

# **Fidelidade**

## **Consolidated**

### **Solvency and Financial Condition Report**

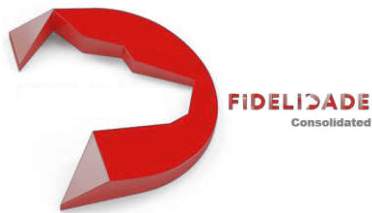
# **2020**

*Certified by the Statutory Auditor  
and Responsible Actuary*

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# Summary



The legal framework on the taking-up and pursuit of the business of insurance and reinsurance approved by Law No. 147/2015, of 9 September, requires insurance undertakings and insurance groups to disclose publicly, on an annual basis, a report on their solvency and financial condition.

The qualitative information that insurance groups are required to disclose is set out in Chapter V of Title II of Commission Delegated Regulation (EU) 2015/35, of 10 October 2014.

The quantitative information<sup>1</sup> to be disclosed together with this report is laid down in Articles 4 and 5 of Commission Implementing Regulation (EU) No. 2015/2452, of 2 December, amended and rectified by Commission Implementing Regulation (EU) No. 2017/2190, of 24 November.

In line with the description contained in Article 292 of the Delegated Regulation, a “clear and concise” summary of the items detailed in this report will be presented below.

**BUSINESS AND PERFORMANCE**

The Fidelidade Group operates in the Portuguese insurance market, selling products across all lines of business, as part of a multi-brand strategy using a vast and diversified distribution network. The Fidelidade Group’s products reach customers through three different brands, Fidelidade, Multicare and OK!Teleseguros, all of which are leaders in their segments.

From 2020 Fidelidade began consolidating the insurance companies Multicare and Fidelidade Assistance.

The Fidelidade Group has a wide range of products and services available to its customers, resulting from its solid experience and the constant focus on diversification and innovation. The Group has been developing a comprehensive offer in the insurance business and reaffirming its aim of positioning itself more as a partner for its customers in the provision of protection and assistance services.

Within the scope of the insurance business, the Fidelidade Group has a wide range of products, which cover most Life and Non-Life lines of business.

**Motor**

Varied range of motor insurance, for companies and individuals (including own damage, or only third party liability)

**Home and Commercial/Industrial**

Housing, industrial and commercial, Fires and other damage

**Health**

From basic protection to total protection with tailor-made offers in specific segments (e.g. 60+) with access to the largest private medical network in the country

**Workers’ Compensation**

Complemented with a rehabilitation programme – WeCare



**Travel/Leisure**

Personal accidents, travel insurance, and insurance for students living abroad

**PETs**

Insurance offers for dogs and cats exploring a new emerging segment, including health insurance

**Life Financial**

Savings products with different maturities and objectives (PPR, capitalisation products,...)

**Life Risk and Annuities**

Different products, including life risk, funeral insurance and civil liability for families

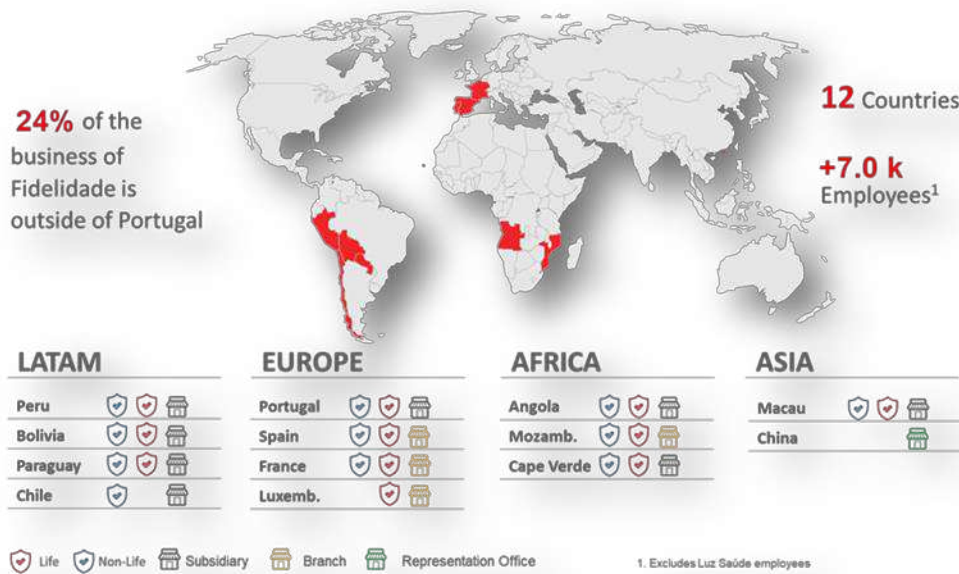
Through the Group companies, services are also provided in other areas such as Health, Assistance, Real Estate, Asset Management, Loss Adjusting and Motor Vehicle Repairs.

Fidelidade Group international insurance business is an important means of sustained growth and pursuit of its medium and long-term goals. The Group currently operates in four continents and twelve countries.

<sup>1</sup> Quantitative information on monetary amounts is presented in thousands of euros, and in some circumstances the tables and graphs may present totals which do not correspond precisely to the sum of the parts, due to rounding up or down of those parts.

2019 was a turning point in the internationalisation strategy, which until then had primarily been focused on Portuguese-speaking markets. That year the Group entered Latin America, through the acquisition of a majority share in the La Positiva Insurance Group, a leading company in the Peruvian market that also operates in Bolivia and Paraguay, as well as taking the decision to set up a new insurer in Chile.

Currently, with the inclusion of these companies in the Fidelidade Group, the number of Spanish-speaking employees and customers in the Group is similar to that of their Portuguese-speaking counterparts



The insurance sector contracted once again in 2020, with a decrease in premiums of 18.7% compared to 2019, resulting in total premiums written of EUR 9.9 billion. The Life segment was responsible for the decline in the sector, contracting 34.8%, while the Non-Life segment grew 3% in the same period.

**Portuguese Insurance Market** (Unit: million euros |Source: ASF)

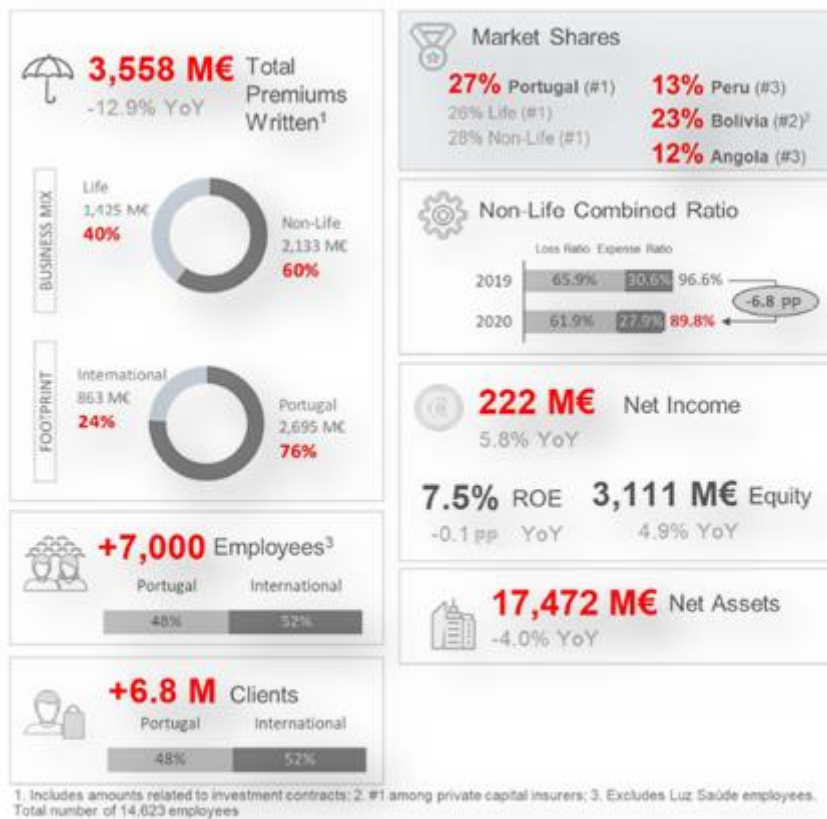


The Non-Life segment in the Latin American markets where the Fidelidade Group is present – particularly Peru, Bolivia and Chile – maintains a growth trend in Non-Life premiums, although with deceleration in 2020 due to the pandemic.

**Non-Life: Gross Premiums** (Source: Local Regulatory Bodies (information updated to November 2020 (Peru) and September 2020 (Chile and Bolivia))

Country	Gross Premiums	
	2019	2020
Peru	8.8%	3.1%
Chile	3.6%	4.0%
Bolivia	4.0%	-0.3%

Key indicators in 2020 are:



In 2020 the Fidelidade Group attained total consolidated premiums written of EUR 3,558.1 million, registering an overall decrease of 12.9% in its business, influenced by contraction in the Life segment in all geographies, following the market trend.

The combined ratio recorded a significant improvement compared to the previous year, resulting from the general fall in the claims ratio and from gains in efficiency. This had a positive impact on the technical income, which totalled EUR 150.7 million this year.

Volatility in the capital markets and the context of low-interest rates continued to compress investment yields, influencing the 16.9% drop in investment income.

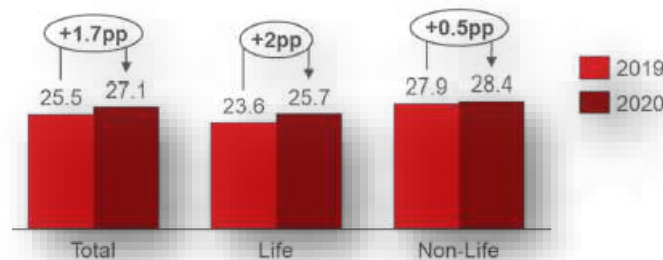
Technical performance made up for investment income, enabling the Fidelidade Group to attain a consolidated net income higher than the pro-forma income of 2019.

It should also be noted that, at the end of 2020, the Fidelidade Group had EUR 17.5 billion assets under management, a fall of 4.0% compared to 2019, following the evolution of the Technical Provisions, which fell 5.4% due to the lower amount of life financial premiums.

Shareholders' Equity reached EUR 3,111 million, and the return on shareholders' equity ("ROE") was 7.5%.

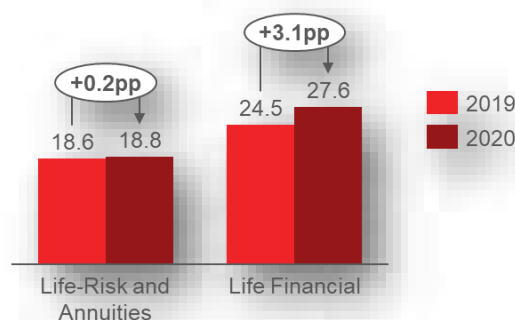
In 2020, the Fidelidade Group held its position as market leader in Portugal, recording an overall market share of 27.1%, corresponding, in practice, to an increase of 1.7 pp compared to the previous year, originating from both the Life and Non-Life segments.

**Total Market Share, Life and Non-Life** (Unit: %; Source: ASF)



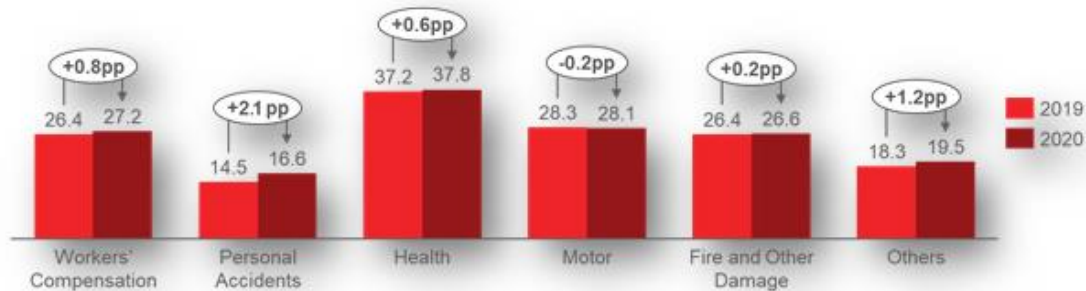
In the Life segment, which is heavily influenced by the behaviour of financial products, it is important to highlight that the Fidelidade Group increased its market share by 2 pp compared to the previous year.

**Life Segment – Market Shares** (Unit: %; Source: AFS)



On the other hand, the Non-Life segment has proved to be resilient during the Covid-19 pandemic and the Group increased its share by 0.5 pp compared to the previous year.

**Non-Life Segment – Market Shares** (Unit: %; Source: AFS)



In 2020, the Fidelidade Group consolidated its position in the Latin American insurance market, recording the following rankings:

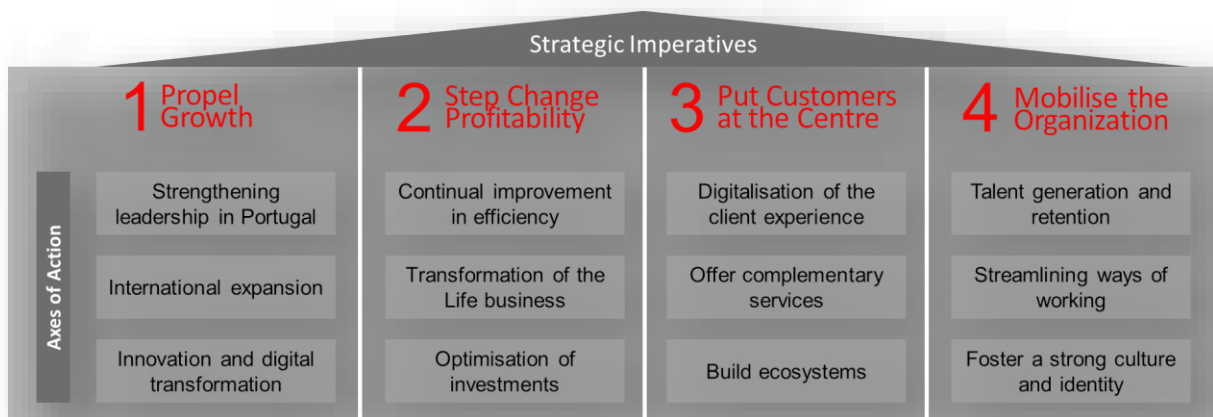
- Peru: 3rd place, with the La Positiva Group reaching third place in the Peruvian market, with a market share of 13.2%<sup>2</sup>, an increase compared to the figure of 12.7% in 2019. La Positiva Seguros had the 3rd largest market share in the Non-Life lines of business, with 15.5%, and La Positiva Vida also reached 3rd place in the market in the Life lines of business, with 10.7%. EPS achieved a market share of 2.5%, obtaining 5th position in the ranking;
- Bolivia: 2nd place, with a market share of 23.8% of the non-life business and 19.2% of the life business, and leader among private capital insurers;
- Chile: 19th place, taking into account that the operation only commenced its activity in 2020;
- Paraguay: 9th place (Alianza Garantia – Non-Life business – maintained its position in the market with a market share of 3.9%);

In 2020, the Fidelidade Group also consolidated its position in Africa. In Mozambique it held 8th position, with a market share of 4.2%, which was a slight increase compared to 2019 (3.8%). In Angola the market share was 12.2%, and the operation maintained its position of 3rd in the ranking.

The activity of the Fidelidade Group is based on 4 strategic imperatives, upon which the Group has defined a growth and transformation plan with defined action-oriented initiatives. These strategic imperatives are the guiding force behind the Fidelidade Group's actions, and give rise to a wide range of initiatives that are being implemented by the different companies in the Group.

<sup>2</sup> Includes La Positiva Seguros and La Positiva Vida





In 2020, the policy of diversifying by class of asset and geographies was continued, as a means of maximising yield with an appropriate level of risk given the climate of low-interest rates.

#### SYSTEM OF GOVERNANCE

Since Fidelidade – Companhia de Seguros, SA, is the most representative company of the Group, the governance requirements applied to the insurance Group are defined therein. Accordingly, the relevant body to which the Group’s governance requirements apply is the Executive Committee of Fidelidade – Companhia de Seguros, S.A.

Fidelidade has processes to assess the fit and proper requirements of the people who effectively run the company, supervise it, are its managers or perform key functions within it.

The remuneration policy applicable to the management body and the way the practices in it are established promote sound and effective risk management and do not encourage excessive risk-taking.

Since 2019, following the expansion of the Fidelidade Consolidated international insurance business, and the approval of the international governance model, which is now in the implementation phase, the risk management and internal control systems are managed by bodies within Fidelidade structure which perform functions across Fidelidade Consolidated insurance business in Portugal, and perform a supervisory role internationally.

Likewise, key functions of risk management, internal audit, actuarial and compliance, within the risk management and internal control systems, are carried out by Fidelidade bodies which perform functions across Fidelidade Consolidated insurance business in Portugal and perform a supervisory role internationally.

Fidelidade Consolidated insurance business has implemented processes and procedures for managing risk by type of risk – strategic risk, underwriting risk (product design and pricing; underwriting; reserving; claims management processes; reinsurance and alternative risk transfer), market risk, counterparty default risk, concentration risk, liquidity risk and reputational risk.

The aim of Fidelidade Consolidated ORSA Policy is to establish general principles for the own risk and solvency assessment. The ORSA plays a critical role in the management of the Fidelidade Group companies, and the results obtained from it are taken into consideration in Risk Management, in Capital Management and in Decision Making.

The rules and principles that the internal audit function must comply with are established in the Internal Audit Policy.

The internal audit function is performed with independence, impartiality and objectivity, and mechanisms have been set up to preserve these principles.

Due to the nature, complexity and scale of the Companies’ portfolios, the actuarial function is subdivided into life actuarial and non-life and health actuarial, which are independent in functional terms.

In relation to transactions with related parties, a series of objective and transparent rules, which are subject to specific approval mechanisms, are applicable to these.

The operational risk and internal control management processes described in this report enable the dissemination, to all the Group Companies, of a culture of risk management, thereby strengthening the protection of their stakeholders, in particular, the policyholders and beneficiaries.

Lastly, there were no material changes in the governance either of Fidelidade Grupo or of the Companies held by it during the period covered by this report.

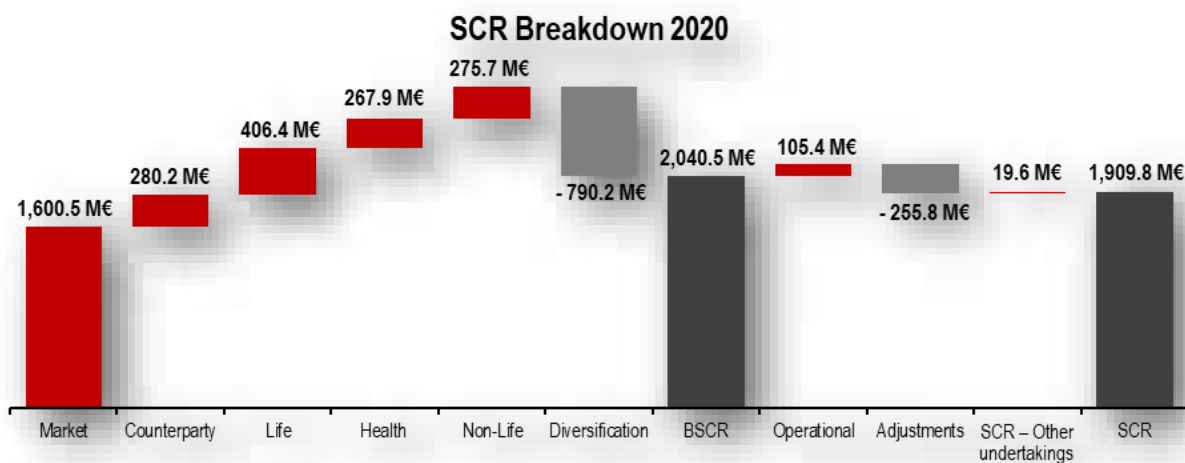
## RISK PROFILE

Risk management is an integral part of the daily activities of the Fidelidade Group Companies. An integrated approach is applied in order to ensure that the group Companies' strategic objectives (clients' interests, financial strength and efficiency of processes) are maintained.

Accordingly, to outline Fidelidade Consolidated risk profile, the various risks to which the group is exposed are identified and these are then assessed.

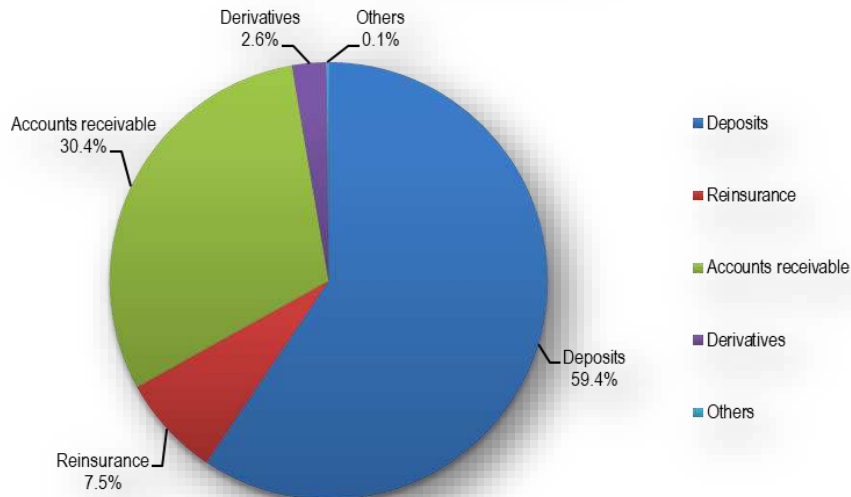
The risk assessment is based on a standard formula used to calculate the solvency capital requirement. For other risks, not included in that formula, the group has opted to use a qualitative analysis to classify the foreseeable impact on its capital needs.

Hence, the calculation of Fidelidade Consolidated solvency capital requirement (SCR) as at 31 December 2020 was as follows:



The market risk is clearly prominent in this requirement, followed by the much lower underwriting risks (of which the Life underwriting risk is more significant) and counterparty default risk. Operational risk is the lowest of the risk modules that make up the SCR calculated on the basis of consolidated data in line with Article 336 a) of Delegated Regulation (EU) 2015/35.

### Counterparty Risk Breakdown



The solvency capital requirement for counterparty default risk results essentially from the component relating to deposits (around 59.4%), in which exposure to Caixa Geral de Depósitos carries significant weight, and from the component relating to “accounts receivable” (around 30.4%). Of the remaining exposures, the most significant relate to exposures to counterparties to which the group transfers part of the underwriting risks through reinsurance contracts.

Various risk mitigation techniques are in use, or are being studied, at Fidelidade, for a set of risks to which Fidelidade Group is exposed.

As part of the ORSA process, risks are identified which do not fall within the standard formula.

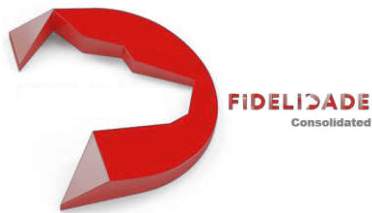
#### VALUATION FOR SOLVENCY PURPOSES

A description is provided of the bases, methods and main assumptions used for the valuation of assets for solvency purposes, and how these compare with those used in the financial statements. This information is divided into financial assets, real estate assets and other assets.

Recoverable amounts from reinsurance contracts and special purpose vehicles are also presented.

Amounts in thousand euros

Assets	Solvency II	Financial statements	Difference
Financial assets	16,100,371	16,072,905	27,466
Real estate assets	695,794	696,980	-1,186
Other assets	1,187,317	1,250,248	-62,931
Reinsurance recoverables	315,391	383,660	-68,269
<b>Total</b>	<b>18,298,873</b>	<b>18,403,793</b>	<b>-104,920</b>



The main differences are in the following classes of assets

Interesses em empresas relacionadas, incluindo participações

This results from the valuation, for solvency purposes, of unlisted subsidiaries using the Adjusted Equity Method (AEM) (net, the total value of these holdings for solvency purposes fell by EUR 15,488 thousand).

The total difference includes (among other less relevant impacts) the impact of the valuation of Luz Saúde using the Adjusted Equity Method (AEM) (the value of this holding for solvency purposes decreased by EUR 163,890 thousand) and of the valuation of Fidelidade Property Europe (increase of EUR 167,233 thousand in the solvency valuation).

Equities - unlisted

This results from the valuation, for solvency purposes, of unlisted securities using the Adjusted Equity Method (AEM).

Government bonds

The difference corresponds to potential gains from the portfolio of financial assets valued at amortised cost recognised in Solvency II.

Corporate bonds

This results from valuation adjustments to standardise exchange rates on assets held outside the Euro area and the price of an asset held in several locations.

Collective investment undertakings

This results from funds valuation adjustments where the look-through approach was applied. In the statutory financial statements, the available valuation at the close of accounts date was considered. In some funds this did not correspond to the year-end valuation. For Solvency II purposes, it was possible to consider the year-end valuation that was made available in the meantime by the collective investment undertakings.

Derivatives

This is largely the result of splitting the heading into assets balance and liabilities balance. The level of detail in Solvency II was greater than that in the financial statements. This effect is also reflected in the corresponding account in liabilities.

Deposits other than cash equivalents

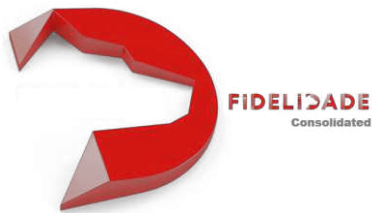
This results from the difference, when negative, between the balances of current accounts related with futures contracts and the components relating either to the valuation of unmatured contracts (recorded under the heading "Derivatives") or to the initial margin (collateral), which was considered in the valuation for solvency purposes under the heading "Debts owed to credit institutions" in other liabilities.

Assets held for index-linked and unit-linked contracts

This results from the closing quoted prices at 31 December 2020 being obtained at different times. In the financial statements the valuation at 31 December 2020 was made some hours before the close of some financial markets which have an extended operation. For Solvency II it was possible to consider the final value after the close of all financial markets.

Property, plant and equipment held for own use

This results from the revaluation of property at fair value.



#### Property (other than for own use)

This results from the revaluation at fair value of property held in the Fid Perú perimeter.

#### Collective investment undertakings

This results from funds valuation adjustments where the look-through approach was applied. In the statutory financial statements, the available valuation at the close of accounts date was considered. In some funds this did not correspond to the year-end valuation. For Solvency II purposes, it was possible to consider the year-end valuation that was made available in the meantime by the collective investment undertakings.

#### Goodwill and Deferred acquisition costs

The value of these assets for solvency purposes is zero.

#### Intangible assets

In order for these assets to have a value in the balance sheet for solvency purposes, they must be able to be sold separately and, moreover, it would be necessary to demonstrate that there is an active market in which similar intangible assets are traded. Given that the group's assets considered in this class do not meet these requirements, their value for solvency purposes is zero.

#### Deferred tax assets

The difference results from the application of the tax rate to losses with taxable temporary differences implicit in the balance sheet for solvency purposes, that is, after adjustments with a negative impact on own funds.

#### Insurance and intermediaries receivables

The difference relates to receivables for reimbursement of amounts paid out in claims. This amount is considered in the Non-Life technical provisions, given that its valuation for solvency purposes is net of these receivables.

#### Cash and cash equivalents

This results from the difference, when negative, between the balances of current accounts related with futures contracts and the components relating either to the valuation of unmatured contracts (recorded under the heading "Derivatives") or to the initial margin (collateral), which was considered in the valuation for solvency purposes under the heading "Debts owed to credit institutions" in other liabilities.

The valuation of technical provisions for solvency purposes and its comparison with that used in the financial statements is presented in this report, segmented into:

- Life;
- Non-Life;
- Health:
  - SLT (Similar to Life Techniques);
  - NSLT (Not Similar to Life Techniques).

Amounts in thousand euros

Line of Business	Solvency II	Financial statements	Difference
Life	11,609,455	11,547,940	61,515
Non-Life	974,890	1,316,491	-341,601
Health – SLT	1,240,097	974,576	265,521
Health – NSLT	313,475	331,575	-18,100
<b>Total</b>	<b>14,137,917</b>	<b>14,170,582</b>	<b>-32,665</b>

## Life

For risk products the differences are basically justified by the different contract boundaries used for the technical provisions in the financial statements for a series of temporary annual renewable (TAR) group life insurance contracts, as described in D.5.1. This change to the contract boundaries has a positive impact on the Company's solvency capital requirement coverage ratio of around 17 pp.

For annuities products, the differences are essentially the result of applying the risk-free interest rate term structure.

The differences in the index-linked and unit-linked classes arise from the current value of the difference between the estimated technical management costs and the future management costs.

For capital redemption products, without profit sharing, the differences result, on the one hand, from the application of the transitional measure on technical provisions and, on the other, from the difference between the rates guaranteed to clients and the rates contained in the reference interest rates curve (see point D.2.6).

## Non-Life

The main differences identified result from:

- The provisions calculated on the basis of economic principles include the associated estimate of reimbursements, while the accounting provisions presented are gross of reimbursements, as previously stated in the paragraph entitled "insurance and intermediaries' receivables" in point D.1.3 Other Assets;
- A prudent provisioning policy, associated with good claims management and follow-up;
- The statutory provisions reflect:
  - Provision for premiums and provision for unexpired risks calculated using a different method to that applied to obtain the provision for premiums under Solvency II;
  - The estimate of payables not discounted.

The heading Other technical provisions, which only appears in the financial statements with the value of EUR -31,346 thousand, mostly corresponds to amounts allocated to the equalisation provision.

## Health-SLT

Considering the adjustment of the transitional measure on technical provisions, the impact of revaluing the provisions results fundamentally from the evolution of the interest rates term structure referred to in point D.2.6.

## Health-NSLT

The main differences identified between the figures for the accounting provisions and the provisions calculated on the basis of economic principles result from:

- The provisions calculated on the basis of economic principles include the associated estimate of reimbursements, while the accounting provisions presented are gross of reimbursements, as previously stated in the paragraph entitled “insurance and intermediaries’ receivables” in point D.1.3. Other Assets;
- A prudent provisioning policy, associated with good claims management and follow-up;
- The statutory provisions reflect:
  - Provision for premiums and provision for unexpired risks calculated using a different method to that applied to obtain the provision for premiums under Solvency II;
  - The estimate of payables not discounted.

Pursuant to Article 25 of Law No. 147/2015, of 9 September, the group applied the transitional deduction to technical provisions on the first day of 2020. The table below shows the amount of that deduction at 31 December 2020:

Amounts in thousand euros

Lines of business / Homogeneous risk groups		Transitional Deduction		
		Recalculation 1/1/2019	Decrease at 1/1/2020	Amount at 31/12/2020
29 and 33	Life insurance liabilities - Health – SLT	256,882	-19,760	237,122
30	Life insurance liabilities - Insurance with profit-sharing - Capital redemption products	137,145	-10,550	126,595
32	Life insurance liabilities - Other liabilities similar to life - Capital redemption products	192,764	-14,828	177,936
<b>Total</b>		<b>586,791</b>	<b>-45,138</b>	<b>541,653</b>

A comparison is also provided between the valuation of other liabilities for solvency purposes and their valuation in the financial statements.

Amounts in thousand euros

Liabilities	Solvency II	Financial statements	Difference
Other liabilities	1,406,608	1,118,552	288,056
<b>Total</b>	<b>1,406,608</b>	<b>1,118,552</b>	<b>288,056</b>

The main differences are in the following classes of liabilities:

#### Deferred tax liabilities

The difference results from the application of the tax rate to gains with taxable temporary differences implicit in the balance sheet for solvency purposes, that is, after adjustments with a positive impact on own funds.

#### Derivatives

This is largely the result of splitting the heading into assets balance and liabilities balance. The level of detail in Solvency II was greater than that in the financial statements. This effect is also reflected in the corresponding account in assets.

#### Debts owed to credit institutions

This results from the difference, when negative, between the balances of current accounts related with futures contracts and the components relating either to the valuation of unmatured contracts (recorded under the heading “Derivatives”) or to the initial margin (collateral), which was considered in the financial statements valuation under the heading “Cash and cash equivalents” in other assets.

#### Financial liabilities other than debts owed to credit institutions

The difference corresponds partly to the La Positiva PUT Option of EUR 69,750 thousand, which is valued at EUR 75,312 thousand under SII.

#### Insurance and intermediaries’ payables

The difference relates to payables for reimbursement of amounts paid out in claims. This amount is considered in the Non-Life technical provisions, given that its valuation for solvency purposes is net of these payables.

#### Reinsurance payables

The difference relates to reinsurance ceded payables for reimbursement of amounts paid out in direct insurance claims. For solvency purposes these payables are included in the Non-Life and Health – SLT technical provisions, the valuation of which was net of these.

### CAPITAL MANAGEMENT

Method 1 (accounting consolidation-based method) described in Article 270 of the Legal Framework on the Taking-up and Pursuit of the Business of Insurance and Reinsurance, approved by Law No. 147/2015, of 9 September, was used to calculate the group’s solvency, using the net data of any intra-group transactions.

The table below presents a comparison between the own funds, as these are set out in Fidelidade Consolidated financial statements, and the excess of assets over liabilities calculated for the purposes of solvency:

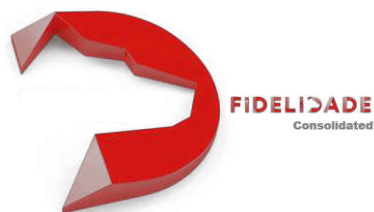
	Amounts in thousand euros		
	Solvency II	Financial statements	Difference
Assets	18,298,873	18,403,793	-104,920
Technical Provisions	14,137,917	14,170,582	-32,665
Other liabilities	1,406,608	1,118,552	288,056
<b>Excess assets over liabilities</b>	<b>2,754,348</b>	<b>3,114,659</b>	<b>-360,311</b>

Regarding the structure, amount and tiering of basic own funds, Fidelidade Group does not have any ancillary own funds and all the basic own funds are classified as Tier 1.

