interest rate risk in the portfolios of insurers

The following is a sensitivity analysis that measures the impact on the Companies of an unfavorable movement in interest rates. The tool used in each Company considers the systems and tools that each 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:

Interest rate sensitivities

Suramericana		
(+10pbs) in Interest Rates	**December 2023**	**December 2022**
Argentina	-	(1,592)
Bermuda	-	-
Brazil	(412)	(528)
Chile	(618)	(6)
Colombia	(1,617)	(1,512)
El Salvador	-	(14)
Mexico	(837)	(396)
Panama	(164)	(249)
Dominican Republic	-	-
Uruguay	(158)	(158)
Total	**(3,806)**	**(4,455)**

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

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.

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 – December 2023		
Business Unit	**Liabilities reserves**	**Sufficiency of reserves**
Chile	4,598,408	5.35%

Colombia	7,921,550	1.81%

Interest rate sensitivities - Reinvestment risk

SURA Asset Management – December 2022		
Business Unit	**Liabilities reserves**	**Sufficiency of reserves**
Chile	5,686,654	3.20%
Colombia	4,841,774	1.8%

Sensitivity analysis on interest rate risk exposure 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 – December 2023

	+10pb in Interest rate	-10pb in Interest rate
Financial Liabilities	187	(188)
Derivatives	(849)	853
Total	**(662)**	**665**

Interest rate sensitivities – December 2022

	+10pb in Interest rate	-10pb in Interest rate
Financial Liabilities	426	(428)
Derivatives	(2,367)	2,384
Total	**(1,941)**	**1,956**

Amounts in millions of pesos

Risk Price variation: 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				
	December 2023		December 2022	
Business Unit	(-10%) in Shares Price	(-10%) in Real Estate	(-10%) in Shares Price	(-10%) in Real Estate
Argentina	-	-	-	-
Bermuda	-	-	-	-
Brazil	-	-	-	-
Chile	(2,950)	(18)	(980)	(2,596)
Colombia	(41,075)	(82,009)	(37,229)	(67,611)
El Salvador	-	-	-	-
Mexico	(294)	-	(146)	-
Panama	-	-	(130)	-
Dom. Rep	(295)	-	(384)	-
Uruguay	(163)	-	(216)	-
Total	**(44,777)**	**(82,027)**	**(39,085)**	**(70,207)**

Sensitivities, at the price of shares and real estate assets

SURA Asset Management				
	December 2023		December 2022	
Business Unit	(-10%) in Shares Price	(-10%) in Real Estate	(-10%) in Shares Price	(-10%) in Real Estate
Chile	(2,805)	(35,709)	(3,603)	(41,068)

Colombia	-	-	-	-
Total	**(2,805)**	**(35,709)**	**(3,603)**	**(41,068)**

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.

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

It is important to highlight that, based on the takeover bids by 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.

Risk of Volatility in the Pension Businesses

The regulation associated with the pension business requires that each company must maintain a position of equity invested in a provision that acts as a reserve 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 (i.e., 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:

Percentage of reserve requirement on managed funds.	
Business Unit	**% Reserve**
Chile	1.00%
Colombia	1.00%
El Salvador	N/A
Mexico	0.51%
Peru	1.00%
Uruguay	0.50%

In view of these investments, the companies are exposed to financial risks, which may affect the value of the underlying assets and, as such, the value of their companies. The following is an analysis of the impacts that market variables could have on the Company.

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.

Volatility Risk of the Pension Businesses		
-10% in Variable Valuation		
	December 2023	**December 2022**
Chile	(49,420)	(51,832)
Colombia	(40,101)	(51,174)
El Salvador	0	-
Mexico	(70,058)	(75,704)
Peru	(17,629)	(12,912)
Uruguay	(2,044)	(2,477)
Total	**(179,252)**	**(194,099)**
+100bps in Interest Rates		
	December 2023	**December 2022**
Chile	(84,077)	(99,378)
Colombia	(46,199)	(32,715)
El Salvador	0	-
Mexico	(78,393)	(89,571)
Peru	(14,732)	(6,111)
Uruguay	(1,480)	(1,756)
Total	**(224,881)**	**(229,531)**
10% IA depreciation		
	December 2023	**December 2022**
Chile	(62,233)	(65,710)
Colombia	(24,719)	(19,877)
El Salvador	0	-
Mexico	(43,637)	(42,737)

Volatility Risk of the Pension Businesses		
Peru	(27,892)	(43,887)
Uruguay	(1,309)	(1,577)
Total	**(159,790)**	**(173,788)**

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

Liquidity Risk Management

Liquidity risk refers to the ability of the 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

To facilitate the explanations incorporated in the description of changes in liquidity risk exposure, the information in the separate financial statements of this entity will be presented.

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

Maturities associated with assets to manage liquidity risk

December 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Cash and cash equivalents	442,550	-	-	442,550
Investments	-	-	33,551	33,551
Receivables from related parties	439,832	-	-	439,832
Other accounts receivable	1,973	-	-	1,973
Total	**884,355**	**-**	**33,551**	**917,906**

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

Amounts in millions of pesos

For further details see Note 5.1 Financial Assets.

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

December 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Financial obligations	1,430,394	620,123	809,556	2,860,073
Derivative instruments	68,638	136,182	-	204,820
Accounts payable to related parties	188,746	34,857	-	223,603
Other accounts payable	77,453	-	-	77,453
Bonds issued	167,502	2,338,581	981,116	3,487,199
Preferred stock	-	-	459,834	459,834
Commitments with non-controlling interests	982,004		1,396,626	2,378,630
Total	**2,914,737**	**3,129,743**	**3,647,132**	**9,691,612**

December 2022	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Financial obligations	141,308	698,672	-	839,980
Derivative instruments	7,070	430,075	-	437,145

Accounts payable to related parties	159,493	-	-	159,493
Other accounts payable	34,136	-	-	34,136
Bonds issued	352,680	3,030,564	986,271	4,369,515
Preferred stock	-	-	459,955	459,955
Commitments with non-controlling interests			2,810,956	2,810,956
Total	**694,687**	**4,159,311**	**4,257,182**	**9,111,180**

Amounts in millions of pesos

For further details see Note 5.2 Financial Liabilities.

Description of changes in the exposure to risk in the period

During this period of the year, extraordinary obligations have arisen for the company with an impact on its liquidity, in spite of which stable and adequate levels of coverage of expenses over revenues and debt over dividends are maintained, which allow to anticipate, with a reasonable degree of certainty, that the company has the necessary resources to meet its projected cash commitments.

The following are the events and situations that, in the opinion of the Management of Grupo SURA, are relevant to inform the different stakeholders due to their potential impact on the liquidity situation of the Company:

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 relationship between Grupo SURA and Grupo Bolivar, on November 30, 2023, both entities (directly and indirectly through Compañía de Seguros Bolívar S.A., known as "Grupo Bolivar"), entered into a share purchase agreement, whereby Grupo SURA agrees to acquire 254,930 ordinary shares of SURA Asset Management S.A., a subsidiary of Grupo SURA, currently owned by Grupo Bolivar (the "Agreement"), equivalent to 9.74% of SURA AM.

The price to be paid for the shares will be COP 1,582,162 and Grupo SURA informs that such acquisition will be paid in three installments, the first one at the signing of this Agreement and the remaining two in May and November 2024. The payment will be funded in one third with extraordinary dividends paid by SURA AM and two thirds with available resources and financing. The closing of this Agreement is subject to certain conditions precedent, including applicable regulatory approvals.

Framework Agreement

Within the context of the transaction related to the Framework Agreement 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., The magnitude of this impact will depend directly on the way in which each of the mechanisms defined in the operation are developed, the final set of participants in the transaction and the terms in which the different regulatory approvals that are currently in process are issued.

For initial market reference, Note 10. Non-current assets held for sale presents a summary of the possible impacts on the Company's liquidity based on different scenarios of participation by Grupo Nutresa's minority shareholders 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 transaction, 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 regarding the Company's liquidity management.

