

# 2021

**Presentation of results 12M2021**  
Grupo Catalana Occidente

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# Table of contents

- 01** Keys of the period
- 02** Information 12M2021
  - Income statement
  - Capital, investments and solvency
- 03** Calendar and annexes



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Presentation based on data from the 12M2021 report published on 25/01/2022



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# 01 Keys of the period

## Key financial figures



Economic and sectoral  
environment



€4,882.5M Turnover  
€427.2M Attributable result



Sound solvency position  
11.3% long-term capital at market  
value



+7.3% Shareholder remuneration  
of the dividend for the 2021 financial year

## Global economic environment

Recovery interrupted by new COVID variants and higher inflation



### Global

GDP -3.1% 20 +5.9% 21 +4.4% 22e

### United States

GDP -3.4% 20 +5.6% 21 +4.0% 22e

### Latam

GDP -6.9% 20 +6.8% 21 +2.4% 22e

### Eurozone

GDP -6.4% 20 +5.2% 21 +3.9% 22e

### Spain

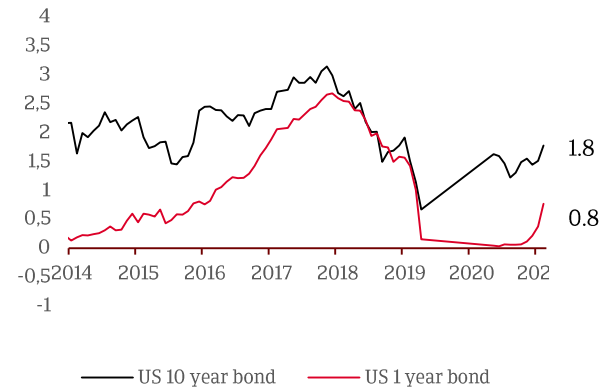
GDP -10.8% 20 +4.9% 21 +5.8% 22e

### Emerging and developing economies in Asia

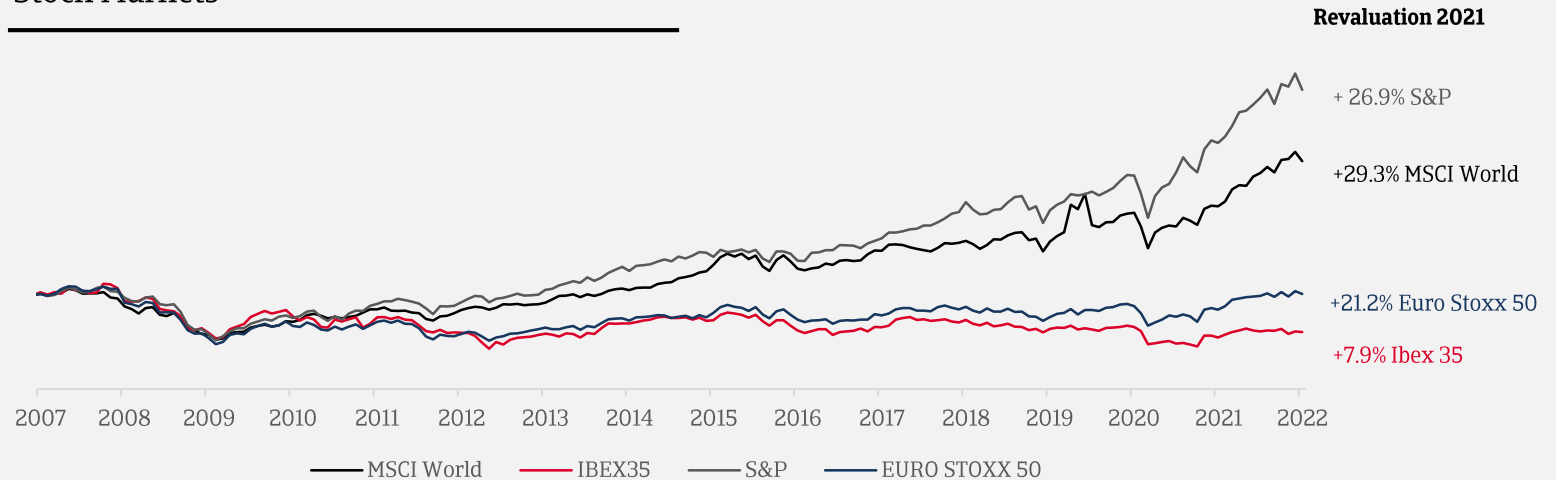
GDP -0.9% 20 +7.2% 21 +5.9% 22e

# Financial markets

Accommodative policy that keeps interest rates at minimums



## Stock Markets

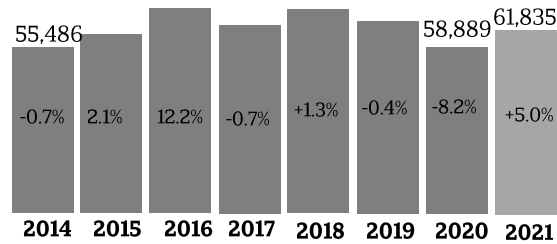


Source: Bloomberg. Updated to January 2022

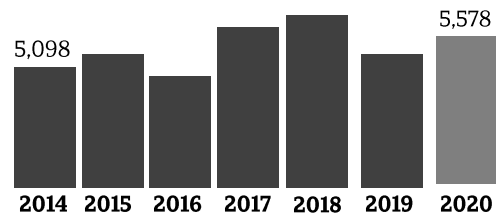
# The insurance industry in Spain

Increase in insurance sector turnover in Spain driven by life premiums

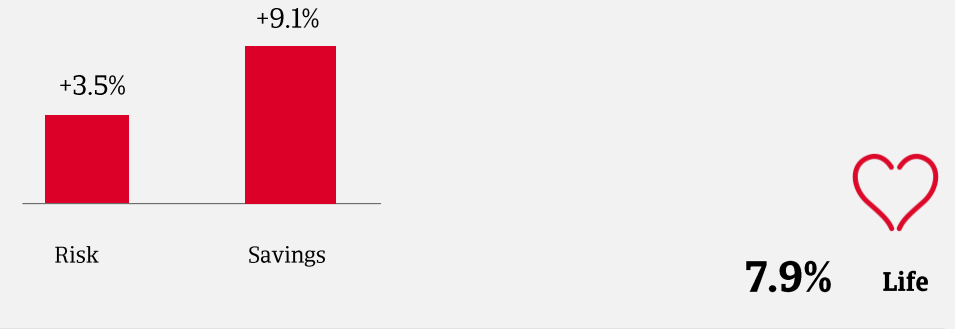
Premiums (€M)



Technical account result



Insurance sector premiums 12M2021: **5.0%**



Source: ICEA close December 2021

## Key financial figures



Economic and sectoral  
environment



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of the dividend for the 2021 financial year



## Grupo Catalana Occidente in 12M2021

(figures in € million)

<b>Income</b>	<b>2020</b>	<b>2021</b>	<b>% Chg. 20-21</b>
Traditional business	2,720.4	2,801.0	3.0%
Recurring premiums	2,415.5	2,473.2	2.4%
Single premiums life	304.9	327.7	7.5%
Credit insurance business	1,839.1	2,081.5	13.2%
<b>Turnover</b>	<b>4,559.5</b>	<b>4,882.5</b>	<b>7.1%</b>

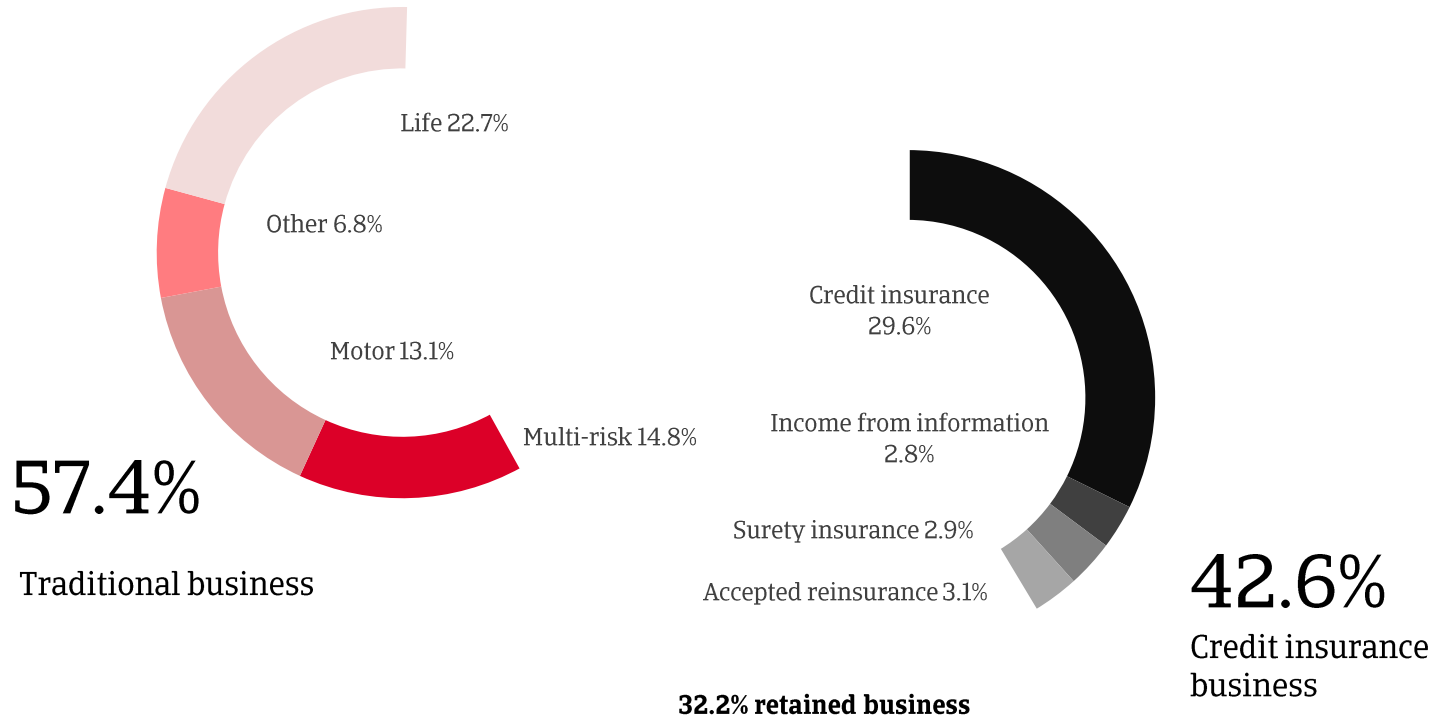
(figures in € million)

<b>Results</b>	<b>2020</b>	<b>2021</b>	<b>% Chg. 20-21</b>
Ordinary result of the traditional business	238.6	244.2	2.3%
Ordinary result of the credit insurance business	50.4	241.8	379.8%
Non-ordinary result	-18.9	-17.8	
<b>Consolidated result</b>	<b>270.1</b>	<b>468.3</b>	<b>73.4%</b>
<b>Attributable result</b>	<b>262.3</b>	<b>427.2</b>	<b>62.9%</b>