The table below shows the amounts of own funds available and eligible to meet the solvency capital requirement (SCR) and the minimum capital requirement (MCR), classified by tier, relating to 31 December 2020:

	Amounts in thousand euros		
	Eligible own funds to meet		
	SCR		MCR
	with financial sector	without financial sector	
Tier 1	2,745,095	2,744,169	2,744,169
Tier 2	0	0	0
Tier 3	0	0	0
Total	<b>2,745,095</b>	<b>2,744,169</b>	<b>2,744,169</b>





When calculating the Solvency Capital Requirement (SCR), the Companies in Fidelidade Consolidated insurance business use the standard formula and do not apply any internal model.

On the other hand, the Companies in Fidelidade Consolidated insurance business applied the transitional measure applicable to the equity risk set out in Article 20(2) and (3) of Law No. 147/2015, of 9 September.

Calculation of capital requirements of the currency risk sub-module includes the effect of hedging of exchange rate exposure of assets held in portfolio denominated in American dollars (USD), Hong Kong dollars (HKD) and Pounds sterling (GBP), via the use of futures and foreign exchange forwards and swaps, and of assets denominated in Yen (JPY), via the use of foreign exchange forwards.

The counterparty default risk module also takes into account exposure to counterparties with which the above-mentioned hedging is performed.

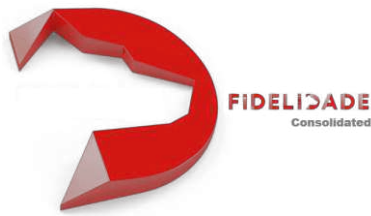
The consolidated group solvency capital requirement (SCR) and the minimum consolidated group capital requirement (MCR), and the respective coverage ratios, relating to 31 December 2020 were:

Amounts in thousand euros

	Capital Requirements	Coverage Ratio
<b>SCR</b>	1,909,812	143.74%
<b>SCR without financial sector</b>	1,909,812	143.69%
<b>MCR</b>	647,026	424.12%

Lastly, it should be stressed that if Fidelidade Group did not apply the transitional deduction to technical provisions, the consolidated group solvency capital requirement (SCR) coverage ratio would be 117.20%.

# A. Business and Performance



No activities or other significant events with a material impact on the Group occurred during the period covered by this report.

No comparisons with the information included in the 2019 report are presented throughout this chapter, as this is Fidelidade Consolidated first year.

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## A.1. Business

### A.1.1. Name and legal form of the Company

Fidelidade - Companhia de Seguros, S.A. ("Fidelidade" or "Company"), with its head office in Lisbon, Portugal, at Largo do Calhariz, 30, is a public limited liability company, resulting from the merger by incorporation of Império Bonança - Companhia de Seguros, S.A. in Companhia de Seguros Fidelidade-Mundial, S.A., in accordance with the public deed dated 31 May 2012, which produced accounting effects with reference to 1 January 2012. The operation was authorised by the Portuguese insurance regulator ("Autoridade de Supervisão de Seguros e Fundos de Pensões" or "ASF") by a resolution of its Board of Directors dated 23 February 2012. From 15 May 2014, with the initial acquisition of Fidelidade share capital, the Fidelidade Group, through Longrun Portugal, SGPS, S.A. ("Longrun"), became part of Fosun International Holdings Ltd.

The Company's corporate purpose is the performance of the insurance and reinsurance business in all technical lines of business, pursuant to the respective statute governing its activity.

In order to perform its activity, Fidelidade has a nationwide branch network, agent centres and customer branches. Overseas, it has subsidiaries in Angola, Cape Verde and Macao and branches in Spain, France, Luxembourg and Mozambique.

It holds shares in other insurance companies and other subsidiaries, associates and joint ventures, which together form the Fidelidade Group.

### A.1.2. Supervisory authority responsible for financial supervision of the Company

The Autoridade de Supervisão de Seguros e Fundos de Pensões (ASF, the Portuguese Insurance and Pension Funds Supervisory Authority), with its head office at Av. da República, 76, 1600-205 Lisbon, is the national authority responsible for the regulation and supervision of insurance, reinsurance, pension funds and respective management companies and insurance mediation companies, from both a prudential and a market conduct point of view.

For the purposes of supervision of Insurance Groups, the ASF is also the supervisor of the Fidelidade Group.

### A.1.3. The Company's Statutory Auditor

The Statutory Auditor, at 31 December 2020, is Ernst & Young Audit & Associados – SROC, S.A., represented by its partner Ricardo Nuno Lopes Pinto, Statutory Auditor no. 1579 and registered with the Portuguese Securities Market Commission under license no. 20161189.

The Statutory Auditor was appointed on 15 May 2014 and reappointed on 30 June 2020 to perform its duties until the end of the three-year period 2020/2022.

Besides the required statutory audit work, Ernst & Young Audit & Associados – SROC, S.A. provides the following services required by law:

- Certification of the Solvency and Financial Condition Annual Report pursuant to Regulation No. 2/2017-R, of 24 March;
- Certification of the Report on the mechanisms and procedures specifically adopted within the policy of prevention, detection and reporting of insurance fraud situations provided for in an ASF regulatory standard.

Besides the work mentioned above, Ernst & Young Audit & Associados – SROC, S.A. does not provide the Company, or the companies controlled by it, with any other type of services on a recurring basis.

However, when these other services are provided, this is in strict compliance with the procedures defined in law, namely in Law No. 140/2015, of 7 September.

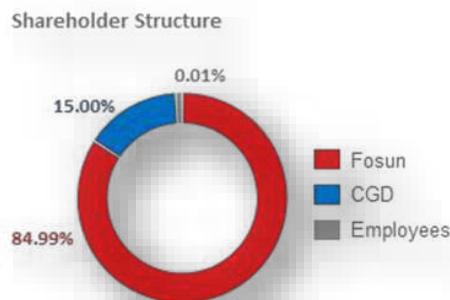
#### A.1.4. Holders of qualifying holdings

Fidelidade - Companhia de Seguros, S.A. is the company that heads the Fidelidade Group, and is owned 84.99% by the Fosun Group, through Longrun Portugal, SGPS, S.A., and 15.00% by Caixa Geral de Depósitos, S.A.

The Fosun Group is one of the largest Chinese private conglomerates with an international presence that is listed (Fosun International Limited) on the Hong Kong Stock Exchange (00656.HK). The Fosun Group has shareholdings in several sectors including insurance, banking, the pharmaceutical industry and tourism, among others.

CGD is a Portuguese state-owned bank that was established in 1876. It is currently one of the largest financial institutions in Portugal, with around 4 million clients, and is present in around 20 countries.

The complementary relationship and ambition of these two reference shareholders provide a guarantee of the stability and dynamism of the Fidelidade Group's operations.



The qualifying shares in Fidelidade Group share capital, at 31 December 2020, are set out in the following table.

Shareholder	Number of Shares	% Share Capital	% Voting Rights
Longrun Portugal, SGPS, S.A.	123,403,140	84.9884%	84.9884%
Caixa Geral de Depósitos, S.A.	21,780,000	15%	15%
<b>Total</b>	<b>145,183,140</b>	<b>99.9884%</b>	<b>99.9884%</b>

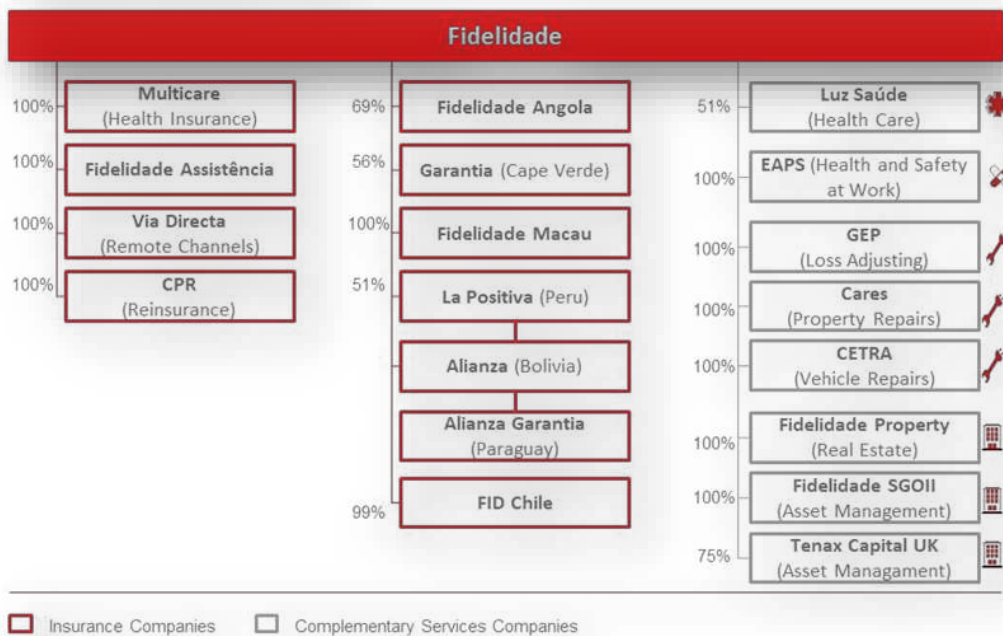
At 31 December 2020, the members of the management and supervisory bodies did not hold shares.

A.1.5. Position of the Company within the insurance group structure to which it belongs

The Fidelidade Group operates in the Portuguese insurance market through 5 companies: Fidelidade, Multicare, Fidelidade Assistência, Via Directa and Companhia Portuguesa de Resseguros. In the international market it operates through its branches – in Spain, France, Luxembourg and Mozambique – and through its subsidiaries - Fidelidade Angola, Garantia Cabo Verde, Fidelidade Macau, La Positiva (Peru), Alianza (Bolivia), Alianza Garantia (Paraguay) and Fid Chile. The Fidelidade Group also has subsidiaries and strategic shareholdings in companies that provide services that are complementary to insurance (e.g., the Luz Saúde Group, CETRA, EAPS, Fidelidade Property, Tenax, etc.), which fit within the strategy of guaranteeing operational excellence and service quality throughout the value chain, enabling the Fidelidade Group to position itself as a global service provider of people protection.

The main companies that constitute the Fidelidade Group are:

Simplified Organisation Chart



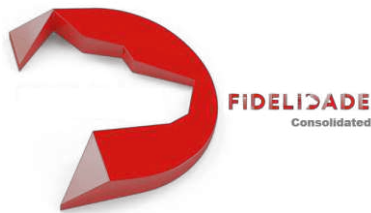
Fidelidade - Companhia de Seguros, S.A. is the company that heads the Fidelidade Group and is market leader in the Portuguese insurance market. It provides a wide range of Life and Non-Life products and, as previously mentioned, has operations in several geographies.



Multicare – Seguros de Saúde, S.A. is the insurance company within the group dedicated to health insurance, managing the market leader in health insurance in Portugal, with over 1 million customers. It has the largest private network of health providers in Portugal (with around 5,000 healthcare providers) and a network with over 700 providers of reference in countries such as Mozambique, Angola and Cape Verde, among others.



Fidelidade Assistência – Companhia de Seguros, S.A. is an insurance company specialised in Assistance and Legal Protection insurance. Operating essentially as a reinsurer, it is the market leader in Portugal and has operations in several Portuguese-speaking African countries. It provides support to its customers, on a global scale, through its network of representatives, and the international APRIL network to which it belongs.



Via Directa – Companhia de Seguros S.A., is the insurance company within the Fidelidade Group designed to sell insurance policies through remote channels (telephone and internet). It operates through the OK!Telesseguros brand, among others, and is a pioneer in online sales of insurance in Portugal and leader in the direct insurers segment.



Companhia Portuguesa de Resseguros, S.A. operates in reinsurance in the Non-Life segment in Portugal. The Company essentially underwrites risks under the non-proportional treaties with Fidelidade.



Fidelidade Angola – Companhia de Seguros, S.A, (previously Universal Seguros, S.A.) was set up in 2012, and is currently the third largest insurer in Angola in terms of turnover and the largest private capital insurer. It operates in the Non-Life and Life segments, offering a wide range of products, especially for the corporate sector.



Fidelidade has been present in Macao for 20 years, initially through local branches and more recently through Fidelidade Macau – Companhia de Seguros, S.A., set up in 2015, and Fidelidade Macau Vida – Companhia de Seguros, S.A., set up in 2020. These companies sell Non-Life and Life insurance, respectively, through an agents' network and Banco Nacional Ultramarino (BNU), with which they have a bancassurance agreement.



Garantia - Companhia de Seguros de Cabo Verde, S.A. is the market leader in insurance in Cape Verde and operates in the Life and Non-Life segments with a diverse range of products, including health insurance (the pioneer in the market). The company distributes its insurance through agencies and the banking channel, having entered into a bancassurance agreement with Banco Comercial do Atlântico, its shareholder with 25% of the share capital.



Founded in 1937, La Positiva Seguros y Reaseguros, S.A.A., heads one of the largest insurance groups in the Peruvian market (#3 in the market), selling a wide range of products in the Non-Life and Life segments, with over 3 million customers and a vast distribution network in Peru. The La Positiva Group is also present in Bolivia and Paraguay, through its holdings in the companies Alianza Compañía de Seguros y Reaseguros S.A. E.M.A. and Alianza Vida Seguros y Reaseguros, S.A.. The company La Positiva Seguros y Reaseguros, S.A.A. (Non-Life) and its subsidiary La Positiva Vida Seguros y Reaseguros, S.A.A. (Life) are listed companies on the Lima stock market (POSITIC1; POSITVC1).



Alianza Compañía de Seguros y Reaseguros S.A was founded in 1991 and heads the largest private capital insurance group in Bolivia, selling Non-Life and Life insurance, operating in the Life segment through Alianza Vida Seguros y Reaseguros S.A.. It has around 650,000 customers and leads the market of private capital insurers. Both companies are listed on the Bolivian stock market.



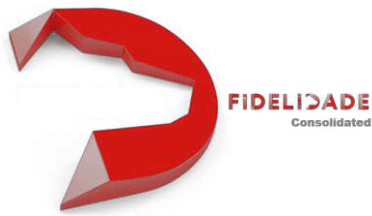
Alianza Garantia S.A. is an insurance company that has been operating in the Non-Life and Life segments in Paraguay since 1972. The company is a subsidiary of Alianza (Bolivia), which became a shareholder in 2014. It is currently ranked #9 among Non-Life insurers in Paraguay.



FID Chile Seguros Generales, S.A, is an insurance company in the Non-Life segment that began operating in January 2020, after having obtained authorisation from the Chilean regulator in the final quarter of 2019. FID Chile has developed a range of Non-Life products aimed at individual and corporate customers and distributes these through brokers and other non-traditional channels.



Luz Saúde, S.A. is the head of the Luz Saúde group, which is market leader in the provision of private healthcare in Portugal, managing 15 private hospitals, 1 NHS hospital (under a public-private partnership arrangement), 11 private clinics operating on an out-patient basis, and 2 senior residences. In 2020 it had 1,700 beds, and performed over 1.9 million out-patient consults, 420,000 emergency consults and 68,000 surgeries and deliveries.



Safemode is the brand under which EAPS – Empresa de Análise, Prevenção e Segurança, S.A. develops and provides risk analysis and health and safety at work services, including workplace medicine, among others.



GEP – Gestão de Peritagens, S.A. is the company responsible for providing loss adjusting opinions and claims inquiries for the insurers in the Fidelidade Group. It operates in Portugal, Angola and Cape Verde.



CETRA – Centro Técnico de Reparação Automóvel, S.A. is the company in the Fidelidade Group that provides motor vehicle repair services. It operates under the Fidelidade Car Service brand.



The companies Fidelidade - Property Europe, S.A. and Fidelidade - Property International, S.A. are responsible for managing the Fidelidade Group's real estate investments in the European Union and in the rest of the world, respectively.



Fidelidade – Sociedade Gestora de Organismos de Investimento Coletivo, S.A. was set up in 2018, with the aim of managing real estate investment funds focused on Southern European markets.



Tenax Capital Limited is an asset management company, based in London, specialising in the management of funds for insurers and private banks, with a strong focus on building low-capital-intensive products in these financial institutions. The company currently has around EUR 800M of assets under management in different equity, bonds and alternative investment funds.

#### A.1.6. Group business

##### Our Brand

With roots dating back to 1808, when the insurer Bonança was founded, Fidelidade is the result of the combining of two major operators in the Portuguese market: Fidelidade Mundial and Império Bonança, after the latter was acquired by the Caixa Geral de Depósitos (“CGD”) Group in 2005.

The years that followed were marked by progressive integration of the two companies, culminating in their merger in 2012 and the launch of the single-brand Fidelidade in 2013. In 2014, Fidelidade was privatised, with the Fosun Group acquiring most of its share capital, beginning a new phase marked by consolidation of the company's leadership in Portugal and international expansion.

## A HISTORY THAT NEVER STOPS

**1800**



- 1808:** Foundation of Bonança
- 1816:** Bonança adopts an anchor as its first symbol
- 1835:** Foundation of Fidelidade
- 1845:** Fidelidade is the pioneer in Life Insurance



**1900**



- 1910:** Mundial is the pioneer in Employment insurance
- 1945:** Império innovates with Popular Life Insurance
- 1975:** Nationalisation of the Insurance sector in Portugal
- 1978:** Creation of Mundial Confiança E.P.
- 1979:** Constitution of Grupo Segurador Fidelidade E.P.
- 1980:** Merger of Bonança with Comercio e Industria, União Ultramarina
- 1990:** Reprivatisation of Bonança
- 1992:** Reprivatisation of Império and Mundial Confiança
- 1995:** CGD holds the entire share capital of Fidelidade
- 1997:** Mundial Confiança launches Multicare health insurance
- 1999:** Rebranding of Fidelidade

**2000**



- 2001:** Foundation of Império Bonança S.A.
- 2002:** Merger of Fidelidade and Mundial Confiança
- 2004:** Launch of the single brand Fidelidade Mundial
- 2005:** Multicare is leader in health insurance
- 2006:** Fidelidade Mundial is market leader
- 2007:** Acquisition of Companhia Portuguesa de Resseguros (CPR)
- 2008:** Leve PPR is leader in retirement savings
- 2011:** Start-up of Universal Seguros
- 2012:** Merger of Império Bonança and Fidelidade Mundial and constitution of Fidelidade C<sup>a</sup> Seg.
- 2013:** Launch of the single Fidelidade brand

**FOSUN 复星**

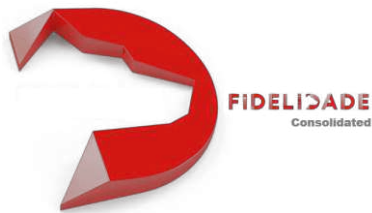


**2021**

- 2014:** Acquisition of Garantia (Cape Verde) by Fidelidade
- 2014:** Acquisition of 85% interest in Fidelidade by Fosun
- 2014:** Fidelidade Mozambique starts operations
- 2014:** Acquisition of ES Saúde (Luz Saude) by Fidelidade
- 2017:** Rebranding of Universal Seguros to Fidelidade Angola
- 2019:** Acquisition of majority stake in the Peruvian group La Positiva
- 2020:**
  - Fid Chile starts operations
  - Acquisition of Tenax, an Asset Management company (UK)

**AND CONTINUES WITH YOU**





The Fidelidade Group operates in the Portuguese insurance market, selling products across all lines of business, as part of a multi-brand strategy using a vast and diversified distribution network. The Fidelidade Group's products reach customers through three different brands, Fidelidade, Multicare and OK!Telesseguros, all of which are leaders in their segments.

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- Brand for the sale of Life and Non-Life Products (other than health insurance)
  - Benchmark brand present in all distribution channels
- 



- Brand for the sale of Health Insurance, supported by a set of Healthcare Providers, and offering a range of solutions adjusted to customers' needs, through Individual and Group plans
- 

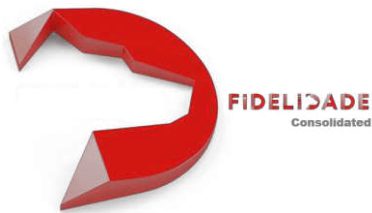


- Brand for the sale of Non-Life Products through remote channels
- 

### Products and Services

The Fidelidade Group has a wide range of products and services available to its customers, resulting from its solid experience and the constant focus on diversification and innovation. The Group has been developing a comprehensive offer in the insurance business and reaffirming its aim of positioning itself more as a partner for its customers in the provision of protection and assistance services.

Within the scope of the insurance business, the Fidelidade Group has a wide range of products, which cover most Life and Non-Life lines of business.



**Motor**

Varied range of motor insurance, for companies and individuals (including own damage, or only third party liability)

**Home and Commercial/Industrial**

Housing, industrial and commercial, Fires and other damage

**Health**

From basic protection to total protection with tailor-made offers in specific segments (e.g. 60+) with access to the largest private medical network in the country

**Workers' Compensation**

Complemented with a rehabilitation programme – WeCare



**Travel/Leisure**

Personal accidents, travel insurance, and insurance for students living abroad

**PETs**

Insurance offers for dogs and cats exploring a new emerging segment, including health insurance

**Life Financial**

Savings products with different maturities and objectives (PPR, capitalisation products,...)

**Life Risk and Annuities**

Different products, including life risk, funeral insurance and civil liability for families

Through the Group companies, services are also provided in other areas such as Health, Assistance, Real Estate, Asset Management, Loss Adjusting and Motor Vehicle Repairs.

With the aim of satisfying the additional needs of its customers, the Fidelidade Group has been identifying and developing innovative solutions and business models, moving away from the traditional approach of simply providing insurance products and towards the creation of integrated offers, with greater added value.

Accordingly, the Group has been placing more emphasis on the creation of ecosystems, that is, on the development of partnerships with key entities in other business areas and with skills which are complementary to the insurance business, to create broader and more competitive value propositions for its customers in areas such as Mobility, Health or Assistance. In all these cases, new digital capabilities will enable the development of an offer that can respond to the changes already visible in customer profiles, and which will certainly intensify in the coming years. Among the different partners, in both technical and commercial areas, with whom the Group currently collaborates, here are just a few examples of strategic partnerships that have contributed to strengthening our value proposition:



The online medicine partnership with the global market leader Teladoc has been continually expanding the services available to Multicare customers. Besides general practice consults by phone or video, the services include nutrition consults and travellers' consults, and psychological and nutritional support for oncology patients, and cover specialisations such as paediatrics, dermatology, psychology and gynaecology. The partnership with Teladoc also allows customers to take advantage of the medicines home delivery service.



The partnership with Vitality, the leading global programme for the creation of healthy lifestyle habits created by the South African insurer Discovery, allows the Fidelidade Group to increase its focus on prevention, by promoting healthy behaviour. The Vitality programme allows customers to benefit from it by earning weekly and monthly rewards, and to gain annual discounts on their insurance premium.



The technological partnership with this specialist company that is a reference in telematics and mobility provides the basis for the development of the mobile applications that the Group has launched in this area: Fidelidade Drive and Smart Drive.



The partnership with Brisa/ Via Verde, the largest motorway concessionaire in Portugal, was made as part of the launch of the Smart Drive project to enhance the mobility ecosystem. This project



covers telematics-based insurance products and mobility insurance products dedicated to Via Verde clients.



Partnership with Santa Lucia, the Spanish insurer of reference, as part of the joint development of the Funeral Protection insurance.

### Distribution Network in Portugal

The Fidelidade Group's distribution channels constitute an important competitive advantage, enabling it to be closer to its customers and to provide them with high levels of service quality. As a result of an omnichannel strategy, based on the multi-channel distribution platform, Fidelidade has encouraged interaction between the various channels, their product ranges and service levels, to ensure an integrated and consistent customer experience.

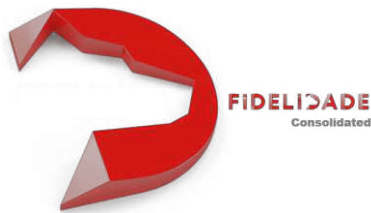
The multi-channel approach has allowed Fidelidade to ensure a unique position in the distribution of its products and stand out as the leader in all the channels through which it operates.

<b>Agents</b>	<ul style="list-style-type: none"> <li>• Fidelidade has the support of 4,174 agents selling its products, and who offer a personalised service to its customers in Portugal. Fidelidade is the leader in this channel, with 23% of market share.</li> </ul>
<b>Remote Channels</b>	<ul style="list-style-type: none"> <li>• Distribution also takes place remotely via the Internet and telephone, and the current context of a pandemic has helped to develop this channel. The Fidelidade Group leads in remote channels, with over 50% of market share.</li> </ul>
<b>Brokers</b>	<ul style="list-style-type: none"> <li>• The number of brokers rose to 70 in 2020, and the premiums earned through this channel accounted for 36% of all premiums in the Portuguese market originating from this channel.</li> </ul>
<b>Own Stores</b>	<ul style="list-style-type: none"> <li>• The Fidelidade Group has 60 own stores, and is also the leader in this channel with 38% of market share.</li> </ul>
<b>Bank Channel</b>	<ul style="list-style-type: none"> <li>• Fidelidade bank channel distributors are CGD and EUROBIC, between them totalling 698 bank branches selling the company's products. The market share in bancassurance was 23%.</li> </ul>

Digitalisation and technology play a particularly important role in the search for solutions that enhance interaction with customers and offer increasingly customised services. However, although the digitalisation process is essential for greater proximity with customers, the Fidelidade Group has always been founded on a sales force based in agencies, stores and brokers' centres, and the Group continues to place emphasis on improving these partners' skills.

In 2020, the Group simplified some processes by digital means and offered training to brokers, which included the following:

- Within the scope of the B2B Platform, brokers were given access to information on its portfolio via the Web Service;
- Engagement with the Commercial Network was strengthened, through training on processes and procedures that guarantee its efficiency and autonomy;
- 9 "conformity" courses, covering 2,159 agents and their staff with a pass rate of 89%;



- 8,000 hours of remote training, through themed Workshops, guaranteeing appropriate training of the agents' network in the context of a pandemic;
- Approval of a distance-learning platform, in order to effectively guarantee training needs for 2021.

### International Distribution Channels

#### LATIN AMERICA

Peru - La Positiva's distribution platform is also based on several distribution channels that allow the Group to be near its customers and provide them with service quality. The distribution channels in Peru include Brokers (with 41% of premiums written), Non-traditional Channels (16%), Own Distribution (11%), Direct Channel (10%), Public Tenders (20%) and the Digital Channel (2%). The non-traditional channels include partnerships with banks, retailers and other partners. Own distribution is split between the sales force (organised in four different teams: Annuities, Family Protection, Traditional Life and Non-Life), the call centre and e-commerce. It is important to highlight the potential of the e-commerce channel, which has two websites for Mandatory Traffic Accident Insurance (SOAT) and travel insurance and enables insurance to be purchased directly online. The direct channel is mostly composed of retail agencies in shopping centres, located for the most part in Lima. The increase in shopping centres that has been occurring outside the city of Lima represents an opportunity for La Positiva to reach new customers.

Bolivia - The distribution channels in Bolivia include Brokers (37% of Gross Premiums Written), Direct Channel (13%), Sales Force (11%) and Bancassurance (39%). The Brokers channel offers personalised sales assistance by line of business. In the Bancassurance channel, we can highlight the commercial partnerships with three of the largest retail banks in Bolivia: BMSC, FASSIL and FIE.

Chile - In Chile distribution is through Brokers (80%) and Affinities (20%). The business model of this subsidiary is based on a scalable technological platform that enables agile interface with different distribution partners.

#### OTHER GEOGRAPHIES

The distribution channels in the Group's other geographies are largely based on the Banking Channel, Brokers and Agencies. In bancassurance, the Fidelidade Group has several commercial partnerships in the different geographies where it is present.

The main distribution channels in Angola include Agents and Brokers (46%), Agencies (9%), with 16 own stores and a team of specialist salespersons, and Bancassurance (36%), with commercial partnerships with 7 local banks: Caixa Angola, Banco Fomento Angola, Standard Bank, Banco Investimento Rural, Banco Valor, Banco Comercial do Huambo and Banco Prestígio.

In Cape Verde, the most important channel is the Agencies, with 72% of gross premiums written. The Fidelidade Group places emphasis on the continual training of its human resources and on digital transformation of the services offered by the agencies. The other channels include Brokers (12%), Bancassurance (10%), Exclusive Agents (5%) and Non-exclusive Agents (1%). In Bancassurance, the Group has commercial partnerships with BCA, BI, BAI, Ecobank and International Investment Bank (IIB).

The distribution channels in Mozambique are based on Brokers (46%), the Direct Channel and Agents (39%) and Bancassurance (15%), with partnerships with Banco Único, Banco Mais and First Capital Bank.

In Spain, following the sale of Banco Caixa Geral (part of the CGD Group) in October 2019 and the end of Fidelidade Spain's bancassurance agreement with the bank, the agents and brokers channel is now the largest channel in the Spanish operation. New distribution agreements have also been made with Cajalmendralejo and with Abanca, for the sale of corporate insurance.

The distribution channels in France are based on Brokers (62%), Bancassurance (36%) and the Direct Channel (2%).

In Macao, the distribution channels are divided between Brokers (32%), Banks (31%), Direct Channels (30%) and Agents (7%). The main bancassurance partner in Macao is BNU.

## Innovation and Digitalisation

Fidelidade Consolidated embraces its innovation and digitalisation journey in three main pillars and sets clear goals for each of these.



### *Improvement of Internal Processes*

The main aim of the first pillar of action in terms of innovation is to increase efficiency, with a focus on improving business processes and the relationship with the customer. For example, in loss adjusting, digitalisation is transforming the Fidelidade Group's business model, enabling efficiency gains in processes and a response that is more tuned to customers' needs.

#### Digitalisation of processes

Vehicle loss adjusting has seen new advances, and our new system enables quotes from repair shops to be validated using intelligent algorithms and, at the same time, damage to be assessed solely from photographs. Additionally, in the field of home insurance loss adjusting, since 2018 Fidelidade has been conducting video loss adjusting, in less complex processes, thereby facilitating assessment of damage at a distance, without the need for loss adjusters to travel to the claim location.

Throughout 2020, Fidelidade and CARES leveraged efforts to consolidate the digital loss adjusting process, with a focus on increasing accident repairs. Moreover, GEP implemented the Automatic Budgeting project for vehicle loss adjusting, so that it is no longer necessary for a loss adjuster to be present at the repair shop, and it also implemented video loss adjusting, thereby facilitating loss adjusting at a distance and the inclusion of instant photographs in the IT system.

#### Automation of reimbursement processes

2020 saw the effects of recently developed solutions to improve the customer experience on the MyFidelidade app, particularly in health insurance with automation of the reimbursement process. Customers can now submit requests for medical expense reimbursements in real-time and benefit from a more efficient service with a 20% faster processing time, through the app. In 2020, reimbursements through the App represented 40% of the total reimbursements processed.

#### Other automation projects

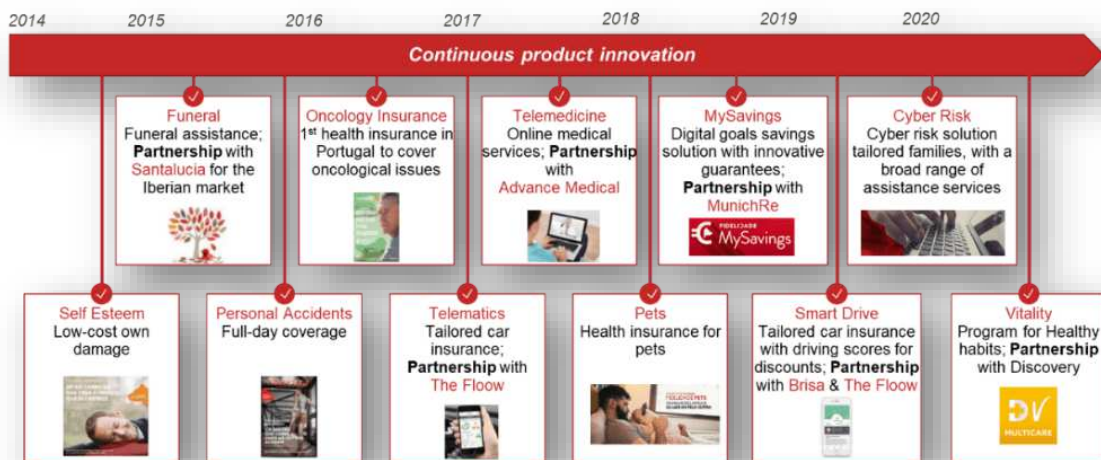
The Fidelidade Group, through Fidelidade Assistance and with the support of the Center for Advanced Analytics (CAA), has developed internally the Assistance VoiceBot, which is a Contact Center Robot to automate phone contacts with Customers, Partners and Employees. This VoiceBot uses Natural Language Processing (NLP) technology, an area of Artificial Intelligence that involves Speech Recognition, Natural Language Understanding and Natural Language Generation.

A range of different technologies was used in the process, including Google DialogFlow and Microsoft Cognitive Services, among others.

### Innovative Value Propositions

The main aim of the second pillar of action in terms of innovation is to improve the quality of our range of products and services, responding to customers' needs and seeking to respond proactively to trends and challenges in the insurance market and in society in general. Some of the challenges that drive us and that we seek the best responses for are how to guarantee fast and extensive access to quality health services, how to deal with the challenges raised by the ageing population and how to increase awareness of the need to save.

The Fidelidade Group has sought to expand the scope of its activity beyond the insurance business, in related services with relevance for customers, offering increasingly integrated and complete solutions in the various ecosystems where it operates, such as Mobility, Health, Home, Savings and Seniors.



Despite the challenges of 2020, innovation in products and services continues to be one of the Fidelidade Group's priorities. Some of the key innovative solutions launched during the year, among many others, include the Cyber Families Legal Protection Insurance, new specialisations in online medicine associated with health insurance, the Drive 2.0 application, the financial product Investment Portugal 2020, and the Multicare Vitality programme.

#### Cyber Safety for Families

At the beginning of 2020, the Fidelidade Group launched the Cyber Families Legal Protection insurance, to protect its customers and their families against the risks associated with Internet use. This innovative product is unique in the Portuguese market and provides services such as screening and deleting of sensitive information, parental control and psychological assistance. Cyber Families is an addition to the cybersecurity product range, following the launch of Fidelidade Cyber Safety for companies in 2019.