In order to comply with the obligations derived from the aforementioned transactions, the Company is executing a comprehensive liquidity management that takes into account the joint effect of both operations. To achieve this objective, in the last quarter bank loans were subscribed with Bancolombia S.A. and Banco de Bogotá S.A. for $COP 800 thousand million and $COP 130 thousand million respectively, and subsequently funding strategies will continue to be developed to cover the obligations foreseen in this note, as the different stages that make up this transaction evolve. However, 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.

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.

Nevertheless, it is important to note that EPS Suramericana, according to the report of the National Superintendence of Health of January 2, 2024, does not comply with the Adequate Equity Indicator until October 2023, a situation that continues at the end of the year. Furthermore, the company experienced a deviation from what was budgeted, due to external factors that include:

- The increase in the accident rate since 2022.
- The structural insufficiency of the Capitation Payment Unit, both in its current state and future projections.
- The lack of allocation and the delay in the payment of maximum budgets for the benefits of the NON-HBP (Health Benefit Plan)., together with pending obligations of the State and portfolio of past periods.
- The accumulated debts for Covid Health Care Aid Packages not recognized by the National Government, which together with the lack of regulations for the definitive settlement of the nation's liabilities with the health sector, accentuate the uncertainty.
- The continuity of the health system reform process, which raises the possibility of a legislative transit and substantial change in the business.
- The regulator of the activity may impose discretionary and optional regulatory conditions to authorize, condition, or deny the eventual withdrawal of the company from the system.

These aspects could materially impact in different ways the business of EPS Suramericana and cause a financial deterioration in the Company's assets; therefore, the effects in the business, financial and liquidity areas are constantly evaluated. However, it should be noted that neither Suramericana S.A. nor Grupo de Inversiones Suramericana S.A. have received dividends from this investment. In addition, given the nature of the investment, management, based on the information available to date, considers that the liquidity risk for Grupo SURA is low.

The management of Suramericana S.A. is closely monitoring the situation of EPS Suramericana, anticipating possible events that may alter the risk level. To address the situation, judicial and management measures are being taken, including constant interaction with regulators, meetings with unions and participation in technical meetings with the National Government to seek key definitions and maintain the continuity of the system. Despite these efforts, uncertainties persist and must be considered when assessing the future liquidity position of the entity.

Summary of quantitative data on risk exposure in Suramericana

Suramericana has at its disposal assets to manage liquidity, which are presented below.

December 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Cash and cash equivalents	1,620,920	-	-	1,620,920
Investments	4,377,087	14,740,065	452,149	19,569,301
Receivables from related parties	-	-	-	-
Other accounts receivable	1,488,514	4,211	-	1,492,725
Total	**7,486,521**	**14,744,276**	**452,149**	**22,682,946**

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

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

December 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Financial obligations	328,778	191,062	-	519,839

Derivative instruments	3,726	(633)	177	3,270
Accounts payable to related parties	-	-	-	-
Other accounts payable	1,821,984	212,559	102,250	2,136,794
Bonds issued	-	306,861	291,256	598,117
Preferred stock	-	-	-	-
Total	**2,154,488**	**709,849**	**393,683**	**3,258,020**

December 2022	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Financial obligations	52,740	204,325	-	257,065
Derivative instruments	47,434	-	6,700	54,133
Accounts payable to related parties	-	-	-	-
Other accounts payable	1,670,055	116,550	-	1,786,606
Bonds issued	259,329	308,639	291,689	859,656
Preferred stock	-	-	-	-
Total	**2,029,558**	**629,514**	**298,389**	**2,957,460**

Amounts in millions of pesos

Summary of quantitative data on risk exposure in SURA Asset Management

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

Liquidity Risk Assets

December 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Chile	390,135	446,937	641,455	1,478,527
Colombia	1,187,426	2,243,023	7,000,456	10,430,905
Total	**1,577,561**	**2,689,960**	**7,641,911**	**11,909,432**

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

Amounts in millions of pesos

Liquidity Risk Liabilities

December 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Chile	202,050	483,416	632,843	1,318,309
Colombia	1,210,381	1,912,700	5,454,591	8,577,673
Total	**1,412,431**	**2,396,116**	**6,087,434**	**9,895,982**

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

Amounts in millions of pesos

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:

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

Risk of Mortality, Longevity and Morbidity

Sensitivity analyses are then performed for sociodemographic trends that could affect a population; this is the case for mortality, which represents the percentage of deaths in a given population, morbidity, which describes the number of sick people, and longevity, which refers to the life span of individuals.

Suramericana

Life Insurance: The exposure of the Company to changes in longevity, mortality and morbidity variables is evaluated. The methodology used consists of making changes to each of the variables to obtain the magnitude of the impact on the results of the Company.

It should be noted that the sensitivity analysis presented, analyzes the effects on the annual financial statement as a result of structural changes of 10% in the behavior of mortality, morbidity and longevity of the portfolios; which has implications on the expectations of future years (not only the first year as the Risk of Volatility), affecting the value of the Long-Term Reserves of the policies.

In turn, in relation to occupational risk insurance, analyses are carried out concerning behavior and trends in occupational accidents and morbidity, as well as the trend in longevity over pension obligations. The analysis is made taking into account a 10% increase in trend behavior:

The impacts on pre-tax income for each type of risk are presented below:

Country	Risk	2022	2023
Colombia	Longevity	- 93,354	106,679
	Mortality	-86,324	-35,337
	Mortality	-209,243	-318,643

Country	Risk	2022	2023
Panama	Mortality	-107,916	-46,748

Country	Risk	2022	2023
Mexico	Mortality	-1,748	-1,490

Units in millions of pesos.

It should be noted that the sensitivity analysis presented considers the effects on the annual financial statements as a result of the change of some of the most important parameters in the valuation of long-term commitments with the insured. That is, it quantifies the impact of structural changes on the mortality, morbidity and longevity behavior of the portfolios. which has implications for the expectations of future years (not only the first year as the Volatility Risk), affecting the value of the long-term reserves of the policies.

Risk of underwriting, pricing and insufficient reserves

The risk of insufficient reserves refers to the probability of loss as a result of underestimation or overestimation in the calculation of technical reserves and other contractual obligations (share of profits, payment of guaranteed benefits, among others).

The reserve risk is manifested mainly by related changes in mortality, longevity and morbidity of the exposed population. as well as for the adverse deviations of claims and sufficiency of reserves generated by increases in the frequency of claims or severity represented in a higher value of these.

The Companies have designed and implemented actuarial methodologies and processes of sufficient development, both technical and practical, using complete and robust information that allows reasonable estimates of the obligations with the insured. There are also tools for periodic monitoring of the adequacy of reserves against their obligations, which allows them to take actions to maintain adequate levels of liabilities.

Underwriting risk refers to the possibility of incurring losses as a consequence of inadequate policies and practices in the design of products, services or their placement. It can be understood as Underwriting, Affiliation, Sales, among others. Meanwhile, tariff risks imply a probability of loss due to errors in the calculation of prices/tariffs, resulting in insufficient premiums to cover business costs.

These analyzes are intended to identify whether the retained premium accrued is sufficient to cover the items of the insurance Company, taking into account the loss ratio, technical and administrative expenses, financial income and the minimum return expected by the shareholder given the risk assumed.

Sensitivity analysis for General Insurance Companies

In the Compañía de Seguros Generales de Suramericana, sensitivity analyzes are realized to the risks of premiums and insufficient reserves.

The sensitivity analysis shows how the result of the period could have been affected due to deviations of the relevant risk variable, whose occurrence was reasonably possible at the end of the reporting period. The risks analyzed and the methods and hypotheses used in preparing the sensitivity analysis are described below.

The company performs a sensitivity analysis to premium and reserve risks as defined in the "QIS 5 Technical Specifications" of Solvency II. This analysis identifies the variation that these risks may have by adjusting probability distributions to historical operating performance data of the different lines of business. In this sensitivity, the distributions constructed for the company's risks are used and an event with a higher probability of occurrence is chosen.