# Diversification Grupo Catalana Occidente 12M2021



## Balanced portfolio, complete offer



## Global Presence

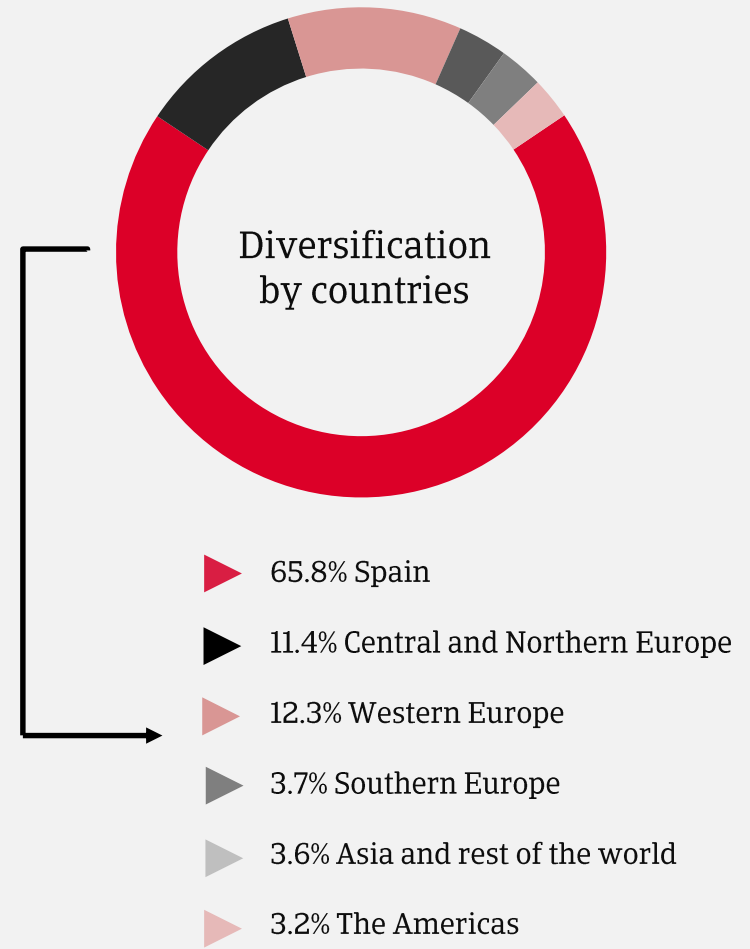
**5th** Largest insurance group in Spain



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



50 countries  
1,500 offices



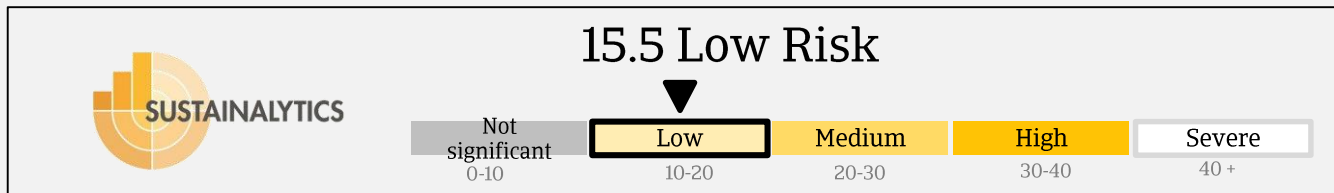
## Sustainability



Grupo Catalana Occidente subscribes to the principles of the United Nations Global Compact and the Principles for Sustainability in Insurance (PSI) and has adhered to the Principles for Responsible Investment (PRI). Furthermore, through current activity and social action, it contributes to the Sustainable Development Goals (SDG) defined by the UN by promoting aspects such as economic growth and progress, equal opportunities, quality learning, energy efficiency and health and welfare care.

### External sustainability rating

In December 2021, the Group received an ESG risk rating of 15.5, which is considered a low risk of experiencing material financial impacts related to ESG factors. This rating places the Group among the top 15 companies with the best ESG rating in Sustainalytics' insurance industry ranking of more than 300 insurance companies.



On 24 February 2022, the Board of Directors approved the Sustainability Report - Statement of Non-Financial Information 2021, verified by an independent external auditor and available on the Group's website.

## Key financial figures



Economic and sectoral  
environment



€4,882.5M Turnover  
€427.2M Attributable result



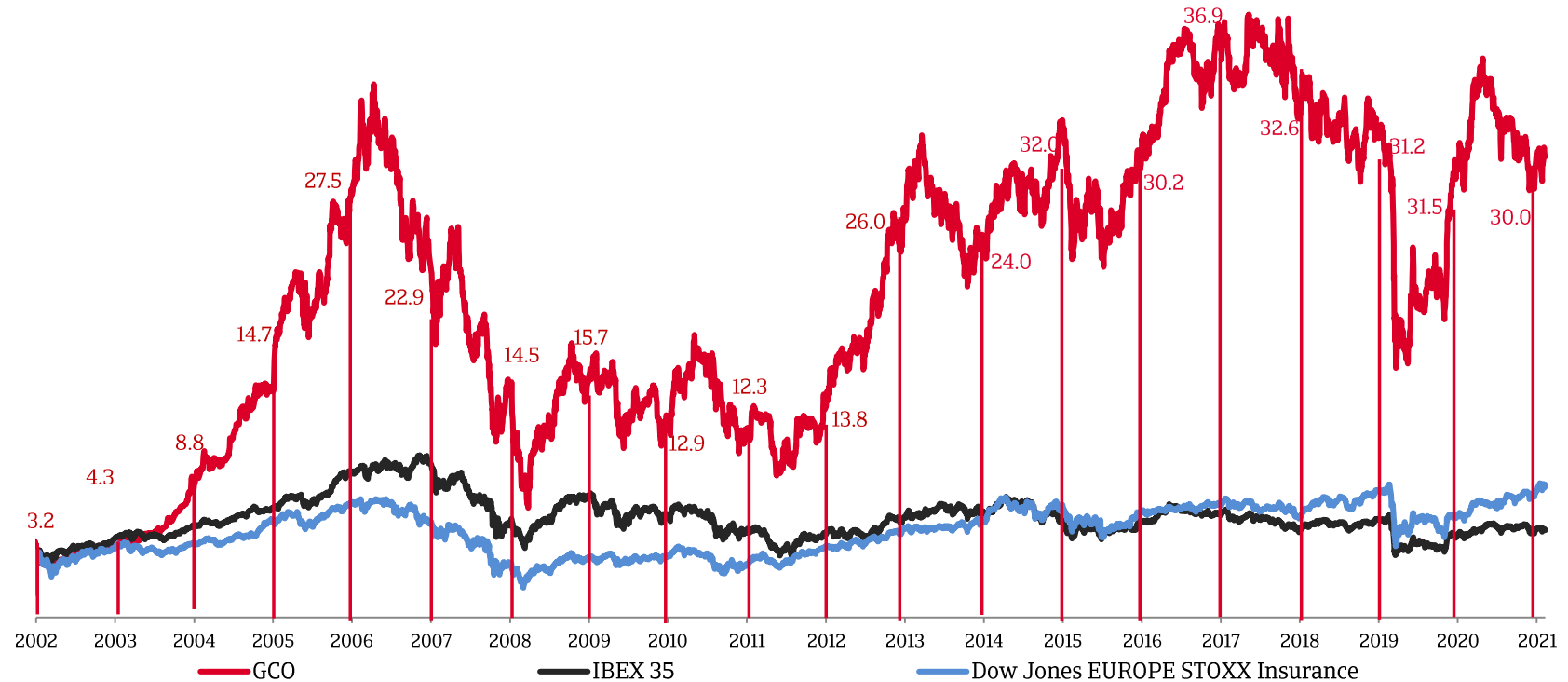
Sound solvency position  
11.3% long-term capital at market  
value



+7.3% Shareholder remuneration  
of the dividend for the 2021 financial year

## Share price evolution

Grupo Catalana Occidente share closes 2021 at €30.0/share



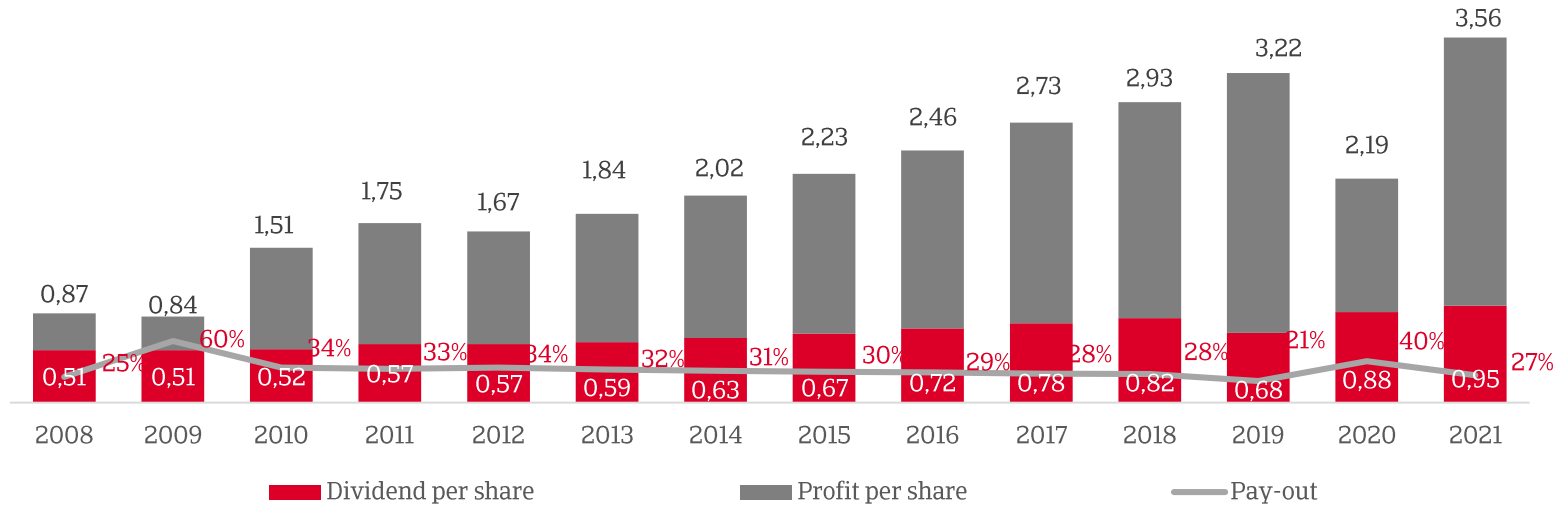
<b>Profitability (YTD)</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>TACC 2002-2021</b>
GCO	-4.45%	-6.42%	2.92%	11.72%
Ibex 35	11.82%	-15.45%	7.93%	1.95%
EuroStoxx Insurance	24.44%	-19.04%	17.08%	3.57%

\* Compound annual growth rate

## 7.3% increase in dividends from 2021 results

**5% increase of the July, October 2021 and February 2022 dividends and 10% increase of the May 2022 dividend**

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



July 2020 <b>€19.06M</b>	Oct 2020 <b>€19.06M</b>	Feb 2021 <b>€19.06M</b>	May 2021 <b>€48.68M</b>	<b>Dividends financial year 2020</b> <b>€105.85M total</b>
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July 2021 <b>€20.00 M</b>	Oct 2021 <b>€20.00 M</b>	Feb 2022 <b>€20.00 M</b>	May 2022 <b>€53.55M</b>	<b>Dividends financial year 2021</b> <b>€113.57M total</b>
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# 02 Information 12M2021