### Strengthening of Online Medicine

In the Health line of business, one of the main areas of intervention has been Online Medicine, expanding the telemedicine range and leveraging remote capabilities. Since the launch of “*Orientação Médica Online*” (online medical advisory), the Fidelidade Group has been encouraging customers to use the service even more and has sought to provide new services, using technology and promoting healthier lifestyle habits. In 2020, the Fidelidade Group once again enhanced the Online Medicine service with the inclusion of remote consults in Psychology and Gynaecology specialisations, in addition to launching *Médico Assistente Online* (online assistant doctor) in the area of Family Medicine, an online symptom checker including Covid-19 symptoms, and the medicines home delivery service.



### Telematics Application: Fidelidade Drive

The Mobility ecosystem has been gaining ground with the launch of telematics-based products that aim to contribute to better and safer driving, by recording driving behaviour in real-time. In this context, the Fidelidade Drive application was launched in 2017 for customers with Fidelidade motor insurance. This service has obvious advantages for customers, as it tends to reduce their motor insurance premium and, on the other hand, promotes saving by offering several discount options. In 2019, the Smart Drive application was also created, in partnership with Brisa, the largest transport infrastructures concessionaire in Portugal. This application is designed to provide Via Verde clients with an innovative experience in the mobility ecosystem. In 2020, the application Fidelidade Drive 2.0 was launched, integrating new functions and a new customer-centric design.



### Investment Portugal 2020

Throughout the second half of 2020, Fidelidade launched three closed series of the product Investment Portugal 2020 (individual life insurance linked to investment funds), with the clear aim of attracting medium-term investment through subscription to a single premium with a minimum sum of EUR2,500.



### Multicare Vitality

Prevention is also one of the areas of intervention in the Health line of business. The aim here is to use prevention models as a means of positively influencing risk. In this context, and in partnership with Vitality, the Fidelidade Group launched the Multicare Vitality programme, which rewards customers for healthy behaviour, with discounts on their health and life insurance and other rewards guaranteed by partners such as Decathlon, Celeiro, Pingo Doce, Cinemas NOS, Garmin and Apple.

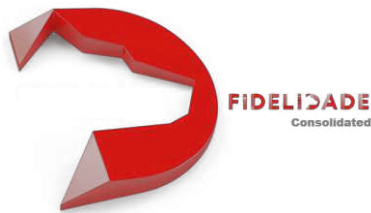


### Transformational Enablers

The third pillar of action in terms of innovation promotes an atmosphere of transformation throughout the organisation, developing innovative solutions and making these accessible through state-of-the-art platforms. Transformation enablers work from the perspective of consolidating synergies, enabling the creation of innovative digital solutions that are market disruptors.

- The Center for Transformation and the Center for Advanced Analytics was created with the aim of leading innovation projects and enhancing analytics capacities;
- Strategic partnerships were created to reinvent or consolidate value propositions in an ecosystem approach;
- The Protechting Programme was created as a startup accelerator, strengthening our digital position.

In 2020, we can highlight the launch of new solutions, and the development of new functions and new partnerships to leverage value creation and assist in adapting to challenges:



#### Soft launch of Alô by Fidelidade

- This solution was created to meet the needs of the senior segment, and combines a tablet and an application, with Internet included, that facilitates senior citizens' communication with their families, using simplified software;
- Partnerships with siosLIFE in software, Altice in logistics and SantaLucia and Jane for product internationalisation;
- Partnership with *União das Misericórdias Portuguesas* – Given the need for family members to communicate with each other, which became even more acute with COVID-19, and in line with Fidelidade vision of combating social isolation and fostering technological inclusion in the senior segment, as part of a social responsibility action, the aim was to test this solution that has been developed to bring Portuguese families closer together.



#### Rebranding FIXO Fidelidade

- Platform for the provision of services for the home with an end-to-end digital experience, with the launch of a new channel for requesting services (WebApp);
- Rebranding from the Faustudo brand to Fixo Fidelidade;
- Adaptation of the home services provision, in line with the recommendations of the General Directorate of Health.



#### Launch of Just in Case Insured by Fidelidade

- Travel planning App offering free services of personalised checklists, tips for different destinations and free support to travellers 24 hours a day, 365 days of the year, which allows travel insurance to be taken out on demand;
- Winner of the award "EFMA 2020 Innovation and Insurance Awards – Product & Service Innovation Silver Award";
- Partnership with Collinson – Access to lounges worldwide.



#### Creation of Fidelidade Inovação, S.A. (FID I&D)

- Company created to optimise the pursuit of innovation and research projects.
- Recognition by the National Innovation Agency of the status of aptitude in the following areas of activity: Cyber-safety, the Internet of Things; New means of communication; ICT applied to Health and ICT for open access to knowledge.

### International Presence

Fidelidade Groups international insurance business is an important means of sustained growth and pursuit of its medium and long-term goals. The Group currently operates in four continents and twelve countries.

The Group regards international expansion as a strategic priority to diversify its business, create synergies and transfer innovation between companies and, above all, between markets. The Group is also committed to developing the markets where it chooses to operate, in terms of both developing people and creating infrastructures or providing services and solutions for the people, while always keeping in mind the importance of guaranteeing that every operation is financially and operationally sustainable.

#### INITIAL PHASE OF INTERNATIONAL EXPANSION

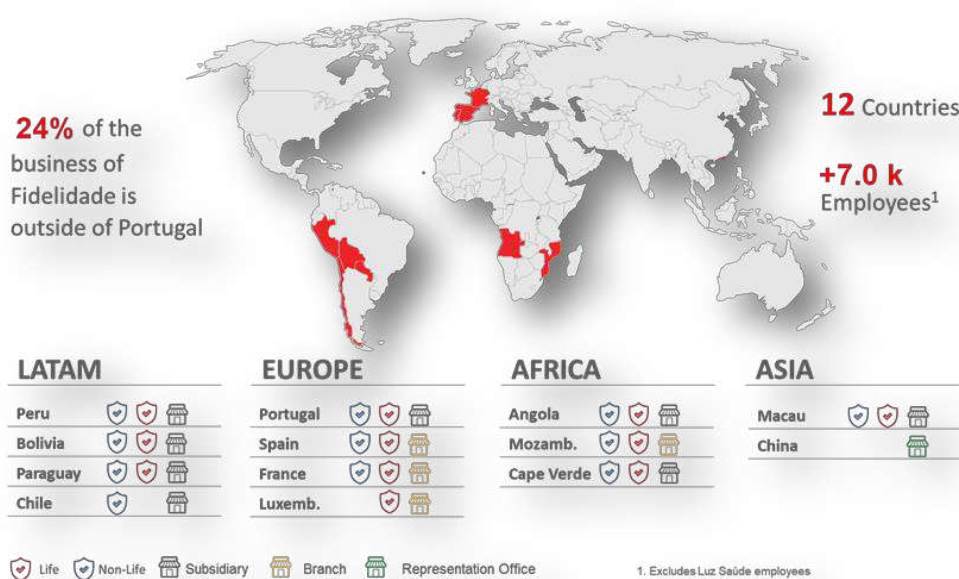
Initially, the Group's internationalisation process sought out markets with which Portugal had economic, cultural and language ties. Later, it began to analyse investment opportunities in more attractive selected markets, i.e., in countries with significant potential for growth in the insurance sector, and where the Group believes it can add value, through its experience and knowledge.



## ENTRY IN LATIN AMERICA

2019 was a turning point in the internationalisation strategy, which until then had primarily been focused on Portuguese-speaking markets. That year the Group entered Latin America, through the acquisition of a majority share in the La Positiva Insurance Group, a leading company in the Peruvian market that also operates in Bolivia and Paraguay, as well as taking the decision to set up a new insurer in Chile.

Currently, with the inclusion of these companies in the Fidelidade Group, the number of Spanish-speaking employees and customers in the Group is similar to that of their Portuguese-speaking counterparts.



## Our People

At the end of 2020, the total number of employees in the Fidelidade Group's insurance area was 7,018, which represented an increase of 9.5% compared to the previous year. This increase was due to an additional 606 employees being admitted, 101 of them in Portugal (mostly linked to the increase in functions related to Digitalisation, Analytics and Transformation) and 505 employees in the Group's international operations, largely reflecting the expansion of the commercial network in Angola.

Total No. of Employees	2019		2020	
	Male	Female	Male	Female
Portugal	1,348	1,891	1,376	1,964
International	1,454	1,719	1,721	1,957
Subtotal	2,802	3,610	3,097	3,921
<b>Total</b>	<b>6,412</b>		<b>7,018</b>	

Women hold 55.9% of the positions at the Fidelidade Group and this tendency is evident in both the Portuguese and International operations.

Of the total number of employees in the Group, 47.6% work in the Portuguese operation and the remaining 52.4% work in the international operations.



### Our Contribution to a Sustainable Future

2020 was clearly unique, and more than ever before Fidelidade WeCare spirit played its part in caring for the safety and well-being of our people, supporting our suppliers in situations of vulnerability, continuing our activity and proximity to our customers, and showing that we are an active partner in our communities, at a time when they most need us.

Our capacity to respond and adapt to this new context would certainly have been more difficult if the Group had not invested in digitalisation and dematerialisation and in the relationship with our customers, partners and suppliers. This unprecedented effort and our contribution to a prosperous and inclusive recovery should continue to dominate 2021.

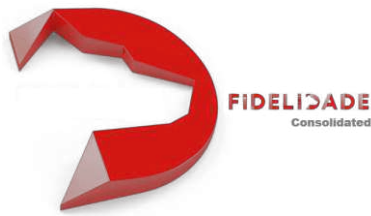
The Fidelidade Group's contribution to society is the extension of this principle and of the responsibility we assume as market leader. This approach has been based around accompanying and supporting people when they need it most and anticipating trends that impact society.

Aware of the influence of our activity, as an insurance Group, on the development of society, we have reflected on our contributions to the Sustainable Development Goals (SDGs) and adopted a clear position for promotion of Agenda 2030 - the global strategy for Sustainable Development.

This reflection has increased our motivation to mitigate the negative impacts and maximise the positive impacts resulting from our activity, seeking to create value for the communities of which we are part.

These are the SDGs on which we consider our activity has a significant impact, and should continue to do so in the future:





## OUR PRIORITIES

Our contribution to sustainable development reflects the vision of social responsibility that we are committed to in the societies where we operate. We achieve this through responsible management and integrating sustainability into the products and services we offer.

### Commitment to Ethics and Transparency

For us, acting in an ethical and transparent way is a daily priority. These two fundamental values generate trust in the financial system and bring efficiency to the process for identifying risks and to the provision of services to customers.

As a benchmark insurance Group and a promoter of good practice in the sector in Portugal, we have been paying particular attention to new ethical issues raised by the use of digital means within the context of protecting personal data. Contributing to assessing gaps and seeking the best legal framework, which does not separate protection and consent from customer service, is a commitment that is common to all our activity.

### People Focus

As a Group focused on People, we have assumed the commitment to prepare teams, leaders and every one of our employees for appropriate professional development that also fosters the development of the business, and to continue to work to create conditions to improve the quality of life of our employees.

Alongside the work undertaken in the context of the pandemic to ensure safe conditions for our employees, we have also been engaged in several structural projects that aim to contribute to their well-being, and the value proposition of these was further enhanced in 2020. One example is NOS – the Social Support Programme for Employees – which has strengthened its Counselling Programme and Psychological Support online.

In terms of our social responsibility commitment to Fidelidade customers, we can highlight the distinctive WeCare social intervention programme, which provides support to customers who have had serious accidents.

### New trends, new services

Society is changing and there are countless new trends related to new lifestyles. The Group is not indifferent to these and has been evolving from a product-based vision to a service-based vision, using technology as a central tool to bring about change.

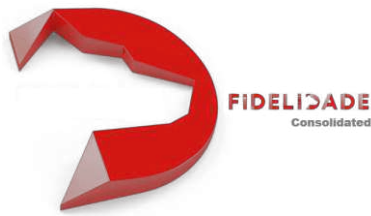
In 2020 we enhanced the offer of new services in the senior ecosystem and home ecosystem. Through digitalisation we were also able to inject greater agility into our management and response chains.

### Longevity and Quality of Life

The Fidelidade Group's priority areas in terms of corporate social responsibility continue to be based on the challenges of the ageing population, health prevention and inclusion of persons with disabilities or incapacities. We aim to develop a greater understanding of these issues in the interests of developing the respective communities and regarding their impacts on strategy and business.

In 2018, the Fidelidade Group launched the new product Multicare 60+, an innovative health insurance designed specifically for the over-60s, which was a pioneer in the holistic risk offer.

The Group wishes not only to cater for the senior segment with its offer of traditional health insurance, but also to embrace their concerns, such as exclusion and loneliness, cognitive stimulation and disability, and lack of assistance and isolation made worse by the Covid-19 pandemic and the related social distancing measures. It was with this in mind that the Group launched Alô by Fidelidade in 2020. This integrated and user-friendly technological solution allows senior citizens to stay connected to their family and friends.



## **Prevention**

The Fidelidade Group has continued its commitment to preventing illness and also promoting healthy habits. Adopting prevention models as a means of positively influencing risk (e.g., the Vitality programme launched in 2020) not only brings added value to individual customers but also contributes to a healthier society.

Moreover, the Fidelidade Group is aware of the emergence of new diseases and disorders identified for the 21st century and, in this context, has been working on new initiatives, such as cancer screening, chronic disease management and mental health promotion.

## **Responsible investment**

Responsible investment combines environmental, social and governance factors (ESG), with the aim of guaranteeing a return for investors and benefiting society by influencing corporate behaviour. The Group will continue to work on building its investment portfolio based on Sustainable Development principles.

## **Environment and Climate Change**

The issue of the environment and climate change has been given a further boost, not only due to ongoing actions to better manage the direct resources of the business, but also in terms of prevention and forecasting of climatic events so as to provide greater protection for people.

As part of the application of the circular economy concept, with the aim of reducing waste and recycling asset use, the salvage donation programme was extended to numerous social institutions, and 498 computers that were no longer in use were donated to support the online schooling that was implemented at the start of the first wave of the pandemic.

## **Involvement in the Community**

The Fidelidade Group has the mission to contribute to building a sustainable society and has continued its policy of community involvement.

In 2020 the creation of Fidelidade Community was formalised. This project brings together social organisations, partner entities, employees, agents and institutional stakeholders in a mission to strengthen the social sector, maximising its impact. Also, as part of creating value in society, two webinars aimed at social organisations were held, synergies between organisations were promoted, and a capacity-building plan of action was set in motion and will continue in 2021.

This vision of complicity with the communities where the Group is present can be seen not only in Portugal but also in the Group's other geographies. In its international activity, the Group has made it a priority to be relevant locally and a good neighbour. The Fidelidade Group's annual Sustainability Report of 2020 will provide further details on these initiatives.

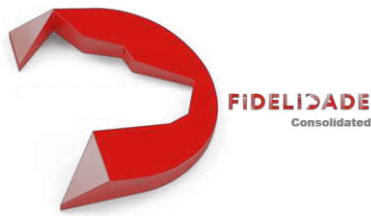
## **SOCIAL RESPONSIBILITY PROGRAMMES**

### **Fidelidade Community**

This is Fidelidade social responsibility programme, and its mission is to contribute to providing a response to problems within society at both the national and international level, with the goal of strengthening the communities where we are present.

### **NOS Social Support Programme**

Set up in 2013, this is an internal programme providing support for employee development, regarding legal, financial, medical, social and family matters. The programme offers personalised support to employees and their families and has been successful in creating and enabling appropriate responses to resolve complicated situations, contributing to employees' well-being. As a result of the work it has done and the results achieved since it began, the NOS programme is now widely recognised and has firmly earned the trust of the Group's employees.



## WeCare Programme

What began as a distinctive and humanist attitude of our employees in the Workplace Accidents and Road Traffic Accidents areas, who were accompanying cases of accidents and lives put on hold, gave rise to one of the guiding principles that is at the heart of the Fidelidade Group's culture, and which is nurtured by us all on a daily basis.

This is a distinctive social intervention project, in which the Fidelidade Group aims to take responsibility for the maximum recovery of those who have been the victim of a serious accident, offering to support them in their physical rehabilitation and economic and social reintegration, including analysing the needs of the household in order to improve the living conditions of both the accident victim and his or her dependants.

## FINAL REMARKS

In 2020 we began a new cycle of reflection and preparation of our sustainability strategy for 2021-2023.

The Fidelidade Group's 2020 Sustainability Report, to be published by 30 June 2021, will present a new roadmap and an exhaustive reflection on the Group's contribution to the Sustainable Development Goals.

### A.1.7. 2020 Highlights

#### January

**FID Chile:** The Fidelidade Group strengthened its presence in Latin America with FID Chile, which began operating in January, having obtained authorisation from the Chilean regulator in the final quarter of 2019.

**Launch of Cyber Safety Families:** an innovative and unique product on the Portuguese market, developed to protect customers and their families against the risks associated with Internet use.

#### March

**COVID-19:** The pandemic hit Portugal and other locations on a major scale with an unprecedented impact on health, the economy and society. The Fidelidade Group's response to the pandemic was the predominant driver behind our actions throughout 2020. This response is detailed in the next chapter.

**Online Medicine (Multicare):** A record number of medical consultation (18,942) were performed in this month, representing 62% of all Multicare emergency consultation. March was also marked by the enhancement of the online medicine service (24/7 consults, new Paediatrics and Dermatology specialisations, oncology support services, nutrition guidance and healthy habits testing).

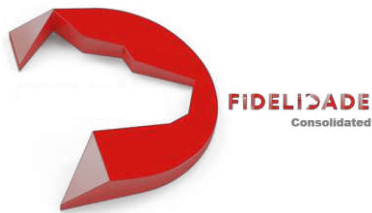
**COVID-19 Symptom Checker:** The Fidelidade Group informed all its customers and insured persons (with a user created) that they could use the Symptom Checker for Covid-19, free of charge.

#### April

**MyFidelidade APP:** It became possible to report a motor claim using the application.

**Fidelidade Macau:** Incorporation of Fidelidade Macau Vida, a company under the local law that replaced the former branch of Fidelidade in that region.

**Medicines home delivery:** Multicare announced a service for the delivery of medicines to its customers who have health insurance with Online Medicine coverage, free of delivery costs.



**Pandemic risk cover:** Multicare began to include COVID-19 costs in its health insurance, including hospitalisation and exemption from co-payment for diagnostic tests (for customers with Multicare health insurance), despite the international practice of excluding the pandemic risk from health insurance.

#### May

**Just in Case award:** Silver Award EFMA 2020 – Innovation and Insurance Awards in the category of Product & Service Innovation.

**PPR Evoluir:** Launch of a new hybrid life financial product, with a guaranteed component equal to the age of the insured person, up to 60% of the capital.

#### June

**Investment Portugal 2020:** Launch of the first series of this new individual financial product based on investment assets.

#### August

**Drive 2.0:** Launch of the second version (2.0) of the Fidelidade Drive Application, which includes new functions and a new design.

#### October

**Launch of Multicare Vitality:** The Fidelidade Group launched the innovative Multicare Vitality programme, which rewards customers for healthy behaviour with discounts on their health and life insurance and other rewards.

#### December

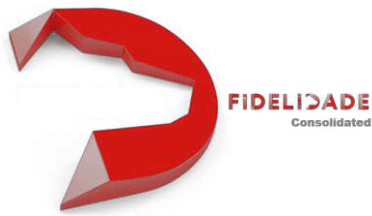
**Life Business:** Launch of the Family Life insurance, which includes the new Vitality programme promoting healthy habits, with innovative characteristics in the Portuguese market.

**Real estate portfolio:** Sale of the Triton asset in Japan and acquisition of the Smithson Plaza asset (London).

**Soft launch Alô:** Launch onto the commercial network of the solution for the senior segment, which includes a tablet with simplified software. Partnership with União das Misericórdias Portuguesa to test the solution.

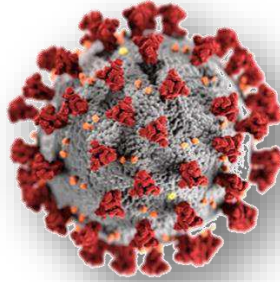
**SIM Mozambique:** On 18 December 2020, Fidelidade signed a sale and purchase agreement for the acquisition of 70% of Seguradora Internacional de Moçambique, SA. The acquisition is subject to the necessary regulatory approvals and the completion of due diligence.

**Multicare Vitality Award:** Award from Portugal Digital Awards, recognising Multicare Vitality as the best insurance project.



#### A.1.7.1. Our COVID-19 Response

The first positive case of COVID-19 in Portugal was detected at the beginning of March 2020, and this marked the beginning of an extremely challenging time for the Fidelidade Group.



All of a sudden, the Fidelidade Group with around 3,500 employees in Portugal, and a similar number across the rest of the world, was faced with the initial challenge of ensuring that our People were safe, at home, with their families, and then finding a way to set up working from home, while simultaneously guaranteeing that we continued to provide answers and services for our customers, who were also caught up in this unfamiliar scenario.

It was intense and hard, but we were able to make it work, mostly due to the DNA that characterises Fidelidade and that always shone out along this journey: So that life does not stop.

The WeCare spirit was there throughout. Our People were always at the heart of all our decisions, and for their part our People always had their customers at heart.

2020 was, thus, a year marked by the COVID-19 pandemic, which had a major impact on people's everyday lives and on business. Among the different impacts and challenges were i) the challenge in terms of health, unprecedented in our recent history, and requiring adaptation of the entire health system, ii) the heavy economic and social impact, resulting from the need to adopt confinement measures and iii) the appearance of new ways of working, adopted to ensure the safety of all and the continuity of businesses.








Our first preparatory steps began with the creation of a contingency team, design and implementation of the Contingency Plan, the setting up of contact lines to support our employees and their families and the activation of the company's communication channels to connect information and measures adopted to our customers and partners.

Within the Fidelidade Group, the steps taken to mitigate the impacts of the pandemic always followed the principles established right at the start – protection of our employees and customers – but also, the desire and aim of supporting our society, acting and participating responsibly and sustainably towards a strategy to combat COVID-19 in line with the guidelines defined by the General Directorate of Health and the Government of Portugal.

Over these last months, the Fidelidade Group's response has been based on four key pillars:

- Employees: Swift reaction to protect our people;
- Customers: Focus on our customers and support in the face of difficulties;
- Partners and Suppliers: Support to partners and suppliers, mitigating economic impacts.
- Community: Social support to the communities where we are present







#### EMPLOYEES

	<b>Full Remote Working in 2 weeks</b>
	<b>Remote medical advice</b> for employees; psychology consults
	<b>Improved IT systems</b> operating without limitations for remote working
	<b>E-learning platform</b> (Wevolution) with tips and suggestions on how to deal with the impacts of the pandemic
	<b>Regular communication</b> on the measures and procedures implemented
	<b>Safety</b> promoted with the delivery of masks and installation of acrylic separation panels and signs
	<b>Social support:</b> support to carers, support with the delivery of groceries, credit for children's studies

The health and safety of our employees was a priority for the Fidelidade Group, and our aim was to react quickly and ensure constant communication.

The measures adopted spanned a wide range of areas: health, prevention and protection, well-being, remote working conditions, social and psychological support to employees. In terms of health, we must stress all the support provided in discovering and assessing the health risks to our People in the light of the pandemic, in supplying information and guidance on the care needed, and in aiding in the follow-up and treatment of all employees and family members in preventive isolation or undergoing COVID-19 treatment.

## CUSTOMERS

	<b>Inclusion of COVID-19 costs</b> in health insurance, including hospitalisation and exemption from co-payment for diagnostic tests
	<b>Online Medicine</b> (24/7, via telephone and video consult) enhanced with greater capacity and more specialisations
	<b>Symptom Checker</b> made available to all of the Group's customers in Portugal, including COVID-19
	<b>Home delivery of medicines</b> free of charge, for Multicare customers
	<b>Partial Reimbursement</b> of insurance premiums (individual and corporate), in cases of risk reduction, in particular in Motor and Workers' Compensation
	<b>Extended periods for payment</b> of insurance premiums (Moratoriums)





**More regular communication** of the Company's guarantees and offers

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**Digital tools** for customers, promoted to facilitate interaction

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In line with the Fidelidade Group's aim of protecting people, we maintained our customer-centric focus during the pandemic, proactively improving the services provided and increasing covers to afford greater protection.

The Fidelidade Group also implemented measures to mitigate certain impacts of COVID specific to each line of business, such as:

**Health:** Although pandemics are not included in health insurance policies, Multicare made an agreement with the Portuguese Association of Private Hospitals to finance the costs of hospitalisation for Covid-19 treatment<sup>3</sup> and the payment of PCR diagnostic tests without applying any co-payment. Additionally, and as soon as the pandemic was declared, Multicare launched the Symptom Checker and provided a 24/7 Online Medicine helpline to clarify doubts and triage potential Covid-19 infections.

**Motor:** Here we can highlight the double bonus when calculating the premium for the next renewal. That is, as a result of the first state of emergency in Portugal and the related confinement measures imposed on the population, the decrease in road traffic led to a fall in claims. So that our customers can benefit from this positive aspect, the Fidelidade Group decided to allocate to its individual customers and small companies a global figure of over 20 million euros to reduce motor insurance premiums (figure for one year).

**Workers' Compensation:** Workers' compensation insurance was extended to cover working from home.

**Cyber:** SMEs with Fidelidade Cyber Safety insurance also saw the scope of their insurance extended so that, while the pandemic continues, it also covers the personal computers of their employees who are working from home.

**Life:** The Fidelidade Group's life insurance policies cover epidemics and pandemics and can be triggered in the event of death from COVID-19. Exceptions to this are the Funeral and Family Vital Protection products, which do not include epidemics and pandemics as part of the contract. However, the Fidelidade Group wishes to guarantee the best protection for people in these exceptional circumstances and has thus decided not to apply this exclusion for these products.





**Life Risk:** Although Life Risk insurance policies are not covered by the moratorium established in Decree-Law no. 10-J/2020, of 26 March, and indeed the risk for the Group is greater within the scope of the current context of the COVID-19 pandemic, we have suspended automatic cancellation and extended the grace period for mortgage-linked Life insurance to 6 months.

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<sup>3</sup> Full cover of hospitalisation costs associated with COVID-19, in the hospitals in the Multicare Network that adhered to the protocol established.

## PARTNERS AND SUPPLIERS

### **PARTNERS**

	Network focus on an <b>outbound strategy</b> , leveraging digital tools
	<b>Regular communication</b> with the network, creating a new weekly Newsletter
	<b>New digital functions</b> (e.g., Commercial Platform, Green Card)
	<b>Improved processes</b> to avoid physical contact (e.g., digital signature)

The Fidelidade Group believes that joining forces is essential in order to face the COVID-19 pandemic, and hence has provided support to its partners and suppliers, seeking to mitigate the economic impacts of the pandemic. It is important to note that while the digitalisation strategy that the Group has followed in recent years has been key in minimising the impacts of confinement and ensuring business continuity, the network of partners has also been on the front line in terms of helping customers and protecting the business.

### COMMUNITY

Lastly, within the scope of COVID-19, the Fidelidade Group has been part of a wider effort to provide support to the communities where it operates. The following initiatives can be highlighted:

In Portugal:

- Donation of protective equipment and tests to the NHS and Local Authorities in partnership with Fosun, Luz Saúde and BCP;
- Offer of home assistance and family assistance to all insured health professionals;
- Extension of covers of the Life Risk policy to researchers at the Institute of Molecular Medicine and other research institutions (e.g., the University of Braga);
- Participation in the APS EUR 1.5M solidarity fund, with the Fidelidade Group providing approximately EUR 400,000.

Abroad:

- Spain: Contribution of EUR 65,000 to the solidarity fund promoted by UNESPA for medical staff;
- France: Contribution of EUR 115,000 to the solidarity fund promoted by FFA for families and companies;
- Peru: La Positiva contributed around EUR 200,000 to CONFIEP and APESEG for the acquisition of medical supplies to donate to the Peruvian NHS; Donation of protective equipment by the Fidelidade Group to the Peruvian NHS;
- Macao: Donation of protective medical equipment to CARITAS Macao; Subsidy for infected insured persons in the event of hospitalisation for COVID-19 treatment; Donations to Institutions providing support to senior citizens and other communities affected by the pandemic.

2021 will be characterized by uncertainty and further impacts of the pandemic, and the Fidelidade Group's priority must be its response to the pandemic within the key pillars. The Group is committed to maintaining support for its employees, guaranteeing the health and safety of all, continuing to focus on better ways of working, facilitating customers' lives and finding solutions for their new needs and, naturally, continuing to support the economy, seeking, as far as possible, to mitigate the economic impacts of this new reality.

## A.2. Underwriting performance

### A.2.1. Evolution of the insurance market in Portugal and in Latin America

#### Portugal

The new pandemic and economic environment also had a significant impact on the Portuguese economy. The pandemic has been particularly damaging for important sectors in the Portuguese business landscape, such as Tourism and the Motor industry as well as for the majority of SMEs, and it has also led to greater pressure on the health system. The economy has suffered, with GDP falling around 7.6% and unemployment rising to around 6.8%. A great deal of uncertainty remains until the pandemic can be brought under control and the vaccination programme completed.

On the other hand, the monetary policies of the ECB have led to increasingly lower interest rates, with Portugal recording lower interest rates than Italy, Spain and Greece, demonstrating the high level of confidence of investors in Portugal compared with other Mediterranean economies.

#### Latin America

Latin America was one of the region's most badly hit by the pandemic, resulting in a fall of 7.4% in the region's GDP. On the other hand, inflation averaged 5.6%, although affected by outliers such as Venezuela and Uruguay. However, in the markets where Fidelidade operates inflation remained close to 2%, despite great efforts of the central banks to inject liquidity into the economy, which in turn contributed to the devaluation of most of the local currencies against the Euro.

#### **Evolution of exchange rates of Latin American currencies (vs EUR)** (Unit: Currency Rate of Change / Source: Yahoo Finance)

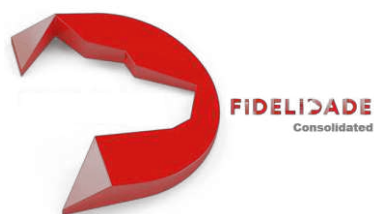
	Year-on-year rate of change			
	2017	2018	2019	2020
Brazil	-14%	-11%	-1%	-29%
Mexico	-8%	5%	6%	-13%
Argentina	-25%	-48%	-36%	-35%
Chile	-5%	-7%	-5%	-4%
Peru	-9%	1%	4%	-16%
Colombia	-12%	-4%	1%	-12%

#### Evolution of the Portuguese Insurance Market

The insurance sector contracted once again in 2020, with a decrease in premiums of 18.7% compared to 2019, resulting in total premiums written of EUR 9.9 billion. The Life segment was responsible for the decline in the sector, contracting 34.8%, while the Non-Life segment grew 3% in the same period.

#### **Portuguese Insurance Market** (Unit: million euros / Source: ASF)





The decline in the Life segment is due to a continuation of the downward trend in this market of sales of products not linked to investment funds, reflecting the current climate of low-interest rates, uncertainty surrounding the economic situation in the context of a pandemic, and the current prudential regulations applicable to the sector which are more sensitive to the risks inherent to financial guarantees.

For their part, premiums in the Non-Life segment continued the upward trend, despite a significant slowdown (3.0% in 2020 vs. 8.0% in 2019), as a result of the economic situation the country is going through.

In the Non-Life segment, of note is the positive evolution seen in the Health line of business (+8.3%), at a time of greater awareness among the population of the need to complement the National Health Service. This growth had led to the Health line of business becoming the second-largest Non-Life line of business, with direct insurance premiums of EUR 950 million, overtaking Workers' Compensation. However, despite sharp deceleration, Workers' Compensation and Motor also maintained the growth trend that has characterised recent years.

**Non-Life: Gross Premiums** (Unit: million euros / Source: ASF)

	Gross Premiums		
	2019	2020	Change
<b>Non-Life</b>	<b>5,209</b>	<b>5,363</b>	<b>3.0%</b>
Motor	1,839	1,877	2.1%
Health	877	950	8.3%
Workers' Compensation	895	905	1.1%
Fire and Other Damage	906	945	4.3%
Others	692	686	-0.9%

Evolution of the Insurance Market in Peru, Bolivia and Chile

The Non-Life segment in the Latin American markets where the Fidelidade Group is present – particularly Peru, Bolivia and Chile – maintains a growth trend in Non-Life premiums, although with deceleration in 2020 due to the pandemic.

**Non-Life: Gross Premiums** (Unit: % change rate / Source: Local Regulatory Bodies (information updated to November 2020 (Peru) and September 2020 (Chile and Bolivia))

Country	Gross Premiums	
	2019	2020
Peru	8.8%	3.1%
Chile	3.6%	4.0%
Bolivia	4.0%	-0.3%

The Peruvian insurance market has been expanding since 2017, driven by both the Life and Non-Life segments. During this period, the Life segment stood out, achieving double-digit growth in 2018 and 2019. However, there were signs of a slowdown in Life premiums in 2019, and this was amplified by the crisis linked to the pandemic from the second quarter of 2020, leading to a decline of 4.2% in this segment in 2020. Conversely, the Non-Life segment demonstrated resilience, growing around 3% in this last year.