The selection of this model allows the organization to understand the assumed risks and their possible deviations in a connected manner, taking into account their correlations and internal processes. Given this approach, the sensitivities are not realized by solution, but the impact of these is measured throughout the Company, as it would be in the case of materializing a deviation as the one proposed.

The corresponding sensitivity analysis, assuming an impact on pre-tax income, is presented below:

Risk - General Insurance			
Country	**Premiums**	**Reserves**	**Total**

	2022	2023	2022	2023	2022	2023
Argentina	-18,501	-	-19,781	-	-38,282	-
Brazil	-13,972	-16,337	-3,410	-6,422	-17,382	-20,324
Chile	-29,390	-49,021	-8,678	-7,920	-38,068	-53,425
El Salvador	-13,433	-	-2,239	-	-15,672	-
Mexico	-55,089	-29,913	-12,628	-8,539	-67,717	-34,973
Panama	-14,792	-13,680	-2,649	-2,716	-17,441	-15,220
Dom. Rep	-5,890	-5,504	-1,756	-2,256	-7,646	-6,914
Uruguay	-11,864	-8,927	-7,847	-3,573	-19,711	-11,151
Sura Re	-	-1,084	-	-783	-	-1,624
Colombia	-138,746	-55,973	-39,377	-29,737	-178,123	-75,377
Total	**-301,677**	**-180,439**	**-98,365**	**-61,946**	**-400,042**	**-219,008**

Notes:

** Units in millions of COP, figures as of December 2022 and December 2023. The impact is on income before taxes.*

*** The sensitivities corresponding to the subsidiaries in Argentina and El Salvador are not included in the analysis, due to the divestment performed in 2023.*

**** Sensitivities corresponding to EPS are not included in the analysis. For EPS impacts, refer to the scenario and factors described in the EPS disclosures of Sura Colombia, which can be consulted for further information.*

***** This year and due to the current uncertainty, external consulting services were hired with international experts to have an independent view of the EPS technical reserves, seeking to ensure the adequacy of the obligation.*

Real Claims vs. previous estimates for insurance companies.

The following tables set out the evolution of the latest claims - payments, reserves of foreclosures and reserves of incidents that occurred and not reported (IBNR) - for each of the subsidiaries of Suramericana for the years from 2015 to 2023.

Ultimate claims represent the final amount that a company is estimated to end up paying for the claims of each occurrence period. Since it is not possible to know exactly the final amount that the company will have to pay out after the expiration of the policies, actuarial estimates, IBNR Reserve, are made for the purpose of associating such losses to the accounting year in which premium income is recorded.

By comparing the initial estimates of past claims with current estimates it is possible to observe the evolution of these estimates and how adjusted they were. The deviations as follows are mainly explained by claims in legal proceedings (civil liability, cars and transport among others), for the time that elapses between the accident and the knowledge of this by the Company (pension insurance, occupational risks) and for hedges whose development is greater than one year naturally (bonds mainly).

It is important to note that this analysis includes all the solutions of each subsidiary except EPS Colombia because, as it is a Healthcare Company, its operations are different from the rest of the subsidiaries and the fact of not registering the notified reserves would distort the analysis.

On the other hand, in order to homogenize the information, the incremental balances of payments and reserves included in the tables shown in this section of the document are transformed into Colombian Pesos (COP) taking into account the exchange rate of each year in which the information is cut off.

Below, the tables for each Country with the aforementioned information:

Table 1. Brazil, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims									
Year	**During the same year**	**One year later**	**Two years later**	**Three years later**	**Four years later**	**Five years Later**	**Six years Later**	**Seven years Later**	**Eight years Later**
2015	215,514	243,883	240,801	222,717	216,319	176,950	189,695	244,831	263,004
2016	263,543	247,054	224,957	217,479	175,311	192,150	243,837	243,879	
2017	272,752	245,370	232,397	189,711	203,538	266,454	266,834		
2018	255,276	273,431	213,187	219,031	287,203	305,423			
2019	286,312	233,724	247,156	314,250	338,763				
2020	291,683	299,626	382,776	420,279					
2021	341,006	453,472	497,673						
2022	499,759	548,604							
2023	584,412								

Payment of Accumulated Claims									
Year	**During the same year**	**One year later**	**Two years later**	**Three years later**	**Four years later**	**Five years Later**	**Six years Later**	**Seven years Later**	**Eight years Later**
2015	111,570	198,869	201,442	189,146	182,818	148,899	162,533	210,496	226,862
2016	148,169	202,852	193,717	189,170	155,216	168,790	218,407	210,496	
2017	147,532	199,545	202,430	165,864	178,792	233,979	218,407		

2018	149,328	208,004	182,642	198,955	258,697	252,170
2019	174,741	197,392	218,099	282,631	278,810	
2020	165,132	264,455	351,302	304,605		
2021	214,119	398,361	378,615			
2022	303,389	429,333				
2023	326,977					

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	263,004	226,862	36,142	- 47,490	-18.1%
2016	243,879	210,496	33,383	19,664	8.1%
2017	266,834	218,407	48,427	5,919	2.2%
2018	305,423	252,170	53,252	- 50,146	-16.4%
2019	338,763	278,810	59,953	- 52,451	-15.5%
2020	420,279	304,605	115,674	- 128,596	-30.6%
2021	497,673	378,615	119,057	- 156,666	-31.5%
2022	548,604	429,333	119,271	- 48,846	-8.9%
2023	584,412	326,977	257,435	-	0.0%

Table 2. Chile, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims									
Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years Later
2015	824,557	777,611	827,738	784,493	737,975	826,386	789,681	953,584	950,534
2016	983,043	1,006,026	950,872	888,756	998,278	948,965	1,146,875	1,172,207	

2017	1,496,172	1,344,551	1,241,465	1,377,202	1,310,329	1,579,642	1,607,925
2018	674,978	700,824	772,658	738,004	901,828	916,615	
2019	1,313,590	1,487,375	1,323,766	1,597,282	1,601,362		
2020	850,727	832,797	967,204	987,048			
2021	871,393	1,134,509	1,123,445				
2022	3,203,857	2,433,355					
2023	2,035,272						

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years Later
2015	301,238	688,570	811,221	776,765	728,232	820,268	784,616	946,587	948,186
2016	493,728	922,388	915,084	868,629	981,744	940,848	1,135,869	1,161,815	
2017	590,094	1,114,445	1,199,288	1,356,049	1,304,094	1,573,280	1,603,631		
2018	390,483	595,909	708,750	709,419	878,560	895,853			
2019	441,790	1,062,721	1,102,910	1,409,059	1,432,961				
2020	476,065	631,231	844,396	886,346					
2021	481,398	910,780	1,071,037						
2022	786,698	1,502,666							
2023	831,460								

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	950,534	948,186	2,348	- 125,978	-13%
2016	1,172,207	1,161,815	10,391	- 189,163	-16%
2017	1,607,925	1,603,631	4,294	- 111,753	-7%

2018	916,615	895,853	20,762	-	241,636	-26%
2019	1,601,362	1,432,961	168,401	-	287,772	-18%
2020	987,048	886,346	100,701	-	136,321	-14%
2021	1,123,445	1,071,037	52,409	-	252,052	-22%
2022	2,433,355	1,502,666	930,689	770,502		32%
2023	2,035,272	831,460	1,203,812	-		0.0%

Table 3. Colombia Generales, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims									
Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years Later
2015	784,687	857,084	881,541	896,299	889,649	894,095	897,425	901,776	905,967
2016	991,349	1,061,532	1,097,242	1,094,485	1,098,545	1,104,032	1,109,193	1,103,740	
2017	1,072,549	1,107,990	1,100,451	1,103,568	1,110,846	1,108,524	1,106,181		
2018	1,105,182	1,145,438	1,154,753	1,602,331	1,612,912	1,586,404			
2019	1,305,601	1,298,142	1,298,006	1,297,227	1,284,806				
2020	1,078,171	1,056,805	1,056,793	1,051,399					
2021	1,420,382	1,481,001	1,479,163						
2022	1,531,799	1,575,723							
2023	1,684,572								

