

## Presentation of results 3M 2024

Grupo Catalana Occidente, S.A.



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- Capital, investments and solvency

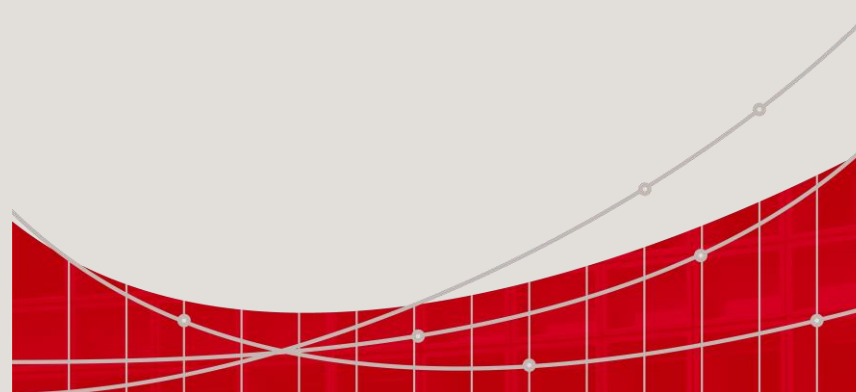
## 03 Calendar and annexes



@gco\_news

Presentation based on data from the 3M2024 report published on 25/04/2024

01.



Keys of the period

## 3M2024: Executive summary

### GROWTH

Total volume  
and distribution  
of the business



€1,863.0 M +1.1%

54.3% Traditional business  
41.8% Credit insurance business  
3.9% Funeral business

### PROFITABILITY

Consolidated  
profit/(loss)



€178.4 M +12.0%

Combined  
ratio



90.1% -1.6 p.p. Traditional business  
77.2% +2.9 p.p. Credit insurance business

### SOLVENCY

Permanent resources  
at market value

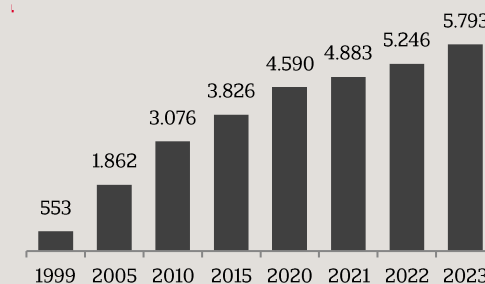
Shareholder  
remuneration

€5,992.6 M

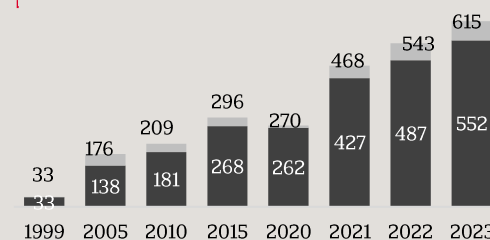


€134.1 M

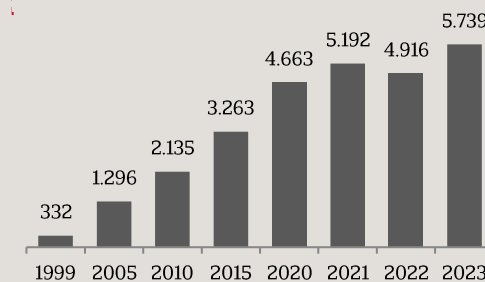
### Turnover x10 (1999 - 2023)



### Results x18 (1999 - 2023)



### Permanent resources x17 (1999 - 2023)



# Global economic environment

Global economy remains resilient despite uneven growth



## Global

GDP +3.5%<sub>22</sub> +3.2%**23** +3.2%**24e**



## United States

GDP +1.9%<sub>22</sub> +2.5%**23** +2.7%**24e**



## Latam

GDP +4.2%<sub>22</sub> +2.3%**23** +2.0%**24e**



## Emerging and developing economies in Asia

GDP +4.5%<sub>22</sub> +5.6%**23** +5.2%**24e**



## Eurozone

GDP +3.4%<sub>22</sub> +0.4%**23** +0.8%**24e**



## Spain

GDP +5.8%<sub>22</sub> +2.5%**23** +1.9%**24e**

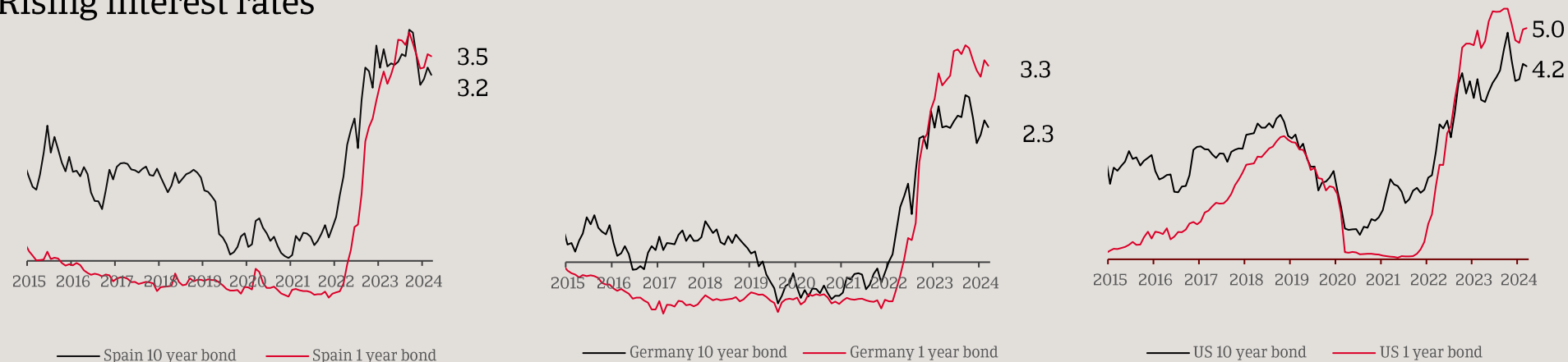


## United Kingdom

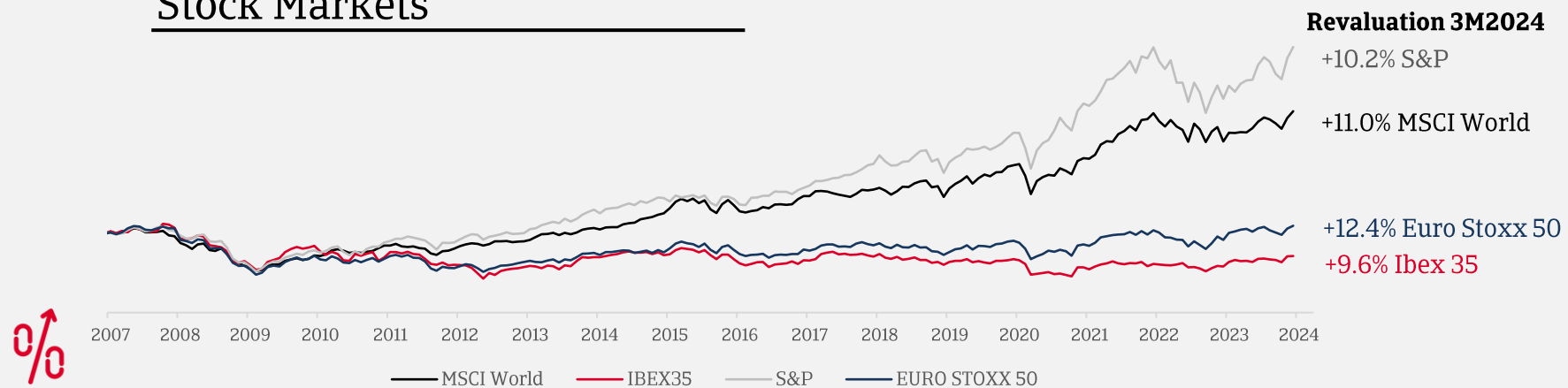
GDP +4.3%<sub>22</sub> +0.1%**23** +0.5%**24e**

## Financial markets

### Rising interest rates



## Stock Markets

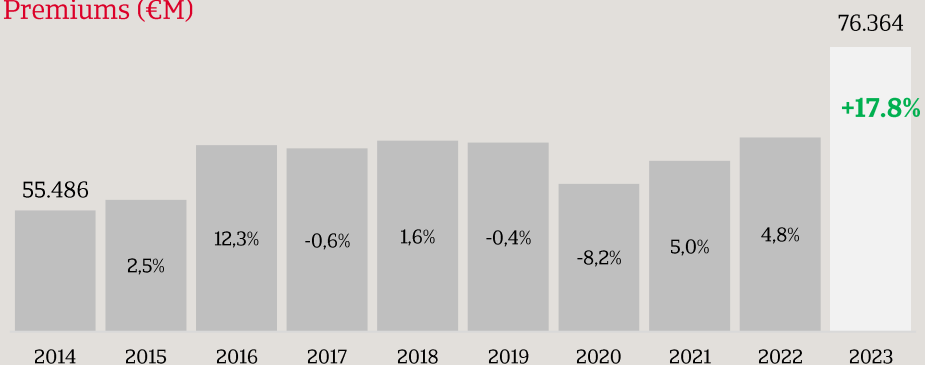


Source: Bloomberg. Updated March 2024

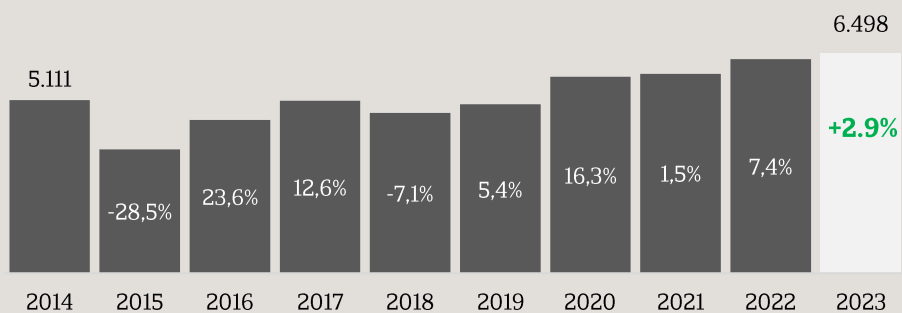
## The insurance industry in Spain

The insurance sector in Spain decrease by 3.1% in turnover, mainly due to the evolution of Life premiums

Premiums (€M)



Profit/(loss) Technical Account  
(Technical P/(L) + Financial P/(L))



## Insurance sector premiums 12M2023: 17.8%

1,0%

Risk

-18,3%

Savings

-15.2% Life



9,4%

Motor

8,2%

Multi-risk

7,2%

Health

6,0%

Other

7.7% Non-Life



Source: ICEA close March 2024

## GCO at 3M2024

(figures in € million)

<b>Income</b>	<b>3M2023</b>	<b>3M2024</b>	<b>% Chg. 23-24</b>
Traditional business	993.0	1,012.5	2.0%
Recurring premiums	885.4	936.4	5.8%
Single premiums life	107.6	76.1	-29.3%
Credit insurance business	801.2	778.3	-2.9%
<b>Insurance turnover</b>	<b>1,794.2</b>	<b>1,790.9</b>	<b>-0.2%</b>
Funeral business income*	48.2	72.1	
<b>Total turnover</b>	<b>1,842.4</b>	<b>1,863.0</b>	<b>1.1%</b>

(figures in € million)

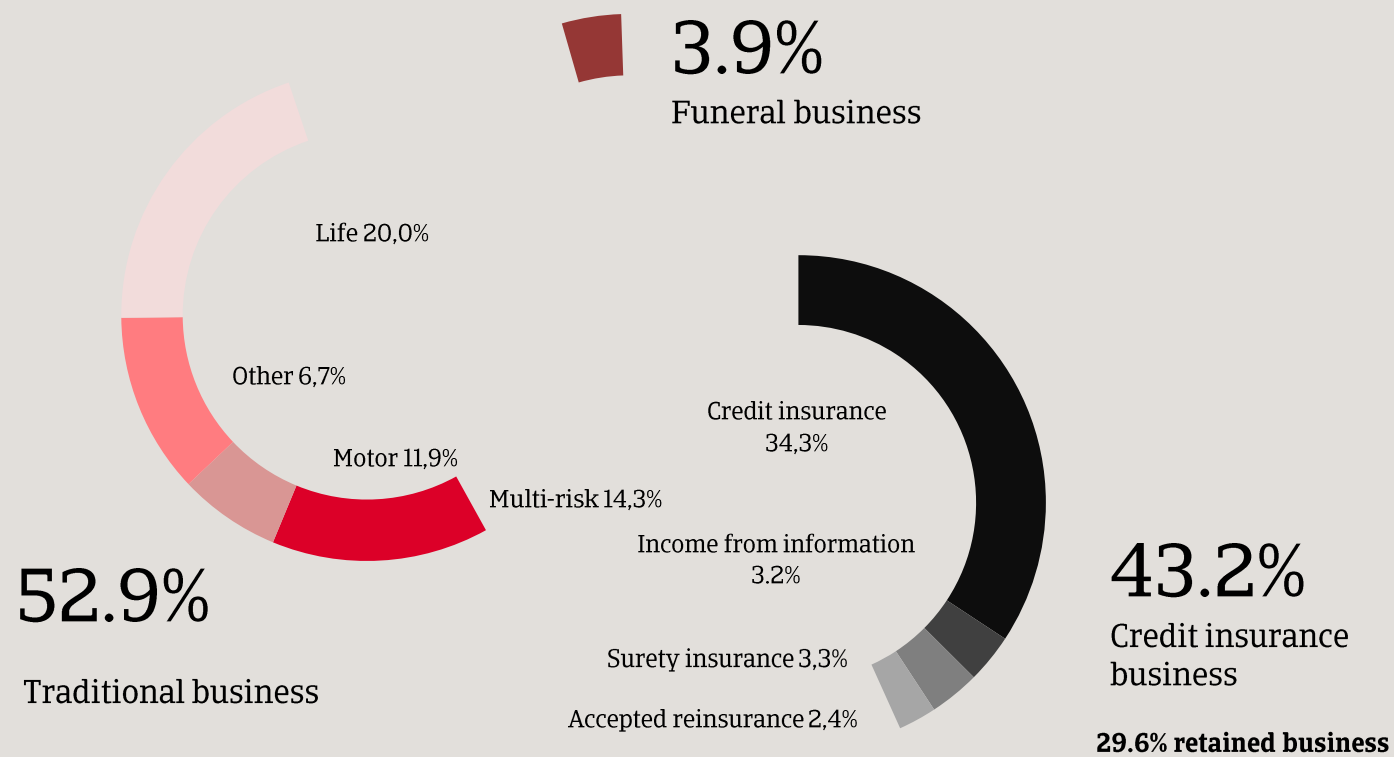
<b>Profits/(losses)</b>	<b>3M2023</b>	<b>3M2024</b>	<b>% Chg. 23-24</b>
Ordinary profit/(loss) of the traditional business	53.6	67.8	26.4%
Ordinary profit/(loss) of the credit insurance business	101.0	100.6	-0.3%
Recurring profit/(loss) from funeral business	5.0	8.6	72.9%
Non-ordinary profit/(loss)	-0.3	1.4	
<b>Consolidated profit/(loss)</b>	<b>159.3</b>	<b>178.4</b>	<b>12.0%</b>
<b>Attributable profit/(loss)</b>	<b>142.1</b>	<b>160.9</b>	<b>13.3%</b>