**Life: Gross Premiums** (Unit: % change rate / Source: Local Regulatory Bodies (information updated to November 2020 (Peru) and September 2020 (Chile and Bolivia))

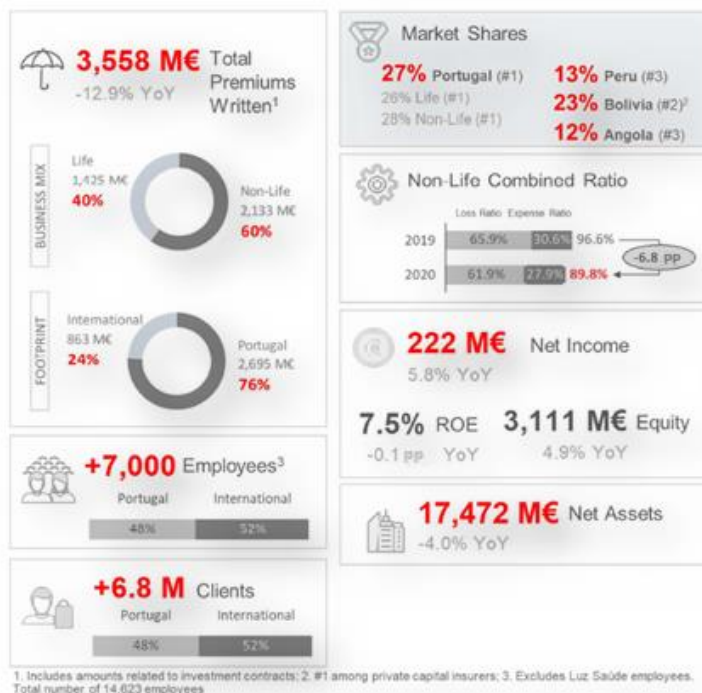
Country	Gross Premiums	
	2019	2020
Peru	10.6%	-4.2%
Chile	-4.4%	-26.1%
Bolivia	14.0%	11.0%

The Chilean insurance market, like that of Peru, saw a slowdown mainly in the Life segment. Life premiums fell in both 2019 and 2020, mainly due to Annuities-related lines of business, which suffered particularly sharp falls. However, in the Non-Life segment, the market has grown at an average annual rate of around 5% over the last 3 years, with 2020 following the trend of previous years.

Bolivia, the smallest of these 3 insurance markets, has shown resilience to the impact of the pandemic, with Non-Life premiums in line with 2019 and Life premiums maintaining their upward trend.

#### A.2.2. Group performance

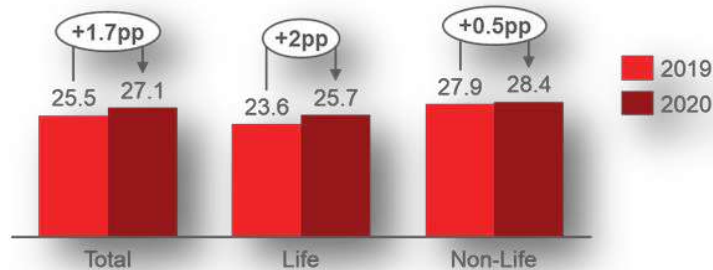
Key indicators in 2020 are:



In 2020, the Fidelidade Group held its position as market leader in Portugal, recording an overall market share of 27.1%, corresponding, in practice, to an increase of 1.7 pp compared to the previous year, originating from both the Life and Non-Life segments.

**Total Market Share, Life and Non-Life** (Unit: %; Source: ASF)

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Life Segment

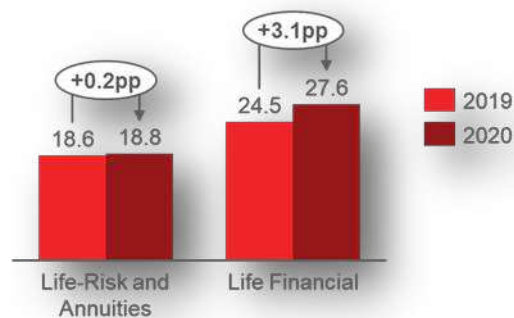
In the Life segment, which is heavily influenced by the behaviour of financial products, it is important to highlight that the Fidelidade Group increased its market share by 2 pp compared to the previous year.

In fact, the success recorded reflects the restructuring of the Life Financial line of business, marked by:

- Increase in the market share in Unit-Link products from 5.8% in 2019 to 20% in 2020;
- Contracting of Annuities products in the market greater than contraction of these in the Fidelidade Group.

**Life Segment – Market Shares** (Unit: %; Source: AFS)

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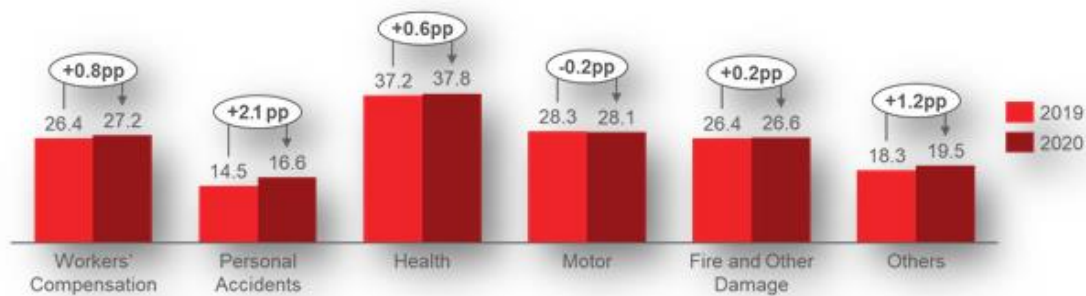
## Non-Life Segment

On the other hand, the Non-Life segment has proved to be resilient during the Covid-19 pandemic and the Group increased its share by 0.5 pp compared to the previous year.

The growth in the Fidelidade Group's position in the Non-Life market was leveraged by most of the lines of business, and was essentially due to the following factors:

- Workers' compensation with particularly significant change;
- Health with a highly positive contribution, particularly with individual policies (+1.6 pp of market share);
- Personal Accidents leveraged by strong growth in the banking channel;
- Fire and Other Damage, with a positive contribution from the Agriculture (+1.5 pp) and Other Damage (+7.7 pp) products.

### **Non-Life Segment – Market Shares** (Unit: %; Source: AFS)



## Position in the International Market

### **Latin America**

In 2020, the Fidelidade Group consolidated its position in the Latin American insurance market, recording the following rankings:

- Peru: 3rd place, with the La Positiva Group reaching third place in the Peruvian market, with a market share of 13.2%, an increase compared to the figure of 12.7% in 2019. La Positiva Seguros had the 3rd largest market share in the Non-Life lines of business, with 15.5%, and La Positiva Vida also reached 3rd place in the market in the Life lines of business, with 10.7%. EPS achieved a market share of 2.5%, obtaining 5th position in the ranking;
- Bolivia: 2nd place, with a market share of 23.8% of the non-life business and 19.2% of the life business, and leader among private capital insurers;
- Chile: 19th place, taking into account that the operation only commenced its activity in 2020;
- Paraguay: 9th place (Alianza Garantia – Non-Life business – maintained its position in the market with a market share of 3.9%)

## Other Geographies

In 2020, the Fidelidade Group also consolidated its position in Africa. In Mozambique it held 8th position, with a market share of 4.2%, which was a slight increase compared to 2019 (3.8%). In Angola the market share was 12.2%, and the operation maintained its position of 3rd in the ranking.

## Consolidated Financial Performance

<i>Units: thousand €</i>	2020	2019 Pro-forma	Change 20/19
<b>Summary INCOME STATEMENT</b>			
Premiums written	3,558,101	4,082,797	-12.9%
<i>Life</i>	1,425,399	2,053,359	-30.6%
<i>Non-Life</i>	2,132,702	2,029,438	5.1%
Combined Ratio (%) <sup>1</sup>	89.8%	96.6%	-6.8 pp
Technical Income	150,711	42,126	257.8%
Investment Yield (%)	2.4%	2.7%	-0.3 pp
Investment Income <sup>2</sup>	198,612	238,935	-16.9%
Net Income <sup>3</sup>	222,329	210,237	5.8%
<b>Summary BALANCE SHEET</b>			
AuM	17,472,093	18,199,648	-4.0%
Total Assets	19,297,206	20,255,998	-4.7%
Technical Provisions	14,009,942	14,831,197	-5.5%
Shareholders' Equity <sup>4</sup>	3,111,005	2,961,774	5.0%
ROE	7.5%	7.6%	-0.1 pp

1. Non-Life Combined Ratio adjusted to the technical costs of the insurance business.

2. Financial income deducted from the allocation to customers/technical interest and expenses related to investment management.

3. After non-controlling interests.

4. Excluding non-controlling interests.

In 2020 the Fidelidade Group attained total consolidated premiums written of EUR 3,558.1 million, registering an overall decrease of 12.9% in its business, influenced by contraction in the Life segment in all geographies, following the market trend.

The combined ratio recorded a significant improvement compared to the previous year, resulting from the general fall in the claims ratio and from gains in efficiency. This had a positive impact on the technical income, which totalled EUR 150.7 million this year.

Volatility in the capital markets and the context of low interest rates continued to compress investment yields, influencing the 16.9% drop in investment income.

Technical performance made up for investment income, enabling the Fidelidade Group to attain a consolidated net income higher than the pro-forma income of 2019.

It should also be noted that, at the end of 2020, the Fidelidade Group had EUR 17.5 billion assets under management, a fall of 4.0% compared to 2019, following the evolution of the Technical Provisions, which fell 5.4% due to the lower amount of life financial premiums.

Shareholders' Equity reached EUR 3,111 million, and the return on shareholders' equity ("ROE") was 7.5%.



Units: thousand €

	2020	% Mix	2019 Pro- forma	% Mix	Change 20/19
<b>Consolidated Premiums</b>					
<b>Life Premiums<sup>1</sup></b>	<b>1,425,399</b>	<b>40.1%</b>	<b>2,053,359</b>	<b>50.3%</b>	<b>-30.6%</b>
<i>Risk and Annuities</i>	370,267	26.0%	383,516	18.7%	-3.5%
<i>Life Financial</i>	1,055,132	74.0%	1,669,842	81.3%	-36.8%
<b>Non-Life</b>	<b>2,132,702</b>	<b>59.9%</b>	<b>2,029,438</b>	<b>49.7%</b>	<b>5.1%</b>
<i>Motor</i>	659,628	30.9%	657,563	32.4%	0.3%
<i>Health</i>	435,265	20.4%	400,538	19.7%	8.7%
<i>Fire and Other Damage</i>	432,622	20.3%	395,108	19.5%	9.5%
<i>Workers' Compensation</i>	291,395	13.7%	279,614	13.8%	4.2%
<i>Others</i>	313,792	14.7%	296,615	14.6%	5.8%
<b>TOTAL</b>	<b>3,558,101</b>	<b>100.0%</b>	<b>4,082,797</b>	<b>100.0%</b>	<b>-12.9%</b>
<b>Geographical Breakdown</b>					
<b>Life Premiums<sup>1</sup></b>	<b>1,425,399</b>	<b>100.0%</b>	<b>2,053,359</b>	<b>100.0%</b>	<b>-30.6%</b>
Portugal	1,169,257	82.0%	1,653,041	80.5%	-29.3%
International	256,142	18.0%	400,318	19.5%	-36.0%
<b>Non-Life</b>	<b>2,132,702</b>	<b>100.0%</b>	<b>2,029,438</b>	<b>100.0%</b>	<b>5.1%</b>
Portugal	1,525,917	71.5%	1,455,974	71.7%	4.8%
International	606,785	28.5%	573,464	28.3%	5.8%
<b>TOTAL</b>	<b>3,558,101</b>	<b>100.0%</b>	<b>4,082,797</b>	<b>100.0%</b>	<b>-12.9%</b>
Portugal	2,695,174	75.7%	3,109,016	76.1%	-13.3%
International	862,927	24.3%	973,782	23.9%	-11.4%

Despite the market conditions that characterised 2020, the Life business recorded premiums of EUR 1,425.4 million. The decline in this segment was felt across all the geographies, with an overall contraction in the Life business in consolidated terms of 30.6%.

In the Non-Life business, the Fidelidade Group grew 5.1% in 2020, with positive performance in all lines of business. In 2020, the Non-Life segment accounted for around 60% of the total premiums written, 28.5% of these coming from the international business.

The lines of business with the greatest growth in 2020 were Fire and Other Damage and Health, with increases of 9.5% and 8.7%, respectively. Conversely, the Motor line of business saw a slowdown in Portugal, reflecting partial returns of premiums on policy renewals, and a decline in premiums in geographies such as Angola, Peru and Bolivia, partly reflecting the effect of currency devaluations.

The Fidelidade Group's international business benefited from the inclusion of La Positiva in 2019, and, in 2020, accounted for 24.3% of the Group's total premiums.

## Premiums in Portugal

<i>Units: thousand €</i>	2020	% Mix	2019 Pro-forma	% Mix	Change 20/19
<b>Premiums - Portugal</b>					
<b>Life Premiums</b>	<b>1,169,257</b>	<b>43.4%</b>	<b>1,653,041</b>	<b>53.2%</b>	<b>-29.3%</b>
<i>Risk and Annuities</i>	<i>188,646</i>	<i>16.1%</i>	<i>184,958</i>	<i>11.2%</i>	<i>2.0%</i>
<i>Life Financial</i>	<i>980,611</i>	<i>83.9%</i>	<i>1,468,084</i>	<i>88.8%</i>	<i>-33.2%</i>
<b>Non-Life</b>	<b>1,525,917</b>	<b>56.6%</b>	<b>1,455,974</b>	<b>46.8%</b>	<b>4.8%</b>
<i>Motor</i>	<i>508,531</i>	<i>33.3%</i>	<i>501,172</i>	<i>34.4%</i>	<i>1.5%</i>
<i>Health</i>	<i>359,348</i>	<i>23.5%</i>	<i>326,559</i>	<i>22.4%</i>	<i>10.0%</i>
<i>Fire and Other Damage</i>	<i>253,124</i>	<i>16.6%</i>	<i>241,784</i>	<i>16.6%</i>	<i>4.7%</i>
<i>Workers' Compensation</i>	<i>246,176</i>	<i>16.1%</i>	<i>236,304</i>	<i>16.2%</i>	<i>4.2%</i>
<i>Others</i>	<i>158,737</i>	<i>10.4%</i>	<i>150,155</i>	<i>10.3%</i>	<i>5.7%</i>
<b>TOTAL</b>	<b>2,695,174</b>	<b>100.0%</b>	<b>3,109,016</b>	<b>100.0%</b>	<b>-13.3%</b>

In Portugal, the Fidelidade Group recorded positive premiums performance in the Non-Life segment, growing above the Portuguese market average (4.8% compared to 3.0% in the market).

In the Life business in Portugal, Fidelidade registered a decrease of 29.3%, influenced by the financial products component, which contracted 33.2% in the current context of low interest rates and uncertainty. Despite this general downward trend in the Life segment, Fidelidade performance was more positive when compared with the market average, which recorded a decrease of 34.8%.

In the Life Risk and Annuities business, Fidelidade grew 2.0% in Portugal, as a result of the new Proteção Vital 65+ product.

In the Non-Life segment, the Health line of business recorded the highest growth, with total premiums of EUR 359.3 million. The Fidelidade Group grew 10.0% in this line of business, which was above Portuguese market growth (8.3%).

The Motor line of business, which accounts for 33.3% of the Group's Non-Life business in Portugal, recorded moderate growth, reflecting one of the measures implemented by the Fidelidade Group in the context of the Covid-19 pandemic of returning to customers part of their motor insurance premiums.

### International premiums

International premiums reached EUR 862.9 million in 2020, like Portugal recording a decrease compared to the previous year, due to the evolution of the Life segment and devaluation of local currencies against the Euro.

The Non-Life business grew 5.8%, which is higher than the performance in Portugal (4.8%), with Chile (which began its operation in January 2020), Bolivia and France contributing most to the increase of EUR 33.3 million in the international Non-Life premiums.

Units: thousand €

	2020	% Mix	2019 Pro-forma	% Mix	Change 20/19
<b>International Premiums</b>					
<b>Life Premiums</b>	<b>256,142</b>	<b>29.7%</b>	<b>400,318</b>	<b>41.1%</b>	<b>-36.0%</b>
<i>Risk and Annuities</i>	181,620	70.9%	198,559	49.6%	-8.5%
<i>Life Financial</i>	74,521	29.1%	201,759	50.4%	-63.1%
<b>Non-Life</b>	<b>606,785</b>	<b>70.3%</b>	<b>573,464</b>	<b>58.9%</b>	<b>5.8%</b>
<i>Motor</i>	151,097	24.9%	156,390	27.3%	-3.4%
<i>Health</i>	75,916	12.5%	73,979	12.9%	2.6%
<i>Fire and Other Damage</i>	179,498	29.6%	153,324	26.7%	17.1%
<i>Workers' Compensation</i>	45,219	7.5%	43,310	7.6%	4.4%
<i>Others</i>	155,055	25.6%	146,460	25.5%	5.9%
<b>TOTAL</b>	<b>862,927</b>	<b>100.0%</b>	<b>973,782</b>	<b>100.0%</b>	<b>-11.4%</b>

The Fire and Other Damage line of business saw very marked growth (17.1%), propelled by the Latin America business. On the other hand, Motor recorded a decline, mainly influenced by the fall in sales in Peru of 14.2% (except for the SOAT product), reflecting the devaluation of the local currency and the effects of the pandemic, which led to an increase in policy cancellations.

The Life Financial line of business recorded a decrease of 36%, the main influences being the loss of the bancassurance channel in Spain (due to CGD selling its subsidiary there) and the drop in premiums in Macao, which together contributed to a fall of over EUR 100 million.

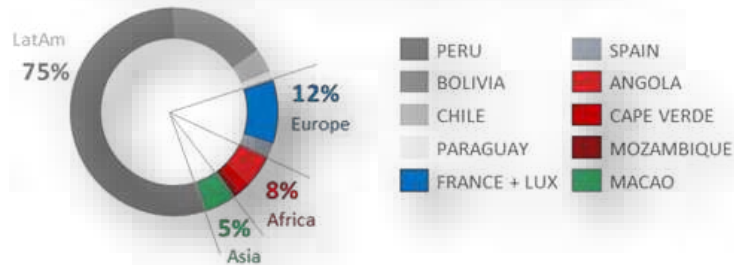
The Life Risk and Annuities line of business, which carries significant weight in the Latin America business (25.6% of the Fidelidade Group's total premiums in this region), fell by 8.5%, essentially reflecting the effect of the devaluation of the local currencies against the Euro.

Units: thousand €

	2020			2019 Pro-forma			Change 20/19
	%Life	%NL	Total	%Life	%NL	Total	%
<b>International Premiums</b>							
PERU	31%	69%	473,838	34%	66%	496,010	-4.5%
BOLIVIA	31%	69%	129,231	35%	65%	126,520	2.1%
FRANCE+ LUX	38%	62%	84,994	36%	64%	74,031	14.8%
ANGOLA	2%	98%	43,688	4%	96%	54,450	-19.8%
MACAO	67%	33%	42,223	83%	17%	104,332	-59.5%
CHILE	0%	100%	32,394	-	-	0	-
SPAIN	23%	77%	19,053	84%	16%	83,064	-77.1%
CAPE VERDE	14%	86%	15,044	11%	89%	15,713	-4.3%
PARAGUAY	6%	94%	12,190	8%	92%	10,763	13.3%
MOZAMBIQUE	1%	99%	10,272	2%	98%	8,899	15.4%
<b>TOTAL</b>	<b>30%</b>	<b>70%</b>	<b>862,927</b>	<b>41%</b>	<b>59%</b>	<b>973,782</b>	<b>-11.4%</b>

In 2020, the Latin America business represented 75% of Fidelidade international business, while Africa accounted for 8%, Asia 5% and Europe 12%.

### International Business: Geographic Distribution



(%)	2020	2019 Pro-forma	Change 20/19
<b>Combined Ratio</b>			
<b>Consolidated CoR</b>	<b>89.8%</b>	<b>96.6%</b>	<b>-6.8 pp</b>
Loss Ratio	61.9%	65.9%	-4.0 pp
Expense Ratio	27.9%	30.6%	-2.7 pp
<b>CoR Portugal</b>	<b>90.3%</b>	<b>96.4%</b>	<b>-6.1 pp</b>
<b>CoR International</b>	<b>88.2%</b>	<b>97.6%</b>	<b>-9.4 pp</b>

Fidelidade Consolidated combined ratio was 89.8%, which was an improvement of 6.8 pp compared to the previous year, reflecting the fall in the claim's ratio and an increase in operational efficiency.

There was significant improvement in the international business, with the combined ratio falling 9.4 pp compared to 2019.

Units: thousand €	2020	2019 Pro-forma	Change 20/19
<b>Income</b>			
Technical Income	150,711	42,126	257.8%
Investment Income	198,612	238,935	-16.9%
Others	-43,980	-47,454	-3.7%
<b>Income before Tax</b>	<b>305,343</b>	<b>233,607</b>	<b>30.0%</b>
Tax and Non-controlling Interests	-83,014	-23,370	247.8%
<b>NET INCOME</b>	<b>222,329</b>	<b>210,237</b>	<b>5.8%</b>

Net income evolved positively in 2020, due to the contribution of technical income, which benefited from a reduction in the claim's ratio and a lower weight of general costs.

Units: thousand €

	2020	Mix (%)	2019 Pro-forma	Mix (%)	Change 20/19
<b>Assets under Management (AuM)</b>					
Treasury	936,872	5%	899,336	5%	4.2%
Fixed-income securities	13,144,838	75%	13,436,362	74%	-2.2%
Equities	910,156	5%	954,146	5%	-4.6%
Properties	1,951,202	11%	2,284,856	13%	-14.6%
Properties (own use)	529,024	3%	624,948	3%	-15.3%
<b>Total AuM</b>	<b>17,472,093</b>	<b>100%</b>	<b>18,199,648</b>	<b>100%</b>	<b>-4.0%</b>
Yield (%)	2.4%	-	2.7%	-	-0.3 pp

In 2020 Fidelidade had assets under management of EUR 17.5 billion, which generated an annualised yield of 2.4%.

Fidelidade has a prudent investment strategy with 80% of its portfolio being composed of fixed-income securities and treasury, and the remaining part divided between equities (5%) and real estate (15%).

In 2020, the policy of diversifying by class of asset and geographies was continued, as a means of maximising yield with an appropriate level of risk given the climate of low-interest rates and taking into account capital optimisation under the Solvency II rules.

#### Assets under Management ("AuM") 2020: Composition



Units: thousand €

	2020	Mix (%)	2019 Pro-forma	Mix (%)	Change 20/19
<b>Technical Provisions</b>					
Life	11,546,634	82%	12,420,091	84%	-7.0%
Non-Life	2,463,308	18%	2,411,106	16%	2.2%
<b>Total</b>	<b>14,009,942</b>	<b>100%</b>	<b>14,818,948</b>	<b>100%</b>	<b>-5.4%</b>

In 2020, Technical Provisions stood at EUR 14 billion, falling 5.4% compared to 2019, as a result of the decrease in Life provisions, which followed the contraction in sales.

Units: thousand €	2020	2019 Pro-forma	Change 20/19
<b>Shareholders' Equity</b>			
Shareholders' Equity with NCI	3,571,456	3,457,257	3.2%
Non-controlling Interests ("NCI")	460,452	495,483	-7.5%
<b>Shareholders' Equity without NCI</b>	<b>3,111,005</b>	<b>2,961,774</b>	4.9%
ROE (%)	7.5%	7.6%	-0.1 pp

In 2020 Shareholders' Equity, excluding Non-controlling Interests, was EUR 3,111 million and the return on shareholders' equity was 7.5%.

### Separate Financial Performance

Units: thousand €	2020	2019	Change 20/19
<b>Summary INCOME STATEMENT</b>			
Premiums written	2,756,472	3,307,478	-16.7%
<i>Life</i>	1,211,156	1,836,075	-34.0%
<i>Non-Life</i>	1,545,316	1,471,403	5.0%
Combined Ratio (%) <sup>1</sup>	90.0%	96.7%	-6.7 pp
Net Income	150,834	144,406	4.5%

1. Non-Life Combined Ratio adjusted to the technical costs of the insurance business;

In individual terms, Fidelidade total premiums in 2020 were EUR 2,756.5 million, which was a fall of 16.7% compared to the previous year, related to the evolution of the Life segment.

In the market context that characterised the year, the Life business recorded premiums of EUR 1,211.2 million, contracting 34% compared to the previous year, following the market trend.

In the Non-Life segment, Fidelidade grew 5.0% in 2020, benefiting from positive performance in all lines of business.

In terms of the business of the international branches, there was a fall of around EUR 100 million in Life premiums, related to the loss of the bancassurance channel in Spain and the transfer of the Life business of Macao to the new subsidiary in that geography.

Fidelidade individual combined ratio was 90%, an improvement of 6.7 pp compared to the previous year, reflecting the fall in claims ratios and greater operational efficiency.

The improvement in the technical indicators contributed to the 4.5% increase in net income in 2020, when compared to the previous year.

Units: thousand €	2020	2019	Change 20/19
<b>Summary BALANCE SHEET</b>			
Total Assets	16,277,509	16,796,203	-3.0%
Technical Provisions	12,489,988	13,334,627	-6.3%
Shareholders' Equity	2,941,734	2,589,284	12.9%

In 2020 Fidelidade Individual had Assets of EUR 16.3 billion and Technical Provisions of EUR 12.5 billion, although the latter fell by 6.3%, in line with the decrease in activity in the Life Financial line of business.

Shareholders' Equity totalled EUR 2.9 billion, an increase of 12.9% compared to the previous year, reflecting the capital increase and the effect of the net income for the year.

Fidelidade closed 2020 with a net profit of EUR 150,834,217.23, calculated on an individual basis in line with the applicable accounting standards.

### Fidelidade Group Strategy

The activity of the Fidelidade Group is based on **4 strategic imperatives**, upon which the Group has defined a growth and transformation plan with defined action-oriented initiatives. These strategic imperatives are the guiding force behind the Fidelidade Group's actions and give rise to a wide range of initiatives that are being implemented by the different companies in the Group.



### **PROPEL GROWTH**

Growth is a strategic priority for the Fidelidade Group, and work in this area follows 3 main avenues of growth: Strengthening leadership in Portugal, International expansion and Innovation and digital transformation.

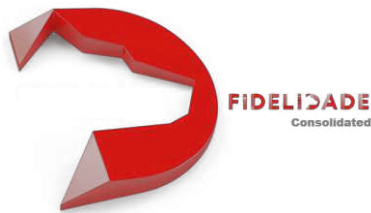
### **STEP CHANGE PROFITABILITY**

In recent years, the Fidelidade Group has returned consistently positive results, in terms of profitability. This performance has been possible due to the implementation of various initiatives to improve yields, and which continue to be a focus for action in the future. The main initiatives include continual automation of internal processes, transformation of the Life business and optimisation of investment portfolio management.

### **PUT CUSTOMERS AT THE CENTRE**

Fidelidade Group focus is its customers and, as a result, all of the Group's activity and innovation are customer-centric. In the traditional insurance business, this means making an effort to meet customers' expectations with regard to the increasing digitalisation of business and improving response times.

Given the focus on customers' needs, the aim of the Fidelidade Group is not only to offer insurance and mutualise customers' risks, but also to proactively support customers in managing their risks and solving their problems and needs as these arise. This ambition requires the Fidelidade Group to increase the frequency of its interactions with customers and develop new integrated offers for the ecosystems in which it operates, providing products and services that are outside its core business and increasingly focused on prevention and on solving customers' holistic needs.



This route has been achieved by acquiring and internalising different services that are relevant to the business and by forming strategy partnerships with important groups with a global presence, such as Discovery Vitality.

## MOBILISE THE ORGANISATION

In order to pursue its other strategic imperatives of growth, profitability and putting customers at the centre, the Fidelidade Group must have the necessary talent and working methods. Hence, the Group is keeping up to speed with the industry's transformation and trends, in order to guarantee today the talent that will be needed for the challenges of tomorrow.

Therefore, although 2020 was characterised by a macroeconomic context of greater unemployment, the Fidelidade Group bucked the trend of most companies and took advantage of this context to fill gaps that had been identified with talent available on the market.

In addition, continued emphasis on employee training and on internal rotation are also indispensable initiatives for generating and retaining human talent. Alongside this, the Fidelidade Group has engaged in actions to ensure that all the Group's employees assimilate the values, purpose and identity of the Group, which are key factors in uniting the different generations within the company.

Reformulating ways of working and organisational processes based on Agile methods is a route that the Group has followed to guarantee an increasingly agile organisation, capable of supporting business growth and responding quickly and efficiently to any challenge that arises.

Following a successful first transformation in the organisation of the IT systems area, the Group is now focused on expanding these different methods of working to the Group's other areas and functions.

### How we manage risk

The Fidelidade Group's global risk management system is an integral part of its daily activities, contributing to maintaining the Group's financial solidity and stability.

The risk management model is aligned with the requirements set out in the Solvency II rules, which came into force in January 2016.

The own risk and solvency assessment ("ORSA"), which enables risk, capital and return to be related to each other in a prospective vision, within the context of the business strategy, plays a key role in monitoring both the Company's risk profile and the capital adequacy in terms of meeting the regulatory requirements and the internal capital needs.

The Company has policies, processes and procedures relating to the governance system that are adapted to its business strategy and operations, guaranteeing sound and prudent management of its business.

To ensure compliance with these policies, processes and procedures, a series of key functions have been established, which are allocated to the following bodies at Fidelidade:

<b>Risk Management Division</b> <ul style="list-style-type: none"> <li>• Risk Management Function</li> <li>• Actuarial Function</li> </ul>	<b>Audit Division</b> <ul style="list-style-type: none"> <li>• Audit Function</li> </ul>	<b>Compliance Division</b> <ul style="list-style-type: none"> <li>• Compliance Function</li> </ul>
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Alongside the areas with key functions, management of the risk management and internal control systems is also the responsibility of the following committees:





The remaining Management Bodies are responsible for enhancing the risk management and internal control process, so as to ensure that the management and control of operations is performed in a sound and prudent manner. They are also responsible for preparing and updating documentation relating to the business processes, their risks and control activities.

#### A.2.3. Premiums, claims and expenses by line of business

The following tables provide a breakdown of premiums, claims and expenses by line of business.