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years Later
2015	526,468	748,685	814,537	841,741	859,302	867,618	872,759	878,073	887,627
2016	679,637	958,457	1,021,704	1,053,402	1,067,472	1,077,004	1,087,070	1,092,058	
2017	692,334	969,551	1,024,539	1,053,277	1,067,706	1,075,166	1,083,883		
2018	723,197	1,003,354	1,053,174	1,484,398	1,503,691	1,529,638			
2019	838,704	1,147,082	1,201,396	1,230,237	1,249,538				
2020	642,780	917,525	974,257	998,107					
2021	793,567	1,189,790	1,298,540						
2022	869,491	1,317,476							
2023	999,033								

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	905,967	887,627	18,340	- 121,280	-13.4%
2016	1,103,740	1,092,058	11,682	- 112,392	-10.2%
2017	1,106,181	1,083,883	22,298	- 33,632	-3.0%
2018	1,586,404	1,529,638	56,766	- 481,223	-30.3%
2019	1,284,806	1,249,538	35,268	20,795	1.6%
2020	1,051,399	998,107	53,291	26,772	2.5%
2021	1,479,163	1,298,540	180,623	- 58,781	-4.0%
2022	1,575,723	1,317,476	258,247	- 43,924	-2.8%
2023	1,684,572	999,033	685,539	-	0.0%

Table 4. Colombia Vida, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims									
Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years Later
2015	1,548,020	1,631,158	1,706,491	1,705,841	1,726,750	1,770,590	1,774,752	1,780,032	1,795,308
2016	1,883,116	1,978,997	2,005,893	2,038,455	2,088,203	2,085,450	2,093,279	2,096,832	
2017	2,161,311	2,297,093	2,305,543	2,343,480	2,336,854	2,363,008	2,356,166		
2018	1,833,951	1,818,937	1,850,981	1,874,000	1,923,975	1,951,658			
2019	2,170,022	2,194,369	2,222,752	2,285,757	2,302,469				
2020	2,610,355	2,558,087	2,493,207	2,488,096					
2021	3,423,400	3,391,944	3,404,379						
2022	3,369,616	3,321,603							
2023	3,861,238								

Payment of Accumulated Claims									
Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years Later
2015	858,111	1,302,620	1,480,823	1,566,528	1,608,921	1,637,819	1,652,997	1,691,436	1,728,240
2016	1,004,682	1,554,497	1,798,113	1,881,106	1,917,563	1,952,442	1,997,794	2,014,970	
2017	1,183,810	1,817,713	2,034,689	2,103,797	2,155,740	2,211,938	2,243,238		
2018	1,260,101	1,604,968	1,661,330	1,718,792	1,789,745	1,829,513			

2019	1,492,383	1,897,625	1,992,036	2,095,072	2,112,935
2020	1,505,761	2,085,958	2,180,270	2,235,159	
2021	2,350,252	2,889,823	3,024,005		
2022	2,114,209	2,712,410			
2023	2,286,340				

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	1,795,308	1,728,240	67,067	- 247,288	-14%
2016	2,096,832	2,014,970	81,862	- 213,716	-10%
2017	2,356,166	2,243,238	112,928	- 194,855	-8%
2018	1,951,658	1,829,513	122,144	- 117,707	-6%
2019	2,302,469	2,112,935	189,535	- 132,448	-6%
2020	2,488,096	2,235,159	252,938	122,259	5%
2021	3,404,379	3,024,005	380,374	19,021	1%
2022	3,321,603	2,712,410	609,193	48,014	1%
2023	3,861,238	2,286,340	1,574,898	-	0%

Table 5. Mexico, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)									
Evolution of recent claims									
Year	**During the same year**	**One year later**	**Two years later**	**Three years later**	**Four years later**	**Five years Later**	**Six years Later**	**Seven years Later**	**Eight years Later**
2015	131,737	107,715	112,562	123,615	130,077	126,089	140,896	180,194	205,898
2016	113,148	120,528	135,002	141,820	137,286	154,778	197,948	197,948	
2017	122,253	148,355	163,929	158,394	157,007	303,202	303,202		

2018	177,307	192,733	187,412	185,995	341,384	391,305			
2019	198,056	180,551	178,752	306,342	347,515				
2020	201,223	183,392	266,150	299,581					
2021	195,015	264,898	302,536						
2022	331,249	347,553							
2023	329,280								

Payment of Accumulated Claims									
Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years Later
2015	98,456	106,538	128,840	141,699	128,865	115,450	129,007	164,990	188,525
2016	88,089	133,879	152,391	141,831	126,201	142,550	182,310	182,310	
2017	96,885	159,281	162,880	145,832	143,774	186,690	186,690		
2018	128,001	183,125	171,195	170,713	218,987	250,852			
2019	114,443	153,980	164,452	214,934	242,435				
2020	102,523	155,833	212,975	238,565					
2021	109,739	212,765	250,463						
2022	182,595	291,463							
2023	193,906								

Table 6. Panama, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims									
Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight year Later
2015	138,173	126,953	124,754	131,117	124,377	130,694	147,720	178,481	178,481

2016	162,952	150,962	154,001	146,105	153,247	162,184	180,227	178,481	
2017	163,783	165,188	141,432	148,367	168,844	241,877	205,448		
2018	140,866	135,471	141,794	158,909	196,610	197,314			
2019	138,651	154,660	180,802	222,033	219,839				
2020	110,531	149,389	177,765	185,035					
2021	185,406	259,835	251,896						
2022	302,726	302,203							
2023	216,440								

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years Later
2015	94,870	118,203	121,410	130,097	124,385	130,633	147,809	178,589	178,589
2016	75,939	135,437	151,012	145,961	152,962	162,298	180,329	180,329	
2017	82,226	149,893	141,262	148,117	168,973	242,050	205,449		
2018	87,978	132,176	140,935	159,005	196,784	197,319			
2019	97,613	150,596	180,424	222,315	219,521				
2020	64,816	144,889	177,192	182,730					
2021	130,005	250,474	251,252						
2022	216,053	293,166							
2023	134,042								

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	178,481	178,589	- 107	- 40,308	-23%
2016	178,481	180,329	- 1,847	- 15,530	-9%

2017	205,448	205,449	-	1	-	41,665	-20%
2018	197,314	197,319	-	6	-	56,448	-29%
2019	219,839	219,521		318	-	81,188	-37%
2020	185,035	182,730		2,305	-	74,505	-40%
2021	251,896	251,252		644	-	66,490	-26%
2022	302,203	293,166		9,037		523	0%
2023	216,440	134,042		82,398		-	0%

Table 7. Dominican Republic, Preliminary Estimates vs. Actual

Evolution of recent claims									
Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years Later
2015	42,028	38,124	35,801	38,183	39,671	37,265	43,906	53,985	50,718
2016	51,452	45,397	48,066	49,484	46,848	55,197	67,867	64,503	
2017	63,152	45,666	44,184	41,937	49,062	60,325	58,539		
2018	72,055	80,402	57,259	60,036	70,719	68,506			
2019	62,414	43,894	61,410	72,339	72,912				
2020	27,691	52,763	64,753	64,969					
2021	70,109	85,714	88,429						
2022	107,840	98,835							
2023	101,684								

Payment of Accumulated Claims									
Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eig Lat
2015	23,724	31,848	32,739	35,235	36,600	34,859	41,071	50,499	47,

2016	30,195	40,372	44,048	45,429	43,226	50,930	62,620	59,633
2017	29,688	42,911	41,043	39,051	48,669	59,841	58,056	
2018	40,388	49,571	47,229	58,905	70,473	68,269		
2019	37,608	36,655	59,421	71,480	75,274			
2020	236	49,807	63,201	66,499				
2021	48,286	81,360	90,552					
2022	78,359	107,163						
2023	96,341							

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	50,718	47,148	3,570	- 8,690	-17%
2016	64,503	59,633	4,870	- 13,051	-20%
2017	58,539	58,056	483	4,613	8%
2018	68,506	68,269	238	3,549	5%
2019	72,912	75,274	- 2,362	- 10,498	-14%
2020	64,969	66,499	- 1,530	- 37,278	-57%
2021	88,429	90,552	- 2,122	- 18,320	-21%
2022	98,835	107,163	- 8,328	9,005	9%