\*From February 2023 data from Mémora included

## GCO diversification 12M2023



### Balanced portfolio, complete offer



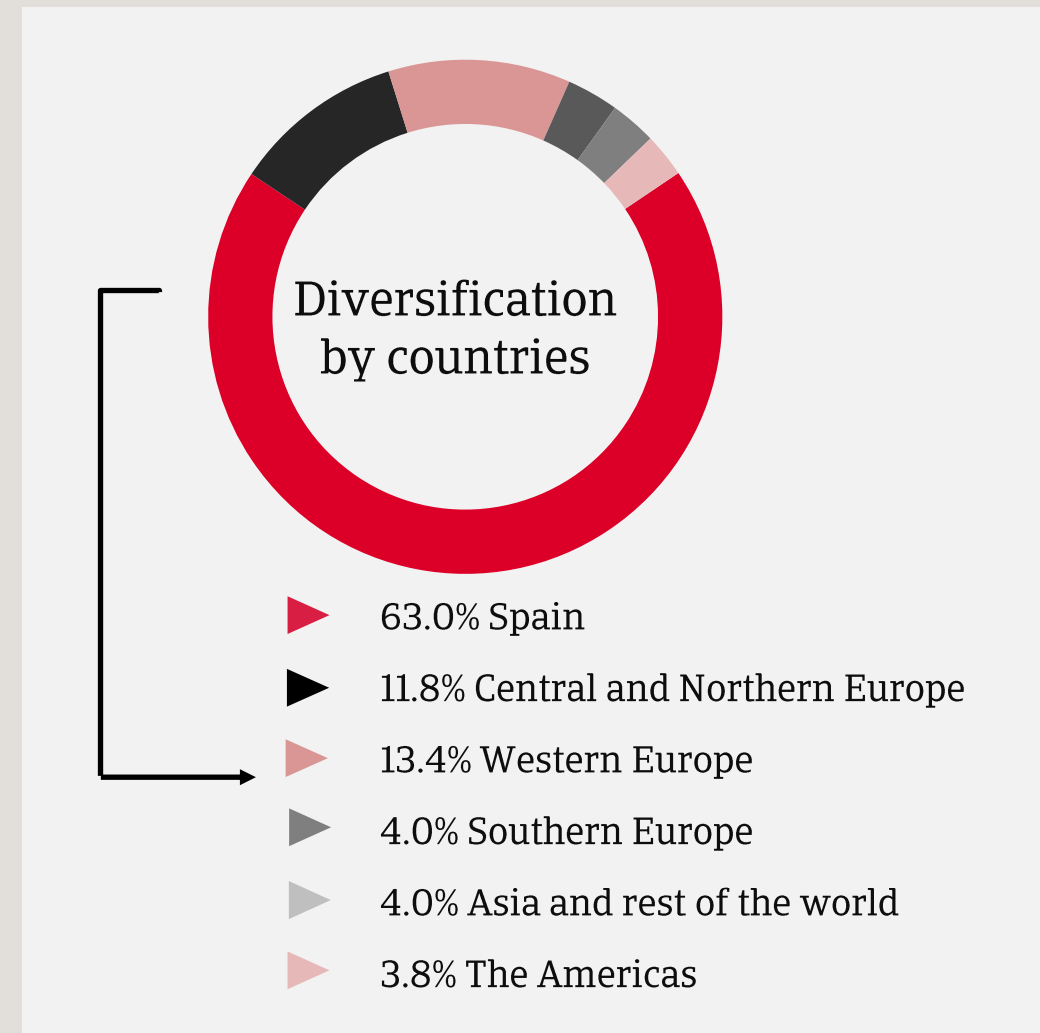
## Global Presence

**6th** Largest insurance group in Spain

1st Largest funeral business group in the Iberian Peninsula

**2nd** Largest credit insurance group in the world

50 countries  
1,500 offices



# Sustainability



## External sustainability rating



In December 2023, the Group's ESG rating was revised to 16.9 points (low risk of experiencing material financial impacts related to ESG factors). This places GCO among the top 30 companies with the best ESG rating in the insurance sector, which includes more than 300 companies.

## Support for major international initiatives



## Approval of the Sustainability Master Plan 2024-2026:



**Pillar I**  
Good governance

- Reinforce sustainability in governance and throughout the Group's value chain



**Pillar II**  
Sustainable business

- Méndez Álvaro building with **LEED Platinum certification**
- **3.23% of GCO premiums aligned with Taxonomy** vs 1.88% average in Europe



**Pillar III**  
Social commitment

- **Expansion of hybrid teleworking model** for NT employees
- Increase in **Occident Foundation budget**

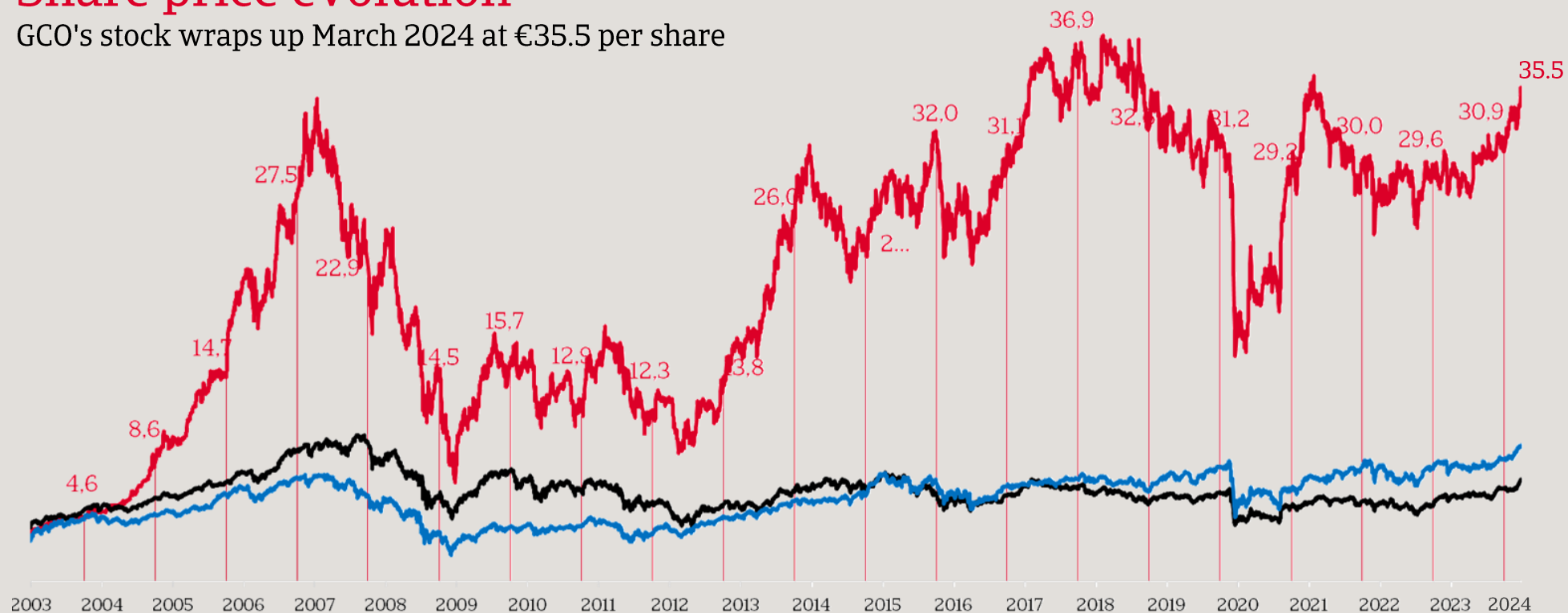


**Pillar IV**  
Environmental responsibility

- **100% renewable electricity in Spain** in insurance business
- Project to **install solar panels**

## Share price evolution

GCO's stock wraps up March 2024 at €35.5 per share



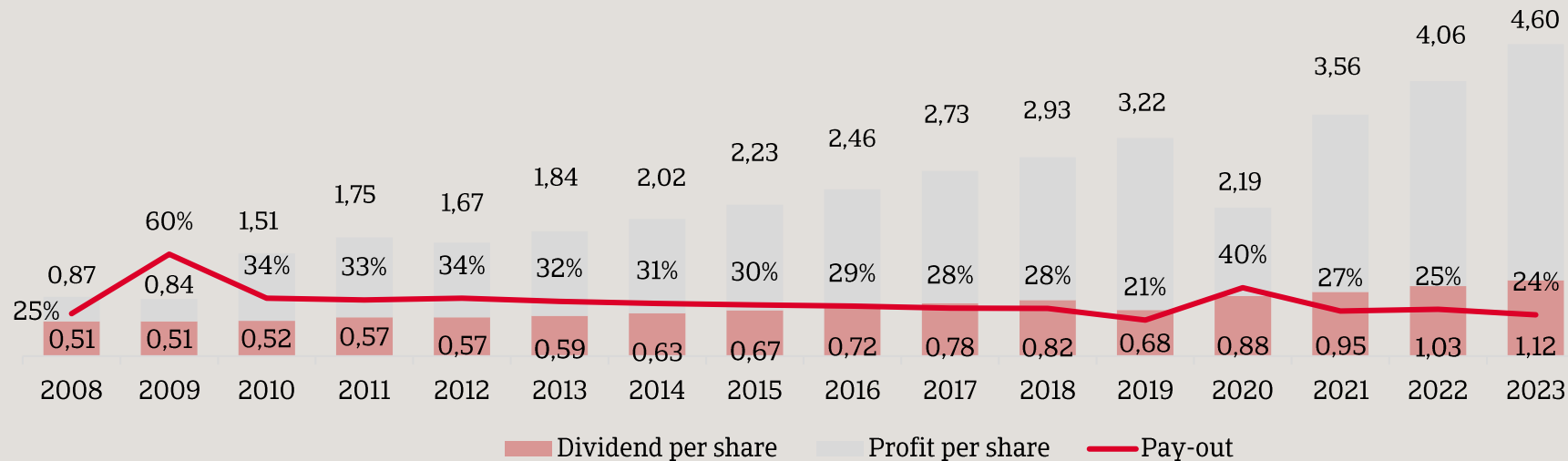
Profitability (YTD)	3M2023	3M2024	TACC 2002 -3M24
GCO	-1.69%	14.72%	11.29%
Ibex 35	12.19%	9.63%	1.84%
EuroStoxx Insurance	0.85%	8.76%	3.37%

\* Compound annual growth rate

## 8.67% increase in dividends from 2023 profits

**Increase of 7.5% in the July, October 2023 and February 2024 dividends and 10% in the May 2024 dividend.**

The historical pattern of dividend distribution demonstrates the clear commitment of the Group to remunerate its shareholders.



July 2022

**€21.50M**

Oct. 2022

**€21.50M**

Feb. 2023

**€21.50M**

May 2023

**€58.91M**

**Dividends 2022 financial year**

**€123.42M total**

July 2023

**€23.11M**

Oct. 2023

**€23.11M**

Feb. 2024

**€23.11M**

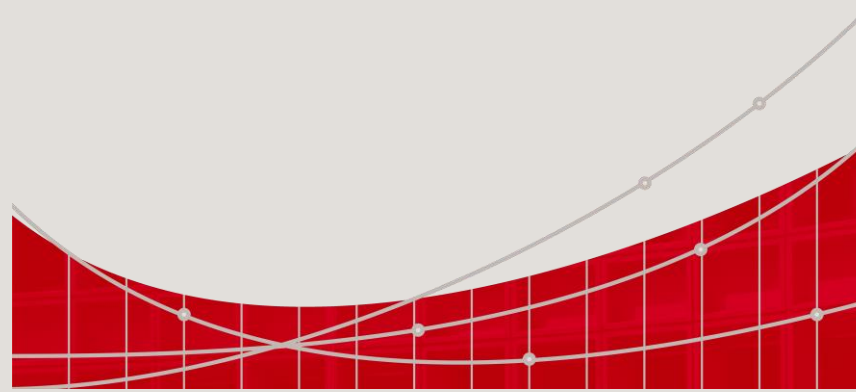
May 2024

**€64.8M**

**Dividends 2023 financial year**

**€134.12M total**

02.