Amounts in thousand euros

Life Line of business	Insurance with profit sharing	Index-linked and unit-linked insurance	Other life insurance	Life reinsurance	Total
<b>Premiums written</b>					
Gross	85,816	385,376	952,392	1,669	1,425,253
Reinsurers' share	1,049	0	92,407	0	93,456
<b>Net</b>	<b>84,767</b>	<b>385,376</b>	<b>859,985</b>	<b>1,669</b>	<b>1,331,797</b>
<b>Premiums earned</b>					
Gross	85,879	385,376	953,567	1,638	1,426,460
Reinsurers' share	1,055	0	93,268	0	94,323
<b>Net</b>	<b>84,824</b>	<b>385,376</b>	<b>860,299</b>	<b>1,638</b>	<b>1,332,137</b>
<b>Claims incurred</b>					
Gross	256,567	-1,756	1,777,163	1,172	2,033,146
Reinsurers' share	-30	0	93,484	0	93,454
<b>Net</b>	<b>256,597</b>	<b>-1,756</b>	<b>1,683,679</b>	<b>1,172</b>	<b>1,939,692</b>
<b>Changes in other technical provisions</b>					
Gross	-152,833	0	31,894	0	-120,939
Reinsurers' share	-23	0	6,344	-84	6,237
<b>Net</b>	<b>-152,810</b>	<b>0</b>	<b>25,550</b>	<b>84</b>	<b>-127,176</b>
<b>Expenses incurred</b>					
Expenses incurred	25,621	4,169	158,296	2	188,088

Amounts in thousand euros

Health – SLT Line of business	Health insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Total
<b>Premiums written</b>					
Gross	0	0	0	0	0
Reinsurers' share	0	0	0	0	0
<b>Net</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Premiums earned</b>					
Gross	0	0	0	0	0
Reinsurers' share	0	0	0	0	0
<b>Net</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Claims incurred</b>					
Gross	0	105,176	0	0	105,176
Reinsurers' share	0	0	0	0	0
<b>Net</b>	<b>0</b>	<b>105,176</b>	<b>0</b>	<b>0</b>	<b>105,176</b>
<b>Changes in other technical provisions</b>					
Gross	0	0	0	0	0
Reinsurers' share	0	0	0	0	0
<b>Net</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Expenses incurred</b>					
<b>Net</b>	<b>0</b>	<b>1,917</b>	<b>0</b>	<b>0</b>	<b>1,917</b>

Amounts in thousand euros

Health – NSLT Line of business	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Total
<b>Premiums written</b>				
Gross - Direct business	434,812	40,715	291,544	767,071
Gross - Proportional reinsurance accepted	446	645	94	1,185
Gross - Non-proportional reinsurance accepted	0	0	0	0
Reinsurers' share	12,311	15,084	2,520	29,915
<b>Net</b>	<b>422,947</b>	<b>26,276</b>	<b>289,118</b>	<b>738,341</b>
<b>Premiums earned</b>				
Gross - Direct business	425,636	40,236	333,280	799,152
Gross - Proportional reinsurance accepted	-1,307	645	177	-485
Gross - Non-proportional reinsurance accepted	0	0	0	0
Reinsurers' share	9,130	13,786	2,520	25,436
<b>Net</b>	<b>415,199</b>	<b>27,095</b>	<b>330,937</b>	<b>773,231</b>
<b>Claims incurred</b>				
Gross - Direct business	281,442	11,461	131,838	424,741
Gross - Proportional reinsurance accepted	314	137	12,708	13,159
Gross - Non-proportional reinsurance accepted	0	0	0	0
Reinsurers' share	6,118	2,501	2,018	10,637
<b>Net</b>	<b>275,638</b>	<b>9,097</b>	<b>142,528</b>	<b>427,263</b>
<b>Changes in other technical provisions</b>				
Gross - Direct business	-4,221	732	-84	-3,573
Gross - Proportional reinsurance accepted	8,614	0	0	8,614
Gross - Non-proportional reinsurance accepted	0	0	0	0
Reinsurers' share	0	0	0	0
<b>Net</b>	<b>4,393</b>	<b>732</b>	<b>-84</b>	<b>5,041</b>
<b>Expenses incurred</b>				
<b>Net</b>	<b>97,786</b>	<b>20,407</b>	<b>78,487</b>	<b>196,680</b>

Amounts in thousand euros

Non-Life Line of business	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Total
<b>Premiums written</b>										
Gross - Direct business	378,901	280,472	39,776	425,951	88,472	38,614	6,227	50,005	46,202	1,354,620
Gross - Proportional reinsurance accepted	125	129	44	6,501	1,899	66	1	227	125	9,117
Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0	0	0	0
Reinsurers' share	12,991	12,013	24,171	214,434	47,486	29,700	3	342	19,755	360,895
<b>Net</b>	<b>366,035</b>	<b>268,588</b>	<b>15,649</b>	<b>218,018</b>	<b>42,885</b>	<b>8,980</b>	<b>6,225</b>	<b>49,890</b>	<b>26,572</b>	<b>1,002,842</b>
<b>Premiums earned</b>										
Gross - Direct business	375,991	272,993	38,573	411,454	87,718	35,913	6,046	49,192	36,970	1,314,850
Gross - Proportional reinsurance accepted	107	129	67	7,251	1,674	464	2	231	66	9,991
Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0	0	0	0
Reinsurers' share	12,971	5,986	23,440	197,051	48,169	27,523	4	343	12,645	328,132
<b>Net</b>	<b>363,127</b>	<b>267,136</b>	<b>15,200</b>	<b>221,654</b>	<b>41,223</b>	<b>8,854</b>	<b>6,044</b>	<b>49,080</b>	<b>24,391</b>	<b>996,709</b>
<b>Claims incurred</b>										
Gross - Direct business	244,464	101,366	7,490	133,215	29,382	1,743	-241	39,920	17,806	575,145
Gross - Proportional reinsurance accepted	225	-385	-80	820	-647	0	97	-13,567	33	-13,504
Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0	0	0	0
Reinsurers' share	9,074	9,479	2,338	46,657	14,195	1,243	0	-26	8,043	91,003
<b>Net</b>	<b>235,615</b>	<b>91,502</b>	<b>5,072</b>	<b>87,378</b>	<b>14,540</b>	<b>500</b>	<b>-144</b>	<b>26,379</b>	<b>9,796</b>	<b>470,638</b>
<b>Changes in other technical provisions</b>										
Gross - Direct business	233	562	22	2,106	10,156	-1	252	-958	441	12,813
Gross - Proportional reinsurance accepted	-76	-7	0	13	48	-1	-1,844	54	0	-1,813
Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0	0	0	0
Reinsurers' share	0	0	0	0	8,417	0	0	-1	0	8,416
<b>Net</b>	<b>157</b>	<b>555</b>	<b>22</b>	<b>2,119</b>	<b>1,787</b>	<b>-2</b>	<b>-1,592</b>	<b>-903</b>	<b>441</b>	<b>2,584</b>
<b>Expenses incurred</b>										
<b>Net</b>	<b>136,902</b>	<b>111,428</b>	<b>8,590</b>	<b>118,698</b>	<b>26,224</b>	<b>4,565</b>	<b>4,799</b>	<b>22,454</b>	<b>13,693</b>	<b>447,353</b>

### A.3. Investment performance

#### A.3.1. Income and expenses from investments

At 31 December 2020, the allocation of investments and other assets to insurance contracts and other operations classified as investment contracts is as follows (amounts for solvency purposes):

Amounts in thousand euros

Investments and other assets	Life	Non-Life	Not allocated	Total
Property, plant and equipment held for own use	0	35,229	114,692	149,921
Property (other than for own use)	0	53,311	175,264	228,575
Holdings in related undertakings, including participations	1,610,533	749,082	36,460	2,396,075
Equities - listed	367,850	225,466	155	593,471
Equities - unlisted	21,594	6,235	1,809	29,638
Government bonds	4,324,026	186,463	6,528	4,517,017
Corporate bonds	5,492,736	797,999	69,166	6,359,901
Structured notes	173,731	38,250	0	211,981
Collateralised securities	0	0	0	0
Collective investment undertakings	842,869	421,361	27,050	1,291,280
Derivatives	15,186	9,643	9,935	34,764
Deposits other than cash equivalents	352,424	86,136	21,216	459,776
Assets held for index-linked and unit-linked contracts	523,766	0	0	523,766
Loans and mortgages	0	0	1,229	1,229
Cash and cash equivalents	0	0	381,028	381,028
<b>Total</b>	<b>13,724,715</b>	<b>2,609,175</b>	<b>844,532</b>	<b>17,178,422</b>

The investments in the table above include investments allocated to unit-linked contracts, which break down as follows:

Amounts in thousand euros

Investments allocated to unit-linked contracts	Total
Group companies debt instruments	37,320
Public debt instrument – domestic issuers	11,319
Public debt instrument – foreign issuers	14,809
Debt instrument – other domestic issuers	88,066
Debt instrument – other foreign issuers	158,531
Equity instruments – domestic issuers	87,429
Equity instruments – foreign issuers	78,397
Receivables	0
Transactions to be settled	-1,217
Derivatives	476
Sight deposits	48,399
Term deposits	0
<b>Total</b>	<b>523,530</b>

In 2020, the following income was gained from investments:

Amounts in thousand euros

Investments	Dividends	Interest	Rents	Total
<b>Investments allocated to technical provisions – life segment</b>				
Government bonds	0	138,055	0	138,055
Corporate bonds	0	156,603	0	156,603
Equities	12,835	0	0	12,835
Collective investment undertakings	17,000	3,316	0	20,316
Structured notes	0	0	0	0
Collateralised securities	0	0	0	0
Cash and cash equivalents	0	6,261	0	6,261
Loans and mortgages	0	27	0	27
Property	0	0	67	67
Derivatives	0	-12,741	0	-12,741
Others	0	59	0	59
Credit Derivatives	0	0	0	0
<b>Subtotal</b>	<b>29,835</b>	<b>291,580</b>	<b>67</b>	<b>321,482</b>
<b>Investments allocated to technical provisions – non-life segment</b>				
Government bonds	0	7,422	0	7,422
Corporate bonds	0	24,941	0	24,941
Equities	13,227	0	0	13,227
Collective investment undertakings	5,130	2,259	0	7,389
Structured notes	0	0	0	0
Collateralised securities	0	0	0	0
Cash and cash equivalents	0	1,512	0	1,512
Loans and mortgages	0	0	0	0
Property	0	0	5,459	5,459
Derivatives	0	0	0	0
Others	0	0	0	0
Credit Derivatives	0	0	0	0
<b>Subtotal</b>	<b>18,357</b>	<b>36,134</b>	<b>5,459</b>	<b>59,950</b>
<b>Investments not allocated</b>				
Government bonds	0	225	0	225
Corporate bonds	0	2,293	0	2,293
Equities	1,837	0	0	1,837
Collective investment undertakings	20	133	0	153
Structured notes	0	0	0	0
Collateralised securities	0	0	0	0
Cash and cash equivalents	0	3,212	0	3,212
Loans and mortgages	0	0	0	0
Property	0	0	7,852	7,852
Derivatives	0	-1,607	0	-1,607
Others	0	0	0	0
Credit Derivatives	0	0	0	0
<b>Subtotal</b>	<b>1,857</b>	<b>4,256</b>	<b>7,852</b>	<b>13,965</b>
<b>Total</b>	<b>50,049</b>	<b>331,970</b>	<b>13,378</b>	<b>395,397</b>



In 2020, the financial expenses resulting from investments were as follows:

Amounts in thousand euros

Investment expenses	Life	Non-Life	Not allocated	Total
Costs allocated	44,295	14,303	10,005	<b>68,603</b>
Other investment expenses	997	217	491	<b>1,705</b>
<b>Total</b>	<b>45,292</b>	<b>14,520</b>	<b>10,496</b>	<b>70,308</b>

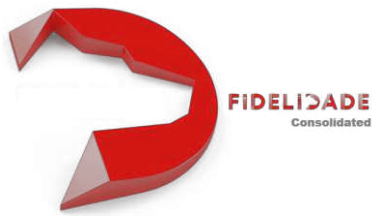
#### A.3.2. Information on gains and losses directly recognised in shareholders' equity

In 2020, the net gains and losses in financial instruments were as follows:



Amounts in thousand euros

Investments	As a charge to		Total
	Income statement	Shareholders' equity	
<b>Investments allocated to technical provisions – life segment</b>			
Government bonds	142,784	7,164	149,948
Corporate bonds	7,943	11,691	19,634
Equities	-37,957	41,822	3,865
Collective investment undertakings	23,704	2,281	25,985
Structured notes	0	0	0
Collateralised securities	0	0	0
Cash and cash equivalents	9,841	0	9,841
Loans and mortgages	27	0	27
Property	67	-44	23
Derivatives	-14,801	150,922	136,121
Others	66	0	66
Credit Derivatives	25	-43	-18
<b>Subtotal</b>	<b>131,699</b>	<b>213,793</b>	<b>345,492</b>
<b>Investments allocated to technical provisions – non-life segment</b>			
Government bonds	13,335	378	13,713
Corporate bonds	10,288	353	10,641
Equities	-27,270	19,477	-7,793
Collective investment undertakings	8,246	-1,672	6,574
Structured notes	0	0	0
Collateralised securities	0	0	0
Cash and cash equivalents	552	-5	547
Loans and mortgages	-5	0	-5
Property	7,973	873	8,846
Derivatives	-985	26,237	25,252
Others	5	0	5
Credit Derivatives	0	0	0
<b>Subtotal</b>	<b>12,139</b>	<b>45,641</b>	<b>57,780</b>
<b>Investments not allocated</b>			
Government bonds	253	34	287
Corporate bonds	-16,641	1,107	-15,534
Equities	2,170	98,415	100,585
Collective investment undertakings	1,661	302	1,963
Structured notes	0	0	0
Collateralised securities	0	0	0
Cash and cash equivalents	4,728	-99	4,629
Loans and mortgages	0	0	0
Property	4,992	-1,588	3,404
Derivatives	-75	6,189	6,114
Others	0	0	0
Credit Derivatives	0	-172	-172
<b>Subtotal</b>	<b>-2,912</b>	<b>104,188</b>	<b>101,276</b>
<b>Total</b>	<b>140,926</b>	<b>363,622</b>	<b>504,548</b>



### A.3.3. Information on investment in securitisations

At 31 December 2020, the value of investment in securitisations is immaterial, and no information is therefore included in this chapter.

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## A.4. Performance of other activities

There are no other activities performed by the companies included in Fidelidade consolidated perimeter with material relevance for the purposes of disclosure in this report.

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## A.5. Any other information

### A.5.1. Group structure

Since Fidelidade – Companhia de Seguros, SA, is the most representative company of the group, the governance requirements applied to the insurance group are defined therein.

The subsidiaries, grouped according to the nature of their main business, are the following:

#### **INSURANCE**

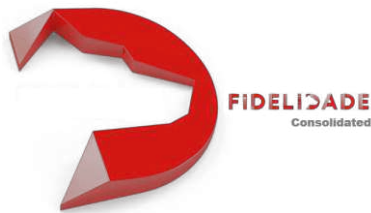
**Fidelidade - Companhia de Seguros, S.A.** is a public limited liability company resulting from the merger by incorporation of Império Bonança - Companhia de Seguros, S.A. (“Império Bonança”) in Companhia de Seguros Fidelidade-Mundial, S.A. (“Fidelidade Mundial”), in accordance with the public deed dated 31 May 2012, which produced accounting effects with reference to 1 January 2012. This operation was authorised by ASF through a resolution of its Board of Directors dated 23 February 2012. The Company’s purpose is to perform the “Non-life” and “Life” insurance activity, as set out in the statute governing this activity.

**Multicare - Seguros de Saúde, S.A.**, with its head office in Lisbon, at Rua Alexandre Herculano, no. 53, was set up on 9 March 2007 with the corporate purpose of performing insurance and reinsurance activities, in all legally authorised non-life insurance lines of business and operations and may also perform activities related to insurance and reinsurance. The company is focused on the management of health insurance.

**Fidelidade Assistência – Companhia de Seguros, S.A. (formerly Cares – Companhia de Seguros, S.A.)**, with its head office in Lisbon, at Avenida José Malhoa no. 13 - 7th, was set up on 17 February 1995, with the name Companhia de Seguros Tágus, S.A., with the corporate purpose of performing insurance and reinsurance activities, in all legally authorised non-life insurance lines of business and operations, and may also perform activities related to insurance and reinsurance. In 2015, CARES – Companhia de Seguros, S.A. changed its name and image to Fidelidade Assistência – Companhia de Seguros, S.A. and now acts under the Fidelidade Assistance brand.

**Via Directa - Companhia de Seguros, S.A. (OK Teleseguros)**, with its head office in Lisbon, at Avenida José Malhoa, no. 13 - 4th, was set up on 28 November 1997 with the corporate purpose of performing insurance and reinsurance activities, in all legally authorised non-life insurance lines of business, and may also perform activities related to insurance and reinsurance.

**Companhia Portuguesa de Resseguros, S.A.**, with its head office in Lisbon, at Largo do Calhariz no. 30, was set up on 22 September 1979 with the corporate purpose of performing any operations regarding reinsurance of non-life lines of business, both in Portugal and abroad, in addition to participating in the redistribution in the market of certain risks of a specific type or dimension.



**Fidelidade Angola – Companhia de Seguros, S.A.**, with its head office in Luanda, at Rua 1º Congresso MPLA, no. 11, 1st A, Ingombota, was set up on 2 June 2009 with the corporate purpose of performing insurance activities in the life and non-life lines of business in the national territory of the Republic of Angola.

**Garantia - Companhia de Seguros de Cabo Verde, S.A.** resulted from the split of the former Instituto de Seguros e Providência Social, EP which occurred on 30 October 1991, pursuant to Decree-Law No. 136/91, of 2 October, with all the assets and liabilities related to the insurance business being transferred to it. The Company has its head office in Chã de Areia, C.P. 138, Cidade da Praia, in the Republic of Cape Verde, and branches in the Sal, São Vicente, Boavista, São Nicolau, Fogo and Santo Antão islands. In order to attract clients to purchase insurance policies, the company also has a network of agents. The Company is engaged in the activity of direct insurance and reinsurance in all lines of business and operations and may also perform related and complementary activities.

**Fidelidade Macau – Companhia de Seguros, S.A.**, with its head office in Macao at Avenida da Praia Grande, no. 567, BNU Building, 14<sup>th</sup> floor, was set up on 30 September 2015 with the corporate purpose of performing the insurance and reinsurance activities, in all legally authorised non-life insurance lines of business and operations, and may also perform activities related to insurance and reinsurance.

**Fidelidade Macau Vida – Companhia de Seguros, S.A.**, with its head office at Avenida da Praia Grande, n° 567, Edifício BNU, 14<sup>th</sup> floor, Macao, was set up on 31 March 2020 with the corporate purpose of performing insurance and reinsurance activities, in all legally authorised life insurance lines of business, and may also perform activities related to insurance and reinsurance.

**La Positiva Seguros Y Reaseguros S.A.A.**, with its head office at Calle Francisco Masías 370, floor 3, San Isidro, Lima, Peru, was set up on 27 September 1937 with the corporate purpose of providing the services of a general risk insurance and reinsurance company, assuming as insurer and reinsurer all the risks that, in accordance with the law, may be subject to that contract, both in Peru and abroad. It may also develop any other subsidiary or business that, in line with the General Law of the Financial System, the Insurance System and the Banks and Insurance Supervisory Organisation, a general risk insurance and reinsurance company may undertake, while complying with the requirements of the legal regulations.

**La Positiva Vida Seguros Y Reaseguros S.A.**, with its head office at Calle Francisco Masías 370, piso 3, San Isidro, Lima, Peru, was set up on 20 July 2005, with the corporate purpose of providing the services of a life insurance and reinsurance company, assuming as insurer and reinsurer all the risks that, in accordance with the law, may be subject to that contract. It may also develop any other subsidiary or business that, in line with the General Law of the Financial System, the Insurance System and the Banks and Insurance Supervisory Organisation, a life insurance and reinsurance company may undertake, while complying with the requirements of the legal regulations.

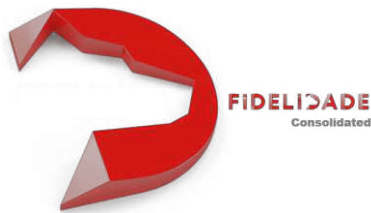
**Alianza Vida Seguros y Reaseguros S.A.**, with its head office at Santa Cruz de la Sierra, Bolivia, was set up on 5 July 1999, and is engaged in the sale of personal insurance and pre-paid services, social security insurance and savings and capitalisation services, co-insurance, reinsurance and related transactions, on its own behalf or on behalf of third parties.

**Alianza Compañía de Seguros y Reaseguros E.M.A. S.A.**, with its head office in La Paz, Bolivia, was set up on 9 July 1991, and is engaged in the sale of general insurance, including transport and suretyship insurance, both directly and through reinsurance, on its own behalf, on behalf of third parties or through participation with third parties.

**Alianza Garantía Seguros Y Reaseguros S.A.**, with its head office in Paraguay, was set up in the city of Assunção on 27 November 1972 and is engaged in selling general insurance and life insurance, the main risk being motor insurance.

**La Positiva S.A. Entidad Prestadora de Salud**, with its head office at Calle Francisco Masías 370, floor 3, San Isidro, Lima, Peru, was set up on 14 February 2017, and is engaged in the provision of health prevention and rehabilitation services, with the main objective of providing health services to its insured persons, through its own infrastructures and those of third parties, subject to SUSALUD controls.

**Fid Chile Seguros Generales, S.A.** with its head office in Santiago, Chile, at Av. Vitacura 2939, floor 16, office 1601, Las Condes, was set up on 15 November 2019 with the corporate purpose of performing, on the basis of premiums, insurance and reinsurance operations for the risks included in the first group referred in to Article 8 of Decree with legal force no. 251 of 1931 or the subsequent legal or regulatory provisions that may replace or modify it, and any other business that the applicable law or the Financial Market Commission, by means of a general rule, declares to be related with or complementary to the business of the insurance companies of the first group.



## PROPERTY

**Fidelidade – Property Europe, S.A.**, using this name since 2014, with its head office in Lisbon, at Largo do Calhariz, no. 30, was set up on 19 November 1991 with the main object of renting own property which it has acquired or built and the provision of related services. On 24 November 2004 a public deed was signed for the merger by incorporation of Caixa Imobiliário - Sociedade de Gestão e Investimento Imobiliário, S.A., in Mundial Confiança - Sociedade de Gestão e Investimento Imobiliário, S.A., which altered its name to Fidelidade-Mundial, Sociedade de Gestão e Investimento Imobiliário, S.A., and this name was altered in 2013 to Fidelidade – Investimentos Imobiliários, S.A..

**Fidelidade – Property International, S.A.**, with its head office in Lisbon, at Largo do Calhariz, no. 30, was set up on 5 November 2014 with the main object of purchasing and selling real estate, including purchase for re-sale, renting or the setting up of other real rights over property and, also, developing, promoting and administering real estate projects, in the area of construction and rehabilitation, in addition to the provision of related services.

**Fundo de Investimento Imobiliário Fechado Saudeinveste** was set up on 10 December 2002 with the investment aim of achieving medium and long-term capital appreciation, by investment in a diversified range of assets, predominantly real estate. The fund has been managed by Caixa Gestão de Ativos, SGOIC, S.A. since 1 July 2020.

**Fundo de Investimento Imobiliário Aberto IMOFID** (previously Bonança I) was set up on 22 December 1993 with the investment aim of achieving medium and long-term capital appreciation, by investment in a diversified range of assets, predominantly real estate. This fund was managed by Fundger – Sociedade Gestora de Fundos de Investimento Imobiliário, S.A. until September 2018, and as of 1 October it has been managed by Fidelidade - Sociedade Gestora de Organismos de Investimento Imobiliário, S.A.. IMOFID has been an open fund since 4 May 2020.

**FPI (AU) 1 PTY LIMITED**, with its head office at Grosvenor Place Level 18, 225 George Street, Sydney, NSW 2000, Australia, was set up on 17 December 2014 with the corporate purpose of purchasing property.

**FPI (UK) 1 LIMITED**, with its head office at Legalinx Limited, One Fetter Lane, London, EC4A 1BR, England, was set up on 18 December 2014 with the corporate purpose of purchasing property.

**FPE (IT) Società per Azioni**, with its head office at Via Maria Teresa 11 Cap 20123, Milan, Italy, was set up on 2 July 2015 with the corporate purpose of purchasing property.

**FPE (Lux) Holding S.à r.l.**, with its head office at 18, rue Robert Stümper, L-2257 Luxembourg, was set up on 2 February 2016, with the corporate purpose of acquiring participations, interests and units, in Luxembourg or abroad, in any form, and the management of those participations, interests and units.

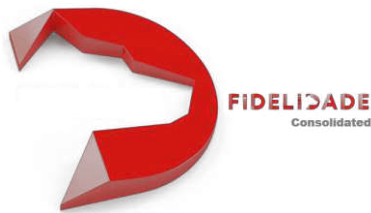
**Thomas More Square (Lux) Holdings S.à r.l.**, with its head office at 18, rue Robert Stümper, L-2257 Luxembourg, was set up on 6 January 2016 with the corporate purpose of acquiring participations, interests and units, in Luxembourg or abroad, in any form, and the management of those participations, interests and units.

**Thomas More Square (Lux) S.à r.l.**, with its head office at 18, rue Robert Stümper, L-257 Luxembourg, was set up on 6 January 2016, with the corporate purpose of acquiring participations, interests and units, in Luxembourg or abroad, in any form and the management of those participations, interests and unit.

**Godo Kaisha Moana**, with its head office at Tokyo Kyodo Accounting Office 3-1-1, Marunouchi, Chiyoda-ku, Tokyo, Japan, was set up on 27 March 2014 with the corporate purpose of the sale and purchase of property and property investments and management.

**Godo Kaisha Praia**, with its head office at Tokyo Kyodo Accounting Office 3-1-1, Marunouchi, Chiyoda-ku, Tokyo, Japan, was set up on 27 March 2014 with the corporate purpose of the sale and purchase of property and property investments and management.

**Fundo Broggi**, set up on 24 March 2017 under Italian law, is an alternative real estate closed-end fund. The fund is managed by IDEa FIMIT - Società di Gestione del Risparmio S.p.A., an Italian investment funds management company.



**Broggi Retail S.R.L.** is an Italian company, 100% held by IDEa FIMIT - Società di Gestione del Risparmio S.p.A., in its capacity as Fundo Broggi's management company, and in the interest of Fundo Broggi. Its corporate purpose is, among others, the management, restructuring, appreciation and maintenance of real estate assets, both its own and those of third parties.

**Fidelidade - Sociedade Gestora de Organismos de Investimento Coletivo, S.A.** with its head office in Lisbon, at Largo do Chiado, no. 8, 1st floor, was set up on 8 February 2018 with the corporate purpose of managing, on behalf of the participants and in their exclusive interest, one or more public or private, closed or open real estate investment undertakings, and managing the property included in the applications portfolios or collective interest bodies managed by it. The fund changed its name in 2020.

**FPE (BE) Holding S.A.**, with its head office at 97 Rue Royale, 4th floor, 1000 Brussels, Belgium, was set up on 15 March 2019 with the corporate purpose of performing, in its own name, all business and transactions of holdings and real estate investment entities. This may include, in particular, various transactions related with shares and other securities, management of investment in securities, granting of loans to subsidiaries in certain circumstances and different types of real estate transactions.

**FPE (PT), S.A.**, with its head office in Lisbon, at Largo do Calhariz, no. 30, was set up on 3 October 2018, with the corporate purpose of purchasing and selling real estate and re-sale of properties acquired for such purpose, real estate promotion, consultancy, management and support to real estate projects, marketing of real estate products, projects and setting up of real estate investments, and the administration, management and renting of its own properties and those of third parties.

**FSG Saúde – Fundo de Investimento de Imobiliário Fechado** was set up on 6 November 2020, with the investment aim of achieving medium and long-term capital appreciation, by investment in a diversified range of assets, predominantly real estate. This fund is managed by Fidelidade - Sociedade Gestora de Organismos de Investimento Coletivo, S.A..

**FPE (HU) Kft.**, a special purpose vehicle with its head office at Andrássy út 100, Budapest, Hungary, was set up on 21 October 2020.

**FPE (UK) 1 LIMITED**, a special purpose vehicle with its head office at Suite 1, 3rd Floor 11 – 12 St James's Square, London, United Kingdom, was set up on 10 December 2020.

**FPE (Lux) 1**, with its head office at 1A, Heienhaff, L-1736 Senningerberg, Luxembourg, has the object of performing all operations directly or indirectly related with the acquisition and holding of real estate and the acquisition of participations in companies that may acquire and hold real estate properties and other assets necessary for the management of those real estate properties and real estate holding companies the object of which is to indirectly acquire and hold real estate properties and other assets necessary for the management of those real estate properties through the acquisition and holding of participations in other entities, and the administration, management, control, development and disposal of those real estate properties and participations in real estate companies and real estate holding companies.

**FPE (PT), SGPS, S.A.**, with its head office at Largo do Calhariz, no. 30, in Lisbon, was set up on 18 December 2020, with the object of managing shares in other companies, as an indirect means of exercising economic activities.

**FPE (PT) OFFICE A, S.A.**, with its head office at Largo do Calhariz, no. 30, in Lisbon, was set up on 23 December 2020, with the object of purchasing and selling real estate, including purchase for re-sale, renting or the setting up of other real rights over property and, also, developing, promoting and administering real estate projects, in the area of construction and rehabilitation, in addition to the provision of related services.

**FPE (PT) 2 OFFICE B, S.A.**, with its head office at Largo do Calhariz, no. 30, in Lisbon, was set up on 23 December 2020, with the object of purchasing and selling real estate, including purchase for re-sale, renting or the setting up of other real rights over property and, also, developing, promoting and administering real estate projects, in the area of construction and rehabilitation, in addition to the provision of related services.

**FPE (PT) 3 RESIDENTIAL, S.A.**, with its head office at Largo do Calhariz, no. 30, in Lisbon, was set up on 23 December 2020, with the object of purchasing and selling real estate, including purchase for re-sale, renting or the setting up of other real rights over property and, also, developing, promoting and administering real estate projects, in the area of construction and rehabilitation, in addition to the provision of related services.

**FPE (PT) 4 RET, S.A.**, with its head office at Largo do Calhariz, no. 30, in Lisbon, was set up on 23 December 2020, with the object of purchasing and selling real estate, including purchase for re-sale, renting or the setting up of other real rights over property



and, also, developing, promoting and administering real estate projects, in the area of construction and rehabilitation, in addition to the provision of related services.

**FPE (PT) 5 PARK, S.A.** with its head office at Largo do Calhariz, no 30, in Lisbon, was set up on 23 December 2020, with the object of purchasing and selling real estate, including purchase for re-sale, renting or the setting up of other real rights over property and, also, developing, promoting and administering real estate projects, in the area of construction and rehabilitation, in addition to the provision of related services.

## HEALTHCARE

**Luz Saúde, S.A.**, with its head office in Lisbon, at Rua Carlos Alberto da Mota Pinto, 17 - 9th, was set up on 6 July 2000 with the legal character of a "Holding Company", pursuant to Decree-Law No. 495/88, of 30 December, and is one of the largest healthcare groups in terms of revenues in this expanding market in Portugal. The Group provides services via 18 units in the North, Centre and South of the country, and has a strong presence in Lisbon, where it operates Hospital da Luz, the largest private hospital in Portugal, and in Oporto, where it operates Hospital da Arrábida.

## OTHER SECTORS

**Cetra - Centro Técnico de Reparação Automóvel, S.A. (Fidelidade Car Service)**, with its head office in Lisbon, at Rua Cidade de Bolama, no. 1 - B, was set up on 12 February 1973 with the corporate purpose of performing all and any type of activity related to motor vehicles, including repairs, loss adjustments, assessments and salvage recovery, in addition to vehicle leasing operations. The company may also perform related or complementary operations.

**E.A.P.S. - Empresa de Análise, Prevenção e Segurança, S.A. (Safemode)**, with its head office in Lisbon, at Rua Nova da Trindade, no. 3, was set up on 11 November 1996 with the corporate purpose of providing risk analysis and prevention services, in addition to technical consultancy and training to improve hygiene, safety and health conditions in the workplace, laboratory support, environmental recovery planning and monitoring of interventions and the management of industrial premises for treatment, recovery or recycling operations.

**GEP - Gestão de Peritagens Automóveis, S.A.**, with its head office in Lisbon, at Avenida 5 de Outubro no. 35 8<sup>th</sup> floor, was set up on 11 November 1996 with the corporate purpose of providing services to assess damage to light and heavy motor vehicles, motorbikes and bicycles, including their trailers and coupled items.

**Fidelidade - Serviços de Assistência, S.A.**, with its head office in Lisbon, at Avenida José Malhoa, no. 13 – 7<sup>th</sup>, was set up on 29 January 1991 with the corporate purpose of representing and assisting foreign insurers and, also, providing claims management support services to national and foreign insurers. In 2015, it changed its name from Cares RH - Companhia de Assistência e Representação de Seguros, S.A., to Fidelidade - Serviços de Assistência, S.A..

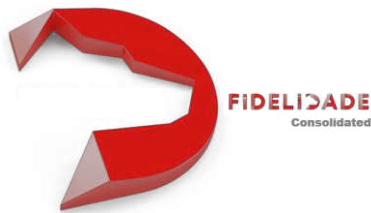
**Cares - Assistência e Reparações, S.A.** (previously Cares Multiassistance, S.A.), with its head office in Lisbon, at Rua de Ponta Delgada, no. 44 A and B, was set up on 19 June 2002, with the corporate purpose of providing services for the organisation, evaluation and management of any repair or restoration work.

**FCM Beteiligungs GmbH**, with its head office in Garstedter Weg 14, 22453 Hamburg, Germany, was set up on 6 May 2014 with the corporate purpose of acquiring, alienating, holding or managing its own investments in other companies in Germany and abroad, and is active in the import, export, wholesale and retail of textiles and all types of fashion items, including related complementary businesses.

**FID III (HK) LIMITED**, a special purpose vehicle, with its head office at Level 54 Hopewell Centre 183, Queen's Road East, Hong Kong, was set up on 4 November 2014.

**Fidelidade - Consultoria e Gestão de Risco, Lda.**, with its head office at Rua 1393, no. 47 (Parallel to Rua José Craveirinha), District of Polana - Maputo, Mozambique, was set up on 23 July 2015 with the purpose of performing health and safety at work activities, and providing risk analysis and prevention services, technical consultancy and human resources management and training services, laboratory support, planning and monitoring of environmental recovery interventions and facilities management.

**Fidelidade - Assistência e Serviços, Lda.**, with its head office at Rua 1393, no. 47 (Parallel to Rua José Craveirinha), District of Polana - Maputo, Mozambique, was set up on 23 July 2015 with the main purpose of providing assistance services and claims



management support services, as well as the provision of accounting services, human resource management and IT support, and also the provision of services for the organisation, evaluation, expert assessment and management of any repair work, restoration, installation and improvements to be made to any property, and the hiring of any entities to perform such work, acquisition and supply of various materials, products and tools, and the provision of any services which are related or complementary to these activities.

**FID Loans 1 (Ireland) Limited**, a special purpose vehicle, with its head office at 1st Floor, 118 Lower Baggot Street, Dublin 2, Ireland, was set up on 13 June 2017.

**Universal - Assistência e Serviços, Lda.**, with its head office at Rua Pedro de Castro Van Dunen Loy s/n, Morro Bento, Luanda, was set up on 21 April 2017 with the purpose of providing assistance services and claims management support services, and services in accounting, technical consultancy, human resource management, training, IT support, risk analysis and prevention, laboratory support, planning and monitoring of environmental recovery interventions, and facilities management. It also provides services for the organisation, evaluation, expert assessment and management of any repair work, restoration, installation and improvements to be made to any property, and the hiring of any entities to perform such work, acquisition and supply of various materials, products and tools, and the provision of any services which are related or complementary to these activities.

**FID LatAm SGPS, S.A.**, with its head office in Lisbon, at Largo do Calhariz, no. 30, was set up on 19 February 2018 with the corporate purpose of managing shares in other companies, as an indirect means of exercising economic activities.

**GEP Cabo Verde Gestão de Peritagens, Lda.**, with its head office at Rua Serpa Pinto, no. 9 – 4<sup>th</sup> floor Dto, Plateau, Ilha de Santiago, Cape Verde, was set up on 5 June 2018 with the main corporate purpose of providing and managing motor vehicle and property loss adjusting services and inquiries, providing claims management assistance and support services, providing and managing any repair, restoration, assembly and improvement works to be made to any property, and the hiring of any entities to perform such work, acquisition and supply of various materials, products and tools, and the provision of any services which are related or complementary to these activities.

**FID Perú, S.A.**, with its head office in Lima, Peru, at Av. Víctor Andrés Belaunde 147, San Isidro District, Province and Department of Lima, was set up on 9 July 2018 with the corporate purpose of investments and the holding of securities, including, but not limited to, shares in other companies, either national or foreign, in any form.

**FID Chile, SpA.**, with its head office in Santiago, Chile, was set up on 16 October 2018 with the corporate purpose of making all kinds of investments, in tangible and intangible assets, all kinds of securities and property, and setting up and participating in other companies and/or legal persons of any kind, regardless of their purpose, managing those investments and assessing their results, and carrying on any other type of investment that the partners agree.

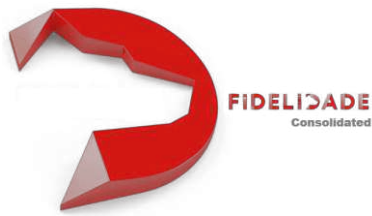
**FID Chile & MT JV SpA**, with its head office in Santiago, Chile, was set up on 14 January 2019 with the corporate purpose of forming and creating one or more companies the purpose of which is to develop the insurance business in Chile, participating in those companies, receiving income from those participations, and carrying on any other type of investment that the partners agree.

**Alianza Sociedad Administradora de Fondos de Inversión S.A. (“Alianza SAFI”)**, with its head office in Bolivia, was set up in the city of La Paz on 18 September 2013 and is engaged in providing investment fund management services and other related activities. Alianzas SAFI is regulated by the Financial System Supervisory Authority (ASFI).

**Full Assistance S.R.L. (Full Assistance)**, with its head office in Bolivia, was set up in the city of Santa Cruz de la Sierra on 22 March 2012, and is engaged in providing call centre services, providing advice to clients, answering queries, conducting surveys, campaigns, updating databases and other related services.