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# 02 Information 12M2021

## **Income statement**

### **Traditional business**

Credit insurance business

Capital, investments and solvency

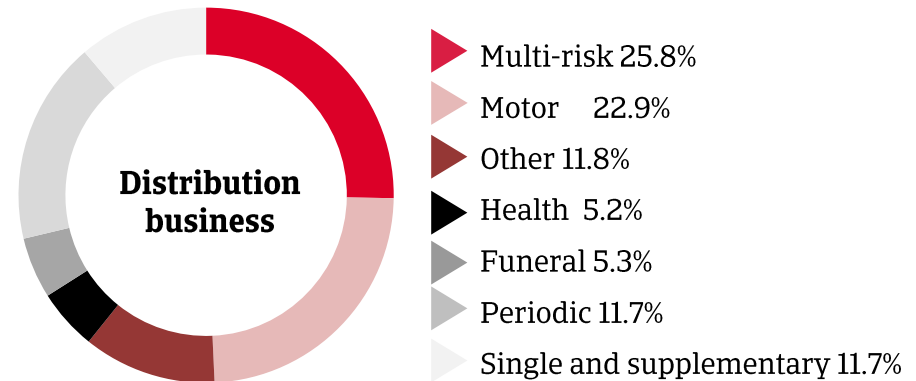
## Traditional business

**+2.4%** €2,473.2M  
Recurring premiums

**88.9%** +0.3p.p  
Combined ratio

**-0.9%** €258.7M  
Technical result

**+2.3%** €244.2M  
Current result



### COVID-19 Impact:

The impact of the health crisis has resulted in a lower claims frequency in some lines and in the modification of the casuistry of claims received

## Traditional business Multi-risk



Earned  
premiums  
**+5.1%**

Combined  
ratio  
**90.1%**

(figures in € million)

<b>Multi-risk</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>% Chg. 20-21</b>
<b>Written premiums</b>	<b>631.3</b>	<b>645.9</b>	<b>661.6</b>	<b>686.9</b>	<b>721.8</b>	<b>5.1%</b>
Number of claims	656,214	728,257	719,437	841,525	877,630	<b>4.3%</b>
Average cost of the claims, in €	503.2	460.9	497.8	450.7	453.5	0.6%
<b>Technical provisions</b>	<b>529.6</b>	<b>525.1</b>	<b>537.7</b>	<b>544.4</b>	<b>559.0</b>	<b>2.7%</b>
% <i>Technical cost</i>	54.1%	55.8%	55.3%	55.0%	56.2%	1.2
% <i>Commissions</i>	20.6%	20.7%	20.9%	20.9%	21.0%	0.1
% <i>Expenses</i>	13.3%	13.4%	13.4%	13.1%	12.9%	-0.2
<b>% Combined ratio</b>	<b>88.0%</b>	<b>89.9%</b>	<b>89.6%</b>	<b>89.0%</b>	<b>90.1%</b>	<b>1.1</b>
<b>Technical result</b>	<b>75.8</b>	<b>64.5</b>	<b>68.0</b>	<b>74.5</b>	<b>69.9</b>	<b>-6.1%</b>
% <i>on earned premiums</i>	12.0%	10.1%	10.4%	11.0%	9.9%	
<b>Earned premiums</b>	<b>629.8</b>	<b>638.7</b>	<b>653.3</b>	<b>676.1</b>	<b>705.3</b>	<b>4.3%</b>

## Traditional business Motor



Earned  
premiums

**-1.9%**

Combined  
ratio

**89.3%**

(figures in € million)

<b>Motor</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>% Chg. 20-21</b>
<b>Written premiums</b>	<b>651.8</b>	<b>654.3</b>	<b>657.3</b>	<b>653.8</b>	<b>641.1</b>	<b>-1.9%</b>
Number of claims	785,278	786,702	739,653	624,600	703,262	<b>12.6%</b>
Average cost of the claims, in €	582.5	586.2	598.9	674.4	591.4	-12.3%
<b>Technical provisions</b>	<b>790.5</b>	<b>810.1</b>	<b>824.0</b>	<b>857.4</b>	<b>862.7</b>	<b>0.6%</b>
% <i>Technical cost</i>	71.2%	71.3%	70.1%	66.5%	65.3%	-1.2
% <i>Commissions</i>	11.1%	11.0%	11.1%	11.2%	11.2%	0.0
% <i>Expenses</i>	14.2%	13.0%	12.8%	12.7%	12.7%	0.0
<b>% Combined ratio</b>	<b>96.5%</b>	<b>95.3%</b>	<b>94.0%</b>	<b>90.3%</b>	<b>89.3%</b>	<b>-1.0</b>
<b>Technical result</b>	<b>22.7</b>	<b>30.9</b>	<b>39.1</b>	<b>63.4</b>	<b>69.6</b>	<b>9.8%</b>
% <i>on earned premiums</i>	3.5%	4.7%	6.0%	9.7%	10.7%	
<b>Earned premiums</b>	<b>649.0</b>	<b>657.2</b>	<b>655.2</b>	<b>655.5</b>	<b>650.4</b>	<b>-0.8%</b>

## Traditional business Other



Earned  
premiums

**+6.0%**

Combined  
ratio

**85.5%**

(figures in € million)

<b>Other</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>% Chg. 20-21</b>
<b>Written premiums</b>	<b>293.9</b>	<b>308.4</b>	<b>311.7</b>	<b>312.2</b>	<b>330.8</b>	<b>6.0%</b>
Number of claims	95,232	96,132	100,785	93,483	98,193	<b>5.0%</b>
Average cost of the claims, in €	1,475.6	1,531.3	1,468.0	1,586.6	1,627.6	2.6%
<b>Technical provisions</b>	<b>495.1</b>	<b>489.9</b>	<b>540.5</b>	<b>574.4</b>	<b>595.4</b>	<b>3.7%</b>
% <i>Technical cost</i>	52.1%	50.2%	50.2%	51.0%	52.3%	1.3
% <i>Commissions</i>	20.5%	20.8%	19.4%	19.0%	19.9%	0.9
% <i>Expenses</i>	14.8%	14.1%	15.0%	14.3%	13.4%	-0.9
<b>% Combined ratio</b>	<b>87.4%</b>	<b>85.2%</b>	<b>84.5%</b>	<b>84.4%</b>	<b>85.5%</b>	<b>1.1</b>
<b>Technical result</b>	<b>36.6</b>	<b>45.3</b>	<b>48.3</b>	<b>48.9</b>	<b>46.2</b>	<b>-5.5%</b>
% <i>on earned premiums</i>	12.6%	14.8%	15.5%	15.7%	14.5%	
<b>Earned premiums</b>	<b>290.4</b>	<b>305.2</b>	<b>311.8</b>	<b>312.4</b>	<b>318.9</b>	<b>2.1%</b>

## Traditional business Life



Earned  
premiums  
**+2.2%**

Combined  
Ratio for funeral  
**82.0%**

Combined  
Ratio for health  
**85.3%**

(figures in € million)

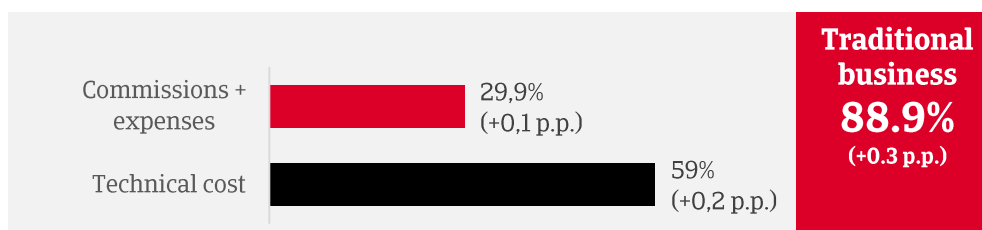
<b>Life</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>% Chg. 20-21</b>
<b>Life insurance turnover</b>	<b>939.1</b>	<b>932.6</b>	<b>981.8</b>	<b>1,067.5</b>	<b>1,107.3</b>	<b>3.7%</b>
Periodic premiums	394.0	400.6	438.2	476.5	487.1	2.2%
Health	54.5	57.6	60.9	142.8	145.0	1.5%
Funeral	127.7	133.7	138.8	143.3	147.4	2.9%
Single premiums	362.9	340.7	343.8	304.9	327.7	7.5%
Pension plan contributions	60.3	61.2	69.1	71.8	61.0	-15.0%
Net contributions to investment funds	7.4	4.3	1.9	1.3	3.0	130.8%
<b>Volume of managed funds</b>	<b>5,638.0</b>	<b>5,711.9</b>	<b>6,617.3</b>	<b>6,695.5</b>	<b>6,771.7</b>	<b>1.1%</b>
<b>Technical result after expenses</b>	<b>47.6</b>	<b>60.5</b>	<b>59.2</b>	<b>74.2</b>	<b>72.9</b>	<b>-1.8%</b>
<i>% on earned premiums</i>	<i>5.1%</i>	<i>6.5%</i>	<i>5.4%</i>	<i>7.0%</i>	<i>6.6%</i>	
<b>Technical-financial result</b>	<b>79.4</b>	<b>92.2</b>	<b>81.2</b>	<b>95.3</b>	<b>98.6</b>	<b>3.5%</b>
<i>% on earned premiums</i>	<i>8.5%</i>	<i>9.9%</i>	<i>7.5%</i>	<i>8.9%</i>	<i>8.9%</i>	
<b>Earned premiums</b>	<b>936.9</b>	<b>930.1</b>	<b>1,087.2</b>	<b>1,066.1</b>	<b>1,107.3</b>	<b>3.9%</b>

## Traditional business

(figures in € million)

<b>Traditional business</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>% Chg. 20-21</b>
<b>Written premiums</b>	<b>2,516.1</b>	<b>2,541.2</b>	<b>2,612.4</b>	<b>2,720.4</b>	<b>2,801.0</b>	<b>3.0%</b>
Life insurance premiums, ex. single	2,153.2	2,200.5	2,268.6	2,415.5	2,473.2	2.4%
<b>Technical result after expenses</b>	<b>182.8</b>	<b>201.2</b>	<b>214.6</b>	<b>261.0</b>	<b>258.7</b>	<b>-0.9%</b>
<i>% on earned premiums</i>	<i>7.3%</i>	<i>7.9%</i>	<i>7.9%</i>	<i>9.6%</i>	<i>9.3%</i>	
<b>Financial result</b>	<b>72.5</b>	<b>74.1</b>	<b>58.4</b>	<b>51.8</b>	<b>59.9</b>	<b>15.6%</b>
<i>% on earned premiums</i>	<i>2.9%</i>	<i>2.9%</i>	<i>2.2%</i>	<i>1.9%</i>	<i>2.2%</i>	
Non-technical result	-22.0	-20.4	-13.6	-16.3	-18.4	
Complementary act. Funeral B.	3.6	2.4	2.7	4.6	5.2	
Company income tax	-57.6	-61.5	-50.0	-66.8	-61.1	
<b>Current result</b>	<b>179.1</b>	<b>195.7</b>	<b>212.1</b>	<b>238.6</b>	<b>244.2</b>	<b>2.3%</b>
<b>Non-ordinary result</b>	<b>1.4</b>	<b>-4.6</b>	<b>-7.9</b>	<b>-10.3</b>	<b>-12.4</b>	
<b>Total result</b>	<b>180.5</b>	<b>191.1</b>	<b>204.2</b>	<b>228.3</b>	<b>231.8</b>	<b>1.5%</b>
Earned premiums	2,506.2	2,531.2	2,707.5	2,710.1	2,781.9	2.6%

### Combined ratio





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# 02 Information 12M2021

## **Income statement**

Traditional business

**Credit insurance business**

Capital, investments and solvency



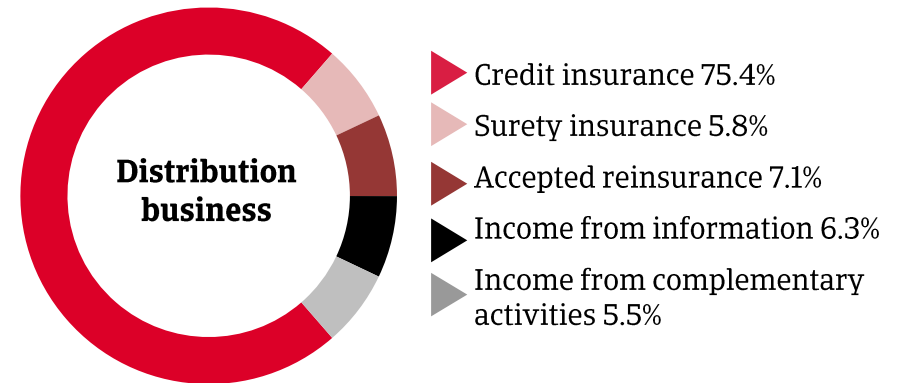
## Credit insurance business

**+10.0%** €1,900.3M  
Earned premiums

**64.2%** -29.9p.p  
Gross combined ratio

**€309.7M** +281,4%  
Technical result

**€241.8M** +379,8%  
Current result



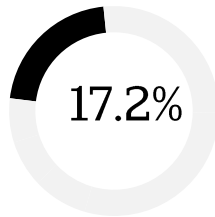
### COVID-19 Impact:

Re-pricing of risks and adaptation of risk appetite.  
Finalisation of reinsurance agreements with European governments (Annexes).