## Information 3M2024

*Income statement*

*Traditional business*

*Credit insurance business*

*Funeral business*

*Capital, investments and solvency*

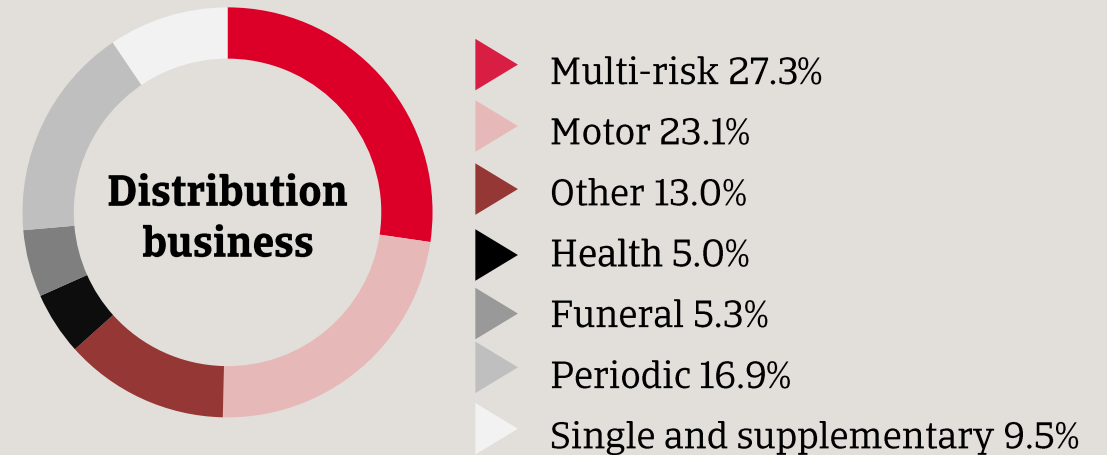
## Traditional business

**+5.8% €936.4 M**  
Recurring premiums

**90.1% -1.6 p.p.**  
Combined ratio

**+27.8% €71.7 M**  
Technical profit/(loss)

**+26.4% €67.8 M**  
Ordinary profit/(loss)



Positive evolution of recurring written premiums with a 5.8% growth. The increase of 9.9% in motor and 9.2% in others should be highlighted

## Traditional business. Multi-risk



Earned  
premiums

**+6.5%**

Combined  
ratio

**88.5%**

(figures in € million)

<b>Multi-risk</b>	<b>3M2023</b>	<b>3M2024</b>	<b>% Chg. 23-24</b>	<b>12M2023</b>
<b>Written premiums</b>	<b>229.4</b>	<b>244.3</b>	<b>6.5%</b>	<b>827.5</b>
% <i>Technical cost</i>	60.3%	57.5%	-2.8	60.3%
% <i>Commissions</i>	21.4%	21.7%	0.3	21.7%
% <i>Expenses</i>	10.5%	9.4%	-1.1	11.1%
<b>% Combined ratio</b>	<b>92.2%</b>	<b>88.5%</b>	<b>-3.7</b>	<b>93.1%</b>
<b>Technical profit/(loss) after expenses</b>	<b>15.2</b>	<b>23.6</b>	<b>55.6%</b>	<b>55.3</b>
% <i>on earned premiums</i>	7.9%	11.5%		6.9%
<b>Earned premiums</b>	<b>193.6</b>	<b>206.352</b>	<b>6.6%</b>	<b>797.7</b>

### Stagnant quarter combined ratio

	1Q23	2Q23	3Q23	4Q23	1Q24
Multi-risk	92.2%	92.0%	94.4%	93.6%	88.5%

## Traditional business. Motor



Earned  
premiums

**+9.9%**

Combined  
ratio

**94.6%**

(figures in € million)

<b>Motor</b>	<b>3M2023</b>	<b>3M2024</b>	<b>% Chg. 23-24</b>	<b>12M2023</b>
<b>Written premiums</b>	<b>204.6</b>	<b>224.9</b>	<b>9.9%</b>	<b>690.8</b>
% <i>Technical cost</i>	70.5%	73.8%	3.3	72.7%
% <i>Commissions</i>	11.8%	11.6%	-0.2	11.9%
% <i>Expenses</i>	11.1%	9.2%	-2.0	11.7%
<b>% Combined ratio</b>	<b>93.4%</b>	<b>94.6%</b>	<b>1.2</b>	<b>96.3%</b>
<b>Technical profit/(loss) after expenses</b>	<b>10.9</b>	<b>9.5</b>	<b>-12.9%</b>	<b>24.8</b>
% <i>on earned premiums</i>	6.6%	5.4%		3.7%
<b>Earned premiums</b>	<b>163.8</b>	<b>173.6</b>	<b>6.0%</b>	<b>677.2</b>

### Stagnant quarter combined ratio

	1Q23	2Q23	3Q23	4Q23	1Q24
Motor	93.4%	97.2%	97.9%	96.7%	94.6%

## Traditional business. Other



Earned  
premiums

**+9.2%**

Combined  
ratio

**85.4%**

(figures in € million)

<b>Other</b>	<b>3M2023</b>	<b>3M2024</b>	<b>% Chg. 23-24</b>	<b>12M2023</b>
<b>Written premiums</b>	<b>117.4</b>	<b>128.3</b>	<b>9.2%</b>	<b>390.1</b>
% <i>Technical cost</i>	54.0%	53.4%	-0.6	50.3%
% <i>Commissions</i>	22.6%	23.5%	0.8	22.9%
% <i>Expenses</i>	10.9%	8.6%	-2.3	11.8%
<b>% Combined ratio</b>	<b>87.4%</b>	<b>85.4%</b>	<b>-2.1</b>	<b>85.0%</b>
<b>Technical profit/(loss) after expenses</b>	<b>11.3</b>	<b>14.4</b>	<b>27.0%</b>	<b>56.2</b>
% <i>on earned premiums</i>	12.6%	14.6%		15.0%
<b>Earned premiums</b>	<b>90.1</b>	<b>98.3</b>	<b>9.1%</b>	<b>374.9</b>

### Stagnant quarter combined ratio

	1Q23	2Q23	3Q23	4Q23	1Q24
Other	87.4%	82.4%	85.2%	85.0%	85.4%

## Traditional business. Life



Earned  
premiums

**+1.5%**

Combined  
ratio for funeral

**78.1%**

Combined  
ratio for health

**95.9%**

(figures in € million)

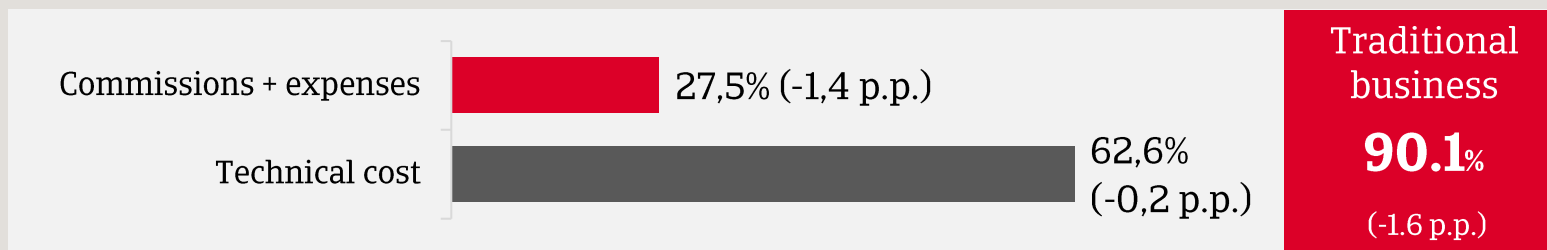
<b>Life</b>	<b>3M2023</b>	<b>3M2024</b>	<b>% Chg. 23-24</b>	<b>12M2023</b>
<b>Life insurance turnover</b>	<b>441.6</b>	<b>415.1</b>	<b>-6.0%</b>	<b>1,156.3</b>
Health	122.6	124.1	<b>1.3%</b>	520.8
Funeral	43.0	45.3	<b>5.3%</b>	151.3
Periodic premiums	168.4	169.6	<b>0.7%</b>	160.9
Single premiums	107.6	76.1	<b>-29.3%</b>	323.3
Pension plan contributions	11.7	14.4	<b>23.0%</b>	48.7
Net contributions to investment funds	-3.8	-0.8		-10.1
<b>Technical profit/(loss) after expenses</b>	<b>18.8</b>	<b>24.4</b>	<b>29.9%</b>	<b>109.4</b>
<i>% on earned premiums</i>	<i>5.9%</i>	<i>8.4%</i>		<i>9.4%</i>
<b>Technical-financial profit/(loss)</b>	<b>30.9</b>	<b>41.7</b>	<b>34.9%</b>	<b>185.3</b>
<i>% on earned premiums</i>	<i>9.8%</i>	<i>14.5%</i>		<i>16.0%</i>
<b>Earned premiums</b>	<b>316.3</b>	<b>288.2</b>	<b>-8.9%</b>	<b>1,160.8</b>
Combined ratio for Health	102.2%	95.9%	-6.3 p.p.	87.0%
Combined ratio for Funeral	79.2%	78.1%	-1.1 p.p.	77.1%

## Traditional business

(figures in € million)

Traditional business	3M2023	3M2024	% Chg. 23-24	12M2023
<b>Written premiums</b>	993.0	1,012.5	2.0%	3,064.7
Life insurance premiums, ex. single	885.4	936.4	5.8%	2,741.4
<b>Technical profit/(loss) after expenses</b>	56.1	71.7	27.8%	245.7
% on earned premiums	7.3%	9.4%		8.2%
<b>Financial profit/(loss)</b>	19.4	24.5	26.5%	109.8
% on earned premiums	2.5%	3.2%		3.6%
Non technical profit/(loss)	-5.3	-8.1	53.1%	-24.7
Corporate tax	-16.6	-20.5	23.6%	-69.7
<b>Ordinary profit/(loss)</b>	<b>53.6</b>	67.8	<b>26.4%</b>	<b>261.1</b>
<b>Non-ordinary profit/(loss)</b>	<b>0.6</b>	1.2		<b>-22.5</b>
<b>Total profit/(loss)</b>	<b>54.2</b>	<b>68.9</b>	<b>27.2%</b>	<b>238.6</b>
Non-Life earned premiums	447.5	478.3	6.9%	1,849.9

## Combined ratio



## Credit insurance business

**-4.5% € 573.4 M**

Earned premiums

**77.2% +2.9 p.p.**

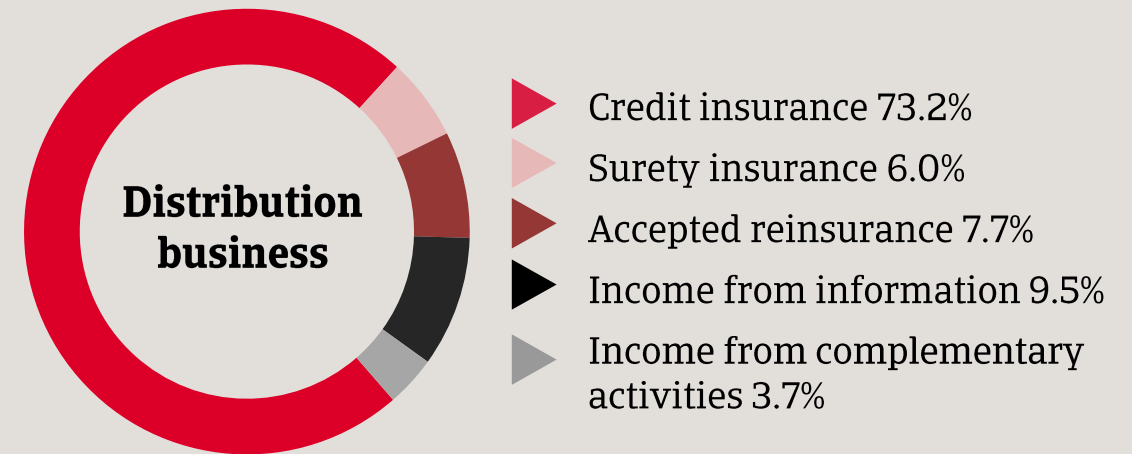
Gross combined ratio

**-11.1% €110.4 M**

Technical profit/(loss)

**-0.3% €100.6M**

Ordinary profit/(loss)

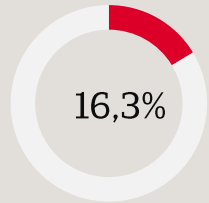


The inflow of claims remains below the pre-pandemic period. However, we maintain the prudent level of provisions of previous years.