**Empresa de Seguridad Integral Worldwide Security Corporation S.A. (“WSC”)**, with its head office in Bolivia, was set up in the city of Santa Cruz de la Sierra on 10 April 2014 and is engaged in providing physical or electronic protection services to individuals and private premises.

**FID I&D, S.A.**, with its head office in Lisbon, at Largo do Calhariz, no. 30, was set up on 27 December 2019 with the purpose of providing consultancy services and services for the development of new digital solutions and platforms, analytical models, new solutions based on artificial intelligence models and Machine Learning and other advanced analytics models, as well as the sale and distribution of those solutions and models.



**Tenax Capital Limited**, with its head office at Dominican House, 4 Priory Court, Pilgrim Street, in London, has the main activity of managing investment funds.

#### A.5.2. Information on the scope of the group

For the preparation of Fidelidade consolidated financial statements, the subsidiaries listed in point A.5.1 above were considered in the company's consolidation perimeter.

For the determination of consolidated data for solvency purposes, and taking into account both the provisions of Commission Delegated Regulation (EU) 2015/35, of 10 October 2014, and the understanding of the ASF, the following subsidiaries were not considered in the consolidation perimeter:

- FIDELIDADE - PROPERTY EUROPE, S.A.
- Fundo de Investimento Imobiliário Fechado Saudeinveste
- Audatex Portugal S.A.
- Fundo de Investimento Imobiliário aberto IMOFID
- FCM Beteiligungs GmbH
- Luz Saúde S.A.
- FIDELIDADE - PROPERTY INTERNATIONAL, S.A.
- FID III (HK) LIMITED
- FPI (UK) 1 LIMITED
- FPI (AU) 1 PTY LIMITED
- FPE (IT) Societa per Azioni
- FPE (Lux) Holding S.a r.l.
- Thomas More Square (Lux) Sarl
- Thomas More Square (Lux) Holdings Sarl
- Godo Kaisha Praia
- Godo Kaisha Moana
- Fundo Broggi
- Fidelidade - Sociedade Gestora de Org. de Investimento Imobiliário
- Fid Loans 1 (Ireland) Limited
- Broggi Retail S.R.L.
- SERFUN PORTUGAL, SGPS, S.A.
- FPE (BE) HOLDING S.a.r.l.
- Alianza SAFI, S.A.
- FID I & D, S.A.
- Everest Healthcare Properties , LLC
- FPE (PT), S.A.
- Tenax Capital Ltd.
- FPE (HU) Kft



- FSG Saúde - Fundo de Investimento Imobiliário Fechado
- FPE (UK) 1 LIMITED
- FPE (Lux) 1
- FPE (PT), SGPS, S.A.
- FPE (PT) OFFICE A, S.A.
- FPE (PT) 2 OFFICE B, S.A.
- FPE (PT) 3 RESIDENTIAL, S.A.
- FPE (PT) 4 RET, S.A.
- FPE (PT) 5 PARK, S.A.

Taking into account these differences between the scope of the Group used in the consolidated financial statements and the scope of the consolidated data for solvency purposes, consolidated financial statements were prepared for comparative purposes, considering the consolidation perimeter for solvency purposes, that is, not including the above-mentioned entities.

Thus, the table below summarises the main differences between Fidelidade Consolidated financial statements (Accounting Financial Statements) and the consolidated financial statements considering the consolidation perimeter for solvency purposes described above (Solvency II Financial Statements):

Amounts in thousand euros

	Financial Statements		Difference
	Accounting Perimeter	Solvency II Perimeter	
<b>Total Assets</b>	19,297,206	18,403,793	893,413
<b>Total Liabilities</b>	15,725,750	15,289,134	436,616
<b>Excess assets over liabilities</b>	<b>3,571,456</b>	<b>3,114,659</b>	<b>456,797</b>

Accordingly, in Chapter D of this report, the valuation of assets, technical provisions and other liabilities for solvency purposes is compared to the consolidated financial statements considering the consolidation perimeter for solvency purposes described above (Solvency II Financial Statements).

Likewise, in Chapter E, the excess of assets over liabilities calculated for solvency purposes is compared to that resulting from the Solvency II Financial Statements.

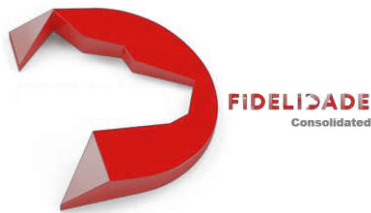
#### A.5.3. Intra-group operations and transactions

The main movements in the Group's subsidiaries during 2020 were as follows:

In January 2020 the Group increased the share capital of the company FID Loans 1 (Ireland) Limited, by EUR 10,000,000.

On 12 February 2020 the Group acquired the company FPE (PT), S.A., for EUR 7,150,000, becoming the owner of 100% of the company's share capital.

In March 2020 there was a reduction in the supplementary contributions of Fidelidade – Property International, S.A., of EUR 65,000,000.



On 31 March 2020 Fidelidade Macau Vida – Companhia de Seguros, S.A., was set up, with share capital of 120,000,000 Patacas, with Fidelidade holding 99.98% of the shares, in the amount of 119,980,000 Patacas, which, when converted to Euros at the exchange rate on the incorporation date, is equal to EUR 13,521,920. Fidelidade Assistência – Companhia de Seguros, S.A. held 0.01% of the shares, in the amount of 10,000 Patacas, which, when converted to Euros at the exchange rate on the incorporation date, is equal to EUR 1,127 and Via Directa - Companhia de Seguros, S.A. held 0.01% of the shares, in the amount of 10,000 Patacas, which, when converted to Euros at the exchange rate on the incorporation date, is equal to EUR 1,127. This company was set up by means of the transformation of Fidelidade former branch, Macau Vida.

In May 2020 the company FPI (AU) 1 PTY LIMITED was liquidated.

In May 2020 the Group increased the share capital of the company Fidelidade - Sociedade Gestora de Organismos de Investimento Imobiliário, S.A., by EUR 1,000,000, through the issue of 200,000 new ordinary shares, with the nominal value of 5 Euros each. In the same act, it was deliberated that the supplementary contributions totalling EUR 1,000,000 would be repaid in full to Fidelidade, and the share capital therefore became EUR 1,500,000, represented by 300,000 shares with the nominal value of 5 Euros each.

In June 2020 the Group increased the share capital of the company FID Chile, SpA., by EUR 4,578,183, bringing it to a total of EUR 17,473,347.

In June the Group increased the share capital of the company FID Chile & MT JV SpA., by EUR 4,478,975, bringing it to a total of EUR 17,547,565 and a participation of 99.28% at 31 December 2020.

In July 2020 the Group acquired shares in Luz Saúde, S.A., increasing its participation in the share capital by 0.00000523%, for EUR 29.

In August 2020 the Group acquired 225,000 shares in the company Tenax Capital Limited, for EUR 5,436,252, representing a participation of 75% in the company's share capital.

During the year the Group granted supplementary contributions to Fidelidade – Property Europe, S.A., of EUR 235,500,000.

In September 2020 the Group granted supplementary contributions to FPE (IT) Società per Azioni, of EUR 15,500,000.

On 25 September 2020 the Group increased the share capital of the company Fid Chile Seguros Generales S.A. by EUR 6,179,674, bringing it to a total of EUR 13,642,051.

In September 2020 Fidelidade made a capital increase by new contributions in kind, of EUR 38,912,643, with subscription reserved for the holders of shares in the company's Multicare – Seguros de Saúde, S.A. and Fidelidade Assistência – Companhia de Seguros, S.A., with the Company becoming the owner of 100% of the two companies, in the amount of EUR 113,205,508 and EUR 75,922,290, respectively, and an increase by new contributions in cash, in the remaining amount of EUR 12,970,881. Supplementary contributions totalling EUR 63,042,599 made by Longrun were also repaid.

In October 2020, Fidelidade increased the share capital of the company Fidelidade Macau Vida – Companhia de Seguros, S.A. by EUR 5,289,886, increasing its participation in the share capital from 99.983% to 99.988%, and decreasing the participations of Fidelidade Assistência – Companhia de Seguros, S.A. and Via Directa - Companhia de Seguros, S.A. from 0.008% to 0.006%.

On 6 November 2020 the fund FSG Saúde – Fundo de Investimento Imobiliário Fechado was set up, with a subscription value of EUR 51,000,000, wholly owned by the Group.

On 21 December 2020 the Group acquired 100% of the company FPE (HU) kft for EUR 8,434, becoming the owner of 100% of its share capital.

In December the company FPE (UK) 1 LIMITED was set up, with share capital of EUR 174,484,291, wholly owned by the Group.

On 22 December the Group acquired 100% of the company FPE (Lux) 1 S.à.r.l., for EUR 176,726,655, becoming the owner of 100% of its share capital.

On 18 December 2020 the company FPE (PT), SGPS, S.A., was set up, with share capital of EUR 50,000, wholly owned by the Group.



On 23 December 2020 the company FPE (PT) OFFICE A, S.A., was set up, with share capital of EUR 50,000, wholly owned by the Group.

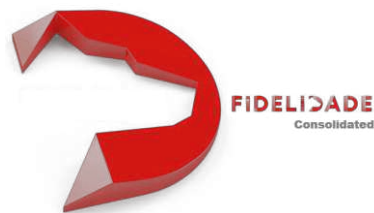
On 23 December 2020 the company FPE (PT) 2 OFFICE B, S.A., was set up, with share capital of EUR 50,000, wholly owned by the Group.

On 23 December 2020 the company FPE (PT) 3 RESIDENTIAL, S.A., was set up, with share capital of EUR 50,000, wholly owned by the Group.

On 23 December 2020 the company FPE (PT) 4 RET, S.A., was set up, with share capital of EUR 50,000, wholly owned by the Group.

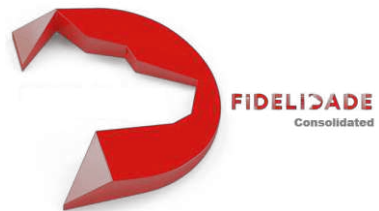
On 23 December 2020 the company FPE (PT) 5 PARK, S.A., was set up, with share capital of EUR 50,000, wholly owned by the Group.

In December 2020 the Group performed an operation of business combination under common control, and the company Fidelidade - Serviços de Assistência assigned its participation in Cares – Assistência e Reparações, which became wholly owned by Fidelidade Assistência.

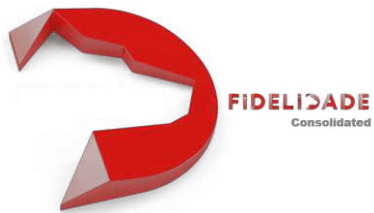


a) Equity-type transactions, debt and asset transfer

Investor / lender name	Issuer / borrower name	Transaction type	Transaction issue date	Transaction maturity date	Currency	Contractual amount of transaction/ Transaction price	Amount of redemptions/ prepayments/ paybacks during reporting period	Amount of dividends/interest/ coupons and other payments made during reporting period	Balance of contractual amount of transaction at reporting date	Coupon/ Interest rate
Fidelidade - Companhia de Seguros, S.A.	Garantia - Companhia de Seguros de Cabo Verde, S.A.	Shares and equity securities — Shares / participations	30/04/2020	31/12/9999	CVE	0	0	518	0	0
LA POSITIVA VIDA SEGUROS Y REASEGUROS, S.A.A.	Alianza Compania de Seguros y Reaseguros E.M.A. S.A.	Shares and equity securities — Shares / participations	30/11/2020	31/12/9999	BOB	0	0	1,410	0	0
LA POSITIVA VIDA SEGUROS Y REASEGUROS, S.A.A.	Alianza Vida Seguros y Reaseguros S.A.	Shares and equity securities — Shares / participations	30/11/2020	31/12/9999	BOB	0	0	668	0	0
Alianza Compania de Seguros y Reaseguros E.M.A. S.A.	Alianza Vida Seguros y Reaseguros S.A.	Shares and equity securities — Shares / participations	30/11/2020	31/12/9999	BOB	0	0	199	0	0
FID PERU S.A.	Positiva Seguros y Reaseguros S.A.A.	Bonds/Debts — uncollateralised	15/10/2018	31/12/9999	PEN	14,731	1,141	0	14,721	LIBOR(6M) + 6.5%
Fidelidade - Companhia de Seguros, S.A.	EA One Holding, Inc	Shares and equity securities — Shares / participations	01/02/2020	31/12/9999	USD	19,144	0	0	0	0
Fidelidade - Companhia de Seguros, S.A.	Fidelidade Macau Vida - Companhia de Seguros, S.A.	Shares and equity securities — Shares / participations	01/03/2020	31/12/9999	MOP	13,522	0	0	0	0
FIDELIDADE ASSISTENCIA - COMPANHIA DE SEGUROS, S.A.	Fidelidade Macau Vida - Companhia de Seguros, S.A.	Shares and equity securities — Shares / participations	01/03/2020	31/12/9999	MOP	1	0	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	Fidelidade Macau Vida - Companhia de Seguros, S.A.	Shares and equity securities — Shares / participations	01/03/2020	31/12/9999	MOP	1	0	0	0	0
Fidelidade - Companhia de Seguros, S.A.	Fid Chile SpA	Shares and equity securities — Shares / participations	01/06/2020	31/12/9999	CLP	4,578	0	0	0	0
Fid Chile SpA	Fid Chile & MT JV SpA	Shares and equity securities — Shares / participations	01/06/2020	31/12/9999	CLP	4,479	0	0	0	0
Fidelidade - Companhia de Seguros, S.A.	GEP - Gestao de Peritagens Automoveis, S.A.	Shares and equity securities — Shares / participations	30/03/2020	31/12/9999	EUR	0	0	168	0	0
FID CHILE & MT JV SpA	FID Chile Seguros Generales, S.A.	Shares and equity securities — Shares / participations	01/09/2020	31/12/9999	CLP	6,179	0	0	0	0
Fid Chile SpA	FID Chile Seguros Generales, S.A.	Shares and equity securities — Shares / participations	01/09/2020	31/12/9999	CLP	1	0	0	0	0
LongRun Portugal, SGPS	Fidelidade - Companhia de Seguros, S.A.	Shares and equity securities — Shares / participations	01/09/2020	31/12/9999	EUR	151,293	0	0	0	0
Fidelidade - Companhia de Seguros, S.A.	Fidelidade Macau Vida - Companhia de Seguros, S.A.	Shares and equity securities — Shares / participations	01/10/2020	31/12/9999	MOP	5,290	0	0	0	0
Fidelidade - Companhia de Seguros, S.A.	Fidelidade Angola, S.A.	Shares and equity securities — Shares / participations	30/08/2020	31/12/9999	AOA	0	0	335	0	0



MULTICARE - SEGUROS DE SAUDE, S.A.	Fidelidade Angola, S.A.	Shares and equity securities — Shares / participations	30/08/2020	31/12/9999	AOA	0	0	2	0	0
FID PERU S.A.	Positiva Seguros y Reaseguros S.A.A.	Shares and equity securities — Shares / participations	30/11/2020	31/12/9999	PEN	0	0	3,118	0	0
FID PERU S.A.	Alianza Vida Seguros y Reaseguros S.A.	Shares and equity securities — Shares / participations	30/11/2020	31/12/9999	BOB	0	0	353	0	0
FID PERU S.A.	Alianza Compania de Seguros y Reaseguros E.M.A. S.A.	Shares and equity securities — Shares / participations	30/11/2020	31/12/9999	BOB	0	0	1,169	0	0
Positiva Seguros y Reaseguros S.A.A	Alianza Vida Seguros y Reaseguros S.A.	Shares and equity securities — Shares / participations	30/11/2020	31/12/9999	BOB	0	0	69	0	0
Positiva Seguros y Reaseguros S.A.A	Alianza Compania de Seguros y Reaseguros E.M.A. S.A.	Shares and equity securities — Shares / participations	30/11/2020	31/12/9999	BOB	0	0	145	0	0

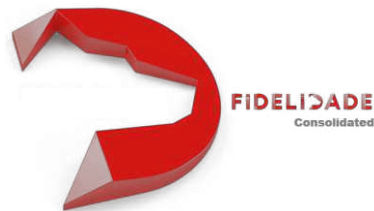


**b) Derivatives, including the guarantees supporting any derivatives instruments**

In the Group structure at 31-12-2020, in particular FPI, FPE and FPE (Lux) and Luz Saúde were not consolidated but reported to Adjusted Equity. In this group structure context, there are no intra-group derivative transactions, although there is a sales transaction agreed between Fid Perú and the minority shareholders of La Positiva Seguros Y Reaseguros S.A.A. on the date the latter company was purchased, and the resulting liability is recognised in Financial Liabilities other than debts owed to credit institutions for the amount of EUR 73,065 thousand.

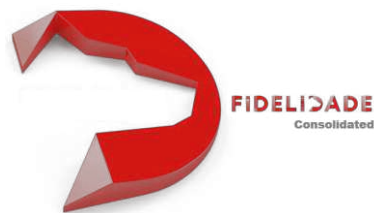
**c) Reinsurance**

Name of cedent	Name of reinsurer	Type of reinsurance contract / treaty	Line of Business	Validity Period	Validity Period	Maximum cover by reinsurer under contract / treaty	Net Receivables	Total reinsurance recoverable	Reinsurance result (for reinsured entity)	Maximum cover by reinsurer under contract / treaty
				(start date)	(expiry date)					
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Quota-share	Fire and other damage to property insurance	01/01/2020	31/12/2020	MZN	0	-9	384	-47
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/04/2020	31/03/2021	EUR	27	0	0	16
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional fire and other damage to property reinsurance	22/10/2020	21/01/2021	EUR	675	0	0	1
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional fire and other damage to property reinsurance	14/03/2020	13/03/2021	EUR	32	0	0	0
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional fire and other damage to property reinsurance	02/04/2020	01/10/2020	EUR	71	0	0	0
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional fire and other damage to property reinsurance	22/10/2020	21/01/2021	EUR	536	-1	0	-15
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional fire and other damage to property reinsurance	02/10/2020	01/04/2021	EUR	71	0	0	-6
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2020	31/12/2020	EUR	0	0	12	1
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional fire and other damage to property reinsurance	23/12/2019	22/12/2020	EUR	223	0	0	0
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2020	31/12/2020	EUR	1,000	0	0	-1,278
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	General liability insurance	01/01/2020	31/12/2020	EUR	3,000	-103	0	-59
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Quota-share	General liability insurance	01/01/2020	31/12/2020	MZN	0	-2	0	-12
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	General liability insurance	01/01/2020	31/12/2020	EUR	6,750	-3	0	-24
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	General liability insurance	01/01/2014	01/01/2020	EUR	6,000	-1	109	-1
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	Income protection insurance	01/01/2018	01/01/2020	EUR	25,000	0	0	0
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	Income protection insurance	01/01/2016	01/01/2020	EUR	25,000	10	35	24

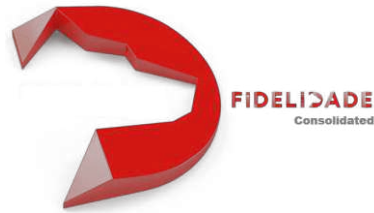


Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	Income protection insurance	01/01/2020	31/12/2020	EUR	30,000	0	0	-18
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Quota-share	Income protection insurance	01/01/2020	31/12/2020	MZN	0	-3	0	-14
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Quota-share	Marine, aviation and transport insurance	01/01/2020	31/12/2020	MZN	0	-48	0	-248
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional marine, aviation and transport reinsurance	17/09/2020	23/04/2021	EUR	150	0	0	-1
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional marine, aviation and transport reinsurance	17/09/2020	23/04/2021	EUR	215	0	0	0
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional marine, aviation and transport reinsurance	27/03/2020	23/04/2020	EUR	215	0	0	-12
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional marine, aviation and transport reinsurance	27/03/2020	30/03/2020	EUR	215	0	0	-41
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional marine, aviation and transport reinsurance	23/01/2020	23/04/2020	EUR	215	0	0	-11
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional marine, aviation and transport reinsurance	31/03/2020	23/04/2020	EUR	215	0	0	-2
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional marine, aviation and transport reinsurance	01/01/2020	31/12/2020	EUR	750	-3	0	-474
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Quota-share	Proportional marine, aviation and transport reinsurance	01/01/2020	31/12/2020	EUR	500	0	0	0
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Proportional marine, aviation and transport reinsurance	24/04/2020	23/04/2021	EUR	215	0	0	64
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Quota-share	Medical expenses insurance	01/01/2020	31/12/2020	MZN	0	-27	0	-141
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	Motor vehicle liability insurance	01/01/2014	01/01/2020	EUR	45,000	0	91	0
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Quota-share	Motor vehicle liability insurance	01/01/2020	31/12/2020	MZN	0	11	83	56
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	Motor vehicle liability insurance	01/01/2020	31/12/2020	EUR	57,500	-5	0	-33
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	Motor vehicle liability insurance	01/01/2015	01/01/2020	EUR	47,500	0	0	0
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	Motor vehicle liability insurance	01/01/2019	01/01/2020	EUR	57,500	18	381	17
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	Non-proportional property reinsurance	01/01/2020	31/12/2020	EUR	2,250	0	0	0
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per event and per risk)	Non-proportional health reinsurance	01/01/2020	31/12/2020	EUR	600	0	211	-61
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per event and per risk)	Non-proportional health reinsurance	01/01/2020	31/12/2020	EUR	2,760	0	0	0
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Non-proportional health reinsurance	01/07/2020	30/06/2021	EUR	33,000	0	719	-30

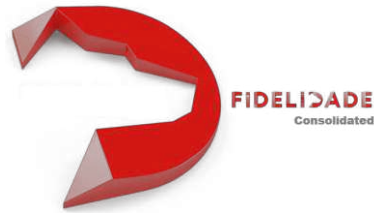




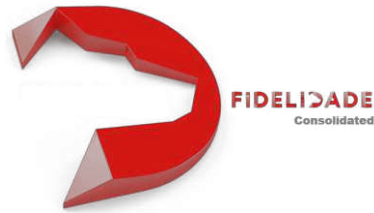
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Non-proportional health reinsurance	01/07/2020	30/06/2021	EUR	3,000	0	0	218
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Quota-share	Other motor insurance	01/01/2020	31/12/2020	MZN	0	-41	58	-214
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	Workers' compensation insurance	01/01/2020	31/12/2020	EUR	30,000	20	88	0
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	Workers' compensation insurance	01/01/2016	01/01/2020	EUR	20,000	17	0	3
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	Workers' compensation insurance	01/01/2017	01/01/2020	EUR	20,000	2	9	0
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per risk)	Workers' compensation insurance	01/01/2018	01/01/2020	EUR	30,000	-8	90	-1
Fidelidade - Companhia de Seguros, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Quota-share	Workers' compensation insurance	01/01/2020	31/12/2020	MZN	0	-42	206	-216
Fidelidade - Companhia de Seguros, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Assistance	01/01/2020	31/12/2020	MZN	0	-209	4	-63
Fidelidade - Companhia de Seguros, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Assistance	01/01/2020	31/12/2020	EUR	0	-1,811	-21,220	-32,269
Fidelidade - Companhia de Seguros, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Fire and other damage to property insurance	01/01/2020	31/12/2020	EUR	0	-138	0	-1,645
Fidelidade - Companhia de Seguros, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	General liability insurance	01/01/2020	31/12/2020	EUR	0	-9	0	-97
Fidelidade - Companhia de Seguros, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	01/01/2020	31/12/2020	EUR	0	-48	0	0
Fidelidade - Companhia de Seguros, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Income protection insurance	01/01/2020	31/12/2020	EUR	0	-37	0	-627
Fidelidade - Companhia de Seguros, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Legal expenses insurance	01/01/2020	31/12/2020	EUR	0	-231	-2,601	-2,545
Fidelidade - Companhia de Seguros, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Legal expenses insurance	01/01/2020	31/12/2020	MZN	0	47	0	14
Fidelidade - Companhia de Seguros, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Marine, aviation and transport insurance	01/01/2020	31/12/2020	EUR	0	-1	0	-11
Fidelidade - Companhia de Seguros, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Workers' compensation insurance	01/01/2020	31/12/2020	EUR	0	-189	0	-3,995
Fidelidade - Companhia de Seguros, S.A.	MULTICARE SEGUROS SAUDE SA	Quota-share	Health reinsurance	01/01/2020	31/12/2020	EUR	0	-12,712	45,472	-30,435
Fidelidade - Companhia de Seguros, S.A.	MULTICARE SEGUROS SAUDE SA	Quota-share	Health reinsurance	01/01/2017	01/01/2020	EUR	0	-43	155	-104
Fidelidade - Companhia de Seguros, S.A.	MULTICARE SEGUROS SAUDE SA	Quota-share	Health reinsurance	01/01/2019	01/01/2020	EUR	0	-4,237	15,157	-10,145
Fidelidade - Companhia de Seguros, S.A.	MULTICARE SEGUROS SAUDE SA	Quota-share	Health reinsurance	01/01/2018	01/01/2020	EUR	0	-730	2,610	-1,747
Fidelidade - Companhia de Seguros, S.A.	MULTICARE SEGUROS SAUDE SA	Quota-share	Medical expenses insurance	01/01/2020	31/12/2020	MZN	0	-635	30	-175



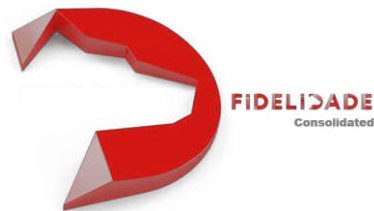
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	USD	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2018	01/01/2020	MZN	0	0	0	-4
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/07/2016	01/01/2020	EUR	0	0	239	-497
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	17/04/2020	16/04/2021	USD	4,373	0	0	-3
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2020	31/12/2020	USD	0	1	0	-64
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2017	01/01/2020	EUR	55,200	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2016	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	09/01/2020	08/01/2021	USD	6,914	0	0	-4
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	USD	3,402	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	09/01/2019	08/01/2020	USD	6,914	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	08/03/2019	07/03/2020	USD	0	0	1	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2016	01/01/2020	USD	0	0	1	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	28/08/2019	27/08/2020	USD	3,052	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2020	31/12/2020	MZN	0	1	24	-37
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	MZN	0	0	3	-6
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	17/04/2019	16/04/2020	USD	4,373	0	0	-1
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	MZN	0	0	2	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	16/12/2013	01/01/2020	MOP	22,705	-29	45	-60
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	MZN	0	0	0	95
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2020	31/12/2020	USD	13,110	0	0	-12
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2017	01/01/2020	USD	0	0	3	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	09/01/2017	01/01/2020	USD	6,914	0	0	0



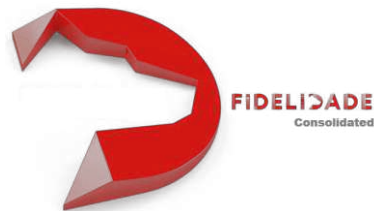
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2020	31/12/2020	MZN	0	0	0	-17
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2018	01/01/2020	MZN	0	0	0	-5
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	06/10/2018	01/01/2020	EUR	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	06/10/2019	05/10/2020	EUR	0	0	0	-26
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2018	01/01/2020	MZN	0	0	10	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	03/05/2020	02/05/2021	USD	0	6	0	-61
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/07/2020	30/06/2021	EUR	0	0	0	-1,208
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	03/05/2019	02/05/2020	USD	0	1	0	-6
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2017	01/01/2020	USD	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2017	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	03/05/2018	01/01/2020	USD	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	MZN	0	0	9	105
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2018	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	09/01/2018	01/01/2020	USD	6,914	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2018	01/01/2020	USD	3,402	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2020	31/12/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2018	01/01/2020	MZN	0	0	1	1
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2017	01/01/2020	EUR	35,500	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2016	01/01/2020	USD	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2017	01/01/2020	EUR	11,080	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	04/04/2016	01/01/2020	EUR	56,800	0	0	0



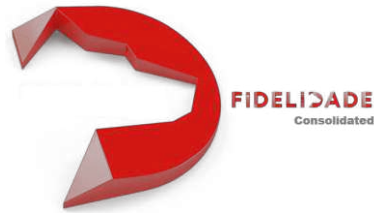
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2017	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	02/06/2016	01/01/2020	USD	30,565	0	84	-5
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	15/02/2017	01/01/2020	EUR	3,000	0	8	-163
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2017	01/01/2020	MZN	0	0	1	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	MZN	30,605	-4	215	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2017	01/01/2020	USD	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2020	31/12/2020	USD	3,402	0	0	-2
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/07/2019	30/06/2020	EUR	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2017	01/01/2020	EUR	9,299	0	2	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	20/10/2016	01/01/2020	EUR	2,607	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/12/2019	30/11/2020	EUR	18,506	0	0	-13
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/12/2018	01/01/2020	EUR	18,506	15	0	-17
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	11/12/2015	01/01/2020	EUR	0	0	0	-1
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/12/2017	01/01/2020	EUR	18,506	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2020	31/12/2020	MZN	0	1	1	-38
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	USD	13,110	0	1	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2020	31/12/2020	EUR	80	0	0	-2
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2017	01/01/2020	MZN	0	0	2	-1
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	EUR	80	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2020	31/12/2020	EUR	27,364	1	0	-25



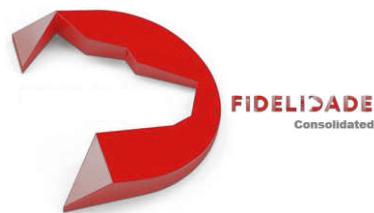
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	EUR	27,364	1	0	2
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	15/03/2017	01/01/2020	USD	3,750	0	0	-3
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2019	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional fire and other damage to property reinsurance	01/01/2016	01/01/2020	USD	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/07/2017	01/01/2020	EUR	0	0	10	-33
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional general liability reinsurance	01/07/2019	30/06/2020	EUR	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional general liability reinsurance	01/07/2012	01/01/2020	EUR	0	0	147	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional general liability reinsurance	01/07/2020	30/06/2021	EUR	0	0	0	-4
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional general liability reinsurance	01/07/2019	30/06/2020	EUR	0	0	0	-6
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional general liability reinsurance	01/07/2014	01/01/2020	EUR	0	0	17	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional general liability reinsurance	15/05/2019	14/05/2020	USD	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional general liability reinsurance	01/01/2019	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional general liability reinsurance	01/01/2018	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional general liability reinsurance	01/01/2017	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional general liability reinsurance	01/07/2020	30/06/2021	EUR	0	0	0	-82
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional general liability reinsurance	01/07/2019	01/01/2020	EUR	0	0	313	220
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional general liability reinsurance	01/01/2019	01/01/2020	EUR	4,000	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional general liability reinsurance	01/01/2018	01/01/2020	EUR	4,000	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional general liability reinsurance	01/01/2017	01/01/2020	EUR	4,000	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional general liability reinsurance	01/07/2020	30/06/2021	EUR	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional marine, aviation and transport reinsurance	19/02/2018	01/01/2020	EUR	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional marine, aviation and transport reinsurance	01/01/2019	01/01/2020	MZN	0	0	0	-8



COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional marine, aviation and transport reinsurance	01/01/2018	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional medical expenses reinsurance	27/04/2019	26/04/2020	USD	2,220	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional medical expenses reinsurance	27/04/2018	01/01/2020	USD	2,220	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional medical expenses reinsurance	01/01/2019	01/01/2020	MZN	0	0	0	-1
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional motor vehicle liability reinsurance	14/01/2019	13/01/2020	USD	82	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Non-proportional health reinsurance	01/01/2020	31/12/2020	MZN	0	0	0	-47
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Non-proportional health reinsurance	01/01/2019	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Non-proportional health reinsurance	01/01/2018	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional other motor reinsurance	01/01/2015	01/01/2020	USD	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional other motor reinsurance	01/01/2019	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional other motor reinsurance	01/01/2019	01/01/2020	MZN	0	-1	58	133
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional other motor reinsurance	01/01/2018	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional other motor reinsurance	01/01/2018	01/01/2020	MZN	0	0	36	-3
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional other motor reinsurance	01/01/2017	01/01/2020	MZN	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional other motor reinsurance	01/01/2017	01/01/2020	MZN	0	0	57	-20
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional other motor reinsurance	01/01/2016	01/01/2020	USD	0	0	1	7
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional other motor reinsurance	01/01/2016	01/01/2020	USD	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional other motor reinsurance	01/01/2015	01/01/2020	USD	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional workers' compensation reinsurance	19/04/2018	01/01/2020	USD	1,764	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional workers' compensation reinsurance	01/01/2019	01/01/2020	MZN	0	0	51	-18
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional workers' compensation reinsurance	01/01/2018	01/01/2020	MZN	0	0	54	3

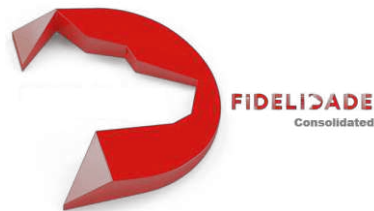


COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional workers' compensation reinsurance	01/01/2017	01/01/2020	MZN	0	0	133	-31
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional workers' compensation reinsurance	01/01/2016	01/01/2020	USD	0	0	0	0
COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Proportional workers' compensation reinsurance	01/01/2015	01/01/2020	USD	0	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess	Fire and other damage to property insurance	01/01/2020	31/12/2020	EUR	0	-4	0	10
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess	Fire and other damage to property insurance	01/01/2020	31/12/2020	EUR	0	-61	220	-53
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Fire and other damage to property insurance	01/01/2020	31/12/2020	EUR	995,000	-8	0	-99
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess	Fire and other damage to property insurance	01/01/2019	01/01/2020	EUR	0	-2	4	10
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess	Fire and other damage to property insurance	01/01/2018	01/01/2020	EUR	0	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Fire and other damage to property insurance	01/01/2018	01/01/2020	EUR	10,000	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Fire and other damage to property insurance	01/01/2017	01/01/2020	EUR	5,000	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Quota-share	Fire and other damage to property insurance	01/01/2017	01/01/2020	EUR	10,000	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess	Fire and other damage to property insurance	01/01/2017	01/01/2020	EUR	0	0	14	36
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Fire and other damage to property insurance	01/01/2013	01/01/2020	EUR	4,950	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess	Fire and other damage to property insurance	01/01/2016	01/01/2020	EUR	0	0	11	-48
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess	Fire and other damage to property insurance	01/01/2015	01/01/2020	EUR	0	0	0	12
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess	Fire and other damage to property insurance	01/01/2018	01/01/2020	EUR	0	-1	13	2
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Fire and other damage to property insurance	01/01/2020	31/12/2020	EUR	6,500	0	0	-72
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Fire and other damage to property insurance	01/01/2018	01/01/2020	EUR	6,500	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess	Fire and other damage to property insurance	01/01/2017	01/01/2020	EUR	0	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event and per risk)	Income protection insurance	01/01/2020	31/12/2020	EUR	410	0	0	-5
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event and per risk)	Income protection insurance	01/01/2018	01/01/2020	EUR	910	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event and per risk)	Income protection insurance	01/01/2017	01/01/2020	EUR	1,000	0	0	0