## Credit insurance business

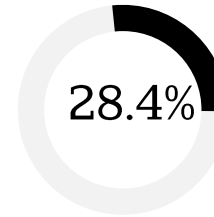
€1,900.3M +10.0%

Earned premiums



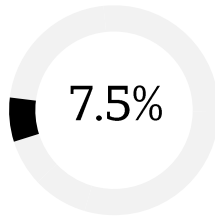
### Spain and Portugal

Earned premiums: €327.2 M  
Change: +2.8%



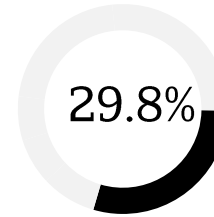
### Central and Northern Europe

Earned premiums: €539.7 M  
Change +17.9%



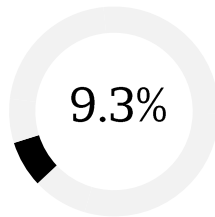
### The Americas

Earned premiums: €142.2 M  
Change +16.6%



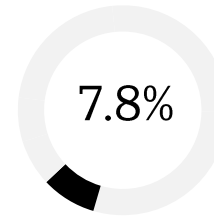
### Western Europe

Earned premiums: €565.7 M  
Change +6.5%



### Asia and rest of the world

Earned premiums: €176.7 M  
Change +8.4%



### Southern Europe

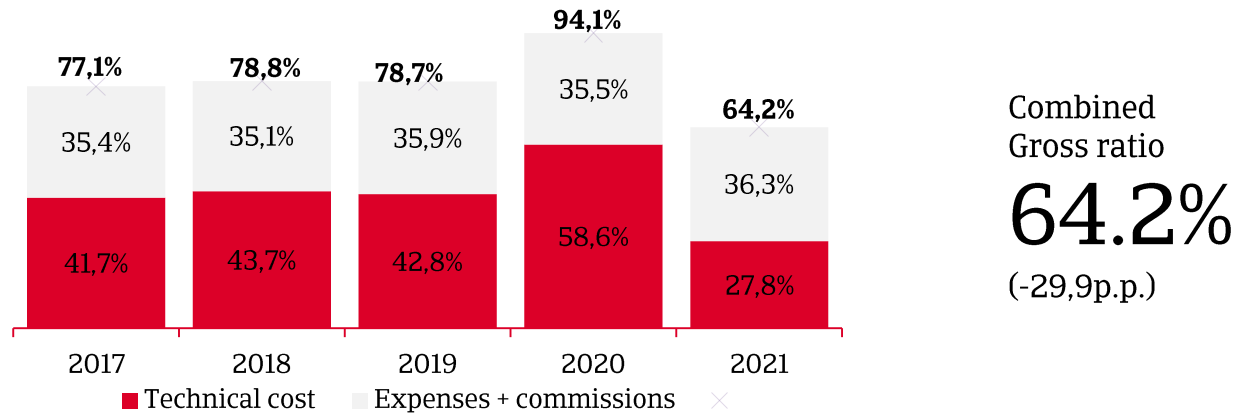
Earned premiums: €148.9 M  
Change +10.1%

€2,035.9M +9.4%

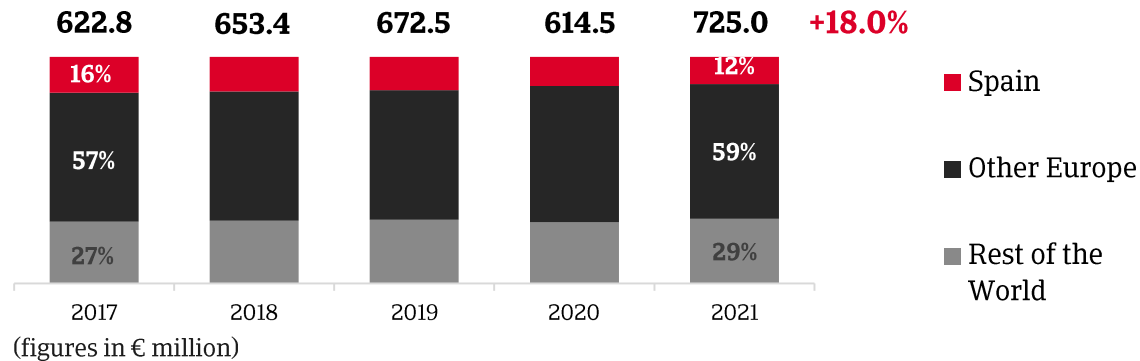
Earned premiums and information services

## Credit insurance business

### Performance of the gross combined ratio



### Performance of risk exposure (TPE)



## Credit insurance business

(figures in € million)

<b>Credit insurance business</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>% Chg. 20-21</b>
Earned premiums	1,588.0	1,648.5	1,759.5	1,727.4	1,900.3	10.0%
Income from information	130.8	132.5	136.5	133.1	135.6	1.9%
<b>Total income</b>	<b>1,718.8</b>	<b>1,781.0</b>	<b>1,896.0</b>	<b>1,860.5</b>	<b>2,035.9</b>	<b>9.4%</b>
Technical result after expenses	392.9	377.6	404.8	109.3	729.5	567.4%
<i>% on income</i>	<i>22.9%</i>	<i>21.2%</i>	<i>21.4%</i>	<i>5.9%</i>	<i>35.8%</i>	
Reinsurance result	-133.7	-105.6	-82.6	-28.1	-419.8	1393.8%
<i>Reinsurance transfer ratio</i>	<i>42.5</i>	<i>40.0</i>	<i>38.0</i>	<i>52.1</i>	<i>49.8</i>	
Net technical result	259.2	271.9	322.2	81.2	309.7	281.4%
<i>% on income</i>	<i>15.1%</i>	<i>15.3%</i>	<i>17.0%</i>	<i>4.4%</i>	<i>15.2%</i>	
Financial result	3.3	9.2	5.6	5.1	17.7	
<i>% on income</i>	<i>0.2%</i>	<i>0.5%</i>	<i>0.3%</i>	<i>0.3%</i>	<i>0.9%</i>	
Result from complementary activities	6.8	3.8	3.2	1.8	9.9	10.0%
Company income tax	-69.9	-76.6	-85.4	-34.8	-90.0	
Adjustments	-9.6	-7.4	-7.4	-2.9	-4.7	
<b>Current result</b>	<b>190.0</b>	<b>200.9</b>	<b>238.2</b>	<b>50.4</b>	<b>241.8</b>	<b>379.8%</b>
<b>Non-ordinary result</b>	<b>-13.2</b>	<b>-5.7</b>	<b>-17.9</b>	<b>-8.6</b>	<b>-5.3</b>	
<b>Total business result</b>	<b>176.8</b>	<b>195.2</b>	<b>220.3</b>	<b>41.8</b>	<b>236.5</b>	<b>465.8%</b>



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# 02 Information 12M2021

Income statement  
Traditional business  
Credit insurance business  
**Capital, investments and solvency**

## Financial strength

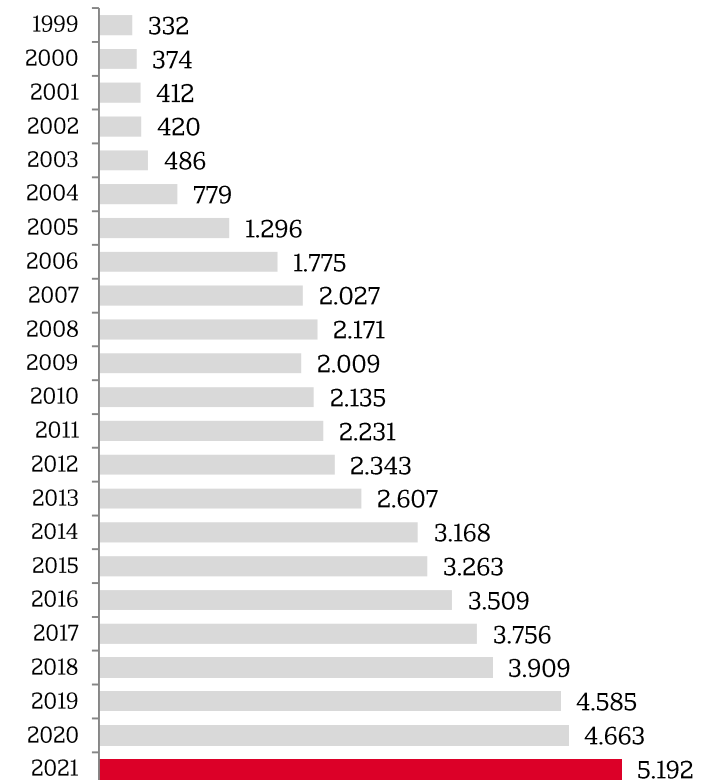


At the close of 2021, the Group's capital has increased by 11.3% supported by the results"

(figures in € million)

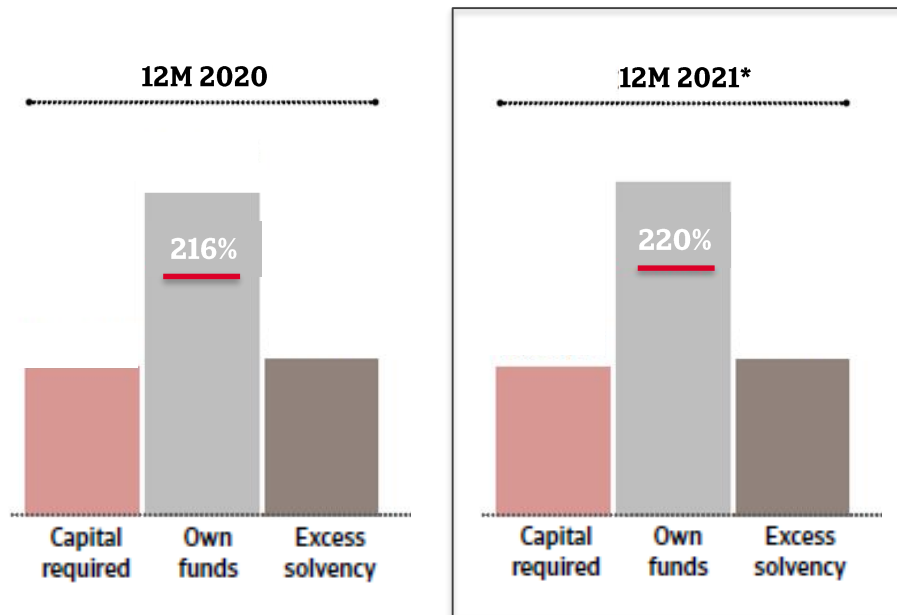
<b>Permanent resources at 31/12/2020</b>	<b>4,138.3</b>
<b>Long-term capital at market value on 31/12/2020</b>	<b>4,663.4</b>
<b>Net equity on 01/01/2021</b>	<b>3,937.6</b>
(+) Consolidated results	468.3
(+) Dividends paid	-107.8
(+) Change in valuation adjustments	192.9
(+) Other changes	-18.2
<b>Total movements</b>	<b>535.2</b>
<b>Total net equity on 31/12/2021</b>	<b>4,472.8</b>
Subordinated debt	194.9
<b>Permanent resources on 31/12/2021</b>	<b>4,667.7</b>
Capital gains not included in balance sheet (properties)	523.8
<b>Permanent resources at market value on 31/12/2021</b>	<b>5,191.5</b>

**+11.3%**



## Sound solvency position 220% at the close of 2021e

Catalana Occidente Group has a sound solvency and financial position to withstand adverse situations



The Solvency II ratio is maintained around 160%, even in adverse scenarios.