Table 8. Uruguay, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years Later
2015	2,679	2,589	2,452	2,345	2,211	2,031	2,063	3,309	3,330

2016	3,294	3,465	3,277	3,107	2,854	2,923	5,475	5,122
2017	3,871	3,666	3,430	3,147	3,189	5,030	4,846	
2018	4,936	4,319	3,975	4,180	6,874	6,810		
2019	3,725	3,737	3,773	5,690	5,760			
2020	2,353	2,861	4,361	4,390				
2021	2,995	5,558	5,610					
2022	9,080	9,386						
2023	5,878							

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years Later
2015	1,745	2,276	2,347	2,288	2,201	2,025	2,063	2,782	2,781
2016	2,353	3,295	3,260	3,054	2,828	2,916	3,941	3,843	
2017	2,621	3,546	3,355	3,099	3,176	4,291	4,139		
2018	3,167	4,098	3,833	4,129	5,590	5,529			
2019	2,695	3,326	3,673	5,003	5,028				
2020	1,722	2,730	3,830	3,850					
2021	1,988	3,945	3,992						
2022	4,906	5,010							
2023	4,930								

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	3,330	2,781	550	- 651	-20%
2016	5,122	3,843	1,279	- 1,828	-36%

2017	4,846	4,139	707	-	976	-20%
2018	6,810	5,529	1,280	-	1,874	-28%
2019	5,760	5,028	732	-	2,035	-35%
2020	4,390	3,850	540	-	2,037	-46%
2021	5,610	3,992	1,617	-	2,615	-47%
2022	9,386	5,010	4,376	-	306	-3%
2023	5,878	4,930	947	-		0%

Table 9. Total Suramericana, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years Later
2015	3,935,024	4,051,564	4,239,185	4,208,948	3,867,029	3,964,099	3,986,139	4,296,192	4,353,241
2016	4,797,060	4,975,267	4,983,205	4,579,690	4,700,572	4,705,678	5,044,702	5,062,712	
2017	5,780,841	5,776,606	5,232,832	5,365,807	5,339,669	5,928,061	5,909,140		
2018	4,763,341	4,351,556	4,382,019	4,842,485	5,341,505	5,424,034			
2019	5,478,371	5,596,452	5,516,417	6,100,919	6,173,427				
2020	5,172,732	5,135,721	5,413,009	5,500,797					
2021	6,509,707	7,076,931	7,153,130						
2022	9,355,926	8,637,262							
2023	8,818,777								

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later	Eight years La

2015	2,126,875	3,418,437	3,839,070	3,956,638	3,671,324	3,757,571	3,792,855	4,123,452	4,207,957
2016	2,679,233	4,220,223	4,586,384	4,328,583	4,447,212	4,497,779	4,868,339	4,905,455	
2017	3,012,266	4,751,528	4,809,486	5,015,086	5,070,925	5,587,235	5,603,491		
2018	2,986,426	3,781,205	3,969,088	4,504,314	4,922,527	5,029,144			
2019	3,199,977	4,649,377	4,922,412	5,530,730	5,616,501				
2020	2,959,036	4,252,428	4,807,423	4,915,861					
2021	4,129,354	5,937,298	6,368,456						
2022	4,555,700	6,658,686							
2023	4,873,030								

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	4,353,241	4,207,957	145,284	- 418,217	-9.6%
2016	5,062,712	4,905,455	157,258	- 265,652	-5.2%
2017	5,909,140	5,603,491	305,649	- 128,299	-2.2%
2018	5,424,034	5,029,144	394,891	- 660,693	-12.2%
2019	6,173,427	5,616,501	556,926	- 695,056	-11.3%
2020	5,500,797	4,915,861	584,936	- 328,064	-6.0%
2021	7,153,130	6,368,456	784,674	- 643,424	-9.0%
2022	8,637,262	6,658,686	1,978,576	718,664	8.3%
2023	8,818,777	4,873,030	3,945,747	-	0.0%

**The tables corresponding to the subsidiaries in Argentina and El Salvador are not reported, due to the divestments made in 2023.*

Table 1. Argentina, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	366,857	278,735	234,762	129,997	87,772	69,685	62,979	42,454
2016	330,572	281,661	148,139	100,429	73,580	69,710	47,783	
2017	374,747	199,141	135,256	103,299	101,739	72,330		
2018	286,648	195,802	151,232	140,860	92,905			
2019	288,468	222,081	205,828	137,575				
2020	221,836	210,555	152,892					
2021	342,956	261,065						
2022	509,421							

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	172,623	208,650	185,176	98,824	57,826	44,355	36,993	19,364
2016	156,078	203,882	107,969	63,234	44,031	40,179	20,028	
2017	178,334	135,759	77,796	61,863	58,510	30,222		
2018	120,683	125,133	90,034	79,517	38,904			
2019	111,953	127,568	118,130	54,832				
2020	77,539	126,351	67,080					
2021	149,502	134,981						
2022	187,263							

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	42,454	19,364	23,091	324,402	764%
2016	47,783	20,028	27,755	282,790	592%
2017	72,330	30,222	42,108	302,417	418%
2018	92,905	38,904	54,001	193,743	209%
2019	137,575	54,832	82,743	150,894	105%
2020	152,892	67,080	85,811	68,944	45%
2021	261,065	134,981	126,084	81,891	31%
2022	509,421	187,263	322,158	-	-

Table 2. Brazil, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	215,514	243,883	240,801	222,717	216,319	176,950	189,695	244,831
2016	263,543	247,054	224,957	217,479	175,311	192,150	243,837	
2017	272,752	245,370	232,397	189,711	203,538	266,454		
2018	255,276	273,431	213,187	219,031	287,203			
2019	286,312	233,724	247,156	314,250				
2020	291,683	299,626	382,776					
2021	341,006	453,472						
2022	499,759							

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	111,570	198,869	201,442	189,146	182,818	148,899	162,533	210,496
2016	148,169	202,852	193,717	189,170	155,216	168,790	218,407	
2017	147,532	199,545	202,430	165,864	178,792	233,979		
2018	149,328	208,004	182,642	198,955	258,697			
2019	174,741	197,392	218,099	282,631				
2020	165,132	264,455	351,302					
2021	214,119	398,361						
2022	303,389							

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	244,831	210,496	34,334	-29,317	-12.00%
2016	243,837	218,407	25,431	19,706	8.10%
2017	266,454	233,979	32,475	6,298	2.40%
2018	287,203	258,697	28,507	-31,927	-11.10%
2019	314,250	282,631	31,619	-27,937	-8.90%
2020	382,776	351,302	31,474	-91,093	-23.80%
2021	453,472	398,361	55,111	-112,466	-24.80%
2022	499,759	303,389	196,369	-	-

Table 3. Chile, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	824,557	777,611	827,738	784,493	737,975	826,386	789,681	953,584
2016	983,043	1,006,026	950,872	888,756	998,278	948,965	1,146,875	
2017	1,496,172	1,344,551	1,241,465	1,377,202	1,310,329	1,579,642		
2018	674,978	700,824	772,658	738,004	901,828			
2019	1,313,590	1,487,375	1,323,766	1,597,282				
2020	850,727	832,797	967,204					
2021	871,393	1,134,509						
2022	3,203,857							

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	301,238	688,570	811,221	776,765	728,232	820,268	784,616	946,587
2016	493,728	922,388	915,084	868,629	981,744	940,848	1,135,869	
2017	590,094	1,114,445	1,199,288	1,356,049	1,304,094	1,573,280		
2018	390,483	595,909	708,750	709,419	878,560			
2019	441,790	1,062,721	1,102,910	1,409,059				
2020	476,065	631,231	844,396					
2021	481,398	910,780						
2022	786,698							