## Credit insurance business

€573.4M -4.5%

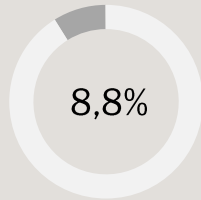
Earned premiums



### Spain and Portugal

Earned premiums: **€93.7 M**

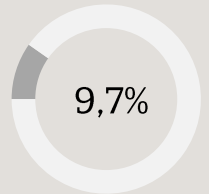
Change: **-2.4%**



### The Americas

Earned premiums: **€50.5 M**

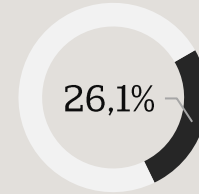
Change: **-6.2%**



### Asia and rest of the world

Earned premiums: **€55.8 M**

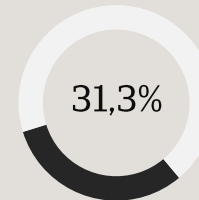
Change: **-2.4%**



### Central and Northern Europe

Earned premiums: **€149.8 M**

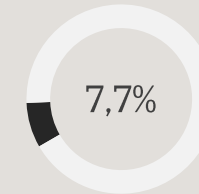
Change: **-6.4%**



### Western Europe

Earned premiums: **€179.5 M**

Change: **-1.3%**



### Southern Europe

Earned premiums: **€44.3 M**

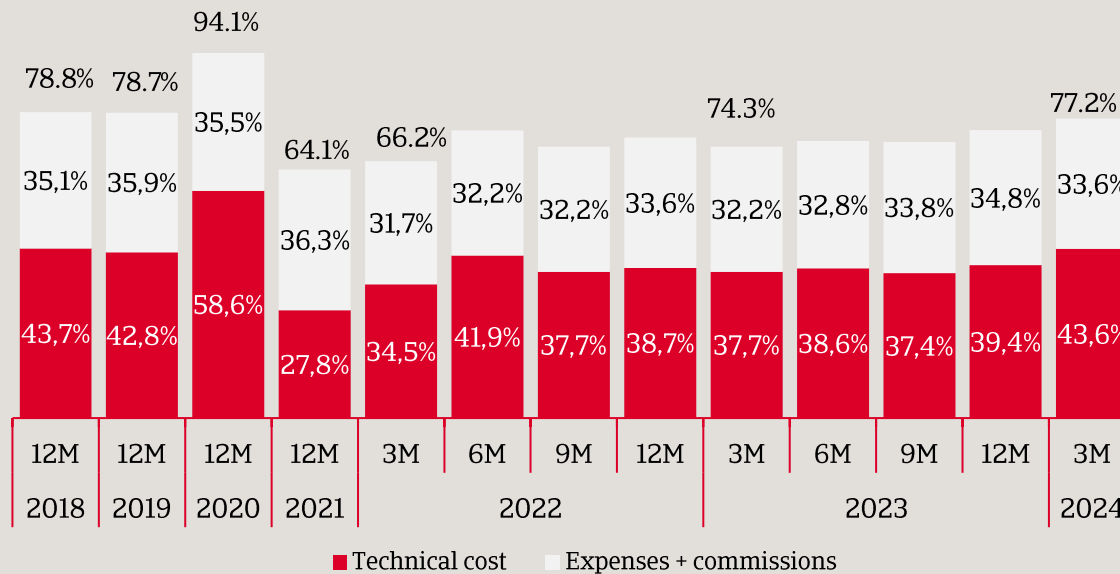
Change: **-14.3%**

€636.0M -3.7%

Earned premiums and information services

# Credit insurance business

## Performance of the gross combined ratio



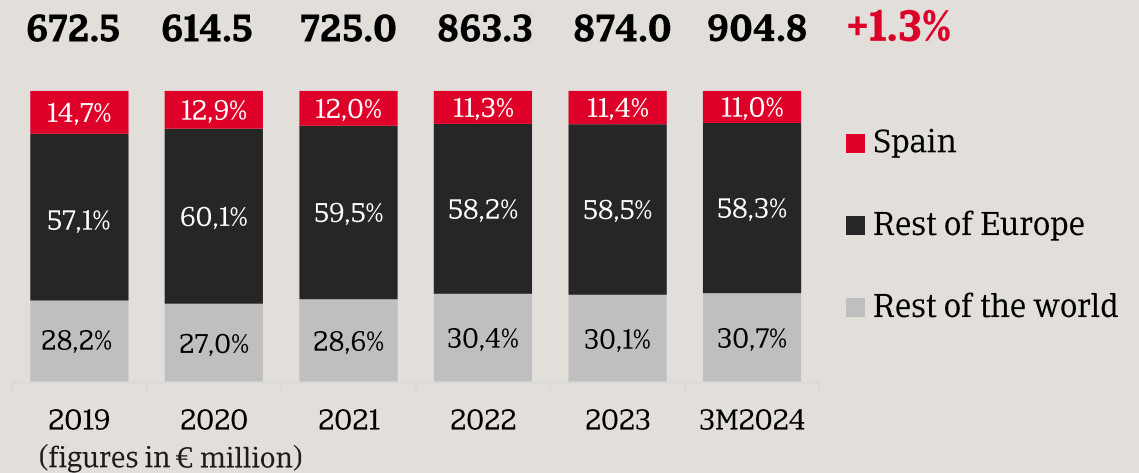
Combined Gross ratio

77.2%

(+2.9 p.p.)

Further information in annexes: combined ratio credit insurance

## Performance of risk exposure (TPE)



## Credit insurance business

(figures in € million)

Credit insurance business	3M2022	3M2023	% chg. 22-23	12M2022
Earned premiums	600.5	573.4	-4.5%	2,278.5
Income from information	60.1	62.6	4.1%	143.8
<b>Total income</b>	<b>660.6</b>	<b>636.0</b>	<b>-3.7%</b>	<b>2,422.3</b>
Technical profit/(loss) after expenses	<b>169.7</b>	<b>145.0</b>	<b>-14.6%</b>	<b>626.4</b>
<i>% on income</i>	25.7%	22.8%		25.9%
Reinsurance profit/(loss)	-45.4	-34.5	-23.9%	-212.5
<i>Reinsurance transfer ratio</i>	37.0%	35.0%		3700.0%
Net technical profit/(loss)	124.3	110.4	-11.1%	413.9
<i>% on income</i>	18.8%	17.4%		17.1%
Financial profit/(loss)	9.8	19.1	94.6%	59.4
<i>% on income</i>	1.5%	3.0%		2.5%
Profit/(loss) from complementary activities	7.1	4.6	-35.7%	16.7
Corporate tax	-38.7	-32.2		-117.6
Adjustments	-1.6	-1.3		-6.7
<b>Ordinary profit/(loss)</b>	<b>101.0</b>	<b>100.6</b>	<b>-0.3%</b>	<b>365.6</b>
Non-ordinary profit/(loss)	-0.8	0.2		<b>0.1</b>
<b>Total business profit/(loss)</b>	<b>100.2</b>	<b>100.8</b>	<b>0.6%</b>	<b>365.7</b>

## Funeral business



**On 9 February 2023, GCO acquired 100% of the Mémora Group owned by the Ontario Teacher's Pension Plan (OTPP).**

	Mémora					Mémora		Asistea		Mémora + Asistea	
	2019	2020	2021	2022	2023	3M2023	3M2024	3M2023	3M2024	3M2023	3M2024
<b>Turnover</b>	165,742	184,347	188,530	214,048	216,083	61,326	62,230	8,997	9,917	70,323	72,147
<b>EBITDA</b>	46,375	49,882	47,057	56,161	54,409	18,275	18,246	2,384	2,322	20,659	20,568
<b>Margin</b>	28.0%	27.1%	25.0%	26.24%	25.18%	29.80%	29.32%	26.50%	23.41%	29.38%	28.51%

(figures in € million)

<b>Funeral business</b>	<b>3M2022</b>	<b>3M2023</b>
<b>Income</b>	<b>48.2</b>	<b>72.1</b>
EBITDA	13.7	20.6
Margin on EBITDA	28.4%	28.5%
Amortisations	3.9	5.7
<b>Technical profit/(loss) after expenses</b>	<b>-3.6</b>	<b>14.9</b>
Financial profit/(loss)	-3.3	-4.0
Profit/(loss) before tax	6.5	10.9
Corporate tax	1.5	2.2
<b>Ordinary profit/(loss)</b>	<b>5.0</b>	<b>8.6</b>
Non-ordinary profit/(loss)	0.0	0.0
<b>Total profit/(loss)</b>	<b>5.0</b>	<b>8.6</b>

The funeral business incorporates the data from Asistea and in 3M2023 also includes two months of Mémora.

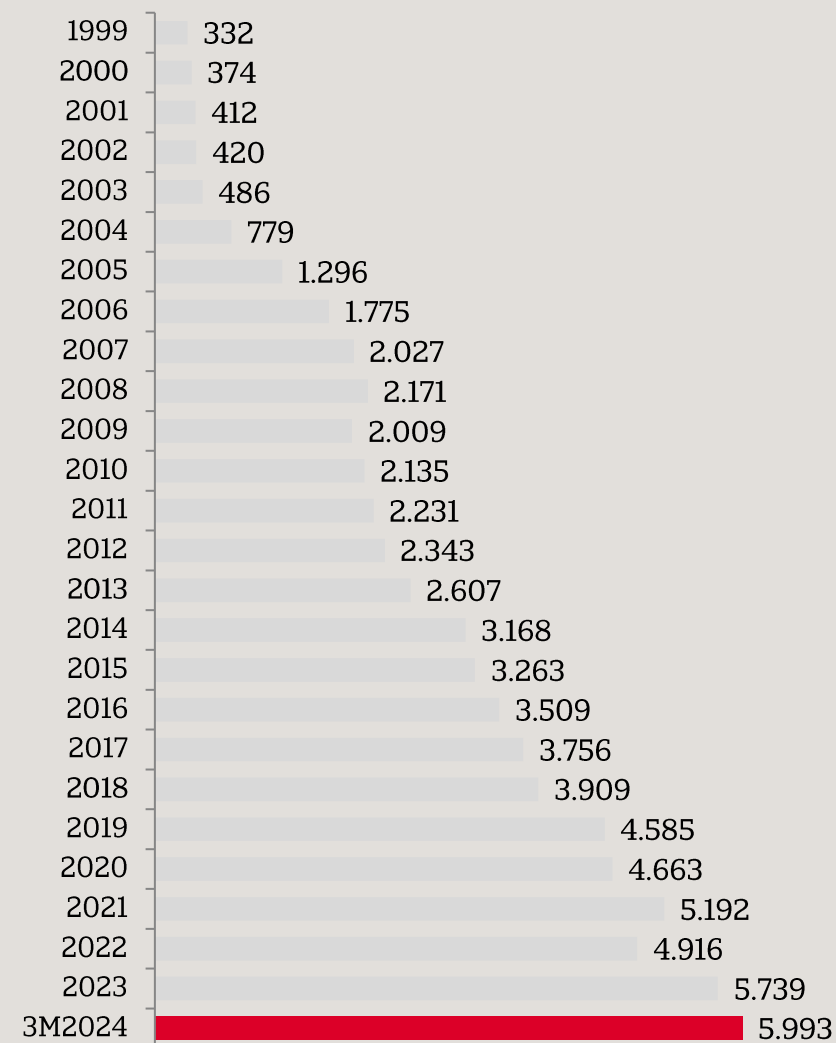
## Financial strength



At the end of March 2024, the Group's capital increased by 4.4%.

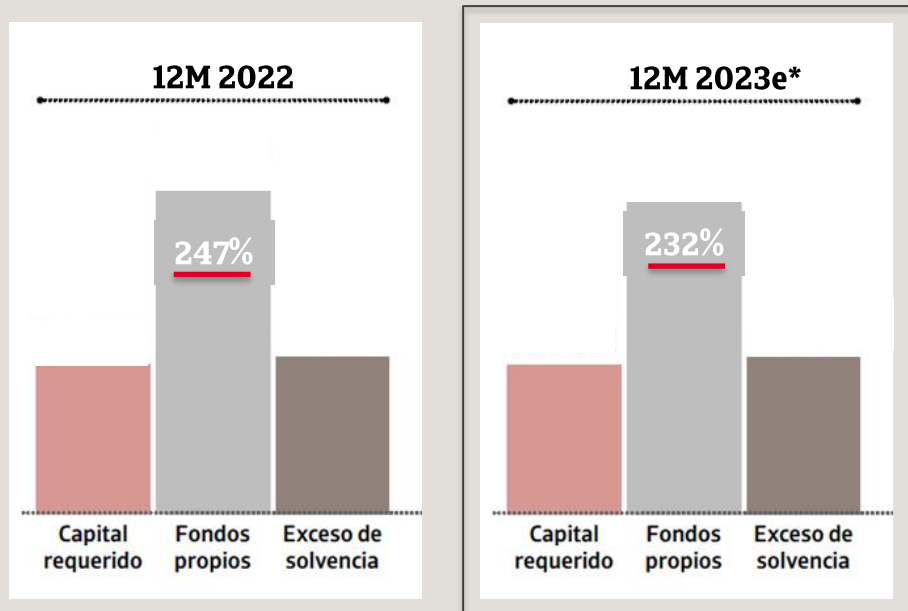
<b>Permanent resources on 31/12/2023</b>	<b>5,170.4</b>
<b>Permanent resources at market value</b>	<b>5,738.8</b>
<b>Net equity on 01/01/2024</b>	<b>5,014.2</b>
(+) Consolidated profits	178.4
(+) Dividends paid	-23.1
(+) Change in valuation adjustments	93.9
(+) Other changes	1.7
<b>Total movements</b>	<b>250.9</b>
<b>Total net equity on 31/03/2024</b>	<b>5,265.1</b>
Subordinated debt	155.7
<b>Permanent resources on 31/03/2024</b>	<b>5,420.8</b>
Capital gains not included in balance sheet	571.9
<b>Permanent resources at market value</b>	<b>5,992.6</b>

**+4.4%**



## Sound solvency position: 232% at the close of 2023e

GCO has a sound solvency and financial position to withstand adverse situations



\* Data with partial internal model. Pending audit

The Solvency II ratio is maintained around 175%, even in adverse scenarios.

Equity is of high quality (97% of tier1).



Presentation of the report on the financial and solvency situation

4 April: Group companies

17 May: GCO

## Credit rating

A and A1 ratings, awarded by AM Best and Moody's respectively, reflect the Group's strong balance sheet, good business model, excellent operating results and appropriate capitalisation thanks to the entities' internal capital generation.

A.M. Best

**“A”**

Rating of the Group's operating entities

Best highlights the prudence in underwriting, which is reflected in a positive record of operating results with an excellent combined ratio and a high return on equity (ROE)

Moody's

**“A1”**

Ratings of operating entities in the credit insurance business

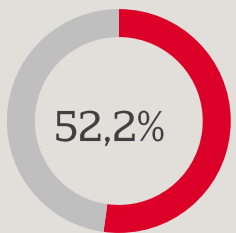
In October 2023, Moody affirmed the 'A1' rating with a stable outlook of the operating entities in the credit insurance business. It highlights the strong competitive position, strong capitalization, low financial leverage and conservative investment portfolio.

## Investments

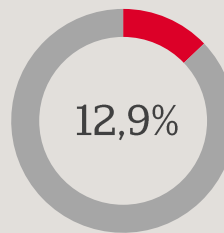
The Group invests in traditional assets through prudent, diversified management

**€15,957.2 M**

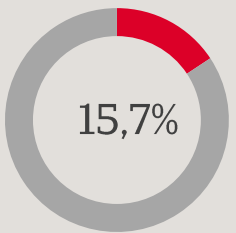
(+3.9% compared to the managed funds at the end of 2023)



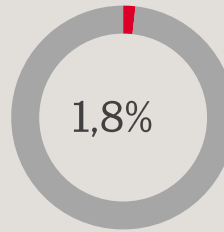
Fixed income  
€7,379.5 M (-0.3%)



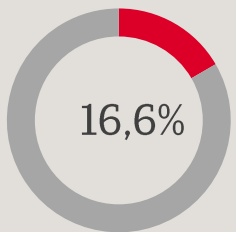
Real estate  
€1,820.2 M (+6.9%)



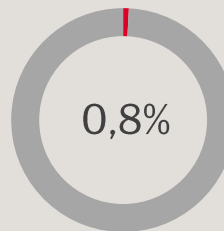
Cash and equivalents  
€2,223.7M (+8.6%)



Other investments  
€250.3M (+5.8%)



Equity  
€2,351.6M (+8.9%)



Investment in investee companies  
€115.3M (-3.2%)



## Q&A

### Contact

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<https://www.gco.com>



@gco\_news



Ms Clara Gómez  
Managing Director of finance  
and risk

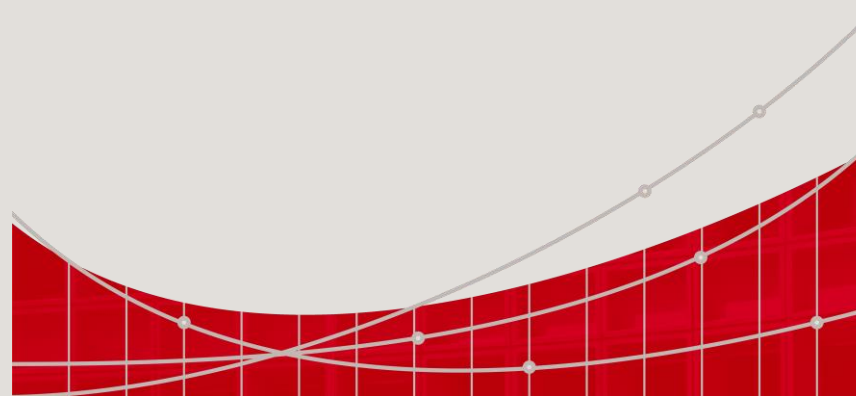


Mr. Carlos González  
Financial Director



Ms Nawal Rim  
Investor Relations, Rating Agencies and  
Sustainability Director

03.