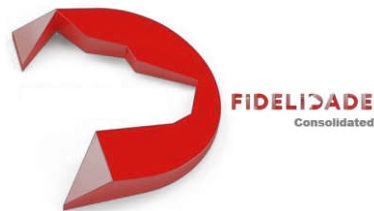


VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Motor vehicle liability insurance	01/01/2015	01/01/2020	EUR	2,000	0	3	-30
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Motor vehicle liability insurance	01/01/2014	01/01/2020	EUR	2,000	0	16	-15
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Motor vehicle liability insurance	01/01/2019	01/01/2020	EUR	2,000	0	397	51
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Motor vehicle liability insurance	01/01/2018	01/01/2020	EUR	2,000	0	1,135	114
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Motor vehicle liability insurance	01/01/2017	01/01/2020	EUR	2,500	0	2,141	1,384
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Motor vehicle liability insurance	01/01/2016	01/01/2020	EUR	2,000	0	575	-12
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Motor vehicle liability insurance	01/01/2007	01/01/2020	EUR	2,000	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Motor vehicle liability insurance	01/01/2012	01/01/2020	EUR	2,000	0	547	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Excess of loss (per event)	Motor vehicle liability insurance	01/01/2020	31/12/2020	EUR	2,000	0	163	-775
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Excess of loss (per event and per risk)	Motor vehicle liability insurance	01/01/2017	01/01/2020	EUR	2,875	0	25	25
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Assistance	01/01/2020	31/12/2020	EUR	0	-408	-3,408	-5,291
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Assistance	01/01/2018	01/01/2020	EUR	0	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Assistance	01/01/2017	01/01/2020	EUR	0	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Legal expenses insurance	01/01/2020	31/12/2020	EUR	0	234	-246	-191
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Legal expenses insurance	01/01/2018	01/01/2020	EUR	0	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Legal expenses insurance	01/01/2017	01/01/2020	EUR	0	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	MULTICARE SEGUROS SAUDE SA	Quota-share	Medical expenses insurance	01/01/2020	31/12/2020	EUR	0	-12	82	-142
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	MULTICARE SEGUROS SAUDE SA	Quota-share	Medical expenses insurance	01/01/2018	01/01/2020	EUR	0	0	0	0
VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	MULTICARE SEGUROS SAUDE SA	Quota-share	Medical expenses insurance	01/01/2017	01/01/2020	EUR	0	0	0	0
MULTICARE - SEGUROS DE SAUDE, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Quota-share	Medical expenses insurance	01/01/2016	01/01/2020	EUR	0	-70	0	-700
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Fire and other damage to property insurance	01/01/2020	31/12/2020	USD	2,364	0	0	-40
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Fire and other damage to property insurance	01/01/2020	31/12/2020	USD	2,363	-243	0	0





FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Fire and other damage to property insurance	01/01/2020	31/12/2020	USD	280	0	0	-20
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Fire and other damage to property insurance	01/01/2020	31/12/2020	USD	6,650	-1,568	1,327	-263
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Income protection insurance	01/01/2020	31/12/2020	USD	0	-13	0	-14
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Miscellaneous financial loss	01/01/2020	31/12/2020	USD	0	0	0	0
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Motor vehicle liability insurance	01/01/2020	31/12/2020	USD	0	-65	0	-45
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Other motor insurance	01/01/2020	31/12/2020	USD	0	-14	79	-138
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Workers' compensation insurance	01/01/2020	31/12/2020	USD	0	-481	0	101
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA		Assistance	01/01/2020	31/12/2020	AOA	0	-4	22	-24
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA		Assistance	01/01/2020	31/12/2020	AOA	0	-4	6	-10
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA		Legal expenses insurance	01/01/2020	31/12/2020	AOA	0	0	0	0
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA		Medical expenses insurance	01/01/2020	31/12/2020	AOA	0	-30	12	-10
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	MULTICARE SEGUROS SAUDE SA		Health Plan	01/01/2020	31/12/2020	EUR	0	-1,355	155	-273
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Fire and other damage to property insurance	14/10/2020	13/10/2021	MOP	9,747	4	2	-2
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Fire and other damage to property insurance	06/11/2020	31/12/2020	MOP	10,862	1	0	-3
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Fire and other damage to property insurance	01/06/2020	31/05/2021	MOP	37,043	0	49	75
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Fire and other damage to property insurance	01/09/2020	31/08/2021	MOP	26,317	0	16	2
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Fire and other damage to property insurance	11/08/2019	10/08/2020	MOP	24,390	0	0	-10
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Fire and other damage to property insurance	01/01/2020	31/12/2020	MOP	2,849	-2	2	6
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Fire and other damage to property insurance	01/01/2020	31/12/2020	MOP	23,322	0	0	-8
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Fire and other damage to property insurance	01/01/2019	01/01/2020	MOP	5,550	0	0	0
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Fire and other damage to property insurance	20/06/2020	19/06/2021	MOP	10,417	0	11	-25



FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Fire and other damage to property insurance	30/11/2020	29/11/2021	MOP	160,155	37	52	-33
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Fire and other damage to property insurance	03/05/2020	02/05/2021	MOP	68,707	-12	62	73
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Fire and other damage to property insurance	01/01/2020	31/12/2020	MOP	77,519	0	0	-149
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Proportional fire and other damage to property reinsurance	01/07/2016	01/01/2020	MOP	10,218	0	0	0
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	General liability insurance	17/08/2020	17/12/2027	MOP	458	7	5	-1
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Medical expenses insurance	11/11/2019	01/01/2020	MOP	1,519	0	0	0
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Medical expenses insurance	01/03/2020	28/02/2021	MOP	1,519	0	1	-12
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Miscellaneous financial loss	01/09/2019	31/08/2020	MOP	4,192	-1	0	-5
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Facultative proportional	Miscellaneous financial loss	01/07/2020	30/06/2021	MOP	15,683	0	5	-27
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	COMPANHIA PORTUGUESA RESSEGUROS, SA	Facultative proportional	Health Plan	16/12/2013	31/01/2021	MOP	22,478	11	31	-71
GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Fire and other damage to property insurance	01/01/2019	01/01/2020	CVE	2,267	72	106	-86
GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Fire and other damage to property insurance	01/01/2019	01/01/2020	CVE	4,535	9	149	-93
GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		General liability insurance	01/01/2019	01/01/2020	CVE	700	-15	67	-65
GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Health Plan	01/01/2019	01/01/2020	CVE	30	-3	0	-5
GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Income protection insurance	01/01/2019	01/01/2020	CVE	3,628	-16	33	-7
GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Marine, aviation and transport insurance	01/01/2019	01/01/2020	CVE	544	-3	1	-32
GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Marine, aviation and transport insurance	01/01/2019	01/01/2020	CVE	1,333	-20	0	-6
GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Motor vehicle liability insurance	01/01/2019	01/01/2020	CVE	765	0	241	-31
GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	FIDELIDADE COMPANHIA SEGUROS SA		Workers' compensation insurance	01/01/2019	01/01/2020	CVE	871	15	284	2
GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA		Assistance	01/01/2019	01/01/2020	CVE	33	-2	-23	-125
GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	MULTICARE SEGUROS SAUDE SA		Health Plan	01/01/2019	01/01/2020	CVE	3	0	0	-8

d) Internal cost sharing, contingent liabilities (other than derivatives) and off balance sheet items and other types of intragroup transactions

Investor / buyer / beneficiary name	Issuer / seller provider name	Transaction type	Trigger event	Transaction issue date	Currency	Value of transaction/ collateral/ guarantee
Fidelidade - Companhia de Seguros, S.A.	E.A.P.S. - Empresa de Analise, Prevencao e Seguranca, S.A.	Internal cost sharing	Assignment of employees	31/12/2020	EUR	191
FIDELIDADE ASSISTENCIA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Internal cost sharing	Assignment of employees	31/12/2020	EUR	843
MULTICARE - SEGUROS DE SAUDE, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Internal cost sharing	Assignment of employees	31/12/2020	EUR	3,321
Fidelidade - Companhia de Seguros, S.A.	E.A.P.S. - Empresa de Analise, Prevencao e Seguranca, S.A.	Internal cost sharing	External supplies and services	31/12/2020	EUR	1,421
FIDELIDADE - SERVICOS DE ASSISTENCIA, S.A.	FIDELIDADE ASSIST COMP SEGUROS SA	Internal cost sharing	External supplies and services	31/12/2020	EUR	569
MULTICARE - SEGUROS DE SAUDE, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Internal cost sharing	External supplies and services	31/12/2020	EUR	28
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	Universal - Assistencia e Servicos, Lda.	Internal cost sharing	External supplies and services	31/12/2020	EUR	738
FIDELIDADE ASSISTENCIA - COMPANHIA DE SEGUROS, S.A.	FIDELIDADE COMPANHIA SEGUROS SA	Internal cost sharing	External supplies and services	31/12/2020	EUR	1

# B. System of Governance

## B.1. General information on the system of governance

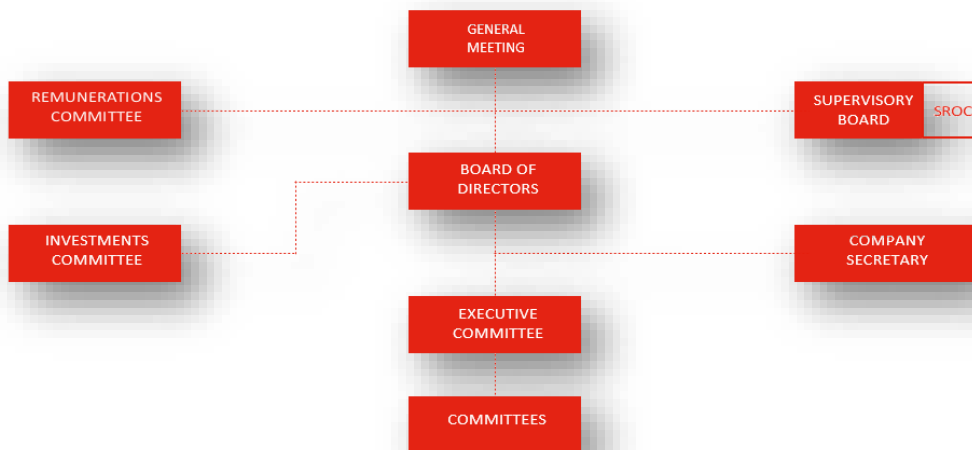
As mentioned earlier, no comparisons with the information included in the 2019 report are presented throughout this chapter.

### B.1.1. Corporate governance structure

Corporate governance involves a series of relationships between the management of the company, its shareholders and other stakeholders, by means of which the company's objectives are defined, and also the means by which these will be achieved and monitored.

The Fidelidade Consolidated adopts a unitary corporate governance model with a Board of Directors which includes an Executive Committee and a supervisory body comprising a Supervisory Board and a Statutory Auditor.

The following table represents the Fidelidade Group Corporate Governance structure during 2020.

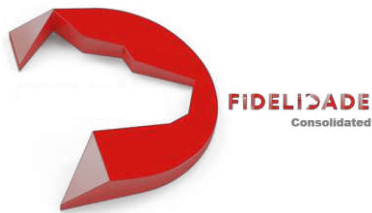


The main competences of the bodies included in the corporate governance structure are:

#### GENERAL MEETING

Resolutions of the General Meeting are approved by a majority of the votes of the shareholders present or represented at the General Meeting, whenever the law or the Articles of Association do not require a greater number (Article 11(2) of the Articles of Association).

Resolutions concerning any amendments to the Articles of Association, including amendment of the corporate purpose, an increase or reduction in the share capital, merger, demerger, transformation and dissolution of the company, suppression or reduction of the preference right of the Company shareholders in increases in share capital, cancellation of shares representing the share capital, the suspension or cessation of the exercise of the principal activity included in the Company's corporate purpose, authorisation for the sale and purchase of own shares when this is not realised on a pro-rata basis, and the appointment of the company's supervisory body and the respective external auditor when this is not one of the four largest international auditing companies, may only be approved if a vote in favour is achieved with a majority of at least 95% of the voting rights representing the entirety of the share capital.



## BOARD OF DIRECTORS

The Board of Directors is composed of at least five and at most seventeen members, elected for mandates of three years, which are renewable.

As one of the Company's corporate bodies, the Board of Directors has the broadest of powers to manage and represent the company. Pursuant to Article 15(1) of the Company's Articles of Association, in addition to the general powers given to it by law, the Board of Directors is responsible for:

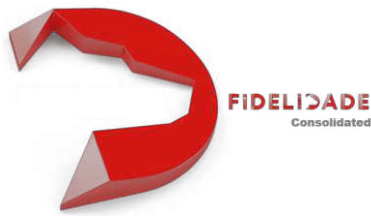
- Managing the company business and performing all the acts and operations related to the corporate purpose which do not fall within the competence of other company bodies;
- Representing the company in and out of court, actively and passively, with the power to withdraw, settle and accept liability in any proceedings, and also entering into arbitration agreements;
- Acquiring, selling or otherwise disposing of or encumbering movable and immovable rights and property;
- Setting up companies, subscribing, acquiring, pledging and disposing of shares;
- Establishing the technical and administrative organisation of the company and the rules of internal operation, namely regarding employees and their remuneration;
- Appointing legal representatives, with the powers it deems appropriate, including those of delegation.

## EXECUTIVE COMMITTEE

Without prejudice to the possibility of rescinding powers delegated to the Executive Committee, the Board of Directors has delegated the day-to-day management of the Company to this committee, which includes:

- All insurance and reinsurance operations and operations which are connected or complementary to insurance and reinsurance operations, including those which relate to acts and contracts regarding salvage, the rebuilding and repair of real estate, vehicle repair, and the application of provisions, reserves and capital;
- Representation of the Company before the supervisory authorities and associations for the sector;
- Acquisition of services;
- Employee admissions, definition of levels, categories, remuneration conditions and other benefits, and appointment to management positions;
- Exercise of disciplinary powers and the application of any sanctions;
- Representation of the Company before any bodies which represent the employees;
- Opening and closing of branches or agencies;
- Nomination of the person representing the Company at the general meetings of companies in which it holds shares, with determination of how the vote is to be cast;
- Nomination of the persons who will take up company positions for which the Company is elected, and the persons that the Company will indicate to take up company positions in companies in which it holds a share;
- Issuing of instructions which are binding on the companies which are in a group relationship with the Company involving full control;
- Representation of the Company in and out of court, actively and passively, including initiating and defending any judicial or arbitration proceedings, and accepting liability in, withdrawing from or settling any actions, and assuming arbitration commitments;
- Appointment of legal representatives, with or without power of attorney, to perform certain acts, or categories of acts, with definition of the scope of the respective mandates.

The delegation of powers to the Executive Committee does not cover matters which remain the exclusive competence of the Board of Directors.



## INVESTMENTS COMMITTEE

All of the Company's investment decisions are subject to supervision by the Investments Committee, and the Executive Committee reports operations performed to the Investments Committee.

## REMUNERATIONS COMMITTEE

The Remunerations Committee is responsible for establishing the remuneration of the members of the Company's corporate bodies.

The mandate of the members of the Remunerations Committee coincides with that of the Board of Directors.

The members of the Remunerations Committee are persons who, given their professional experience and curriculum vitae, have the appropriate knowledge and profile with regard to remuneration policy issues.

The Remunerations Committee submitted a declaration to the General Meeting of 31 March 2020, in compliance with the provisions of Article 2 of Law No. 28/2009, of 19 June, on the remuneration policy for the members of the respective management and supervisory bodies, which was approved by all the shareholders present or represented.

## SUPERVISORY BOARD AND STATUTORY AUDITOR

Supervision of the Company is charged, pursuant to Article 413(1) a) of the Code of Commercial Companies, to a Supervisory Board and a Statutory Auditor, with the competences set out in law and the current mandate of which corresponds to the period 2020/2022.

The Company's Articles of Association establish the Supervisory Board's competences as those which are set out in the law.

The members of the Supervisory Board comply with the independence requirements set out in Article 414(5) of the Code of Commercial Companies, as they are not associated with any specific interest group in the Company and there are no circumstances which might affect their impartiality when analysing or taking decisions.

## COMPANY SECRETARY

The Company Secretary is a Corporate Body, appointed by the Board of Directors, which, besides ensuring the legal functions of Company Secretary in the companies where appointed to do so, coordinates, in the role of Corporate Body, the corporate governance function of all the companies in the Fidelidade Group.

## COMMITTEES

The specific committees operate according to competences delegated by the Executive Committee, without prejudice to the subsequent ratification of their decisions by the management body.

The specific committees are, therefore, structures which report to the Executive Committee, which delegates competences to them, and are intermediary decision-making bodies.

Accordingly, the specific committees are decision-making bodies set up to assess and decide on proposals regarding different areas of the day-to-day management.

Furthermore, the competence delegated to each of the specific committees is limited exclusively to acts of day-to-day management regarding matters which are the responsibility of the structural bodies which include each of the committees, as permanent members.

### B.1.2. Internal governance

Internal governance is the responsibility of the executive management body and its main concerns are to define the group's business objectives and risk appetite, the organisation of the group's business, the granting of responsibilities and authority, the reporting lines and the information that must be provided, as well as the organisation of the internal control system.

The Group guarantees an adequate separation of functions and delegation of responsibilities, by approving each structural body's organic and functional structure, defining its scope and general aims, the related organisational chart and main functions, and appointing its heads.

Means of internal communication are defined for transmitting decisions and resolutions of the Executive Committee, for presenting decision-making proposals and for communication between the structural bodies.

To guarantee an adequate connection between corporate governance, personified in the Executive Committee, and the organisational structure, which ensures the greatest consistency and implementation of the group's executive management, the members of the Executive Committee are given areas of governance, so that each of them is responsible for monitoring a group of structural bodies.

### B.1.3. Key functions

The key functions established within the risk management and internal control systems are given to the following bodies:

<b>Divisions</b>	<b>Risk Management Division</b>	<b>Audit Division</b>	<b>Compliance Division</b>
<b>Key functions</b>	<b>Risk Management Function</b>	<b>Internal Audit Function</b>	<b>Compliance Function</b>
	<b>Actuarial Function</b>		

The following functions are defined for these bodies:

#### B.1.3.1. Risk Management Function

- Ensuring information is produced and made available to support decision-making, both by the Executive Committee and by the different Divisions;
- Ensuring the development, implementation and maintenance of a risk management system which enables all material risks to which the Insurers and the group are exposed to be identified, assessed and monitored;
- Drawing up, proposing and revising the Capital Management Policy, the medium-term Capital Management Plan and the respective Contingency Plans;
- Drawing up, proposing and revising the ORSA Policy and coordinating the performance of the annual exercise;
- Assessing and monitoring the current and future solvency situation;
- Drawing up, proposing and revising the Asset and Liability Management and Liquidity Policy;
- Participating in the drawing up and revision of the Investments Policy;
- Identifying, assessing and monitoring the market risks and counterparty credit risks;
- Monitoring compliance with the defined level of liquidity and coverage of estimated payments by estimated receipts;



- Identifying, assessing and monitoring operational risks incurred in the insurance group, as well as identifying and characterising the existing control tools;
- Diagnosing and identifying improvements in the operational and control systems;
- Assessing and monitoring the risk mitigation instruments, namely Reinsurance;
- Participating in the revision of the Underwriting and Reinsurance Policies;
- Identifying, assessing and monitoring underwriting risks and the credit risk of instruments to mitigate those risks, and preparing information to support decision-making.

#### B.1.3.2. Actuarial Function

- Monitoring the accounting Technical Provisions, assessing their level of prudence;
- Undertaking an actuarial assessment of the portfolios, including calculation of the fair value of liabilities of a technical nature;
- Ensuring consultancy and actuarial technical assistance to the bodies and institutions which request it, as part of contracts for the provision of actuarial-type services, in particular, on the subject of pension funds, benefits plans or any other private pension plan frameworks;
- Drawing up, proposing and revising the Provisioning Policies;
- Coordinating calculation of the technical provisions;
- Assessing the adequacy and quality of the data used in the technical provisions calculation;
- Ensuring that appropriate methodologies, basic models and assumptions are used in the technical provisions calculation;
- Comparing the technical provisions best estimate with the actual amounts;
- Informing the management body of the level of reliability and adequacy of the technical provisions calculation;
- Supervising the technical provisions calculation whenever the insurer does not have sufficient data and with the quality needed to apply a reliable actuarial method and, for that reason, if approximate values are used;
- Issuing an opinion on the global underwriting policy;
- Issuing an opinion on the adequacy of reinsurance agreements;
- Contributing to the effective application of the risk management system, particularly regarding the risk modelling on which the solvency capital requirement and minimum capital requirement are based, and also regarding the own risk and solvency assessment.

#### B.1.3.3. Internal Audit Function

- Drawing up, implementing and maintaining an Annual Audit Plan based on a methodical analysis of risk, covering all significant activities and the governance system of the Insurers in the Fidelidade Portugal Group, including planned developments regarding activities and innovations;
- Assessing compliance with the principles and rules defined as part of the internal control and operational risk management, identifying possible insufficiencies and suggesting action plans to mitigate the inherent risk or optimise the control in terms of effectiveness;
- Carrying out audit actions based on a specific methodology which, since it always has risk assessment in mind, can help to determine the probability of the risks occurring and the impact they may have on the Fidelidade Group;
- By means of an IT application, presenting the Board of Directors and the Executive Committee with audit reports produced, demonstrating the conclusions obtained and recommendations issued;
- Drawing up the Annual Audit Report, with a summary of the main deficiencies detected in the audit actions, and presenting it to the Board of Directors, the Executive Committee and the Supervisory Bodies;

- Analysing the level of implementation of recommendations issued;
- Aiding the Executive Committee, when requested by the latter, in uncovering the facts relating to potential disciplinary breaches by employees and irregularities performed by agents or service providers;
- Performing ad hoc audits, as requested by the Board of Directors, the Executive Committee or another Structural Body;
- Working with the External Audit and with the Statutory Auditor.

#### B.1.3.4. Compliance Function

- Ensuring the coordination and monitoring of Compliance issues;
- Ensuring the coordination of the Compliance function, with a view to compliance with legislation and other regulations, and with internal policies and procedures, seeking to prevent sanctions of a legal or regulatory nature and financial losses or reputational harm;
- Drawing up and proposing the Companies' Compliance Manual and ensuring it is maintained and disseminated;
- Ensuring the actions necessary to promote a culture of Compliance in the Companies.

#### B.1.4. Committees

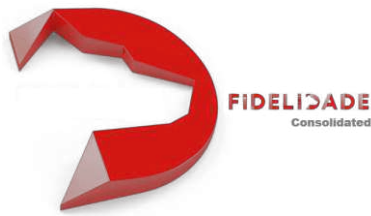
The management of the risk management and internal control systems is also ensured by the following committees.

##### RISK COMMITTEE

The Risk Committee is responsible for commenting on Risk Management and Internal Control issues which are submitted to it by the Executive Committee, relying on the definition of the risk strategy to be followed by the Companies. Accordingly, the Risk Committee proposes to the Executive Committee risks policies and global objectives to be considered in the Companies' Risk Management and Internal Control.

##### UNDERWRITING POLICY ACCEPTANCE AND SUPERVISION COMMITTEE

The main function of this Committee, which covers all channels and products, is to deliberate on the acceptance of risks which exceed the competences of the Business Divisions or which require its intervention due to their specific nature.



## PRODUCTS COMMITTEE (LIFE AND NON-LIFE)

The Products Committee's main mission is to coordinate the release of products of all Group companies, ensuring that the offer is consistent with the multi-channel and value creation strategy, ensuring alignment of the new offer and the existing offer with the Company's strategic planning and risk appetite defined by the Executive Committee.

## ASSETS AND LIABILITIES MANAGEMENT COMMITTEE

The Assets and Liabilities Management Committee (ALCO) was created in August 2018. The main objectives of this Committee are to supervise the asset / liability matching, the investments portfolio and the market risks (namely interest rate risk, currency risk and liquidity risk). Another aim is to establish an optimal structure for the Company's balance sheet to allow maximum profitability, limiting the level of risk possible and monitoring the performance of the Company's investments in terms of risk and return and the implementation of the ALM strategy, as well market and liquidity risks.

### B.1.5. Remuneration rights of the members of the management body

The Remunerations Committee submitted a declaration to the General Meeting of 31 March 2020, in compliance with the provisions of Article 2 of Law No. 28/2009, of 19 June, on the remuneration policy for the members of the respective management and supervisory bodies, which was approved by all the shareholders present or represented.

According to that statement, the remuneration policy was based on the following principles:

“The remuneration of the members of the Company's management and supervisory bodies is set by the Remuneration Committee in light of the Remuneration Policy in force, which is based on the applicable legal and regulatory standards, as well as the guiding principles of the remuneration policy of the members of the corporate bodies of the Group companies.”

In order to ensure alignment with the Company's interests, the remuneration of the executive members of the Board of Directors comprises a fixed component and a variable component.

The fixed component is defined with reference to the values practiced in companies of similar size, nature and complexity.

Fixed remuneration is paid in 14 monthly installments, including the corresponding holiday and Christmas allowances, in accordance with current legislation.

The variable component is determined according to the performance measured based on a set of defined objectives, namely, financial, operational, risk and strategic, being assigned, individually and annually, in relation to the year ended, and should not represent more than a percentage of the gross fixed remuneration in force at the end of that year, in order to be properly balanced.

The members of the Board of Directors without executive functions do not receive any remuneration, fixed or variable.

The members of the Fiscal Council only earn fixed compensation.

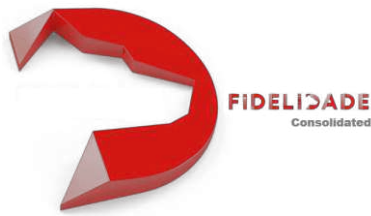
The members of the Company's management and supervisory bodies do not benefit from any share allocation or stock option plans.

By resolution of June 30, 2020, it was decided to attribute a fixed remuneration to the Chairman and Vice-Chairman of the Board of Directors, both non-executive directors.

Information on the annual amount of remuneration earned by the members of the governing bodies is contained in this Corporate Governance Report.

### B.1.6. Transactions with related parties

The Fidelidade Group has adopted a set of transparent and objective rules which are applicable to transactions with related parties, which are subject to specific approval mechanisms.



All transactions with related parties were subject to control.

Operations to be performed between the Company and holders of qualifying shares or entities which are in any kind of relationship with them are subject to assessment and a decision of the Board of Directors, and these operations, like all others performed by the Company, are subject to supervision by the Supervisory Board.

Information on business with related parties is in the Notes to the Separate Financial Statements (Note 43) and the Notes to the Consolidated Financial Statements (Note 48).

#### B.1.7. Assessment of the adequacy of the system of governance

The Fidelidade Consolidated considers that its system of governance is adequate for the nature, scale and complexity of the risks to which it is exposed, and complies with the requirements set out in the Legal Framework on the Taking-up and Pursuit of the Business of Insurance and Reinsurance.

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## B.2. Fit and proper requirements

The Fit & Proper Policy currently in force, which falls within the Legal Framework on the Taking-up and Pursuit of the Business of Insurance and Reinsurance (RJASR), aims to establish general principles for assessing whether the persons who effectively run the company, supervise it, are its managers or perform key functions within it are fit and proper.

The fit and proper requirements assessed in the terms and for the purposes of this Policy are:

- Integrity;
- Professional Qualification;
- Independence, Availability and Capacity.

Professional qualification is assessed in the light of academic qualifications, specialist training and professional experience.

When assessing academic qualifications and specialist training, value is particularly given to knowledge obtained in the fields of insurance and general finance or in any other area which is relevant for the activity to be performed.

When assessing professional experience, the nature, size and complexity of activities previously performed is compared to those that will be performed in the future.

In the specific case of Top Management, meaning management positions with direct reporting to the executive management body, 5 years' previous professional experience is required.

In the case of key functions, the following professional qualifications are required:

	Academic Qualifications	Specialist Training	Professional Experience
<b>Internal Audit</b> (head)	Degree in Business Management, Economics, Auditing or similar	Ongoing training, provided by the Fidelidade Group, to develop technical and behavioural skills to perform the function.	15 years of experience in the area
<b>Internal Audit</b> (team member)	Degree in Economics, Management, Business Management or similar	Ongoing training, provided by the Fidelidade Group, to develop technical and behavioural skills to perform the function. Higher education (at post-graduate level) in Financial Markets or similar areas is also relevant.	2 years' minimum experience in the area or similar, depending on the specific function the employee is performing
<b>Compliance</b> (head)	Law Degree	Ongoing training, provided by the Fidelidade Group, to develop technical and behavioural skills to perform the function.	15 years of experience in the area or similar

<b>Compliance (team member)</b>	Law Degree	Ongoing training, provided by the Fidelidade Group, to develop technical and behavioural skills to perform the function. Higher education (at post-graduate level) in European Studies, Business Management, Compliance or similar areas is also relevant.	5 years of experience in the area or similar
<b>Risk Management (head)</b>	Higher education in Business Organisation and Management, Mathematics, Actuarial Studies, Economics, Statistics or similar	Ongoing training, provided by the Fidelidade Group, to develop technical and behavioural skills to perform the function.	15 years of experience in the area or similar
<b>Risk Management (team member)</b>	Higher education in Mathematics, Management, Actuarial Studies, Finance, Economics, Actuarial Science, Statistics, Sociology, Engineering or similar.	Ongoing training, provided by the Fidelidade Group, to develop technical and behavioural skills to perform the function. Higher education (at post-graduate level) in Banking and Insurance Management and in Markets and Financial Assets is also relevant.	4 years' minimum experience, depending on the specific function the employee is performing
<b>Actuarial Function (head)</b>	Higher education in Mathematics, Actuarial Studies, Economics or Statistics	Ongoing training, provided by the Fidelidade Group, to develop technical and behavioural skills to perform the function. Higher education (at post-graduate level) in Actuarial Science is also relevant.	10 years' experience in actuarial
<b>Actuarial Function (team member)</b>	Higher education in Mathematics, Actuarial Studies, Economics or Statistics	Ongoing training, provided by the Fidelidade Group, to develop technical and behavioural skills to perform the function. Higher education (at post-graduate level) in Actuarial Science is also relevant.	5 years' experience in actuarial

In line with the Fit and Proper Policy, the scope of application of which is singular, covering the various insurance companies within the Fidelidade Consolidated, persons who effectively run the company, supervise it, are its managers or perform key functions within it must possess and demonstrate the capacity to at all times guarantee sound and prudent management of the insurance company, with a view, in particular, to safeguarding the interests of policyholders, insured persons and beneficiaries.

For this reason, they must comply with the requirements of qualifications (fit), integrity (proper), independence and availability. Additional requirements are provided for collegiate bodies.

The following persons are subject to the assessment: members of the management body, members of the supervisory body, the statutory auditor who is responsible for issuing the statutory auditor's report and the responsible actuary.

The following persons are also subject to the assessment: persons who perform other functions which give them significant influence over the management of the Companies, Top-Level Managers, persons who are responsible for or perform risk management, compliance, internal audit and actuarial functions, representatives of the Companies' branches and, where key functions are outsourced, the internal interlocutor for those functions.

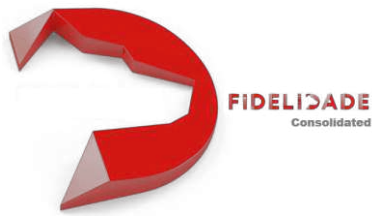
The Companies must confirm that the persons subject to the assessment fulfil the fit and proper requirements to perform their respective functions. The Policy therefore sets out the process for assessing those requirements, divided into three major areas: (1) Assessment; (2) Registration; (3) Appointment.

The Assessment Committee is responsible for assessing the fit and proper requirements of the members of the Management and Supervisory Bodies, the Statutory Auditor and the Responsible Actuary. The Assessment Committee is also responsible for assessing the heads of the risk management, compliance and internal audit functions, and also the head of the People and Organisation Division.

The responsibility for assessing other persons – top-level managers, the persons responsible for the actuarial function, branch representatives, staff who perform key functions and those responsible for important or critical functions or activities which are outsourced – lies with the People and Organisation Division.

The assessment is carried out prior to the commencement of functions (initial assessment) and continuing compliance with the fit and proper requirements is confirmed every three years thereafter (successive assessment), by means of a statement presented for the purpose by the interested party, whenever that compliance continues.

Since the appointed persons must inform the insurance company of any facts subsequent to the appointment or to the registration which change the content of the statement initially presented, an extraordinary assessment will be carried out whenever they



become aware of any subsequent circumstances which may lead to the requirements not being fulfilled within the scope of their functions.

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### B.3. Risk management system including the own risk and solvency assessment

The risk management and internal control systems are managed by the Risk Management Division, the Audit Division, the Compliance Division, the Risk Committee, the Products Committee (Life and Non-Life), the Underwriting Policy Acceptance and Supervision Committee and the Assets and Liabilities Management Committee.

#### B.3.1. Risk management processes

The following sub-paragraphs describe the Company's risk management processes for each category of risk, including how these are identified, monitored and managed.