Equity is of high quality (95% of tier1).

\* Data with transition of technical provisions and with partial internal model.



Presentation of the report on the financial and solvency situation  
 April: Group companies  
 May: Grupo Catalana Occidente

## Credit rating

A and A2 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”**

A.M. Best operating entities of the Group

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).

**“A2”**

Moody's operating entities of the credit insurance business

They highlight the strong competitive position, strong capitalization, low financial leverage and conservative investment portfolio.

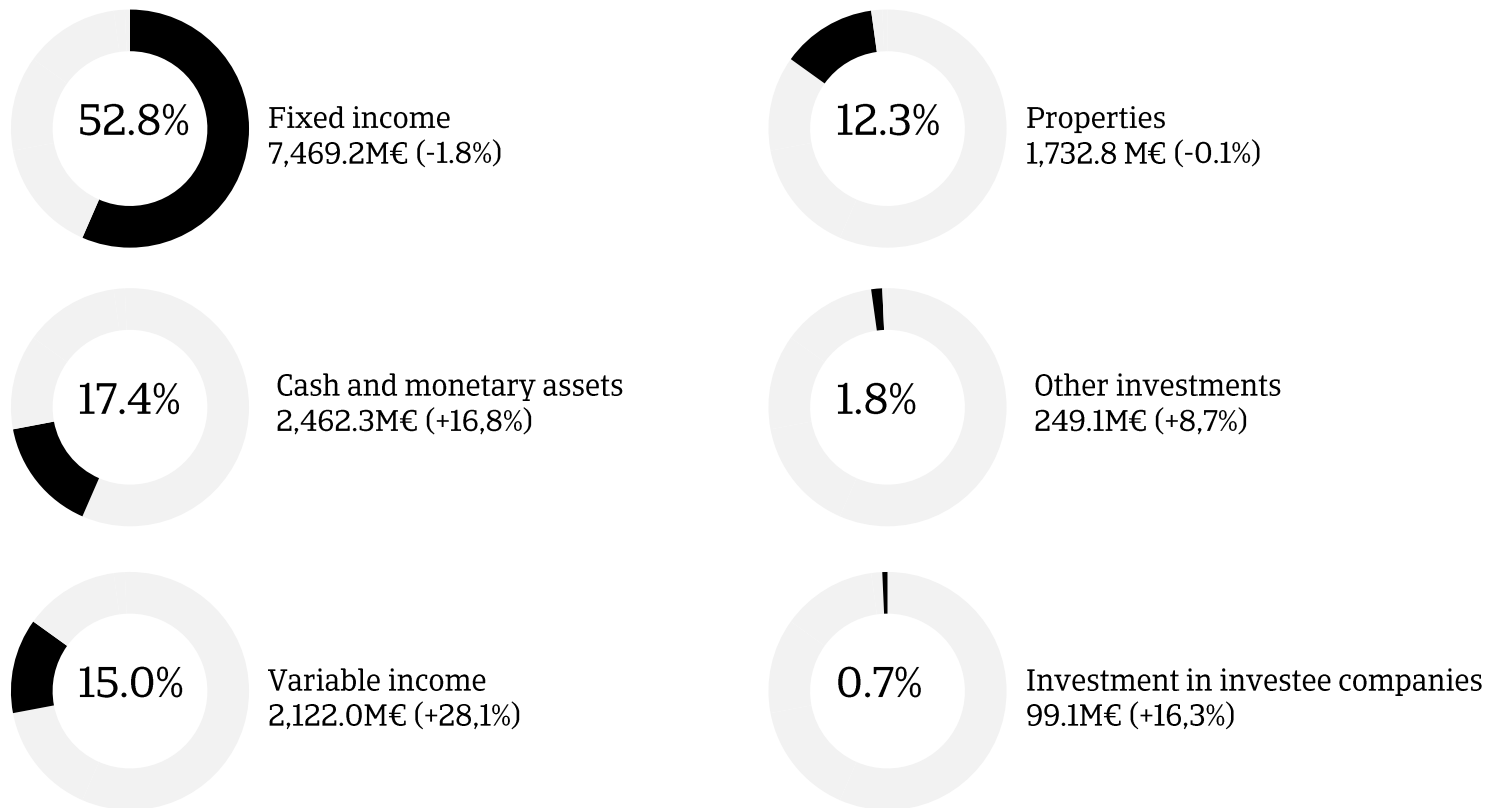


## Investments

The Group invests in traditional assets through prudent, diversified management

**€15,712.2 M**

(+6.5% compared to the funds managed at the end of 2020)





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# 03 Calendar and annexes

## Calendar

## Analyst and investor relations

January	February	March	April	May	June	July	August	September	October	November	December
	25 Results 12M2021		28 Results 3M2022			28 Results 6M2022			27 Results 9M2022		
	25 Presentation of results 12M2021 16.30		29 Presentation of results 3M2022 11.30			28 Presentation of results 6M2022 16.30			27 Presentation of results 9M2022 16.30		
			28 General Shareholders' Meeting 2021								
	Interim dividend 2021			Complement ary dividend 2021		Interim dividend 2022			Interim dividend 2022		

### Contact

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## Income statement

(figures in € million)

	2017	2018	2019	2020	2021	% Chg. 20-21
Premiums	4,123.5	4,212.6	4,411.2	4,426.4	4,746.9	7.2%
Income from information	130.8	132.5	136.5	133.1	135.6	1.9%
<b>Net income from insurance</b>	<b>4,254.3</b>	<b>4,345.1</b>	<b>4,547.7</b>	<b>4,559.5</b>	<b>4,882.5</b>	<b>7.1%</b>
Technical cost	2,548.4	2,584.7	2,738.5	2,917.8	2,850.3	-2.3%
<i>% on total net income</i>	<i>60.3%</i>	<i>60.0%</i>	<i>59.5%</i>	<i>63.8%</i>	<i>59.2%</i>	
Commissions	521.9	532.8	558.6	558.6	594.9	6.5%
<i>% on total net income</i>	<i>12.4%</i>	<i>12.4%</i>	<i>12.1%</i>	<i>12.2%</i>	<i>12.3%</i>	
Expenses	717.3	726.6	767.7	750.1	843.2	12.4%
<i>% on total net income</i>	<i>17.0%</i>	<i>16.9%</i>	<i>16.7%</i>	<i>16.4%</i>	<i>17.5%</i>	
<b>Technical result after expenses</b>	<b>437.4</b>	<b>467.3</b>	<b>538.3</b>	<b>344.1</b>	<b>529.4</b>	<b>53.9%</b>
<i>% on total net income</i>	<i>10.4%</i>	<i>10.8%</i>	<i>11.7%</i>	<i>7.5%</i>	<i>11.0%</i>	
Financial result	61.2	80.1	37.0	28.2	97.0	244.0%
<i>% on total net income</i>	<i>1.4%</i>	<i>1.9%</i>	<i>0.8%</i>	<i>0.6%</i>	<i>2.0%</i>	
Result of non-technical non-financial account	-33.5	-31.0	-25.0	-14.1	-34.2	
<i>% on total net income</i>	<i>-0.8%</i>	<i>-0.7%</i>	<i>-0.5%</i>	<i>-0.3%</i>	<i>-0.7%</i>	
Result from compl. activities Comp. On credit and funeral b.	10.4	6.4	5.9	6.4	15.1	135.9%
<i>% on total net income</i>	<i>0.2%</i>	<i>0.1%</i>	<i>0.1%</i>	<i>0.1%</i>	<i>0.3%</i>	
Profit before tax	475.5	522.8	556.2	364.6	607.3	66.6%
<i>% on total net income</i>	<i>11.3%</i>	<i>12.1%</i>	<i>12.1%</i>	<i>8.0%</i>	<i>12.6%</i>	
Taxes	118.2	136.4	131.7	94.5	139.0	
<i>% taxes</i>	<i>24.9%</i>	<i>26.1%</i>	<i>23.7%</i>	<i>25.9%</i>	<i>22.9%</i>	
<b>Consolidated result</b>	<b>357.3</b>	<b>386.4</b>	<b>424.5</b>	<b>270.1</b>	<b>468.3</b>	<b>73.4%</b>
Result attributable to minorities	31.9	34.3	38.6	7.8	41.1	426.9%
<b>Attributable result</b>	<b>325.4</b>	<b>352.1</b>	<b>385.9</b>	<b>262.3</b>	<b>427.2</b>	<b>62.9%</b>
<i>% on total net income</i>	<i>7.7%</i>	<i>8.2%</i>	<i>8.4%</i>	<i>5.7%</i>	<i>8.9%</i>	

## Credit insurance business

### Performance of the gross combined ratio

	2017	2018	2019	2020	2021	% Chg. 20-21
% Gross technical cost	41.7%	43.7%	42.8%	58.6%	27.8%	-30.8
% Gross commissions + expenses	35.4%	35.1%	35.9%	35.5%	36.3%	0.8
<b>% Gross Combined Ratio</b>	<b>77.1%</b>	<b>78.8%</b>	<b>78.7%</b>	<b>94.1%</b>	<b>64.2%</b>	<b>-29.9</b>
% Net technical cost	41.4%	44.7%	43.4%	55.9%	37.3%	-18.6
% Net commissions + expenses	33.8%	30.8%	30.0%	35.6%	34.3%	-1.3
<b>% Net Combined Ratio</b>	<b>75.2%</b>	<b>75.5%</b>	<b>73.4%</b>	<b>91.5%</b>	<b>71.6%</b>	<b>-19.9</b>