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation

2015	953,584	946,587	6,997	-129,028	-14%
2016	1,146,875	1,135,869	11,006	-163,831	-14%
2017	1,579,642	1,573,280	6,362	-83,470	-5%
2018	901,828	878,560	23,267	-226,849	-25%
2019	1,597,282	1,409,059	188,223	-283,692	-18%
2020	967,204	844,396	122,808	-116,477	-12%
2021	1,134,509	910,780	223,729	-263,116	-23%
2022	3,203,857	786,698	2,417,159	-	-

Table 4. Colombia Generales, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	784,687	857,084	881,541	896,299	889,649	894,095	897,425	901,776
2016	991,349	1,061,532	1,097,242	1,094,485	1,098,545	1,104,032	1,109,193	
2017	1,072,548	1,107,989	1,100,450	1,103,567	1,110,846	1,108,524		
2018	1,105,182	1,145,438	1,154,753	1,602,331	1,612,912			
2019	1,305,601	1,298,142	1,298,006	1,297,227				
2020	1,078,131	1,056,805	1,056,793					
2021	1,420,365	1,481,001						
2022	1,531,799							

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later

2015	526,468	748,685	814,537	841,741	859,302	867,618	872,759	878,073
2016	679,637	958,457	1,021,704	1,053,402	1,067,472	1,077,004	1,087,070	
2017	692,334	969,551	1,024,539	1,053,277	1,067,706	1,075,166		
2018	723,197	1,003,354	1,053,174	1,484,398	1,503,691			
2019	838,704	1,147,082	1,201,396	1,230,237				
2020	642,780	917,525	974,257					
2021	793,550	1,189,790						
2022	869,491							

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	901,776	878,073	23,702	-117,089	-13.00%
2016	1,109,193	1,087,070	22,123	-117,844	-10.60%
2017	1,108,524	1,075,166	33,358	-35,976	-3.20%
2018	1,612,912	1,503,691	109,221	-507,730	-31.50%
2019	1,297,227	1,230,237	66,991	8,374	0.60%
2020	1,056,793	974,257	82,536	21,338	2.00%
2021	1,481,001	1,189,790	291,212	-60,636	-4.10%
2022	1,531,799	869,491	662,308		- -

Table 5. Colombia Vida, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	1,548,020	1,631,158	1,706,466	1,705,841	1,726,750	1,770,590	1,774,751	1,780,031

2016	1,883,116	1,978,997	2,005,893	2,038,455	2,088,203	2,085,450	2,093,272	
2017	2,161,311	2,297,093	2,305,543	2,343,480	2,336,854	2,363,008		
2018	1,833,951	1,818,937	1,850,981	1,874,000	1,923,975			
2019	2,170,022	2,194,369	2,222,752	2,285,757				
2020	2,610,355	2,558,087	2,493,207					
2021	3,423,400	3,391,944						
2022	3,369,616							

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	858,111	1,302,620	1,480,798	1,566,528	1,608,921	1,637,819	1,652,997	1,691,436
2016	1,004,682	1,554,497	1,798,113	1,881,106	1,917,563	1,952,442	1,997,794	
2017	1,183,810	1,817,713	2,034,689	2,103,797	2,155,740	2,211,938		
2018	1,260,101	1,604,968	1,661,330	1,718,792	1,789,745			
2019	1,492,383	1,897,625	1,992,036	2,095,072				
2020	1,505,761	2,085,958	2,180,270					
2021	2,350,252	2,889,823						
2022	2,114,209							

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	1,780,031	1,691,436	88,595	-232,011	-13%
2016	2,093,272	1,997,794	95,479	-210,157	-10%
2017	2,363,008	2,211,938	151,070	-201,697	-9%

2018	1,923,975	1,789,745	134,231	-90,025	-5%
2019	2,285,757	2,095,072	190,685	-115,735	-5%
2020	2,493,207	2,180,270	312,937	117,148	5%
2021	3,391,944	2,889,823	502,120	31,457	1%
2022	3,369,616	2,114,209	1,255,408		- 0%

Table 6. Mexico, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	131,737	107,715	112,562	123,615	130,077	126,089	140,896	180,194
2016	113,148	120,528	135,002	141,820	137,286	154,778	197,948	
2017	122,253	148,355	163,929	158,394	157,007	302,685		
2018	177,307	192,733	187,412	185,995	341,947			
2019	198,056	180,551	178,752	304,600				
2020	201,223	183,392	265,378					
2021	195,015	266,831						
2022	330,503							

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	98,456	106,538	128,840	141,699	128,865	115,450	129,007	164,990
2016	88,089	133,879	152,391	141,831	126,201	142,550	182,310	
2017	96,885	159,281	162,880	145,832	143,774	186,119		

2018	128,001	183,125	171,195	170,713	219,526
2019	114,443	153,980	164,452	213,433	
2020	102,523	155,833	212,304		
2021	109,739	214,258			
2022	182,543				

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	180,194	164,990	15,204	-48,457	-26.90%
2016	197,948	182,310	15,638	-84,799	-42.80%
2017	302,685	186,119	116,567	-180,433	-59.60%
2018	341,947	219,526	122,421	-164,640	-48.10%
2019	304,600	213,433	91,167	-106,544	-35.00%
2020	265,378	212,304	53,073	-64,155	-24.20%
2021	266,831	214,258	52,573	-71,816	-26.90%
2022	330,503	182,543	147,960	-	-

Table 7. Panama, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	138,173	126,953	124,754	131,117	124,377	130,694	147,720	178,481
2016	162,952	150,962	154,001	146,105	153,247	162,184	180,227	
2017	163,783	165,188	141,432	148,367	168,844	241,877		
2018	140,866	135,471	141,794	158,909	196,610			

2019	138,651	154,660	180,802	222,033
2020	110,531	149,389	177,765	
2021	185,406	259,835		
2022	302,726			

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	178,481	178,589	-107	-40,308	-23%
2016	180,227	180,329	-102	-17,275	-10%
2017	241,877	242,050	-173	-78,095	-32%
2018	196,610	196,784	-174	-55,744	-28%
2019	222,033	222,315	-282	-83,383	-38%
2020	177,765	177,192	573	-67,234	-38%
2021	259,835	250,474	9,361	-74,430	-29%
2022	302,726	216,053	86,673	-	-

Table 8. Dominican Republic, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

(Figures in millions of $ COP)

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	42,028	38,124	35,801	38,183	39,671	37,275	43,917	53,998
2016	51,452	45,397	48,066	49,484	46,966	55,336	68,039	
2017	63,152	45,666	44,184	42,155	49,062	60,325		
2018	72,055	80,402	71,257	60,036	86,004			
2019	62,414	55,052	61,410	86,397				

2020	47,302	52,763	80,183
2021	70,109	102,359	
2022	150,801		

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	23,724	31,848	32,739	35,235	36,600	34,868	41,082	50,513
2016	30,195	40,372	44,048	45,429	43,344	51,069	62,792	
2017	29,688	42,911	41,043	39,269	48,669	59,841		
2018	40,388	49,571	61,228	58,905	85,718			
2019	37,608	47,813	59,421	85,469				
2020	19,847	49,807	78,473					
2021	48,286	97,293						
2022	101,676							

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	53,998	50,513	3,486	-11,971	-22.20%
2016	68,039	62,792	5,247	-16,587	-24.40%
2017	60,325	59,841	483	2,827	4.70%
2018	86,004	85,718	286	-13,949	-16.20%
2019	86,397	85,469	929	-23,983	-27.80%
2020	80,183	78,473	1,710	-32,881	-41.00%
2021	102,359	97,293	5,066	-32,250	-31.50%

2022	150,801	101,676	49,125	-	-

Table 9. Salvador, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	151,318	173,352	172,394	181,737	177,356	185,764	215,457	260,323
2016	152,656	143,634	152,769	147,578	143,043	165,921	200,472	
2017	166,909	164,954	159,641	157,696	183,201	221,351		
2018	219,949	186,762	186,715	213,651	201,090			
2019	221,139	198,151	231,329	242,192				
2020	235,009	271,133	329,954					
2021	288,902	357,648						
2022	303,264							