Calendar and annexes

## Calendar

## Analyst and investor relations

January	February	March	April	May	June	July	August	September	October	November	December
	<b>29</b> Profits/(losses) <b>12M2023</b>		<b>25</b> Profits/(losses) <b>3M2024</b>			<b>25</b> Profits/(losses) <b>6M2024</b>			<b>31</b> Profits/(losses) <b>9M2024</b>		
		<b>1</b> Presentation of results <b>12M2023</b> <b>11.30</b>	<b>26</b> Presentation of results <b>3M2024</b> <b>11.00</b>			<b>25</b> Presentation of results <b>6M2024</b> <b>16.30</b>			<b>31</b> Presentation of results <b>9M2024</b> <b>16.30</b>		
			<b>25</b> General Shareholders' Meeting <b>2023</b>								
	Interim dividend <b>2023</b>			Complementary dividend <b>2023</b>		Interim dividend <b>2024</b>			Interim dividend <b>2024</b>		

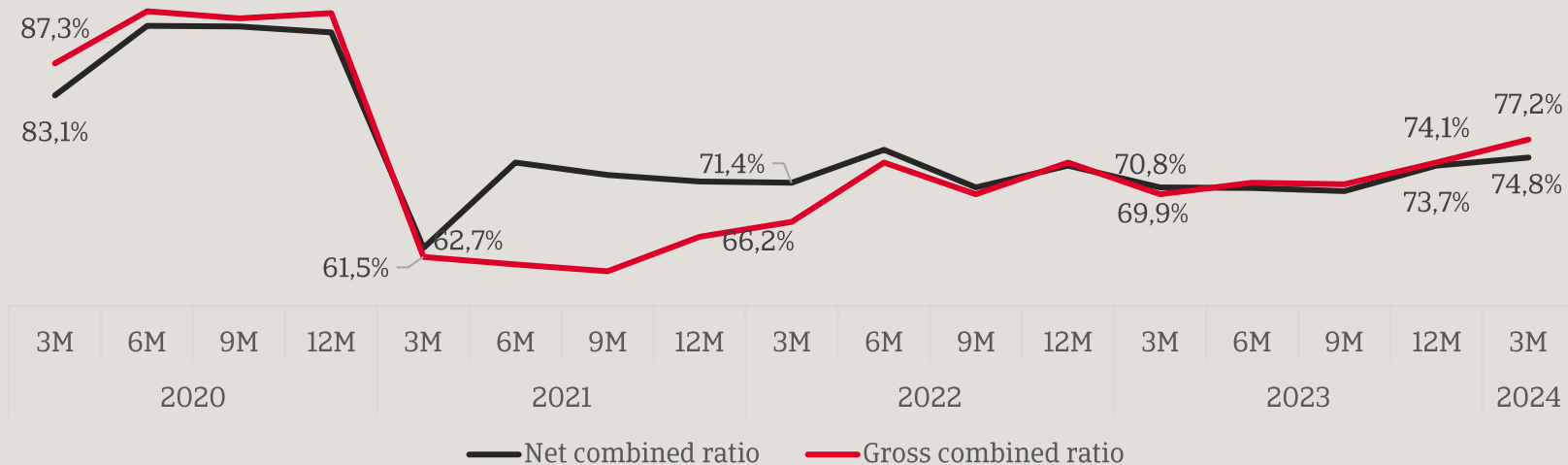
## Income statement

(figures in € million)				
Income statement	3M2023	3M2024	% Chg. 23-24	12M2023
Earned	1,734.1	1,728.3	-0.3%	5,421.8
Income from information	60.1	62.6	4.1%	143.8
<b>Insurance turnover</b>	<b>1,794.3</b>	<b>1,790.9</b>	<b>-0.2%</b>	<b>5,565.6</b>
Technical cost	-867.3	-834.6	3.8%	3,218.3
% on total net income	60.9%	59.5%		59.2%
Commissions	178.8	187.1	-4.6%	719.9
% on total net income	12.6%	13.3%		13.3%
Expenses	197.7	198.4	-0.3%	866.6
% on total net income	13.9%	14.1%		16.0%
<b>Technical profit/(loss) after expenses</b>	<b>180.4</b>	<b>182.3</b>	<b>1.0%</b>	628.1
% on total net income	12.7%	13.0%		11.6%
Financial profit/(loss)	24.8	41.8	68.7%	<b>175.9</b>
% on total net income	1.7%	3.0%		3.2%
Profit/(loss) of non-technical non-financial account	-6.3	-10.4	-65.7%	-54.0
% on total net income	-0.4%	-0.7%		-1.0%
Profit/(loss) from compl. activities in credit insurance	7.1	4.6	-36.0%	16.7
% on total net income	0.5%	0.3%		0.3%
Technical profit/(loss) funeral business	9.8	14.9	51.0%	31.4
<b>Profit/(loss) before tax</b>	<b>215.9</b>	<b>233.1</b>	<b>8.0%</b>	798.2
% on total net income	15.2%	16.6%		14.7%
Taxes	-56.6	-54.7	3.4%	182.7
% taxes	26.2%	23.5%		22.9%
<b>Consolidated profit/(loss)</b>	<b>159.3</b>	<b>178.4</b>	<b>12.0%</b>	<b>615.5</b>
Profit/(loss) attributed to minorities	-17.2	-17.5	-1.3%	63.7
<b>Attributable profit/(loss)</b>	<b>142.1</b>	<b>160.9</b>	<b>13.3%</b>	<b>551.8</b>
% on total net income	10.0%	11.5%		10.2%

## Credit insurance business

### Performance of the gross combined ratio

Combined ratio breakdown	3M2023	3M2024	% Chg. 23-24	12M2024
% Gross technical cost	42.8%	43.6%	0.8	39.4%
% Gross commissions + expenses	31.5%	33.6%	2.1	34.8%
<b>% Gross combined ratio</b>	<b>74.3%</b>	<b>77.2%</b>	<b>2.9</b>	<b>74.1%</b>
% Net technical cost	43.9%	44.0%	0.1	42.4%
% Net commissions + expenses	27.6%	30.8%	3.2	31.3%
<b>% Net combined ratio</b>	<b>71.5%</b>	<b>74.8%</b>	<b>3.3</b>	<b>73.7%</b>



## Credit insurance business - TPE

(figures in € million)

	2020	2021	2022	2023	3M 2024	% Chg. 23-24	% total
Spain and Portugal	79,231	86,970	97,580	101,442	99,577	-1.8%	11.0%
Germany	93,568	108,235	125,354	129,890	130,514	0.5%	14.4%
Australia and Asia	84,153	101,050	121,807	127,402	131,984	3.6%	14.6%
The Americas	71,765	94,039	126,191	126,836	130,157	2.6%	14.4%
Eastern Europe	64,630	77,682	88,671	93,574	94,766	1.3%	10.5%
United Kingdom	46,339	56,511	66,053	70,907	70,396	-0.7%	7.8%
France	45,239	50,601	58,808	60,226	61,391	1.9%	6.8%
Italy	42,001	50,352	62,161	62,570	62,931	0.6%	7.0%
Nordic and Baltic countries	30,779	35,311	40,912	41,773	43,506	4.1%	4.8%
The Netherlands	29,875	33,204	39,063	41,116	41,476	0.9%	4.6%
Belgium and Luxembourg	16,959	19,155	21,816	22,631	22,878	1.1%	2.5%
Rest of the world	10,011	11,934	14,835	14,911	15,279	2.5%	1.7%
<b>Total</b>	<b>614,549</b>	<b>725,043</b>	<b>863,252</b>	<b>893,277</b>	<b>904,855</b>	<b>1.3%</b>	<b>100.0%</b>

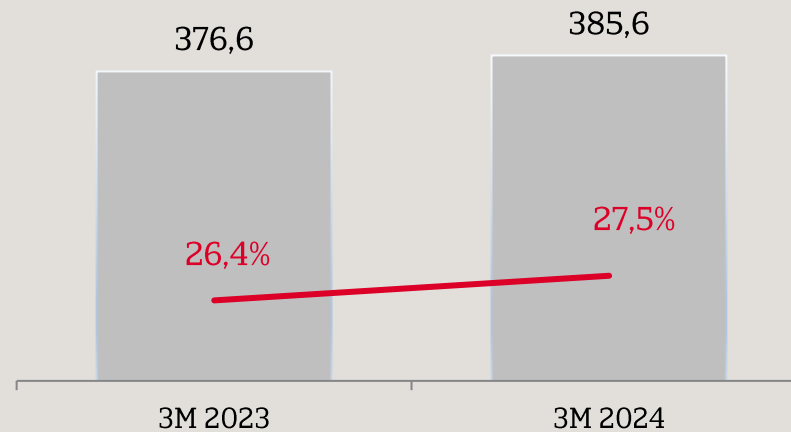
## Credit insurance business - TPE

	2020	2021	2022	2023	3M 2024	(figures in € million)	
						% Chg. 23-24	% total
Electronics	73,189	90,137	107,892	107,461	108,146	0.6%	12.0%
Chemicals	82,804	99,390	123,206	126,643	130,326	2.9%	14.4%
Durable consumer goods	69,071	81,697	91,125	91,213	91,194	0.0%	10.1%
Metals	61,597	78,757	94,888	99,523	98,992	-0.5%	10.9%
Food	63,860	71,101	82,021	84,098	85,104	1.2%	9.4%
Transport	53,098	61,673	75,650	81,113	83,357	2.8%	9.2%
Construction	47,072	53,451	62,382	66,469	68,048	2.4%	7.5%
Machinery	39,635	46,328	55,280	57,551	58,090	0.9%	6.4%
Agriculture	29,845	34,441	39,751	43,483	43,705	0.5%	4.8%
Construction Materials	29,345	34,801	41,563	41,276	41,382	0.3%	4.6%
Services	23,346	25,211	30,309	31,928	33,180	3.9%	3.7%
Textiles	15,404	16,987	19,997	21,054	21,283	1.1%	2.4%
Paper	13,151	15,572	19,227	19,674	19,693	0.1%	2.2%
Finance	13,131	15,497	19,961	21,791	22,358	2.6%	2.5%
<b>Total</b>	<b>614,549</b>	<b>725,043</b>	<b>863,252</b>	<b>893,277</b>	<b>904,855</b>	<b>1.3%</b>	<b>100.0%</b>

## General expenses and commissions

(figures in € million)

Expenses and commissions	3M2023	3M2024	% Chg. 23-24	12M2023
Traditional business	70.9	65.0	-8.2%	304.2
Credit insurance business	126.9	133.4	5.1%	530.8
Non-ordinary expenses	0.0	0.0		31.6
<b>Total expenses</b>	<b>197.7</b>	<b>198.4</b>	<b>0.3%</b>	<b>866.6</b>
<b>Commissions</b>	<b>178.8</b>	<b>187.1</b>	<b>4.6%</b>	<b>719.9</b>
<b>Total expenses and commissions</b>	<b>376.6</b>	<b>385.6</b>	<b>2.4%</b>	<b>1,586.5</b>
% expenses and commissions without recurring premiums	70.9	65.0	-8.2%	304.2



■ Total expenses and commissions

## Financial profit/(loss)

	(figures in € million)			
<b>Financial profit/(loss)</b>	<b>3M2023</b>	<b>3M2024</b>	<b>% Chg. 23-24</b>	<b>12M2023</b>
Financial income net of expenses	55.8	70.3	25.9%	269.4
Exchange-rate differences	0.1	-0.4		0.2
Subsidiary companies	0.4	0.3	-16.0%	1.7
Interest applied to life	-36.9	-45.7	23.9%	-161.5
<b>Ordinary financial profit/(loss) of the traditional business</b>	<b>19.4</b>	<b>24.5</b>	<b>26.5%</b>	<b>109.8</b>
% on earned premiums	2.5%	3.2%		3.6%
Financial income net of expenses	12.6	19.8	56.4%	64.2
Exchange-rate differences	-2.4	-0.8	-64.6%	-3.1
Subsidiary companies	2.8	3.5	27.2%	11.3
Interest subordinated debt	-3.3	-3.3	0.0%	-12.9
<b>Ordinary financial profit/(loss) from credit insurance</b>	<b>9.8</b>	<b>19.1</b>	<b>96.0%</b>	<b>59.4</b>
% on net income from insurance	1.5%	0.0		2.5%
Intra-group interest adjustment	-0.1	0.0		0.0
<b>Adjusted ordinary financial profit/(loss) from credit insurance</b>	<b>9.7</b>	<b>19.2</b>	<b>98.1%</b>	<b>59.4</b>
<b>Recurring profit/(loss) from funeral business</b>	<b>-3.3</b>	<b>-4.0</b>	<b>23.1%</b>	<b>-16.30</b>
<b>Ordinary financial profit/(loss)</b>	<b>25.8</b>	<b>39.7</b>	<b>53.8%</b>	<b>153.0</b>
% of total Group Income	1.8%	0.0		2.8%
<b>Non-ordinary financial profit/(loss)</b>	<b>-1.1</b>	<b>2.2</b>		<b>23.0</b>
<b>Financial profit/(loss)</b>	<b>24.7</b>	<b>41.9</b>	69.5%	<b>175.9</b>