## Credit insurance business

### Agreements adopted in the credit insurance business

Agreement signed *	Main features	Conditions 2020	Renewal conditions H1 2021	Premiums ceded 20	Premiums ceded 21
<b>Germany</b>	Guarantee contracts similar to proportional reinsurance. Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 1 March 2020).	65% of the premiums. 90% of the claims. No commissions	90% of the premiums. 90% of the claims. With commissions.	€103.12 M	€75.9M
<b>Belgium</b>	Instalment contract by tranches according to the claim ratio. Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 27 March 2020).	Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded. With commissions.	Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded. With commissions.	€18.2 M	€10.3M
<b>The Netherlands</b>	Proportional reinsurance agreement. Cover for insured risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 29 February 2020).	90% of premiums and claims from new policyholders. 100% of premiums and 90% of claims of the insured in the portfolio. The government assumes all costs.	90% of premiums and claims from new policyholders. 90% of premiums and 90% of claims of the insured in the portfolio. The government assumes all costs.	€102.12 M	€55.1M
<b>Denmark</b>	Guarantee contracts similar to proportional reinsurance. Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 01 March 2020).	65% of the premiums. 90% of the claims. No commissions	58.5% of the premiums. 90% of the claims. No commissions	€21.0M	€8.9M
<b>Luxembourg</b>	Instalment contract by tranches according to the claim ratio. Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 01 March 2020).	Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded. With commissions.	Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded. With commissions.	€0.12M	€0.6M
<b>France</b>	Reinsurance contract with a performance similar to that of the quota share with certain particularities depending on the quality of the risks assumed. Coverage of risks underwritten between 16 March and 31 December 2020.	75% of the premiums. 75% of the claims. With commissions.	75% of the premiums. 75% of the claims. With commissions.	€42.8M	€9.4M
<b>United Kingdom</b>	Guarantee contracts similar to proportional reinsurance. Coverage of risks underwritten between 1 April and 31 December 2020.	100% of the premiums. 90% of the claims. No commissions	90% of the premiums. 90% of the claims. With commissions.	€78.12M	€53.0M
<b>Norway</b>	Instalment contract part. Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 12 March 2020).	65% of the premiums. 90% of the claims. No commissions	58.5% of the premiums. 90% of the claims. No commissions	€5.0M	€2.2
<b>Spain</b>	Reinsurance contract in addition to that underwritten in the private market. Premiums and Claims from 1 October 2020 to 30 June 2021.	31% of the premiums. 31% of the claims. With commissions.	42% of the premiums. 42% of the claims. With commissions.	€7.12M	€77.0M
<b>Italy</b>	Proportional reinsurance agreement. Coverage of risks underwritten between 19 May to 31 December 2020.	90% of the premiums. 90% of the claims. With commissions.	90% of the premiums. 90% of the claims. With commissions.	€32.12 M	€31.4M

\*The measure is for trade credit originated by insured persons operating in the country with a signed agreement and covers debtors from inside and outside that country. The average commission is 30% All agreements were renewed until 30 June 2021. No new renewals have been agreed.

## Credit insurance business - TPE

(figures in € million)

	2017	2018	2019	2020	2021	% Chg. 20-21	% total
Spain and Portugal	98,714	99,453	98,739	79,231	86,970	9.8%	12.0%
Germany	86,430	90,599	93,024	93,568	108,235	15.7%	14.9%
Australia and Asia	84,233	92,222	95,595	84,153	101,050	20.1%	13.9%
The Americas	73,188	75,773	81,269	71,765	94,039	31.0%	13.0%
Eastern Europe	59,253	63,935	68,595	64,630	77,682	20.2%	10.7%
United Kingdom	43,537	44,989	51,019	46,339	56,511	22.0%	7.8%
France	49,326	51,866	48,407	45,239	50,601	11.9%	7.0%
Italy	42,242	44,263	43,661	42,001	50,352	19.9%	6.9%
Nordic and Baltic countries	28,738	30,525	31,748	30,779	35,311	14.7%	4.9%
The Netherlands	27,636	29,650	30,392	29,875	33,204	11.1%	4.6%
Belgium and Luxembourg	16,701	17,285	17,444	16,959	19,155	12.9%	2.6%
Rest of the world	12,830	12,842	12,627	10,011	11,934	19.2%	1.6%
<b>Total</b>	<b>622,829</b>	<b>653,404</b>	<b>672,520</b>	<b>614,549</b>	<b>725,043</b>	<b>18.0%</b>	<b>100%</b>

## Credit insurance business - TPE

(figures in € million)

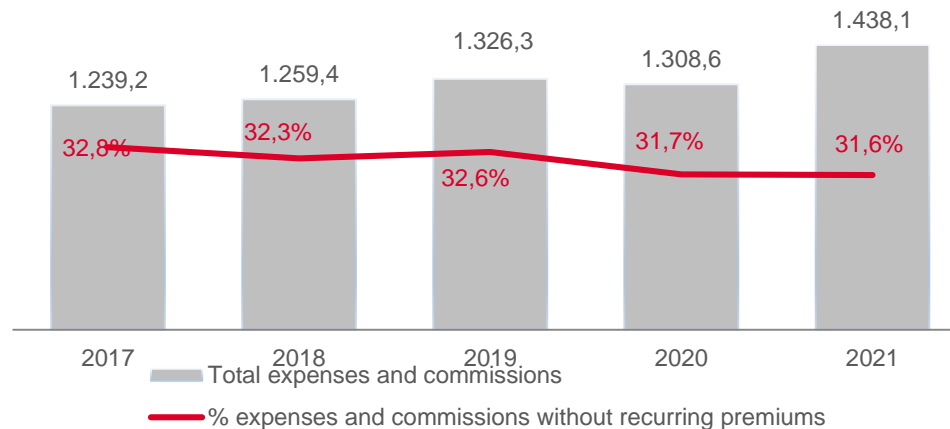
	2017	2018	2019	2020	2021	% Chg. 20-21	% on total
Electronics	74,476	77,433	82,858	73,189	90,137	23.2%	12.4%
Chemicals	82,783	86,479	87,466	82,804	99,390	20.0%	13.7%
Durable consumer goods	68,442	69,881	73,145	69,071	81,697	18.3%	11.3%
Metals	63,419	68,424	72,285	61,597	78,757	27.9%	10.9%
Food	58,608	63,001	64,587	63,860	71,101	11.3%	9.8%
Transport	56,930	60,461	61,128	53,098	61,673	16.1%	8.5%
Construction	46,896	49,773	51,495	47,072	53,451	13.6%	7.4%
Machinery	37,137	39,972	41,225	39,635	46,328	16.9%	6.4%
Agriculture	33,318	33,876	33,954	29,845	34,441	15.4%	4.8%
Construction Materials	27,058	28,359	29,389	29,345	34,801	18.6%	4.8%
Services	26,994	27,837	27,109	23,346	25,211	8.0%	3.5%
Textiles	20,562	20,324	19,660	15,404	16,987	10.3%	2.3%
Paper	13,929	14,525	15,065	13,151	15,572	18.4%	2.1%
Finance	12,277	13,058	13,156	13,131	15,497	18.0%	2.1%
<b>Total</b>	<b>622,829</b>	<b>653,404</b>	<b>672,520</b>	<b>614,549</b>	<b>725,043</b>	<b>18.0%</b>	<b>100%</b>



## General expenses and commissions

(figures in € million)

	2017	2018	2019	2020	2021	% Chg. 20-21
Traditional business	311.6	305.8	318.7	312.6	310.5	-0.7%
Credit insurance business	400.8	413.4	449.0	433.7	492.4	13.5%
Non-ordinary expenses	4.8	7.4	0.0	3.8	40.3	
<b>Total expenses</b>	<b>717.3</b>	<b>726.6</b>	<b>767.7</b>	<b>750.1</b>	<b>843.2</b>	<b>12.4%</b>
<b>Commissions</b>	<b>521.9</b>	<b>532.8</b>	<b>558.6</b>	<b>558.6</b>	<b>594.9</b>	<b>6.5%</b>
<b>Total expenses and commissions</b>	<b>1,239.2</b>	<b>1,259.4</b>	<b>1,326.3</b>	<b>1,308.6</b>	<b>1,438.1</b>	<b>9.9%</b>
<b>% expenses and commissions without recurring premiums</b>	<b>32.8%</b>	<b>32.3%</b>	<b>32.6%</b>	<b>31.7%</b>	<b>31.6%</b>	



## Financial result

(figures in € million)

	2017	2018	2019	2020	2021	% Chg. 20-21
Financial income net of expenses	221.1	204.4	206.7	182.7	187.0	2.4%
Exchange differences	-0.5	0.1	0.0	0.0	-0.7	
Subsidiary companies	0.7	1.0	1.1	1.8	2.2	
Interest applied to life	-148.7	-131.4	-149.5	-132.7	-128.7	-3.0%
<b>Ordinary result of the traditional business</b>	<b>72.5</b>	<b>74.1</b>	<b>58.4</b>	<b>51.8</b>	<b>59.9</b>	<b>15.6%</b>
<i>% on earned premiums</i>	<i>2.9%</i>	<i>2.9%</i>	<i>2.2%</i>	<i>1.9%</i>	<i>2.2%</i>	
Financial income net of expenses	15.3	16.7	16.6	12.9	8.5	-34.1%
Exchange differences	0.5	4.8	-1.3	5.5	8.9	
Subsidiary companies	4.3	4.7	7.1	2.9	16.0	451.7%
Interest on subordinated debt	-16.9	-16.9	-16.9	-16.9	-15.9	
<b>Ordinary result from credit insurance</b>	<b>3.3</b>	<b>9.2</b>	<b>5.6</b>	<b>5.1</b>	<b>17.7</b>	<b>247.1%</b>
<i>% on net income from insurance</i>	<i>0.2%</i>	<i>0.5%</i>	<i>0.3%</i>	<i>0.3%</i>	<i>0.9%</i>	
Intra-group interest adjustment	-7.0	-5.4	-3.5	-0.9	-0.4	-55.6%
<b>Adjusted ordinary financial results from credit insurance</b>	<b>-3.7</b>	<b>3.8</b>	<b>2.1</b>	<b>4.2</b>	<b>17.3</b>	
<b>Ordinary financial result</b>	<b>68.9</b>	<b>77.9</b>	<b>60.5</b>	<b>56.0</b>	<b>77.2</b>	<b>37.9%</b>
<i>% on net income from insurance</i>	<i>1.6%</i>	<i>1.8%</i>	<i>1.3%</i>	<i>1.3%</i>	<i>1.6%</i>	
<b>Non-ordinary financial result</b>	<b>-7.7</b>	<b>2.2</b>	<b>-23.5</b>	<b>-27.8</b>	<b>19.8</b>	
<b>Financial result</b>	<b>61.2</b>	<b>80.1</b>	<b>37.0</b>	<b>28.2</b>	<b>97.0</b>	<b>244.0%</b>

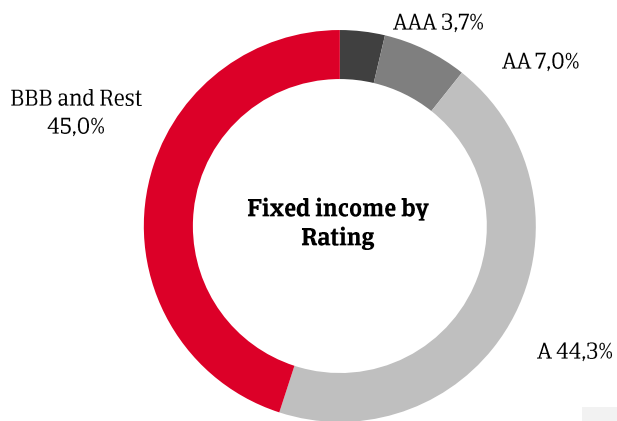
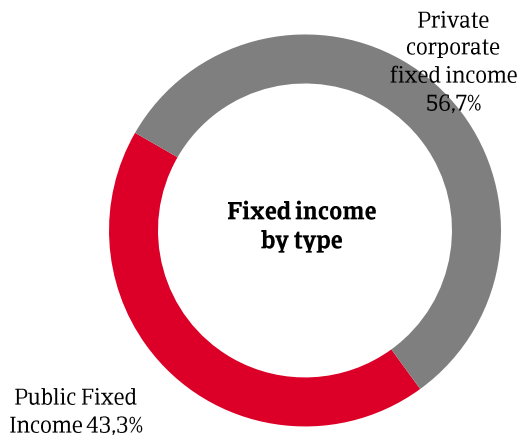
## Non-ordinary result