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	106,170	158,476	159,798	169,311	176,750	185,130	214,721	259,434.98
2016	105,473	131,522	140,742	147,175	142,804	165,692	200,196	
2017	116,528	148,451	156,449	156,447	182,535	220,546		
2018	140,029	179,595	151,339	213,035	200,971			
2019	159,471	139,062	226,336	241,389				
2020	109,412	265,418	321,054					
2021	223,632	331,689						

2022	239,151

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	260,323	259,435	888	-109,005	-41.90%
2016	200,472	200,196	276	-47,816	-23.90%
2017	221,351	220,546	805	-54,442	-24.60%
2018	201,090	200,971	119	18,859	9.40%
2019	242,192	241,389	803	-21,054	-8.70%
2020	329,954	321,054	8,900	-94,945	-28.80%
2021	357,648	331,689	25,960	-68,746	-19.20%
2022	303,264	239,151	64,113	-	-

Table 10. Uruguay, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	2,679	2,589	2,452	2,345	2,211	2,031	2,063	3,309
2016	3,294	3,465	3,277	3,107	2,854	2,923	5,475	
2017	3,871	3,666	3,430	3,147	3,189	5,030		
2018	4,936	4,319	3,975	4,180	6,874			
2019	3,725	3,737	3,773	5,690				
2020	2,353	2,861	4,361					
2021	2,995	5,558						
2022	9,080							

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	1,745	2,276	2,347	2,288	2,201	2,025	2,063	2,782
2016	2,353	3,295	3,260	3,054	2,828	2,916	3,941	
2017	2,621	3,546	3,355	3,099	3,176	4,291		
2018	3,167	4,098	3,833	4,129	5,590			
2019	2,695	3,326	3,673	5,003				
2020	1,722	2,730	3,830					
2021	1,988	3,945						
2022	4,906							

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	3,309	2,782	528	-630	-19%
2016	5,475	3,941	1,534	-2,182	-40%
2017	5,030	4,291	739	-1,159	-23%
2018	6,874	5,590	1,284	-1,938	-28%
2019	5,690	5,003	687	-1,965	-35%
2020	4,361	3,830	532	-2,009	-46%
2021	5,558	3,945	1,614	-2,564	-46%
2022	9,080	4,906	4,175	-	-

Tabea 11. Total Suramericana, Preliminary Estimates vs. Actual

(Figures in millions of $ COP)

Evolution of recent claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	4,237,900	4,260,011	4,405,757	4,298,188	3,916,053	4,042,785	4,075,078	4,354,397
2016	5,017,008	5,153,756	5,059,382	4,610,436	4,742,178	4,749,490	5,049,527	
2017	6,050,016	5,895,575	5,295,563	5,437,497	5,421,275	5,955,039		
2018	5,014,917	4,460,962	4,520,991	4,978,184	5,364,432			
2019	5,701,951	5,794,351	5,706,666	6,179,067				
2020	5,357,758	5,318,083	5,528,119					
2021	6,800,882	7,261,204						
2022	9,711,567							

Payment of Accumulated Claims

Year	During the same year	One year later	Two years later	Three years later	Four years later	Five years Later	Six years Later	Seven years Later
2015	2,873,426	3,694,602	3,962,735	3,901,989	3,841,094	3,971,085	4,003,964	4,280,573
2016	3,514,755	4,508,432	4,542,298	4,507,361	4,649,745	4,668,176	4,966,025	
2017	3,950,168	5,021,129	5,112,358	5,307,599	5,314,470	5,754,757		
2018	3,468,026	4,092,107	4,231,650	4,753,319	5,053,979			
2019	3,974,474	5,026,713	5,279,712	5,747,775				
2020	4,105,225	4,852,136	5,172,144					
2021	5,361,715	6,525,551						
2022	5,957,700							

Year of Occurrence	Latest Current Claims	Accumulated Payments	Current Reserves	Estimated Deviation	% Deviation
2015	4,354,397	4,280,573	73,823	-116,497	-2.70%
2016	5,049,527	4,966,025	83,503	-32,519	-0.60%
2017	5,955,039	5,754,757	200,281	94,978	1.60%
2018	5,364,432	5,053,979	310,453	-349,515	-6.50%
2019	6,179,067	5,747,775	431,293	-477,116	-7.70%
2020	5,528,119	5,172,144	355,975	-170,362	-3.10%
2021	7,261,204	6,525,551	735,653	-460,322	-6.30%
2022	9,711,567	5,957,700	3,753,866	-	-

SURA Asset Management

At SURA Asset Management, on the other hand, the underwriting strategy is designed to avoid the risk of anti-selection and ensure that the rates take into account the real state of the risk. For this purpose, there are health declarations and medical check-ups, as well as periodic reviews of the claims experience and the pricing of the products. In addition, underwriting limits are in place to ensure appropriate selection criteria.

The following is an analysis from the perspective of structural changes 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		
	December 2023	**December 2022**
Business Unit	**+10% in mortality**	**+10% in mortality**
Chile	(17,175)	(19,137)
Colombia	(72,257)	N/A
Total	**(89,432)**	**(19,137)**
	+10% in mortality	**+10% in mortality**

Chile	(12,004)	(12,772)
Colombia	(99,111)	N/A
Total	**(111,115)**	**(12,772)**
	+10% in longevity	**+10% in longevity**
Chile	N/A	N/A
Colombia	(79,138)	(56,858)
Total	**(79,138)**	**(56,858)**

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

The exposure in Colombia to longevity risk also comes from the life insurance company Asulado S.A. from the Rentas Vitalicias portfolio.

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.

The results as of December 31, 2023 are shown below (COP million):

Liability Adequacy Test - December 2023			
Country	**% Adequation**	**RPND* retained**	**Adequation**
Brazil	0.00%	231,950	-
Chile	0.00%	758,872	-
Colombia	0.00%	1,385,381	-
México	0.00%	451,694	-
Panamá	0.00%	189,384	-
Dom. Rep	0.00%	108,119	-
Uruguay	0.00%	202,918	-

Sura Re	0.00%	21,059	-
Total	**0.00%**	**3,349,377**	**0**

*Retained Unearned Premium Reserves

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

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
Hannover Re	Generali
Mapfre	GEN Re
Swiss Re	Hannover Re
Lloyd´s	Scor Global Life

Liberty Mutual	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.

For additional information on other risks, please refer to Chapter 4 - Integrated Risk Management of the annual report.

NOTE 33. CAPITAL MANAGEMENT

The policy, of the Grupo SURA, is to maintain a base of solid capital, in order to preserve the confidence of investors, creditors, and the market, and sustain the future development of the business. The Company monitors the return on capital and the level of dividends paid to shareholders.

The main objective of the Capital Management of Grupo de Inversiones Suramericana is to ensure a financial structure that optimizes the company's cost of capital, maximizes the return to its shareholders and allows access to the financial markets at a competitive cost to cover its financing needs.

Grupo SURA monitors capital using a ratio of adjusted net debt to equity. For this purpose, adjusted net debt is defined as total financial liabilities, which include interest-bearing borrowings, less cash and cash equivalents.

In order to comply with the financial indebtedness indicators established by the rating agencies to measure the investment grade of companies. The adjusted debt-equity ratio of Grupo SURA as of December 31 is as follows:

	December 2023	December 2022
Financial liabilities (Nota 5.2) (1)	10,244,096	10,913,412
Cash and cash equivalents	(3,305,577)	(3,569,969)
Net debt	**6,938,519**	**7,343,443**
Equity (Note 19)	32,435,238	35,781,822
Adjusted debt index - equity (2)	21%	21%

(1) Includes financial obligations, bonds issued and preferred shares
(2) Net Debt/Equity

NOTE 34. RELATED PARTY DISCLOSURES

34.1. 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 December 31, 2023, 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 9.1 Investments in associates and Note 9.2. Joint ventures.