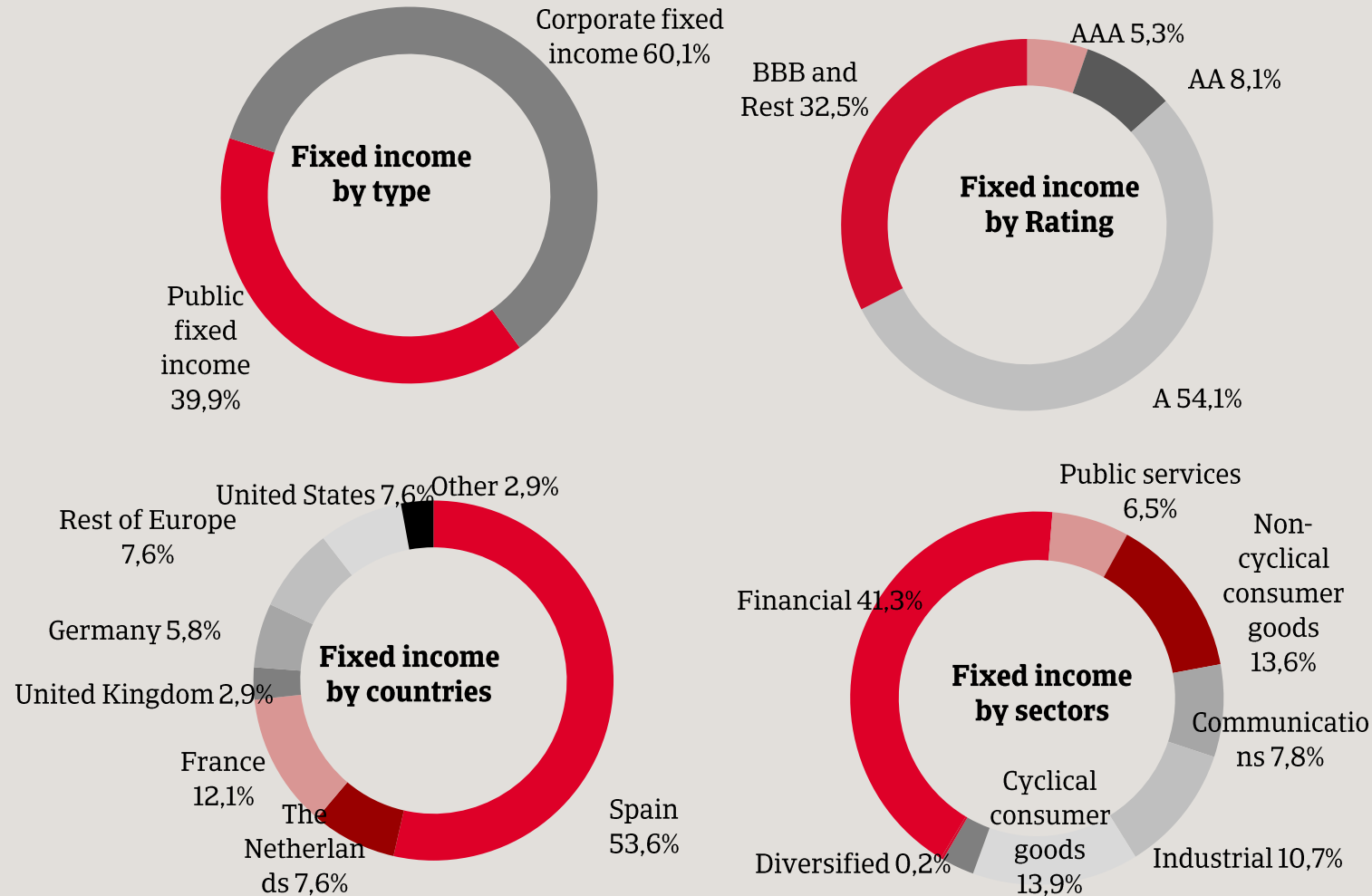
## Non-ordinary profit/(loss)

(figures in € million)

<b>Non-recurring profit/(loss) (net of taxes)</b>	<b>3M 2023</b>	<b>3M 2024</b>	<b>12M 2023</b>
Technical	0.0	<b>0.0</b>	0.0
Financial	0.0	<b>1.9</b>	-1.7
Expenses and others non-recurring	1.0	-0.5	-26.8
Taxes	-0.4	<b>-0.2</b>	6.0
<b>Non-recurring from traditional business</b>	<b>0.6</b>	<b>1.2</b>	<b>-22.5</b>
Financial	0.0	0.0	0.0
Expenses and others non-recurring	-1.1	<b>0.3</b>	26.2
Taxes	0.0	0.0	-26.1
<b>Non-recurring from credit insurance business</b>	0.3	<b>-0.1</b>	0.0
Non-recurring from traditional business	<b>-0.8</b>	<b>0.2</b>	<b>0.1</b>
Taxes	0.1	0.0	-3.0
<b>Non-recurring from traditional business</b>	<b>-0.1</b>	<b>0.0</b>	0.5
<b>Non-recurring result net of taxes</b>	<b>0.0</b>	<b>0.0</b>	<b>-2.5</b>

# Investments

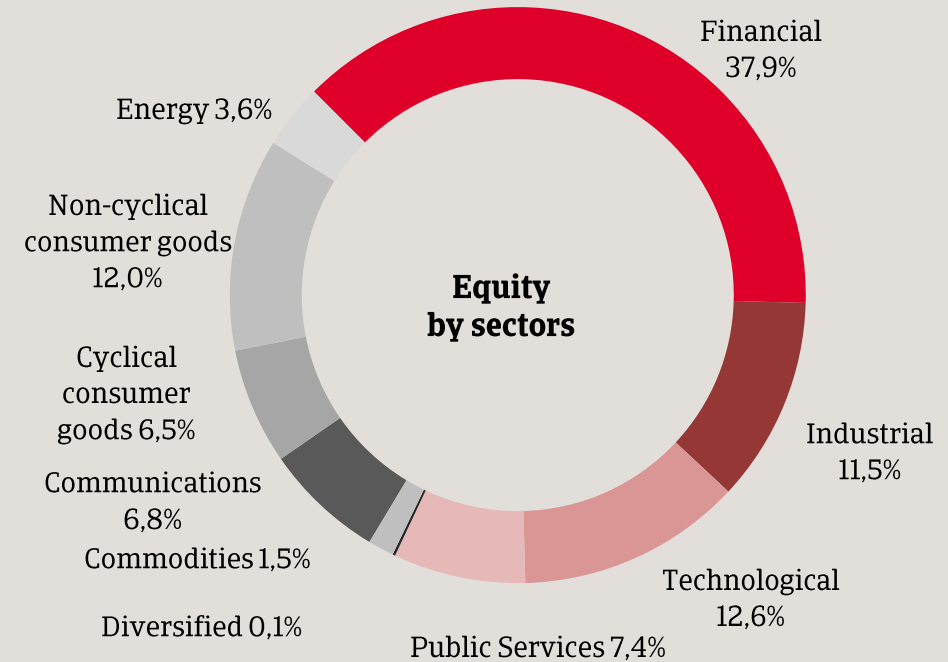
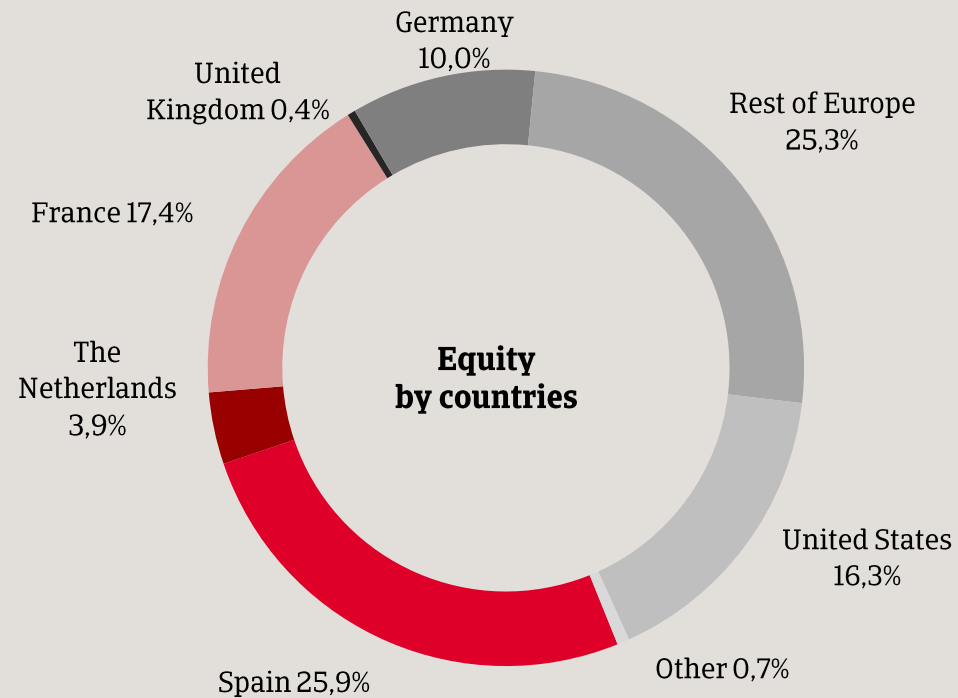
## High fixed-income portfolio quality



**Duration 3.64**  
**IRR 3.39%**

## Investments in liquid assets

High liquidity 15.1% variable income



## Balance sheet

	(figures in € million)		
<b>Assets</b>	<b>12M2023</b>	<b>3M2024</b>	<b>% Chg. 23-24</b>
<b>Intangible assets and property, plant and machinery</b>	<b>2,102.4</b>	<b>2,116.4</b>	<b>0.7%</b>
<b>Investments</b>	<b>13,664.6</b>	<b>14,201.0</b>	<b>3.9%</b>
Property investments	731.9	847.7	15.8%
Financial investments	11,559.0	11,933.5	3.2%
Cash and short-term assets	1,373.7	1,419.9	3.4%
<b>Reinsurance share in technical provisions</b>	<b>1,245.2</b>	<b>1,310.5</b>	<b>5.2%</b>
<b>Other assets</b>	<b>2,394.8</b>	<b>2,717.6</b>	<b>13.5%</b>
Deferred tax assets	300.0	297.6	-0.8%
Credits	1,275.9	1,451.9	13.8%
Other assets	819.0	968.1	18.2%
<b>Total assets</b>	<b>19,407.0</b>	<b>20,345.5</b>	<b>4.8%</b>
<b>Liabilities and net equity</b>	<b>12M2023</b>	<b>3M2024</b>	<b>% Chg. 23-24</b>
<b>Permanent resources</b>	<b>5,170.4</b>	<b>5,420.8</b>	<b>4.8%</b>
<b>Net equity</b>	<b>5,014.2</b>	<b>5,265.1</b>	<b>5.0%</b>
Parent company	4,560.6	4,788.9	5.0%
Minority interests	453.6	476.2	5.0%
<b>Subordinated liabilities</b>	<b>156.2</b>	<b>155.7</b>	<b>-0.3%</b>
<b>Technical provisions</b>	<b>12,035.6</b>	<b>12,555.3</b>	<b>4.3%</b>
<b>Other liabilities</b>	<b>2,201.0</b>	<b>2,369.3</b>	<b>7.6%</b>
Other provisions	267.1	251.9	-5.7%
Deposits received due to ceded reinsurance	15.3	17.4	14.0%
Deferred tax liabilities	469.2	507.5	8.2%
Debts	1,242.6	1,406.4	13.2%
Other liabilities	206.9	186.1	-10.0%
<b>Total net liabilities and equity</b>	<b>19,407.0</b>	<b>20,345.5</b>	<b>4.8%</b>

## GCO

The Group's business model is based on being leaders in protecting and accompanying people and companies at all stages of their lives, to ensure their peace of mind at the present time and their confidence in the future.

### Insurance specialist



- Over 160 years of experience
- Complete offer
- Sustainable and socially responsible model

### Closeness – global presence



- Distribution of intermediaries
- Over 14,500 intermediaries
- Over 8,600 employees
- Nearly 1,450 offices
- Over 50 countries

### Solid financial structure



- Listed on the Stock exchange
- “A” Rating
- Stable, committed shareholders

### Technical rigour



- Excellent combined ratio
- Strict cost control
- 1999- 2023: profits multiplied by 18
- Diversified and prudent investment portfolio

# Challenges for 2024

## The Group bases its strategy on 3 pillars:



### Growth

- Total turnover: €5,792.6 million
- Launch of new insurance products
- Consolidation of App for customers

- Further boost distribution networks with training and digital tools
- Developing omni-channel retailing and enhancing customer self-service capabilities
- Advancing digital health, products for seniors, hybrid vehicle and adjacent services
- Incorporation of the funeral business of "Memora"



### Profitability

- The consolidated profit amounted to €615.5 million
- Excellent combined ratio of traditional business 92.6% maintaining the differential with the sector
- Improved performance in credit insurance higher than pre-pandemic period

- Advance the concept of simplicity by completing the merger of the traditional business entities
- Develop the technological infrastructure to enable the offer of on-demand insurance
- Advance the application of artificial intelligence in underwriting and commercial processes
- A voluntary exit plan has been undertaken which will allow us to gain in efficiency.



### Solvency

- The estimated solvency ratio at the end of 2023 is 232%
- Sustainalytics: ESG risk rating of 16.9, considered low risk
- Consolidation hybrid work model

- Continue to integrate sustainability in all areas of the Group
- Join forces under the umbrella of a new Occident brand for traditional business
- Promote employer branding through enhanced professional development

## Creation of value

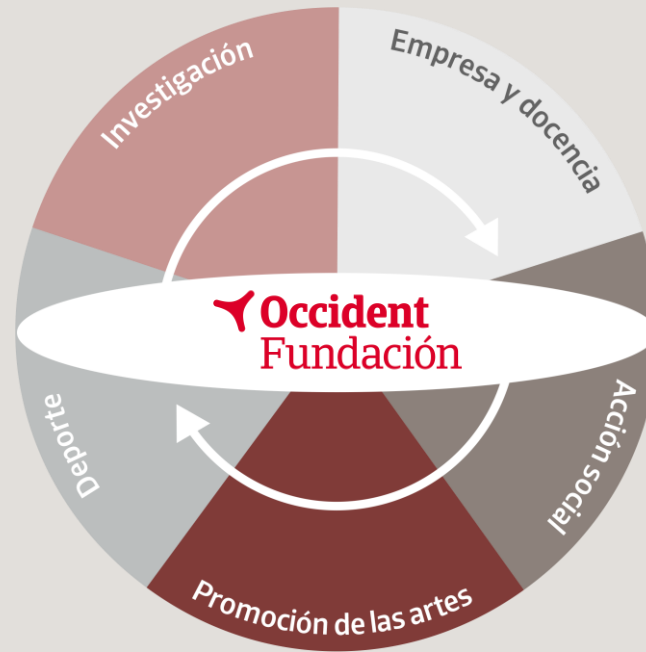
The vocation of the group is to consolidate a solid business and generate sustainable social value. In 2023, the Group contributed €5,054.6 million to society.