(figures in € million)

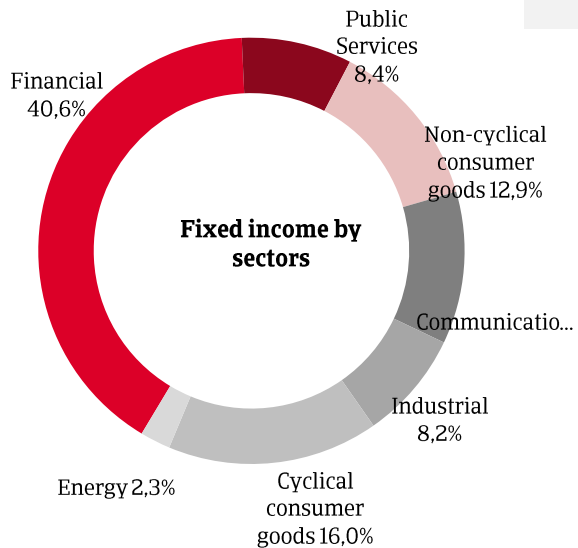
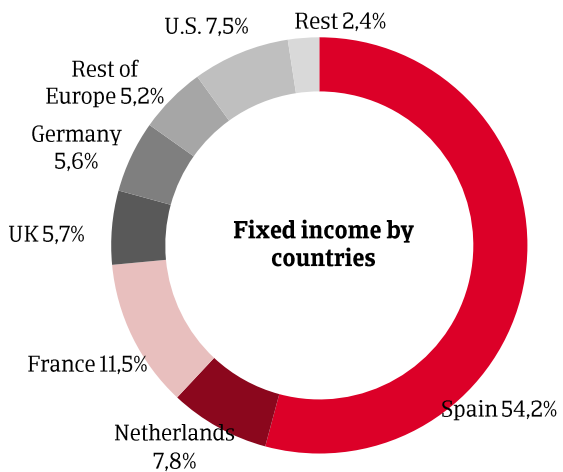
	2017	2018	2019	2020	2021
Financial	0.4	2.3	-5.4	-22.1	11.8
Expenses and other non-ordinary	-5.2	-5.6	-3.9	6.1	-33.4
Taxes	6.2	-1.3	1.4	5.7	9.1
<b>Non-ordinary from traditional business</b>	<b>1.4</b>	<b>-4.6</b>	<b>-7.9</b>	<b>-10.3</b>	<b>-12.4</b>
Financial	-8.1	-0.1	-18.1	-5.7	8.0
Expenses and other non-ordinary	-5.9	-7.4	0.0	-3.8	-16.4
Taxes	0.8	1.9	0.2	0.9	3.1
<b>Non-ordinary from credit insurance business</b>	<b>-13.2</b>	<b>-5.7</b>	<b>-17.9</b>	<b>-8.6</b>	<b>-5.3</b>
<b>Non-ordinary result (net of taxes)</b>	<b>-11.8</b>	<b>-10.2</b>	<b>-25.8</b>	<b>-18.9</b>	<b>-17.8</b>

# Investments

High fixed-income portfolio quality

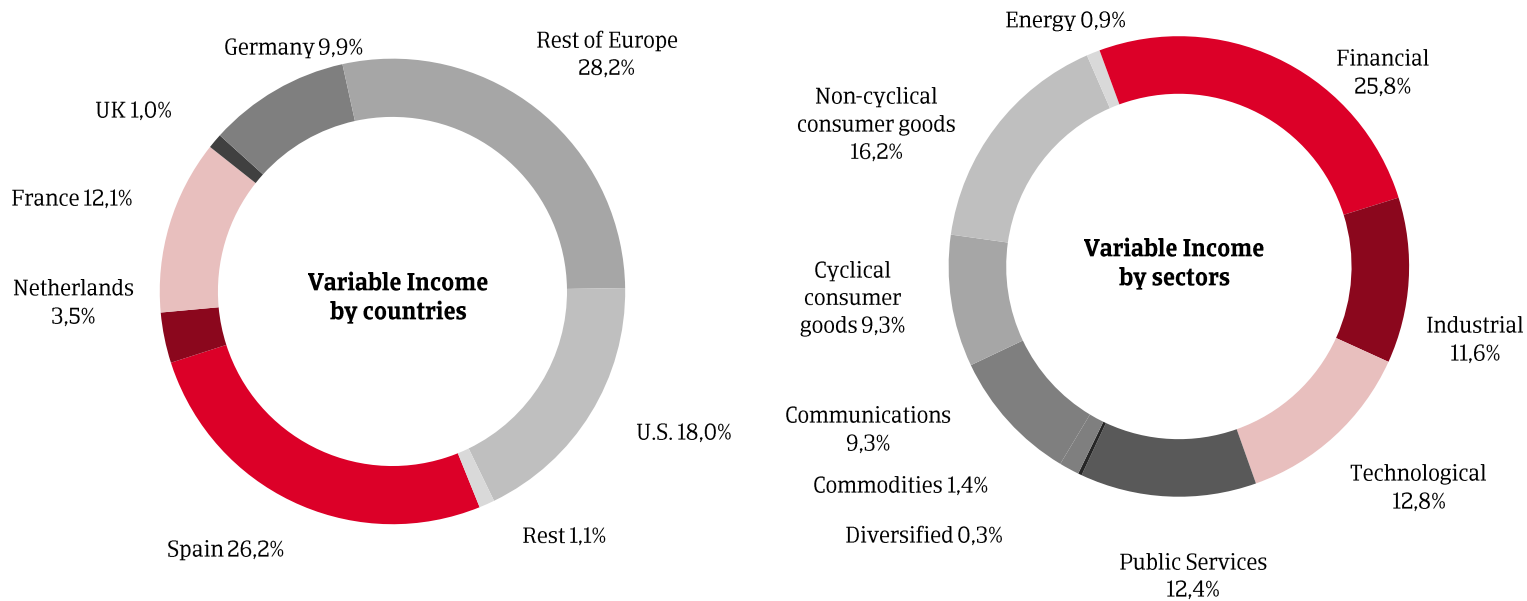


**Duration 4.06**  
**IRR 1.95%**



## Investments in liquid assets

High liquidity 15.0% variable income



## Balance sheet

(figures in € million)

<b>Assets</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>% Chg. 20-21</b>
<b>Intangible assets and property, plant and equipment</b>	<b>1,218.8</b>	<b>1,242.1</b>	<b>1,429.1</b>	<b>1,440.1</b>	<b>1,358.2</b>	<b>-5.7%</b>
<b>Investments</b>	<b>10,596.9</b>	<b>10,873.7</b>	<b>12,618.4</b>	<b>13,066.4</b>	<b>13,955.5</b>	<b>6.8%</b>
Property investments	382.8	561.1	661.4	692.9	718.3	3.7%
Financial investments	8,957.9	9,149.1	10,602.3	10,895.6	11,504.0	5.6%
Cash and short-term assets	1,256.2	1,163.5	1,354.7	1,478.0	1,733.2	17.3%
<b>Reinsurance of technical provisions</b>	<b>842.5</b>	<b>837.4</b>	<b>874.3</b>	<b>1,108.1</b>	<b>1,101.5</b>	<b>-0.6%</b>
<b>Other assets</b>	<b>1,543.2</b>	<b>1,526.2</b>	<b>1,756.0</b>	<b>1,753.2</b>	<b>1,857.7</b>	<b>6.0%</b>
Deferred tax assets	84.3	96.5	226.3	271.9	226.8	-16.6%
Credits	946.4	885.3	951.0	971.0	1,006.6	3.7%
Other assets	512.5	544.4	578.7	510.3	624.3	22.3%
<b>Total assets</b>	<b>14,201.4</b>	<b>14,479.4</b>	<b>16,677.9</b>	<b>17,367.7</b>	<b>18,272.9</b>	<b>5.2%</b>
<b>Net liabilities and equity</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>% Chg. 20-21</b>
<b>Permanent resources</b>	<b>3,278.9</b>	<b>3,404.6</b>	<b>4,051.7</b>	<b>4,138.3</b>	<b>4,667.7</b>	<b>12.8%</b>
<b>Net equity</b>	<b>3,078.6</b>	<b>3,204.1</b>	<b>3,851.2</b>	<b>3,937.6</b>	<b>4,472.8</b>	<b>13.6%</b>
Parent company	2,752.6	2,863.8	3,477.1	3,578.9	4,076.6	13.9%
Minority interests	326.0	340.3	374.1	358.7	396.2	10.5%
<b>Subordinated liabilities</b>	<b>200.3</b>	<b>200.4</b>	<b>200.5</b>	<b>200.7</b>	<b>194.9</b>	<b>-2.9%</b>
<b>Technical provisions</b>	<b>9,425.2</b>	<b>9,567.7</b>	<b>10,652.1</b>	<b>10,982.5</b>	<b>11,294.5</b>	<b>2.8%</b>
<b>Other liabilities</b>	<b>1,497.3</b>	<b>1,507.1</b>	<b>1,974.1</b>	<b>2,247.0</b>	<b>2,310.7</b>	<b>2.8%</b>
Other provisions	165.2	184.1	210.5	234.6	196.1	-16.4%
Deposits received due to ceded reinsurance	57.7	52.8	52.9	58.3	21.1	-63.8%
Deferred tax liabilities	332.6	280.9	488.4	488.8	504.2	3.2%
Debts	618.7	687.1	767.8	969.8	1,145.6	18.1%
Other liabilities	323.1	302.2	454.5	495.5	443.7	-10.5%
<b>Total net liabilities and equity</b>	<b>14,201.4</b>	<b>14,479.4</b>	<b>16,677.9</b>	<b>17,367.7</b>	<b>18,272.9</b>	<b>5.2%</b>

## Grupo Catalana Occidente

The business model of the Group is based on leadership in protection and long-term welfare for families and companies in Spain and on the coverage of commercial credit risks at the international level, seeking growth, profitability and solvency.

### Insurance specialist



- Over 150 years of experience
- Complete offer
- Sustainable and socially responsible model

### Closeness – global presence



- Distribution of intermediaries
- Over 16,700 intermediaries
- Over 7,300 employees
- Close to 1,500 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- 2022: profits multiplied by 10
- Diversified and prudent investment portfolio

## Challenges for 2022

 <p><b>Growth</b></p>	<p><b>MILES TONES</b></p> <p><b>CHALLENGES</b></p>	<ul style="list-style-type: none"> <li>- Turnover: €4,882.5 million</li> <li>- Launch of new insurance products</li> <li>- Launch of App for customers</li> </ul> <ul style="list-style-type: none"> <li>- Continue promoting distribution networks</li> <li>- Provide customer and our distribution network with digital tools</li> <li>- Progress in the areas of healthcare, products for the elderly, family cybersecurity and pets</li> </ul>
 <p><b>Profitability</b></p>	<p><b>MILES TONES</b></p> <p><b>CHALLENGES</b></p>	<ul style="list-style-type: none"> <li>- The consolidated result amounted to €468.3 million.</li> <li>- Excellent combined ratio of the traditional business 88.9%</li> <li>- Improved performance in credit insurance higher than pre-pandemic period</li> </ul> <ul style="list-style-type: none"> <li>- Work on the concept of simplicity</li> <li>- Evolve the technology platform with a focus on self-service and process automation</li> <li>- Improve underwriting with new technical variants and artificial intelligence</li> </ul>
 <p><b>Solvency</b></p>	<p><b>MILES TONES</b></p> <p><b>CHALLENGES</b></p>	<ul style="list-style-type: none"> <li>- The estimated solvency ratio at the end of 2021 is 220%.</li> <li>- Sustainability: ESG risk rating of 15.5, considered low risk</li> <li>- Implementation of new hybrid work model</li> </ul> <ul style="list-style-type: none"> <li>- Continue to integrate sustainability in all areas of the Group</li> <li>- Finalise the technical and technological infrastructure to IFRS17</li> <li>- Promote employer branding through enhanced professional development</li> </ul>



## Creation of value

The vocation of Grupo Catalana Occidente is to consolidate a solid business and generate sustainable social value. In 2021, the Group contributed €3,905.5 million to society.