34.2. 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 Banca seguros channel.
- Collection and payment of investment dividends.
- Purchase of financial instruments

It is important to mention that 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:

Year ended in:	December 2023		December 2022	
Assets	Individuals Key management personnel	Associates and joint ventures	Individuals Key management personnel	Associates and joint ventures
Investments	-	403,899	-	196,344
Insurance contract assets	-	558,195	-	1,557,895
Accounts receivable from related parties	-	297,362	3,222	248,849
Other accounts receivable	-	451,009	-	483,140
Investments in associated companies and joint ventures	-	26,000	-	6,500
Total assets	**-**	**1,736,465**	**3,222**	**2,492,728**
Liabilities				
Financial obligations	-	309,499	-	549,285
Liabilities under insurance contracts	-	201,786	-	115,389
Accounts payable to related parties	-	230,412	1,261	116,037
Employee benefits	113,938	-	135,475	-
Other accounts payable	-	459,110	-	228,714
Total liabilities	**113,938**	**1,200,807**	**136,736**	**1,009,425**

Year ended in:	December 2023		December 2022	
	Individuals	Associates and joint	Individuals	Associates and joint
Income	Key management personnel	ventures	Key management personnel	ventures
Insurance premiums	-	1,004,637	-	790,673
Dividend income	-	1,161,109	-	887,759
Net gain on investments at fair value	-	-	-	486
Other income	-	10,073	-	4,836
Total income	**-**	**2,175,819**	**-**	**1,683,754**
Expenses				
Insurance claims	-	20,995	-	5,557
Employee benefits	119,855	-	146,718	-
Intermediary commission expenses	-	247,321	-	278,633
Financial expenses	-	112,070	-	50,536
Fees	11,114	-	10,551	-
Other expenses	-	7,096	-	-
Total expenses	**130,969**	**387,482**	**157,269**	**334,726**

Outstanding amounts 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 35. OTHER MATTERS

As reported during the Annual Shareholders' Meeting of March 31, 2023, the Company received a requirement from the Financial Superintendence of Colombia on March 30, which is related to the accounting treatment of the 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 36. EVENTS AFTER THE REPORTING DATE

These consolidated financial statements as of December 31, 2023 were prepared for supervisory purposes and authorized for issuance by the Board of Directors of Grupo SURA on February 29, 2024, after that cut-off date and up to the date of authorization, the following relevant events have occurred that do not imply adjustments to the financial statements presented:

Exchange transaction

On February 2, 2024, the Financial Superintendence of Colombia responded to the request for authorization presented by the signatories of the Contracts to carry out the exchange of shares, indicating that the relevant supports for the transaction were duly accredited, in compliance with the provisions of the applicable regulations.

Following the above, on February 6, 2024, the first part of the exchange took place, under the conditions agreed in the Contracts, a situation that was duly disclosed to the market through the relevant information mechanism of the Superintendence of Finance, which can also be consulted on the Company's web page.

Among the main effects of the exchange, the following are highlighted:

- Grupo SURA received from NUGIL S.A.S. ("Nugil"), JGDB Holding S.A.S. ("JGDB") and IHC Capital Holding LLC ("IHC"): (i) Own common shares corresponding to 27.8%(1) calculated based on the common shares of Grupo SURA before the exchange, which will be treated as reacquired shares, according to the authorization granted by the Shareholders' Meeting of November 24, 2023. Consequently, the economic and political rights corresponding to these shares will be suspended (2) and a decrease in the number of outstanding shares of the company will be generated; and (ii)

- Shares of Sociedad Portafolio S.A., corresponding to 11.8% of the total outstanding shares of such company.

- Grupo SURA delivered all of its Nutresa shares to NUGIL, JGDB and IHC.

The estimated financial effects of the first exchange are detailed below:

Financial effect		Description
Results, net of taxes	3,637,768	Gain on derecognition of investment
Effect Other comprehensive income	(386,750)	Reclassification to income
Effect on equity	(7,104,288)	Repurchase of own shares
Total exchange effect I[1]	**(3,853,271)**	

[1]The estimate does not include the effects that would be had in the application of the equity method of the ARGOS Group Associate, which is part of the exchange agreement.

Disposal of Administradora de Fondos de Pensiones Crecer S.A.

On February 15, 2024, the subsidiary PROTECCIÓN S.A., entered into a share purchase and sale agreement (the "Agreement") with Centro Financiero Crecer, S.A., a Panamanian company that operates in the financial markets of Central America and the Caribbean, whereby PROTECCIÓN S.A. will sell all the shares it owns in Administradora de Fondos de Pensiones Crecer S.A., a corporation, constituted and domiciled in El Salvador.
In consideration for the transfer of the shares, Centro Financiero Crecer S.A. will pay PROTECCIÓN S.A. the sum of USD 60 million.

Due to the signing of the above agreement, the investment in AFP Crecer recognized in the financial statements will be reclassified in the first quarter of 2024 as Non-current assets held for sale and discontinued operations according to the presentation and valuation criteria established in IFRS 5; as a result of this reclassification, no impairment losses are expected to be recognized.

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:

On February 20, 2024, an addendum to the initial agreement entered into in 2019 and amended in 2022 was signed whereby the deadline for exercising the put option provided for in the agreement was postponed. To this extent, during the period between February and May 2025, Grupo SURA 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.

SURA Asset Management Loan

On January 5, 2024 SURA AM signed an agreement with Bancolombia Panama for a USD 30 million loan for a term of 2 years, as part of the debt refinancing strategy that will mature in April 2024.

NOTE 37. APPROVAL OF THE FINANCIAL STATEMENTS

The issuance of the financial statements of Grupo SURA for the year ended December 31, 2023 was authorized by the Board of Directors for publication, as stated in Act No. 421 of the Board of Directors dated February 29, 2024, to be presented to the market.

CHAPTER III

ANALYSIS OF FINANCIAL RESULTS

(UNAUDITED)

ANALYSIS OF FINANCIAL RESULTS (UNAUDITED)

The following is an analysis of the financial results for the period ended December 31, 2023, with comparative figures as of December 31, 2023. These analyses are performed by management and are not part of the Financial Statements.

	INDEX		December 2023			December 2022			INTERPRETATION	
	Solidity		61,069,540	=	65.31%	62,611,643	=	63.63%	Creditors own 65.31% as of December 2023 and 63.63% as of December 2022, leaving shareholders owning the remaining 34.69% as of December 2023 and 36.37% as of December 2022.	Total liability
			93,504,778			98,393,465				Total asset
INDEBTNESS	Total		61,069,540	=	65.31%	62,611,643	=	63.63%	Of every peso the company has invested in assets, 65.31% as of December 2023 and 63.63% as of December 2022 have been financed by creditors.	Total liability
			93,504,778			98,393,465				Total asset
	Coverage of interest		3,063,252	=	271.50%	3,331,443	=	337.84%	The Company generated a net gain equal to 271.5% as of December 2023 and 337.84% in December 2022 from Interest paid.	Net profit + interest
			1,128,275			986,102				Financial expenses
	Leverage									
		Total	61,069,540	=	188.28%	62,611,643	=	174.98%	Every $1 peso of the Company's owners is committed 188.28% as of December 2023 and 174.98% as of December 2022.	Total liabilities with third parties
			32,435,238			35,781,822				Equity
		Financial Total	10,244,096	=	31.58%	10,913,412	=	30.50%	For each peso of equity, 31.58% is committed financially as of December 2023 and 30.5% as of December 2022.	Total liabilities with financial entities
			32,435,238			35,781,822				Equity
PERFORMANCE	Leverage		1,934,977	=	5.45%	2,345,341	=	8.04%	The net gain corresponds to 5.45% of net income in December 2023 and 8.04% of net income in December 2022.	Net Profit
			35,529,207			29,185,794				Net Income
	Return on equity		1,934,977	=	6.34%	2,345,341	=	7.01%	Net income corresponds to 6.34% of equity in December 2023 and 7.01% in December 2022.	Net Profit
			30,500,261			33,436,481				Equity - profits
	Return on total assets		1,934,977	=	2.07%	2,345,341	=	2.38%	Net income in relation to total assets corresponds to 2.07% as of December 2023 and 2.38% in December 2022.	Net Profit
			93,504,778			98,393,465				Total assets