### Evolution of contribution to society

	(figures in € million)		
	2021	2022	2023
<b>Direct economic value generated</b>	<b>3,905.5</b>	<b>4,175.8</b>	<b>5,054.6</b>
<b>Distributed economic value</b>	<b>3,883.3</b>	<b>4,110.6</b>	<b>4,987.1</b>
Benefits provided to customers	2,183.8	2,306.9	2,992.3
Public Administrations	541.1	582.8	646.3
Intermediaries	542.0	588.9	643.3
Employees	504.7	513.1	576.2
Shareholders	107.7	116.6	126.6
Contributions to non-profit entities and foundations	4.0	2.3	2.4
<b>Retained economic value</b>	<b>22.2</b>	<b>65.2</b>	<b>67.5</b>

## Occident Foundation

The GCO Foundation, which changed its name to the Occident Foundation on 1 January 2024, is a private non-profit organisation created in memory of Jesús Serra Santamans, founder of GCO, whose purpose is to develop projects with the aim of making society better for everyone, always guided by values such as solidarity, effort and teamwork.



### More than insurance....

... it participates in more than 60 projects helping those who need it most in the fields of research, business and teaching, social action, sport and promotion of the arts

# Corporate structure

GCO		
Main entities		
Occident	Tecniseguros	GCO Gestión de Activos
NorteHispana Seguros	Bilbao Vida	GCO Gestora de Pensiones
	S. Órbita	Occident Hipotecaria
	Occident Direct*	Sogesco
	Occident Inversions*	Hercasol SICAV
	CO Capital Ag. Valores	GCO Activos Inmobiliarios
	Cosalud Servicios	GCO Ventures
	NH Mediación	
	GCO Tecnología y Servicios	
	Prepersa	
	GCO Contact Centre	
	Grupo Asistea	Taurus Bidco
	Grupo Mémora	
Atradius Crédito y Caución	Atradius Collections	Grupo Compañía Española Crédito y Caución
Atradius ATCI	Atradius Dutch State Business	Atradius NV
Atradius Seguros de Crédito México	Atradius Information Services	Atradius Participations Holding
Crédito y Caución Seguradora de Crédito e Grantias Brazil	Iberinform International	Atradius Finance
INSURANCE COMPANIES	COMPLEMENTARY INSURANCE COMPANIES	INVESTMENT COMPANIES

Traditional business
Funeral business
Credit insurance business

## Risk strategy

GCO defines its risk strategy based on risk appetite and tolerance and ensures that its integration with the business plan allows it to comply with the risk appetite approved by the board.

The risk strategy is materialised through:

▷ **Risk profile**

Risk assumed in terms of solvency.

▷ **Risk appetite**

Risk in terms of solvency that the entity plans to accept in order to achieve its objectives.

▷ **Risk tolerance**

Maximum deviation from the Appetite that the company is willing to assume (tolerate).

▷ **Risk limits**

Operative limits established to comply with the Risk Strategy.

▷ **Alert indicators**

In addition, the Group avails of a series of early alert indicators that are the basis both for monitoring the risks and for compliance with the risk appetite approved by the Board of Directors.

# Risk map

QUANTITATIVE RISKS INCLUDED IN THE SOLVENCY RATIO					
Risks TIER 1	Description	Internal Regulations	External Regulations	Quantification	Mitigation
<b>Credit underwriting risk</b>	Risk of loss or of adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions. In the case of credit insurance, the risk arises from the non-payment by our customers' buyers, and in the case of surety, from the non-fulfilment of the contractual, legal or fiscal obligations of our customers	<ul style="list-style-type: none"> <li>- Underwriting policy and rate setting regulation</li> <li>- Underwriting guidelines</li> <li>- Authorisation matrices</li> <li>- Buyer rating monitoring and credit limit concessions</li> </ul>	<ul style="list-style-type: none"> <li>- IFRS and Local Regulations</li> </ul>	<ul style="list-style-type: none"> <li>- Internal Model (except ICP)</li> <li>- ICP: Solvency II Standard Formula</li> <li>- Risk self-assessments and ORSAs are analysed</li> <li>- Scenario analysis</li> </ul>	<ul style="list-style-type: none"> <li>- Reinsurance Policy</li> <li>- DEM</li> <li>- Strict underwriting control</li> <li>- Control and monitoring of buyers' default risks</li> </ul>
<b>Non-life underwriting risk</b>	Risk of loss or of adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions	<ul style="list-style-type: none"> <li>- Underwriting and reserve policies</li> <li>- Reinsurance policy</li> <li>- Underwriting manual and technical standards</li> <li>- Data quality policy</li> </ul>	<ul style="list-style-type: none"> <li>- National and international insurance regulations</li> <li>- Good practice guides</li> <li>- Consortium</li> </ul>	<ul style="list-style-type: none"> <li>- Solvency II Standard Formula</li> <li>- Analysed in the risk self-assessments and ORSA.</li> <li>- Scenario analysis</li> <li>- Appraisal Value</li> <li>- Rating agencies</li> </ul>	<ul style="list-style-type: none"> <li>- Strict control and monitoring of the combined ratio</li> <li>- Non-life catastrophe risks also mitigated through CCS</li> <li>- Business value</li> <li>- Reinsurance policy</li> <li>- Maintenance of business diversification</li> <li>- Report on adequacy of calculation of technical reserves</li> <li>- Annual actuarial report</li> </ul>
<b>Health underwriting risk</b>	Risk of loss or of adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions	<ul style="list-style-type: none"> <li>- Underwriting and reserve policies</li> <li>- Underwriting manual and technical standards</li> <li>- Data quality policy</li> </ul>	<ul style="list-style-type: none"> <li>- National and international insurance regulations</li> <li>- Good practice guides</li> </ul>	<ul style="list-style-type: none"> <li>- Solvency II Standard Formula</li> <li>- The risk self-assessments and ORSA are analysed</li> <li>- Embedded Value</li> <li>- Rating agencies</li> </ul>	<ul style="list-style-type: none"> <li>- Strict control and monitoring of the combined ratio</li> <li>- Business value</li> <li>- Maintenance of business diversification</li> <li>- Tariff adequacy and cancellation rate report</li> <li>- Annual actuarial report</li> </ul>
<b>Life and funeral underwriting risk</b>	Risk of loss or of adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions. This is broken down into biometric risks (which include the risks of mortality, longevity, morbidity/disability) and non biometric risks (fall in the portfolio, expenses, review and catastrophe)	<ul style="list-style-type: none"> <li>- Underwriting and reserve policies</li> <li>- Reinsurance policy</li> <li>- Underwriting manual and technical standards</li> <li>- Data quality policy</li> </ul>	<ul style="list-style-type: none"> <li>- National and international insurance regulations</li> <li>- Good practice guides</li> </ul>	<ul style="list-style-type: none"> <li>- Solvency II Standard Formula</li> <li>- The risk self-assessments and ORSA are analysed.</li> <li>- Embedded Value</li> <li>- Profit test</li> <li>- Rating agencies</li> </ul>	<ul style="list-style-type: none"> <li>- Strict control and monitoring of the adequacy of the tariff and loss ratio</li> <li>- Business value and profit test</li> <li>- Reinsurance policy</li> <li>- Maintenance of business diversification</li> <li>- Monthly provisioning (accounting)</li> <li>- Monthly margin account (Life Income Statement)</li> </ul>
<b>Market risk</b>	Risk of loss or of adverse change in the financial situation resulting, directly or indirectly, from fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments	<ul style="list-style-type: none"> <li>- Investment policy</li> <li>- Management based on the principle of prudence</li> <li>- Asset and liability valuation policy</li> </ul>	<ul style="list-style-type: none"> <li>- Insurance regulations (LOSSP)</li> <li>- CNMV regulations</li> <li>- Distribution regulations</li> </ul>	<ul style="list-style-type: none"> <li>- Solvency II Standard Formula</li> <li>- Analysed in the risk self-assessments and ORSA.</li> <li>- VaR</li> <li>- Scenario analysis</li> <li>- Liability commitments to be covered. Detailed analysis of asset-liability management (ALM), as well as sensitivity analysis for future scenarios</li> </ul>	<ul style="list-style-type: none"> <li>- Asset management based on the principle of prudence</li> <li>- Control of the different types of portfolio according to objectives</li> <li>- Liability commitments to be covered. Detailed asset-liability matching analysis (ALM) as well as sensitivity analysis to future scenarios</li> <li>- Investment policy defined by the Board of Directors</li> <li>- Average credit rating to be maintained</li> <li>- Dispersion and diversification limits</li> </ul>
<b>Risk risk</b>	Counterparty risk arises from losses resulting from unexpected default or impairment in the credit quality of counterparties	<ul style="list-style-type: none"> <li>- Investment policy</li> <li>- Reinsurance policy</li> <li>- Management based on the principle of prudence</li> </ul>	<ul style="list-style-type: none"> <li>- Insurance regulations</li> <li>- CNMV regulations</li> <li>- Distribution regulations</li> </ul>	<ul style="list-style-type: none"> <li>- Solvency II Standard Formula</li> <li>- Analysed in risk self-assessments and ORSA</li> <li>- Scenario analysis</li> </ul>	<ul style="list-style-type: none"> <li>- Reinsurance policy (Reinsurance with counterparties with high credit ratings)</li> <li>- Diversified investment portfolio with a high rating</li> <li>- Credit rating control of the main financial</li> </ul>

# Risk map

QUALITATIVE RISKS NOT INCLUDED IN THE SOLVENCY RATIO					
Risks TIER 1	Description	Internal Regulations	External Regulations	Quantification	Mitigation
<b>Liquidity risk</b>	Risk of non-compliance of obligations due to an inability to obtain the necessary liquidity even if sufficient assets are in place	<ul style="list-style-type: none"> <li>- Investment policy</li> <li>- Management based on the principle of prudence</li> <li>- Reinsurance policy</li> </ul>	<ul style="list-style-type: none"> <li>- Insurance regulations</li> <li>- CNMV regulations</li> <li>- Distribution regulations</li> </ul>	<ul style="list-style-type: none"> <li>- Risk self-assessments and ORSA are analysed</li> <li>- Cash flow statements and investment statements are analysed</li> <li>- Scenario analysis</li> </ul>	<ul style="list-style-type: none"> <li>- Prudent-based asset management</li> <li>- Control of the different types of portfolio</li> <li>- Liability commitments to be covered. Detailed asset-liability matching (ALM) analysis as well as sensitivity analysis to future scenarios</li> <li>- Typology of financial portfolio investments</li> <li>- Dispersion and diversification limits</li> <li>- Low level of debt</li> </ul>
<b>Political and economic environment risks</b>	Risks arising from the national and international economic and political environment, which have an impact on the volatility of financial variables and on the real economy. In particular, the global economic crisis and high inflation are highlighted	<ul style="list-style-type: none"> <li>- Underwriting regulations</li> <li>- Written Policies (in particular investment policy)</li> <li>- Occupational risk prevention regulations</li> <li>- Internal Rules of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>- European regulation</li> <li>- Sectoral analysis</li> <li>- Global regulation associated with the economic downturn and the pandemic</li> </ul>	<ul style="list-style-type: none"> <li>- Risk self-assessments and ORSA are analysed</li> <li>- Certain risks are to some extent covered by the Solvency II Standard Formula</li> <li>- Scenario analysis</li> </ul>	<ul style="list-style-type: none"> <li>- Occupational health and safety regulations to protect our employees and customers</li> <li>- Underwriting risk</li> <li>- Strategic planning process and its follow up</li> <li>- Sectoral analysis. In the Credit business, specific event-driven monitoring and analysis is carried out by the Economic Research Unit</li> <li>- Internal audit, internal control, claims and whistle-blowing channel</li> <li>- Geographical and branch diversification in the traditional business. Geographic and sectoral diversification in the Credit business</li> <li>- Contingency plans</li> </ul>
<b>Social, environmental and governance risk</b>	Risk that constitutes the potential for losses driven by environmental, social and governance factors	<ul style="list-style-type: none"> <li>- General Shareholders' Meeting Bylaws</li> <li>- Regulations of the Board of Directors</li> <li>- Prevention of money laundering</li> <li>- Code of Ethics</li> <li>- Written policies (sustainability policy, climate change and environment policy, tax policy, outsourcing policy)</li> <li>- Sustainability Master Plan</li> </ul>	<ul style="list-style-type: none"> <li>- Non-financial reporting regulations</li> <li>- European Sustainability Regulations (ESMA, EIOPA...)</li> <li>- Climate Change and Energy Transition Act.</li> <li>- United Nations Sustainable Development Goals and Agenda 2030</li> <li>- Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)</li> <li>- Environmental taxonomy (applicable as of 2022).</li> <li>- Social Taxonomy (not yet in application)</li> <li>- Universal Declaration of Human Rights - United Nations</li> </ul>	<ul style="list-style-type: none"> <li>- Risk self-assessments and ORSA are analysed</li> <li>- Analysis of adverse climate scenarios</li> <li>- Taxonomy</li> <li>- Sustainability Report</li> </ul>	<ul style="list-style-type: none"> <li>- Internal Audit</li> <li>- Internal Control</li> <li>- Whistle-blowing Channel</li> <li>- Occupational health and safety regulations</li> <li>- Sustainability Report</li> <li>- Monitoring and adaptation of strategic planning</li> <li>- Code of Ethics</li> <li>- Written policies (e.g. sustainability policy, climate change and environment policy,...)</li> <li>- Sustainability Master Plan</li> </ul>
<b>Other risks</b>	Risks not included in the previous groups, such as the loss risks arising from inadequate strategic decisions, their defective implementation or inadequate adaptation to changes in the economic or social environment (strategic risk), the risk associated with the occurrence of an event that has a negative impact on the Group's reputation (Reputational risk) or the risk arising from the interdependence of the risks existing between Group entities (Contagion risk)	<ul style="list-style-type: none"> <li>- Written policies</li> <li>- Reputational risk management protocol</li> <li>- Social media usage manual</li> <li>- Reputational risk management protocol</li> </ul>	<ul style="list-style-type: none"> <li>- Advertising regulations</li> <li>- UNESPA Guides to which the company has adhered.</li> <li>- Guidelines - Guidelines under the Insurance Distribution Directive on Insurance-based investment products that incorporate a structure which makes it difficult for the customer to understand the risks involved</li> </ul>	<ul style="list-style-type: none"> <li>- Risk self-assessments and ORSA are analysed.</li> <li>- Indicators to monitor media appearances and complaints through social networks</li> </ul>	<ul style="list-style-type: none"> <li>- Exhaustive monitoring of the plan in the medium-term</li> <li>- Code of ethics</li> <li>- Procedure in case of irregularities and frauds</li> <li>- Requirements of aptitude and reputation</li> <li>- Monitoring of information published in the media and social networks</li> <li>- Control of the manual for the use of social networks</li> <li>- Action protocols for the management of reputational risk events</li> <li>- Continuous monitoring of business units</li> </ul>