### Evolution of contribution to society

(figures in € million)

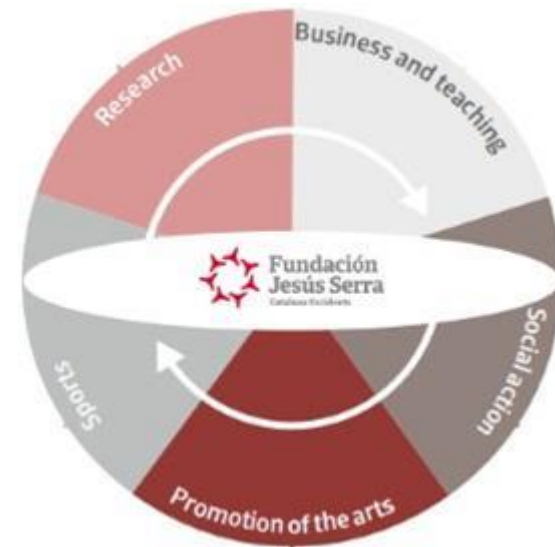
	2019	2020	2021
<b>Direct economic value generated</b>	<b>4,145.5</b>	<b>4330.8</b>	<b>3,905.5</b>
<b>Distributed economic value</b>	<b>4,035.1</b>	<b>3,933.5</b>	<b>3,883.3</b>
Provisions provided to customers	2,461.5	2,385.9	2,183.8
Public Administrations	465.3	452.5	541.1
Intermediaries	505.6	512.2	542.0
Employees	499.7	496.6	504.7
Shareholders	100.5	81.5	107.7
Contributions to non-profit entities and foundations	2.5	4.8	4.0
<b>Retained economic value</b>	<b>110.4</b>	<b>397.3</b>	<b>22.2</b>

Fundación Jesús Serra



Fundación Jesús Serra is the institution through which the social action of Grupo Catalana Occidente is channelled.

Its actions follow the humanist values of its founder, Jesus Serra Santamans



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

## Global Presence

Saudi Arabia	Dubai (**)
<b>Europe</b>	
Austria	Vienna
Belgium	Namur Antwerp
Czech Republic	Prague
Denmark	Copenhagen Århus
Finland	Helsinki
France	Paris Bordeaux Compiègne Lille Lyon Marseille Nancy Orléans Rennes Strasbourg Toulouse
Germany	Cologne Berlin Bielefeld Bremen Dortmund, Frankfurt Freiburg Hamburg Hanover Kassel, Munich Nuremberg Stuttgart
Greece	Athens
Hungary	Budapest
Ireland	Dublin
Italy	Rome Milan
Luxembourg	Luxembourg
The Netherlands	Amsterdam Maastricht
Norway	Oslo
Polonia	Warsaw Krakow Poznan Jelenia Gora
Portugal	Lisbon Porto
Russia	Moscow (***)
Slovakia	Bratislava
Spain	Basque Country, Catalonia, Galicia, Andalusia, Asturias, Cantabria, La Rioja, Murcia, Valencia, Aragon, Castilla la Mancha, Navarra, Extremadura, Madrid, Castilla-Leon, Balearic Islands, Canary Islands, Ceuta and Melilla.
Suecia	Stockholm
Switzerland	Zurich Lausanne Lugano
Turkey	Istanbul
United Kingdom	Cardiff Belfast Birmingham London Manchester
<b>Middle East</b>	
Israel	Tel Aviv (*)
Lebanon	Beirut (*)
United Arab Emirates	Dubai (**)
Saudi Arabia	Dubai (**)

### Asia

China	Shanghai (***)
Hong Kong	Hong Kong (***)
India	Mumbai (***)
Indonesia	Jakarta (**)
Japan	Tokyo
Malaysia	Kuala Lumpur (**)
Philippines	Manila (**)
Singapore	Singapore
Taiwan	Taipei (**)
Thailand	Bangkok (**)
Vietnam	Hanoi (**)

### Africa

Kenya	Nairobi (*)
South Africa	Johannesburg (*)
Tunisia	Tunis (*)

### The Americas

Argentina	Buenos Aires (*)
Brazil	São Paulo
Canada	Almonte (Ontario) Mississauga (Ontario) Duncan (British Columbia)
Chile	Santiago de Chile (*)
Mexico	Mexico City, Guadalajara, Monterrey,
Peru	Lima (*)
USA	Hunt Valley (Maryland) Chicago (Illinois) Los Angeles California New York (New York)

### Oceania

Australia	Sydney Brisbane Melbourne Perth
New Zealand	Wellington

(\*) Partnership and collaboration agreements

(\*\*\*) Services established with local partners

## Corporate structure

<b>GRUPO CATALANA OCCIDENTE</b>		
<b>Main entities</b>		
Seguros Catalana Occidente	Tecniseguros	GCO Gestión de Activos
Seguros Bilbao	Bilbao Vida	GCO Gestora de Pensiones
NorteHispana Seguros	S. Órbita	Catoc SICAV
Plus Ultra Seguros	Previsora Bilbaina Agencia de Seguros	Bilbao Hipotecaria
GCO Re	Bilbao Telemark	Sogesco
	Inversions Catalana Occident	Hercasol SICAV
	CO Capital Ag. Valores	GCO Activos Inmobiliarios
	Cosalud Servicios	
	GCO Tecnología y Servicios	
	Prepersa	
	GCO Contact Centre	
	Grupo Asistea	
Atradius Crédito y Caución	Atradius Collections	Grupo Compañía Española Crédito y Caución
Atradius Re	Atradius Dutch State Business	Atradius NV
Atradius ATCI	Atradius Information Services	Atradius Participations Holding
Atradius Seguros de Crédito México	Iberinform International	Atradius Finance
Atradius Rus Credit Insurance	Graydon	
Crédito y Caución Seguradora de Crédito e Grantias Brazil		
<b>INSURANCE COMPANIES</b>	<b>COMPLEMENTARY INSURANCE COMPANIES</b>	<b>INVESTMENT COMPANIES</b>

**Traditional business**  
**Credit insurance business**

## Risk strategy

Grupo Catalana Occidente 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					
TIER I Risks	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 ORSAs.</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 ORSAs are analysed</li> <li>- Embedded Value</li> <li>- Rating agencies</li> </ul>	<ul style="list-style-type: none"> <li>- Strict control and monitoring of 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> <li>- Management report "Company's income statement"</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 ORSAs 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 ORSAs.</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 hedged. 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>Counterparty 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 ORSAs</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 counterparties and the reinsurer table</li> </ul>
<b>Operational Risk</b>	Risk of loss arising from inadequate or dysfunctional internal processes, personnel or systems or external processes. Within the operational risks, the risk of non-compliance with regulations (as a consequence of the increasing developments and supervisory requirements that impact our activity) and cybersecurity risk are particularly noteworthy	<ul style="list-style-type: none"> <li>- SolvPRC / Risk Register tool</li> <li>- Contingency plans</li> <li>- Data security and quality policy</li> <li>- Code of ethics</li> <li>- Procedure for action in cases of fraud (whistle-blowing channel).</li> <li>- Operational Risk Management Policy.</li> <li>- Internal control policy</li> <li>- Verification of regulatory compliance policy.</li> <li>- Externalisation policy.</li> <li>- Safety policy, regulations and procedures. (Tier I, Tier II y Tier III).</li> </ul>	<ul style="list-style-type: none"> <li>- Insurance regulations</li> <li>- Three Lines of Defence Principles (COSO regulation)</li> <li>- Guidelines on information and communications technology governance and security (EIOPA)</li> <li>- Guidelines on Outsourcing to Cloud Service Providers (EIOPA)</li> </ul>	<ul style="list-style-type: none"> <li>- Solvency II Standard Formula</li> <li>- Risk self-assessments and ORSA are analysed</li> <li>- Monitoring and measuring through the SolvPRC tool (measured in terms of probability of occurrence and severity) or Risk Register</li> </ul>	<ul style="list-style-type: none"> <li>- Internal Control System</li> <li>- SolvPRC</li> <li>- Control of inherent risk and residual risk through the implementation of preventive and mitigating controls upon the occurrence of an event.</li> <li>- Cybersecurity Action Plan</li> <li>- Contingency Plans</li> </ul>

## Risk map

QUALITATIVE RISKS NOT INCLUDED IN THE SOLVENCY RATIO					
TIER I Risks	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 hedged. 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 indebtedness</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 risk of a global pandemic associated with Covid, the global economic crisis and the lax monetary policy with interest rates at minimum levels should be 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 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 (Brexit)</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 Law.</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 medium-term plan</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 result After expenses</b>	Result of the insurance activity	<b>Technical result after expenses</b> = (earned premiums from direct insurance + earned premiums from reinsurance accepted + information services and commissions) – Technical cost – Bonuses and rebates - Net operating expenses - Other technical expenses	Relevant Entity Relevant investors
<b>Reinsurance result</b>	Result due to transferring business to the reinsurer or accepting business from other entities.	<b>Reinsurance result</b> = Result of Inward Re + Result of ceded reinsurance	Relevant Entity Relevant investors
<b>Financial result</b>	Result of the financial investments.	<b>Financial result</b> = income from financial assets (coupons, dividends, actions) - financial expenses (commissions and other expenses) + result 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 result</b>	Result of the insurance activity, including the financial result. This result is particularly relevant for Life insurance.	<b>Technical/financial result</b> = Technical result + Financial result	Relevant Entity Relevant investors
<b>Result of non-technical non-financial account</b>	Income and expenses that cannot be assigned to the technical or financial results.	<b>Result of non-technical non-financial account</b> = Income - expenses that cannot be assigned to the technical or financial results.	Relevant Entity Relevant investors
<b>Result from complementary activities</b>	Result of activities that cannot be assigned to the purely insurance business. Mainly distinguishes the activities of: <ul style="list-style-type: none"> <li>· Information services</li> <li>· Recoveries</li> <li>· Management of the export account of the Dutch state.</li> </ul>	<b>Result of credit insurance complementary activities</b> = income - expenses	Result of 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>Current result</b>	Result of the entity's regular activity	<b>Ordinary result</b> = technical/financial result + non-technical account result - taxes, all resulting from normal activity	Relevant Entity Relevant investors



<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> = Written premiums + 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 accident 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 from 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>Duration Modified</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 variation in the value of the financial assets for each percentage point (100 basic points) of variation 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>Company satisfaction 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

<b>Income from insurance</b>	Measures the income directly derived from the activities of insurance and information services	<b>Income from insurance</b> = earned premiums from direct insurance + earned premiums 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>Information income</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.	Financial assets 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 insurances.	<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

<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 attributable 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 = Total net equity + subordinated liabilities</b>	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 the company</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 attributed 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 evaluation 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	TPE = 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 economic value generated is the aggregation of the value distributed by the Group and the value retained by the Group.	<b>Direct economic value generated</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, mediators, 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

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# Thank you

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