# Glossary

Item	Definition	Formulation	Importance and relevance of use
<b>Technical profit/(loss) after expenses</b>	Result of the insurance activity	<b>Technical profit/(loss) after expenses</b> = (earned premiums from direct insurance + earned premiums from accepted reinsurance + information services and commissions) – Technical cost – Bonuses and rebates - Net operating expenses - Other technical expenses	Relevant Entity Relevant investors
<b>Reinsurance profit/(loss)</b>	Profit/(loss) due to transferring business to the reinsurer or accepting business from other entities.	<b>Reinsurance profit/(loss)</b> = Profit/(loss) of accepted reinsurance + Profit/(loss) of ceded reinsurance	Relevant Entity Relevant investors
<b>Financial profit/(loss)</b>	Profit/(loss) of the financial investments.	<b>Financial profit/(loss)</b> = income from financial assets (coupons, dividends, actions) - financial expenses (commissions and other expenses) + profit/(loss) of subsidiary companies - interest accrued on the debt - interest paid to the insured parties of the life insurance business	Relevant Entity Relevant investors
<b>Technical/financial profit/(loss)</b>	Profit/(loss) of the insurance activity, including the financial Profit/(loss). This profit/(loss) is particularly relevant for Life insurance.	<b>Technical/financial profit/(loss)</b> = Technical Profit/(loss) + Financial profit/(loss)	Relevant Entity Relevant investors
<b>Profit/(loss) of non-technical non-financial account</b>	Income and expenses that cannot be assigned to the technical or financial profits/(losses).	<b>Profit/(loss) of non-technical non-financial account</b> = Income - expenses that cannot be assigned to the technical or financial profits/(losses).	Relevant Entity Relevant investors
<b>Profit/(loss) from complementary activities</b>	Profit/(loss) from activities that cannot be assigned to the purely insurance business. Mainly differentiates the activities of: · Information services · Recoveries · Management of the export account of the Dutch state.	<b>Profit/(loss) from credit insurance complementary activities</b> = income - expenses	Profit/(loss) from activities that cannot be assigned to the purely insurance business. Includes the funeral business and ancillary credit activities (mainly: information services, debt collection, management of the Dutch state's export account).
<b>Ordinary profit/(loss)</b>	Profit/(loss) from the entity's regular activity	<b>Ordinary profit/(loss)</b> = technical/financial Profit/(loss) + non-technical account profit/(loss) - taxes, all resulting from normal activity	Relevant Entity Relevant investors

# Glossary

<b>Turnover</b>	Turnover is the Group's business volume.  It includes premiums that the Group generates in each of the business lines and the income from services pertaining to the credit insurance	<b>Turnover</b> = Premiums invoiced + Income from information  <b>Written premiums</b> = premiums issued from direct insurance + premiums from accepted reinsurance	Relevant Entity Relevant investors
<b>Managed funds</b>	Amount of the financial and property assets managed by the Group	<b>Managed funds</b> = Financial and property assets entity risk + Financial and property assets policyholder risk + Managed pension funds <b>Managed funds</b> = fixed income + variable income + properties + deposits in credit entities + treasury + investee companies	Relevant investors
<b>Financial strength</b>	This shows the debt and solvency situation. This is principally measured through the debt ratio, the interest coverage ratio and the credit rating.	<b>Debt Ratio</b> = Debt / Equity + Debt	Relevant investors
<b>Technical cost</b>	Direct costs of claims coverage. See claims.	<b>Technical cost</b> = claims in the year, net of reinsurance + variation of other technical provisions, net of reinsurance	
<b>Average cost of the claims</b>	Reflects the average cost per claim	<b>Average cost of claims</b> = Technical cost / number of claims corresponding to that period.	
<b>Deposits for ceded reinsurance</b>	Deposits retained by the Group to secure the financial obligations of reinsurers	<b>Deposits from ceded reinsurance</b> Amounts received from ceded reinsurance to guarantee obligations arising from reinsurance contracts, the amount corresponds to the balance shown in the balance sheet	
<b>Dividend yield</b>	The profitability per dividend or dividend yield shows the relationship existing between the dividends distributed in the previous year with the value of the average share. Indicator used to value the shares of an entity	<b>Dividend yield</b> = dividend paid in the year per share / value of the price of the average share	Relevant investors
<b>Modified Duration</b>	Sensitivity of the value of the assets to movements in interest rates	<b>Modified duration</b> = Represents an approximation of the value of the percentage change in the value of the financial assets for each percentage point (100 basic points) of change in the interest rates.	
<b>Expenses</b>	The general expenses include the costs incurred for management of the business, excluding those that can be assigned to claims.	<b>Expenses</b> = personnel expenses + commercial expenses + various expenses and services (allowance, training, management rewards, material and other office expenses, leases, external services, etc.)	Relevant Entity Relevant investors
<b>Permanence index</b>	This measures the customer's expectations of continuing with the entity Scale from less than 1 year to over 5 years	<b>Permanence index</b> = how long do you think that you will remain a customer?	Relevant Entity Relevant investors
<b>Satisfaction with company index</b>	This measures the general satisfaction of the customer with the entity Scale from 1 to 10	<b>Overall satisfaction index</b> = (Satisfied – dissatisfied) / respondents Satisfied responses with result from 7 to 10 Dissatisfied responses with result from 1 to 4	Relevant Entity Relevant investors
<b>Service satisfaction index</b>	This measures the evaluation of the service received Scale from 1 to 10	<b>Service satisfaction index</b> = (Satisfied – dissatisfied) / respondents Satisfied responses with result from 7 to 10 Dissatisfied responses with result from 1 to 4	Relevant Entity Relevant investors

# Glossary

<b>Income from insurance</b>	This measures income directly derived from the activities of insurance and information services	<b>Income from insurance</b> = premiums accrued from direct insurance + premiums accrued from accepted reinsurance + information services and commissions	Relevant Entity Relevant investors
<b>Income from information</b>	Income obtained from the study of the financial information of debtors of the credit business' policyholders in order to contract a policy	<b>Income from information</b> = Information services and commissions	Relevant Entity Relevant investors
<b>Managed funds</b>	A group of assets managed by the Group in order to obtain a financial return on them.	<b>Financial assets</b> on the entity's balance sheet (real estate, fixed income, equities, ...) plus assets managed by the Group for its customers in pension plans and mutual funds	Relevant Entity Relevant investors
<b>Investments in associated / subsidiary entities</b>	Non-dependant entities where the Group has significant influence	<b>Investments in associated / subsidiary entities</b> = accounting value of the economic investment	
<b>Net Promoter Score NPS</b>	This measures the degree of customer loyalty with the entity.	<b>Net Promoter score</b> = Would you recommend the company to family and friends? = (promoters-critics)/ respondents Promoters: responses with result equal to 9 or 10 Critics: responses with result from 1 to 6	Relevant Entity Relevant investors
<b>Pay out</b>	Ratio that indicates the part of the result distributed among investors through dividends	<b>Pay out</b> = (Total dividend/ Result of the year attributable to the parent company) x 100	Relevant investors
<b>Price Earnings Ratio PER</b>	The price-earnings ratio or PER measures the relationship between the price or value of the entity and the results. Its value expresses what the market pays for each monetary unit of results. It is representative of the entity's capacity to generate results.	<b>PER</b> = Price of the share at market close / Result of the year attributable to the parent company per share	Relevant investors
<b>Recurring premiums</b>	Total premiums without considering non-periodic premiums in the Life business	<b>Recurring premiums</b> = Earned premiums - single and supplementary life business premiums	Relevant Entity Relevant investors
<b>Technical provisions</b>	Amount of the obligations assumed that are derived from insurance and reinsurance contracts.		Relevant Entity Relevant investors
<b>Combined ratio</b>	Indicator that measures the technical profitability of the Non Life insurance policies.	<b>Combined ratio</b> = Ratio of claims + ratio of expenses	Relevant Entity Relevant investors
<b>Net combined ratio</b>	Indicator that measures the technical profitability of the non-life insurances net of the reinsurance effect	<b>Net combined ratio</b> = Net ratio of claims + net ratio of expenses	
<b>Efficiency ratio</b>	Ratio reflecting the portion of premium income devoted to operating expenses and commissions	<b>Efficiency Ratio</b> = (Total expenses and commissions) / Recurring premiums	Relevant Entity Relevant investors
<b>Expenses ratio</b>	Ratio that reflects the part of the income from premiums dedicated to expenses.	<b>Expenses ratio</b> = Expenses from operation / Income from insurance	
<b>Net expenses ratio</b>	Ratio that reflects the part of the income from premiums dedicated to expenses, net of the reinsurance effect	<b>Net expenses ratio</b> = (Net expenses from reinsurance operation) / (premiums attributed to direct business and accepted reinsurance + information services and commissions)	
<b>Claims ratio</b>	Business indicator, consisting of the proportion between claims and earned premiums.	<b>Claims ratio</b> = Claims / Income from insurance	Relevant Entity Relevant investors

# Glossary

<b>Net claims ratio</b>	Business indicator, consisting of the proportion between claims and earned premiums, net of the reinsurance effect.	<b>Net claims ratio</b> = Claims in the year, net of reinsurance / (premiums attributed to direct business and accepted reinsurance + information services and commissions)	
<b>Permanent resources</b>	Resources that can be included in own funds.	<b>Permanent resources</b> = Total net equity + subordinated liabilities	Relevant Entity Relevant investors
<b>Permanent resources at market value</b>	Resources that can be included in own funds at market value	<b>Permanent resources at market value</b> = Total net equity + subordinated liabilities + capital gains associated to properties for own use + capital gains associated to property investments	Relevant Entity Relevant investors
<b>Resources transferred to society</b>	Amount that the Group returns to the main stakeholders.	<b>Resources transferred to the company</b> = claims paid + taxes + commissions + personnel expenses + dividends	
<b>Return On Equity ROE</b>	Financial profitability or rate of return Measures the performance of the capital	<b>ROE</b> = (Result of the year. Attributable to the parent company) / (Simple average of the Equity attributable to shareholders of the parent company at the start and end of the period (twelve months)) x 100	Relevant investors
<b>Claims</b>	See technical cost. Economic assessment of claims.	<b>Claims</b> = Payments made from direct insurance + Variation of the provision for services of direct insurance + expenses attributable to services	
<b>Total expenses and commissions</b>	Commissions and expenses (except those that can be allocated to claims) arising from the management of the business.	<b>Expenses and commissions</b> = Operating expenses + commissions paid on policies	
<b>Total Potential Exposure TPE</b>	This is the potential exposure to risk, also "cumulative risk". Credit insurance business term	<b>TPE</b> = the sum of the credit risks underwritten by the Group for each buyer	Relevant Entity Relevant investors
<b>Value of responsible investments with respect to total investments and managed funds</b>	Ratio that reflects the assets managed by the Group that comply with the Group's Responsible Investment Policy, with respect to the total investments and funds managed by the Group.	Investments that comply with the Group's Responsible Investment Policy/ Total investments and funds managed by the Group	
<b>Generated economic value</b>	The generated economic value is the aggregation of the value distributed by the Group and the value retained by the Group.	<b>Direct generated economic value</b> = economic value distributed + economic value retained	
<b>Distributed economic value</b>	Economic value that the Group has allocated to the following stakeholders: customers, public administrations, intermediaries, employees, shareholders and contributions to foundations and non-profit organisations.	<b>Distributed economic value</b> = payment of benefits to customers + taxes paid and social security contributions + payments to suppliers + salaries and employee benefits + dividends paid + Group contributions to foundations and non-profit organisations.	
<b>Retained economic value</b>	Amount of GCO's undistributed annual net income.	<b>Retained economic value</b> = Annual amount of GCO's after-tax income allocated to Reserves.	
<b>Theoretical book value</b>	The value per share that a company has for accounting purposes. Book value per share.	<b>Theoretical book value</b> = net equity/ number of shares	Relevant investors

## Disclaimer

This document has been prepared by GCO exclusively for use in the presentation of results. The statements of the future or predictions that may be contained in this document do not constitute, by their very nature, guarantees of future compliance and are subject to risk, uncertainty and other relevant factors, which may determine that the development and final results differ materially from the statements made on these pages. Among these factors, we can highlight the following: performance of the insurance sector and of the overall economic situation in the countries where the entity operates; modifications to the legal framework; changes in monetary policy; pressure from the competition; changes in trends upon which the mortality and morbidity tables are based which affect the insurance activity in the areas of life and health; frequency and severity of the claims subject to coverage, both in the scope of the insurance activity and of general insurance such as life; fluctuation of the interest rates and the exchange rates; risks associated to the use of derived products; effect of future acquisitions.

GCO is not obliged to periodically revise the content of this document in order to adapt it to events or circumstances posterior to this presentation.

The statements of this declaration must be taken into account by all people or entities that may have to adopt decisions or make or publish opinions relative to securities issued by the Company and, in particular, by the analysts and investors that use this document.

# Thank you

[www.gco.com](http://www.gco.com)

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