##### B.3.1.1. Strategic Risk

The Group strategy is attained by means of a chain of responsibilities beginning with the Executive Committee, which defines the high-level strategic objectives, passing to the heads of each Division, who are responsible for outlining plans to achieve those objectives, and ending with the Company's employees, who seek to achieve the proposed objectives on a daily basis within the scope of their functions.

The strategic decisions taken by the Company's are based on well-defined processes of approval and of implementation and monitoring, which have proved to be both effective in terms of implementing the strategy and adequate as a reaction to external factors which may affect the Fidelidade Consolidated activity.

##### B.3.1.2. Underwriting Risk – Product Design and Pricing

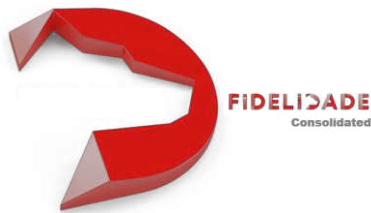
The Business Divisions are responsible for managing and accessing this risk. The Business Divisions ensure the technical development of new products, or reformulation of existing ones, by defining their technical characteristics and technical documentation, and by establishing their prices, rules for delegation of powers and underwriting policies, and by drawing up technical information to support the sales activity.

For each product, there is a process of identifying the needs which are intended to be met and defining the group's strategic objectives which are intended to be achieved with its launch / reformulation.

The launch of new products, reformulation of existing ones and pricing updates are approved in advance by the Product Committee (Life and Non-Life).

When a new product is launched, or when significant changes are made to the characteristics of existing products, training programmes and communication plans are scheduled with the aim of introducing the product to the commercial networks, emphasising, in particular, its characteristics and the underwriting policies that have been defined.

Analyses are periodically undertaken of products/prices, and also of the composition and behaviour of the respective portfolios, with the purpose of assessing how adequate they are in terms of contractual conditions versus profitability.



#### B.3.1.3. Underwriting Risk – Underwriting

The Business Divisions are responsible for managing and accessing the risks associated with underwriting the group's products, and the power to give discounts is delegated to the sales areas only in situations where knowledge of the risk is high and the technical risk is low.

The aim of the group's Underwriting Policy is to classify the risks according to the level of exposure to and knowledge of the risk. This policy takes the form of underwriting rules and delegation of available competences.

The Group has an Underwriting Policy Acceptance and Supervision Committee, the mission of which is to analyse and accept risks the acceptance of which, as defined in the Underwriting Policy, is not delegated to the Business Divisions.

The Business Divisions are responsible for underwriting risks the acceptance of which is not delegated.

In order to guarantee that the underwriting policies are adequately followed, in the products' sales phase, the Operations and Quality Division and the Corporate Business Division, in the case of Non-Life products, and the Life Business Division, in the case of Life products, check compliance with the underwriting rules defined. Besides this check, the Business Divisions and the Statistics and Technical Studies Division, in the case of Non-Life products, regularly monitor the adequacy of the underwriting policies, by means of statistical indicators of the portfolio's development, the drawing up of risk profiles and occasional analyses of contracts.

There is a system of Portfolio Selection and Checking which occurs monthly, aimed at checking and monitoring customers in the portfolio, in order to safeguard profitability of the business.

There is also a process to monitor underwriting quality, which seeks, on one hand, to identify situations of false declarations or omission of declarations in the issue of contracts and, on the other, to rectify these situations, ensuring articulation between all those involved: the Business Divisions, Commercial Divisions and Operations and Quality Division. This monitoring process, which seeks to assess irregular types of behaviour, is performed weekly and is mainly supported by cross-referencing with sources of external or internal historical data and identifying anomalous patterns.

#### B.3.1.4. Underwriting Risk – Reserving

The group's Provisioning Policy establishes the methodologies for calculating provisions, broken down by line of business and in accordance with the liabilities to be estimated. Accordingly, different provisions methodologies are defined for each line of business, based on recognised actuarial methods.

In order to guarantee the reliability of the information used in the process for establishing provisions for the group's obligations, the quality of the information is validated by reconciling the accounting information with the operational information.

Alongside this process, an analysis is conducted, for the Life segment, of the provisions set up, considering the methodologies used for calculating the provisions and the insurer's historical experience relating to each of the obligations, and compliance with the rules in force regarding the calculation of provisions is also validated. Forecasts are made annually of the technical results for the different lines of business with the aim of assessing the adequacy of the technical bases in force.

For the Non-Life segment, the Company also regularly assesses compliance of the provisions by analysing the responsibilities in terms of uncertainty, length of contract, nature of claims and expenses with settlement of claims. Compliance with the rules in force regarding the calculation of provisions is also validated. In addition, a range of micro and macro-economic scenarios are used to confirm the adequacy of the amount of the provision.

#### B.3.1.5. Underwriting Risk – Claims Management Processes

The Business Divisions are the main players in the management and assessment of risk associated with the Company's claims processes.

The group's Claims Management Policy is formalised in procedures manuals of the divisions responsible for its management, namely, the Business Divisions.



In order to promote better following up of claims management, regarding claims which are slow or complex to resolve, time limits are defined for settlement. If these are exceeded, the claims are sent for analysis by specialised sectors.

Regular statistical information is prepared on this matter to ensure control of the time limits for settling claims and supervision of those which are covered by reinsurance treaties.

#### B.3.1.6. Underwriting Risk – Reinsurance and Alternative Risk Transfer

The Reinsurance Division negotiates and manages reinsurance treaties, closely accompanied by the Executive Committee, which approves the conditions negotiated prior to their acceptance.

In terms of the group's Reinsurance Policy, the Reinsurance Division operates in line with the objectives and strategic guidelines defined in conjunction with the Executive Committee and based on an analysis of business needs conducted with the technical and actuarial areas.

The Reinsurance Policy is implemented by the Reinsurance Division, with the drawing-up of proposals, negotiation of treaty conditions, approval of these and their signing and renewal, and monitoring and follow-up of the various reinsurance contracts existing in the Group.

As part of the monitoring of this risk, the Reinsurance Division carries out constant follow-up of the treaties, manages the run-off portfolio, controls risk peaks and periodically analyses the technical results by treaty. In order to study annual and multi-annual trends, these analyses include a comparison with the information relating to previous years (minimum 5 years), thus allowing the evolution of the reinsurance technical results to be monitored. This information is used for subsequent negotiations with the reinsurers.

#### B.3.1.7. Market Risk

The group's objectives, rules and procedures on market risk management are governed by means of its Investments Policy, which was revised in December 2020.

The Investments Policy defines:

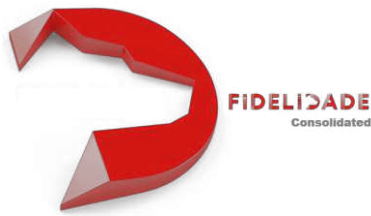
- the main guidelines for managing investments and how the Group assesses, approves, implements, controls and monitors its investment activities and the risks resulting from those activities;
- activities related to the group's investment process, including Strategic Asset Allocation (SAA), Tactical Asset Allocation (TAA), the decision-making process and control and reporting activities;
- the duties and responsibilities of those involved in the investment process.

The Investments Policy aims to ensure alignment between the portfolio objectives and the investment strategy, and to encourage effective and continual monitoring. It is the cornerstone of the group's investment process.

Considering these aspects, the group's investment management cycle is composed of the following critical activities:

- Defining – Defining and approving the general investment management cycle, including the global investment strategy, investment policies, asset and liability and liquidity management, and strategic asset allocation (SAA);
- Investing – Performing all investment activities, in line with the strategies and policies defined (identifying, assessing and approving investment opportunities, and placing, settling and allocating investments);
- Monitoring – Monitoring the evolution of the asset's portfolio in terms of performance, liquidity and credit quality;
- Managing – Reviewing the strategies, policies, benchmarks and limits in line with current and future market conditions/expectations and internal risk capacity;
- Controlling – Ensuring compliance with all the strategies, policies, procedures and responsibilities assigned.





#### B.3.1.8. Counterparty Default Risk

The Group is essentially exposed to Counterparty Default Risk when selecting and accompanying investments in the different classes of assets and also reinsurers.

Securities issuers are assessed in order to measure their credit quality. This assessment uses information on their rating (among others) and evaluates the portfolio's compliance with the limits of exposure to this issuer defined in the Investments Policy.

However, the risk is constantly monitored, and an effort is made to follow the opinions / outlooks of the international rating agencies so as to prevent a decline in the rating of the securities held. On the other hand, establishing internal limits by class of asset, rating, duration, industry, geography and currency, and not authorising situations of risk accumulation, means that proper spreading of risk can be guaranteed over time.

Regarding reinsurance, decisions concerning the selection of reinsurers are taken in line with the Reinsurance Policy, which only authorises contracts with reinsurers with a minimum credit rating of "A-".

#### B.3.1.9. Concentration Risk

Management of this risk is connected with the processes for managing other risks, since it is transversal to the different areas.

In order to follow the portfolio's level of exposure to the various sources of concentration risk mentioned, the Business Divisions conduct periodic qualitative analyses of the portfolio.

As part of the group's underwriting policies, procedures are defined which aim to mitigate Concentration Risk, in particular, when situations are detected in which there are two or more policies which cover risks situated at a location considered to be a common risk, these are classified as situations of risk accumulation and require a specific analysis.

Regarding the Concentration Risk associated with investments, as previously stated, the Investments Policy in force defines different exposure limits namely by industry and geography. These limits are revised periodically and amended when necessary.

Management of this risk associated with reinsurance requires the Reinsurance Division to produce an annual report with a summary of the group's reinsurance treaties for the following year, plus a summary of the conditions of these treaties and the percentages of exposure to each reinsurer, organised by lines of business, in order to comply with the Reinsurance Policy.

#### B.3.1.10. Liquidity risk

In a short-term perspective, responsibility for managing investments liquidity is given to the Investments Division.

The group's aim in terms of liquidity is a treasury capable of managing all of the Company's funding needs (cash outflows) in an appropriate timeframe, without resorting to credit or unplanned selling off of assets, and particularly the capacity to generate significant liquidity in a short space of time.

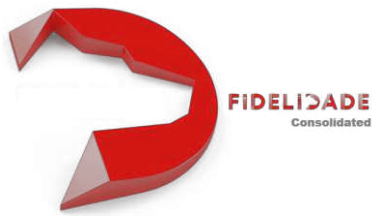
In a medium / long-term perspective, the Company's conducts a monthly ALM analysis of the liabilities and assets linked to the Life and Non-Life segments.

The analyses performed cover the interest rate gap, considering the yield to maturity and the modified duration of the liabilities and of the respective assets, including the convexity effect, and short and long-term cash flow matching.

This analysis also includes a comparison between the liquidity-generating capacity and the estimated cash flow.

The articulation between functions related to investment, asset and liability management and liquidity is established in the Company's Investments Policy.

In relation, specifically, to Asset and Liability and Liquidity Management processes, in 2020 the Group approved a review of the Asset and Liability and Liquidity Risk Management Policy (the ALM and Liquidity Policy).



Together with the Investments Policy, this Policy describes the strategy for managing financial risks, insurance risks and liquidity risks, in the short, medium and long term, in a context of asset and liability management.

In this way, the ALM and Liquidity Policy seeks to guarantee alignment between assets and liabilities, with a particular focus on maximising return and minimising interest rate risk and liquidity risk.

Taking these aspects into consideration, asset and liability management must be performed, on the one hand, as a risk mitigation exercise and, on the other, as part of the Company's decision-making structure, formulating strategies related with its assets and liabilities. It is therefore composed of the following critical activities:

- Defining – Defining and approving the asset and liability and liquidity management strategy;
- Monitoring – Monitoring the evolution of cash flow matching and different metrics associated with asset and liability management, producing monthly and annual reports;
- Managing – Reviewing the objectives and limits set out in the ALM and Liquidity Policy in line with current and future market conditions/expectations and internal risk capacity;
- Controlling – Ensuring compliance with the asset and liability management strategy, limits, procedures and responsibilities assigned.

#### B.3.1.11. Reputational risk

Management of the group's Reputational Risk is fundamentally based on:

- The existence of a function responsible for corporate communication and media relations;
- The existence of a brand communication function;
- The function of customer complaints management, which includes providing management information to the heads of the different Group Areas and the Executive Committee;
- Planning and monitoring of the group's Human Resources;
- The Corporate Social Responsibility programme.

A focus on operational excellence and service quality has long been a priority for the Fidelidade Group and has a strong impact in terms of customer satisfaction. The skill of the Fidelidade Group in these areas has been identified and recognized by customers.

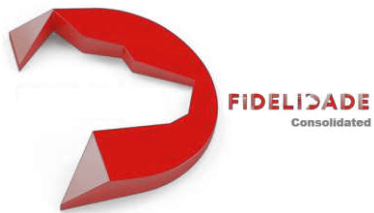
Focus on the customer and the provision of a quality service make the Fidelidade Group one of the operators with the fewest complaints made to the Insurance and Pension Funds Supervisory Authority ("ASF") in Portugal

#### **Fidelidade**

Over the years, Fidelidade is proud to have consolidated its leadership as the best insurer in Portugal and to have been recognised on several occasions as a reference brand for the Portuguese. It is the insurance company that has won the most awards in Portugal.

In 2020 Fidelidade continued to hold first place in the Basef Insurance Study, increasing the gap between itself and the company in second place. Fidelidade was the leader in all indicators, reflecting its market position, its competitive prices, its innovation and the Company's coherent image.

These results are the fruit of continual work over the years. They are a consequence of the innovative products and covers that the Fidelidade Group has developed, thinking about people's real needs, and the commitment to giving customers exemplary service and accompanying them closely when they need it most.



**Markets Reputation Index '20**

Insurer with the highest satisfaction and best reputation



**Consumers' Choice Excellentia '20**

Best Customer-Centric company



**Trusted Brand '20 Reader's Digest**

Insurer with the best reputation for the 16<sup>th</sup> time in a row



**Markets Reputation Index '20**

Brand with the best reputation (general and health insurance)



**Superbrands Portugal 2020**

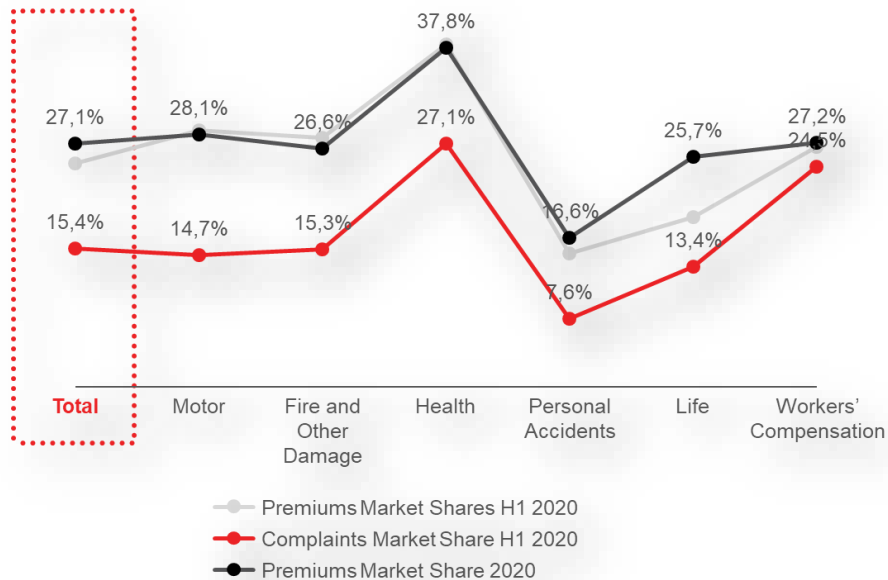
Fidelidade and Multicare recognised as Top-of-Mind brands of excellence



**Portugal Digital Awards '20**

Best Insurance Project –  
Multicare Vitality

### Complaints registered with the ASF vs Premiums (Market Shares) – Fidelidade



Focus on the customer and the provision of a quality service make the Fidelidade Group one of the operators with the fewest complaints made to the Insurance and Pension Funds Supervisory Authority (“ASF”) in Portugal.

During the first half of 2020, the number of complaints relating to Fidelidade as a percentage of the total number of complaints registered by ASF in Portugal was 15.4%, which is significantly lower than the company’s share of premiums in the Portuguese market (27.1%).

In the Motor line of business, if we consider the ratio between the complaints made and the volume of premiums recorded in 2019, the figure for Fidelidade is 1.01 complaints per million euros of premiums, which is clearly below the market average of 2.4 complaints.

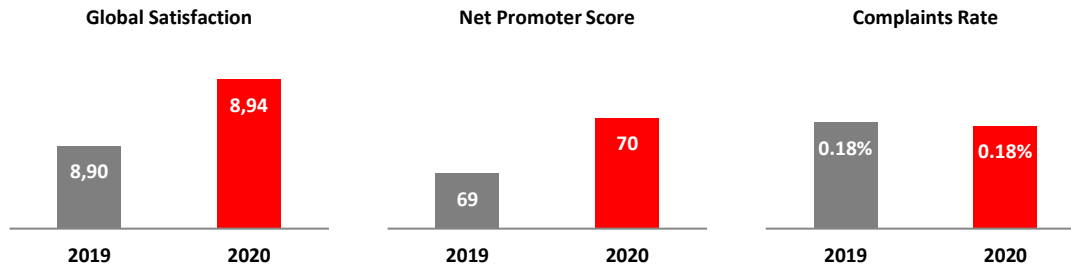
#### Multicare

In order to gain a better understanding of customers’ views, Multicare conducts an annual satisfaction survey of new policyholders and insured persons who have used the insurance. In 2020, Multicare achieved its highest satisfaction value in the last 5 years

Since 2019, Multicare has also been assessing customer satisfaction with the authorisation and reimbursement processes. This assessment has already enabled significant improvement opportunities to be identified (e.g., requests for additional information).

#### Fidelidade Assistência

Alongside all the development activities, Fidelidade Assistance, an ISO 9001:2015 certified company, places emphasis on its service to its Customers and Insured Persons. In 2020 it achieved a Global Satisfaction level of 8.94 (on a scale of 1 to 10), and a Net Promoter Score of 70, and reduced its complaints rate.



### Via Directa

OK! teleseguros has always marked the difference, not only for the quality of the service it provides – which is borne out by the certification of its “Quality Management System” in line with ISO 9001:2015 – but also due to the range of simple and innovative solutions that place new technologies at the service of the clients, affording them greater ease, simplicity and autonomy in gaining access to simulations and taking out and managing their insurance

In terms of management of the OK! teleseguros brand, 2020 was marked, among other aspects, by the renewal of the Quality Management System for Motor, Home, Personal Accidents and Health insurance, in line with ISO 9001:2015, with positive results demonstrating the proper performance of processes and conformity of the Company’s products and services.

### CPR

Over the past few years, the activity of Companhia Portuguesa de Resseguros, S.A. (“Company” or “CPR”) has been limited to managing the run-off of reinsurance accepted business liabilities, actively continuing the negotiation process, with the respective ceding companies, in order to reach an agreement on closing the liabilities.

The increasing globalisation of economies has presented new challenges for the insurance business.

Finding itself within this economic context, in 2012 CPR expanded the scope of its activity, and developed a risk acceptance policy. This strategic change has been consolidated by the increasing acceptance of risk from the Group companies.

#### B.3.1.12. Operational Risk

Procedures are implemented specifically for managing both operational risk and internal control, namely:

- Documentation and classification of existing control activities, linking them to the risks previously identified in the business processes;
- Decentralised recording of events and subsequent losses, including near misses, resulting from risks associated with the business processes, and also own assessment of risks and control activities.

This risk is discussed further in Chapter B.4.1. Information on the internal control system.

#### B.3.2. Risk Management Function

The risk management function is part of the risk management system, and is performed by the Risk Management Division, a first-line body in the corporate structure, reporting directly to the Company’s Executive Committee. This function is performed across all the Fidelidade Group’s insurance companies.

The mission of the risk management function is based on defining, implementing and maintaining a risk management system which enables identification, measuring, monitoring and reporting of risks, individually or collectively, including risks not contemplated in the solvency capital requirement, enabling the Executive Committee and the various Divisions involved to incorporate this knowledge into their decision-making process.



The activities carried out by the Risk Management Division, in 2020, were fundamentally based on the enhancement and consolidation of several matters related with the three solvency pillars, and technical aspects and certification of information produced within this scope.

The following activities can be highlighted:

- Conducting the annual own risk and solvency assessment (ORSA) and reporting the results to the ASF in the respective supervisory report;
- Preparing and sending annual information, with reference to 31 December 2019, incorporated in the Quantitative Reporting Templates (QRT), which has been subject to certification by the statutory auditor and the responsible actuary pursuant to the regulations issued by the ASF, and also the Regular Supervisory Report;
- Reporting to the ASF and publicly disclosing the Solvency and Financial Condition Report relating to 31 December 2019, accompanied by certification by the statutory auditor and the responsible actuary;
- Preparing and sending the quarterly quantitative reporting under Solvency II.

It is also important to mention the activities related with the review of the system of governance, namely, the review and maintenance of policies and the review of processes and data quality, with the implementation of capital optimisation measures, namely improvements in the ALM process and the conducting of the ROCI Cycle – 2020.

### B.3.3. Own risk and solvency assessment

The companies in the Fidelidade Consolidated insurance group have an ORSA Policy with the aim of establishing the general principles for the own risk and solvency assessment regarding:

- Processes and procedures;
- Functions and responsibilities;
- Criteria and methodologies;
- Reporting;
- Articulation with the strategic management process and use of the ORSA results.

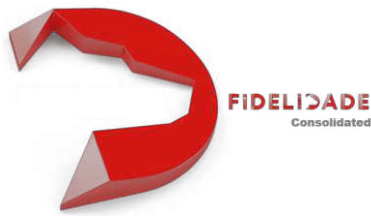
According to the Policy, the ORSA aims to provide a level of security which is acceptable to the Companies' management bodies regarding compliance with the strategic objectives, within the framework of the risk appetite established.

Accordingly, considering the risk appetite defined, the ORSA seeks to provide a prospective vision of the capacity of the available capital, of both the Companies and Fidelidade Consolidated, to support different levels of risk, resulting both from strategic decisions and from scenarios involving external factors.

The ORSA is, therefore, an integrated process in the Companies' strategic management, which enables a global vision to be gained on a regular basis of all the relevant risks which are a threat to the pursuit of the strategic objectives and the consequences of these in terms of (future) capital needs.

This process also contributes to promoting the Companies' risk culture, by identifying the risks the Companies are exposed to (including those not considered in the capital requirements), introducing the concept of economic capital in the management processes and communicating the risks, thereby allowing those receiving this information to incorporate this knowledge into their decision making.

In order to comply with these objectives, the ORSA process is divided into five major activities: (1) definition of the business strategy and risk appetite; (2) global solvency needs assessment; (3) stress tests and analysis of scenarios; (4) prospective assessment of the global solvency needs; (5) reporting. In addition to these five major activities, a further activity is defined: continual monitoring of the group Companies' solvency position.



The Executive Committee is responsible for steering the entire ORSA process, including approving it. The CRO (the member of the Executive Committee responsible for risk management) and the Risk Committee are responsible for regularly monitoring the ORSA process, by means of regular monitoring meetings. The Risk Management Division and the Strategic Planning and Corporate Performance Division are involved in carrying out the process.

When performing the ORSA, the group Companies begin by conducting an assessment (which is qualitative and, whenever so justified, quantitative) of the possible differences between the Company's risk profile and the assumptions underlying the calculation of the SCR using the standard formula.

The global solvency needs are then calculated taking into account the risk profile of the Fidelidade Consolidated insurance group. The concept of Economic Capital is used to produce this calculation, which is based on the standard formula for calculating the solvency capital requirement (SCR), and the changes that the group deems relevant to better reflect its risk profile are introduced. In this process, all the risks that the group is or may be exposed to are identified. These risks are assessed quantitatively and/or qualitatively.

As a complement to the assessment of the global solvency needs, a series of stress tests and sensitivity analyses are planned in order to validate the defined strategy in extreme scenarios.

To provide a prospective vision of the risk profile of the Companies and of the Group and, consequently, of its global solvency needs, forecasts are produced, for a time period which coincides with the period defined in strategic planning, of its financial position, the result of its operations, the changes in its own funds and its solvency needs

The ORSA is conducted annually and may also be carried out extraordinarily in certain situations. Reports are produced both for the supervisor and for internal use.

Also, within the scope of the ORSA process, continual assessment is carried out of the regulatory capital requirements and the requirements applicable to the technical provisions. This consists of the production of a monthly report containing the estimated Solvency II position, adjusted by the effect of capital optimisation measures in progress or being studied.

The ORSA plays a key role in the management of the Fidelidade Consolidated companies, and the results obtained from it are taken into consideration in the various group Companies' Risk Management, in Capital Management and in Decision Making.

One of the key elements of the ORSA is to identify and measure the risks to which the Companies are exposed and project their evolution for the period under analysis.

Therefore, based on the results obtained, the group defines possible actions to be taken:

- *Assuming the risks;*
- *Taking additional mitigation measures (controls/ capital, etc.);*
- *Transferring the risks; or*
- *Eliminating activities which lead to risks which the Fidelidade Consolidated is not willing to run.*

The ORSA also provides support for the main activities related with Capital Management, namely:

- *Assessing, together with risk management, the risk appetite structure in relation to the business strategy and capital management strategy;*
- *Contributing to the commencement of the strategic planning process, through the performance of a capital adequacy assessment in the most recent period, involving both regulatory capital and economic capital;*
- *Monitoring capital adequacy.*

Considering the results obtained in the ORSA, and if the capital requirements are not in line with those defined, both in regulatory terms and in terms of other limits defined internally, the group defines the corrective actions to be implemented, in order to restore the adequate/intended level of capital.

## B.4. Internal control system

### B.4.1. Information on the internal control system

The Risk Management Division is responsible for managing operational risk and the Companies' internal control system.

In turn, the Audit Division is responsible for assessing the adequacy of the system of operational risk management and the internal control system, in order to report fragilities / deficiencies detected and make recommendations for their improvement.

Management of the Companies' operational risk and their internal control is performed according to the following flow diagram:



#### Business processes

All the Companies' business processes are documented considering a pre-defined "tree" of processes containing three levels (macroprocess; process; sub-process) that represent the activities of all the insurance companies.

Documentation and updating of the Companies' business processes are a requirement for the risk management and internal control systems.

#### Risks and controls

For the documented business processes, the significant risks to which they are exposed are identified, classified in line with a pre-defined risk matrix. Existing mitigation mechanisms (controls) are identified for these risks.

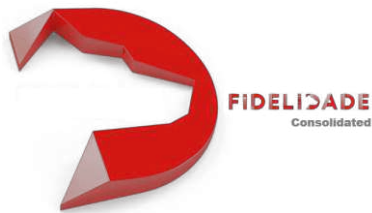
The risks and controls existing in the Companies are thus documented and characterised.

#### Assessment

To assess the Companies' operational risk, quantitative information is collected on the risks previously identified by means of own assessment of risk questionnaires and the recording of loss events and subsequent losses.

The assessment of the internal control system is supported by a process of own assessment of the controls, which occurs by means of responses to questionnaires. These questionnaires aim to assess the effectiveness of the controls in mitigating risk.





It is important to mention that the Companies' various Structural Bodies are responsible for enhancing the risk management and internal control process, in order to ensure that the management and control of operations is performed in a sound and prudent manner. They are also responsible for ensuring that documentation on the business processes, respective risks and control activities exists and is up to date.

#### B.4.2. Information on activities performed by the compliance function

The Compliance Division performs functions related to management of Compliance risks, including, among others, the risk of money laundering and terrorist financing, and also the risk of faults in personal data processing and protection. The Compliance Division is a structural body, with functional independence, which performs key functions within the system of Risk Management and Internal Control.

The Compliance Division's main mission is to contribute so that the management bodies, management structure and staff of the Group Companies comply with the legislation, rules, codes and standards in force at a given time, both externally and internally, in order to avoid situations of non-conformity that may harm the Group companies' image and their reputation in the market, and/or that may give rise to financial losses.

Among the Compliance function's processes and controls, carried out by the Compliance Division throughout 2020, the following can be highlighted:

- Analysis of main changes to regulations
- Recording of compliance incidents
- Analysis of new products and advertising and marketing material
- Development and implementation of processes to manage and mitigate the risks associated with data protection
- Reformulation of the Group's Compliance function with the implementation of a Compliance with both a risk-based vision (focused on more critical risks) and a prospective vision in relation to new regulations, processes and business models
- In the area of prevention of money laundering and terrorist financing, improvements were made to the tools for controlling this risk, both in the filtering of counterparties and in the monitoring of operations. Methods and tools were also developed leading to the implementation of KYC (Know Your Counterparty) procedures, within the scope of the Companies' investment processes.

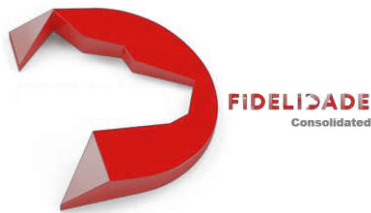
The Companies' Compliance policy is duly formalised in the "Compliance Manual". This document, which is disseminated to all employees and is available on the intranet, defines the Compliance strategy, the mission and structure of the body responsible for implementation of the Compliance function, the work and control processes associated with the performance of the Compliance function, and the rules of ethical and professional conduct which, reflecting the values which govern the actions of the Fidelidade group, lead to the behaviour which is expected of and mandatory for all employees.

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#### B.5. Internal Audit Function

As stated above, the internal audit function is given to the Audit Division, which is a first-line body in the corporate structure, reporting directly to the Group's Board of Directors. Its mission is to guarantee assessment and monitoring of the Companies' risk management and internal control systems. Its general purpose, therefore, is to contribute to creating value and improving circuits and procedures, seeking to increase the effectiveness and efficiency of operations, the safeguarding of assets, trust in the financial reporting and compliance with laws and regulations.

The rules and principles that the internal audit function must obey are established in the Internal Audit Policy, approved in December 2019.



This Policy sets out the competence and scope of intervention of the internal audit function, which is performed by the Audit Division within the scope of the Fidelidade Group's insurance undertakings.

Three mechanisms are used to preserve the independence, impartiality and objectivity of the internal audit function. Firstly, persons who perform the internal audit function are not responsible for any other operational functions. Secondly, the internal audit function communicates its conclusions directly and exclusively to the Chairman of the Board of Directors. Lastly, all the audit work carried out, in particular the conclusions obtained and the recommendations issued, is duly documented and filed, and there is a specific IT application to send audit reports to the Directors and to the Heads of the Divisions audited, with no possibility of these being changed.

To perform its function, the Audit Division has access to all the structural bodies, and to all the documentation, and the management bodies, top-level managers and staff of the various insurance companies must cooperate with the Audit Division, providing it with all the information they have and that is requested of them.

The internal auditors, for their part and in the performance of their functions, must follow the deontological principles set out in the Internal Audit Policy, in particular those of independence, integrity, confidentiality, objectivity and competence. The Policy also rules on the reporting of conflicts of interest.

Regarding the audit process, there are definitions of the types of internal audit, modes of intervention (in person and at a distance) and the scope of auditing activities (global or sectorial) which must be included in the annual audit plan to be submitted for the appreciation of the Chairman of the Board of Directors and for the appreciation and ratification of the Executive Committee.

When performing the internal audits, the auditors must observe the procedures established in the Policy regarding the naming of the team, the establishment of the audit schedule and the preparation and conducting of the audit.

In terms of reporting, principles are set out which must govern the drawing up of the reports, their minimum content, the persons to whom they are addressed and the type of reports (preliminary report and final report). There are also provisions on internal audit's monitoring of the application of any improvement actions proposed, with the production of follow-up reports whenever justified.

Lastly, the Audit function is responsible for producing the Annual Audit Report, which contains an analysis of compliance with the Annual Audit Plan, identifies the work undertaken and provides a summary of the conclusions obtained and recommendations issued. The Annual Audit Report is submitted to the Chairman of the Board of Directors for analysis and to the Executive Committee for analysis and approval.

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## B.6. Actuarial Function

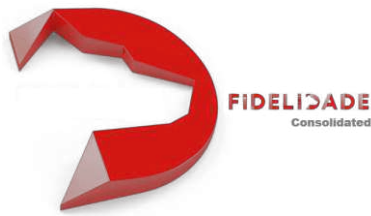
Due to the nature, complexity and scale of the Companies' portfolios, the actuarial function is subdivided into life actuarial and non-life and health actuarial.

The actuarial function coordinates and monitors the calculation of the accounting technical provisions, and, for such purpose, assesses both the methodologies applied and the amounts set out in the financial statements.

In the life segment, considering that most of the technical provisions are calculated automatically by policy management systems, configured in line with the technical notes of the products and with the ASF rules, tests are conducted monthly to assess the adequacy of the respective technical provisions.

When calculating the technical provisions of the non-life and health segments, the ASF rules are observed, namely regarding the identification of the provisions to be set up and the calculation rules to be observed in each of the technical provisions.

The actuarial function involves the calculation of the technical provisions for solvency purposes, with calculation of the best estimate and risk margin.



The calculations are made as part of the reporting to the ASF, evolution over time is analysed and comparisons are made with the statutory reporting amounts, and any differences are identified and documented.

The actuarial function reports regularly to the Executive Committee on the results obtained from monitoring the provisions levels.

The Life and Non-Life and Health actuarial functions produce annual actuarial reports related to the annual period being analysed.

The information used by the actuarial function is subject to validation processes which include, among others, comparisons with previous positions and with the statutory reporting amounts, and any divergences are identified and justified, and, if necessary, corrected.

The actuarial function monitors the prospective valuation of the technical provisions for solvency purposes, assessing its reasonableness, taking into account the strategic objectives assumed by the Companies, the factors for converting the valuation of the technical provisions in the financial statements to their valuation for solvency purposes and the application of measures, either regulatory (transitional deduction to technical provisions) or management measures (changes in the contract boundaries of group risk life insurance contracts and changes in the characteristics and guarantees of new products sold in the life savings segment).

There is a policy for designing and approving new products and for reformulating existing ones, which sets out the actuarial function's articulation with the business and marketing areas which are responsible for proposals for new products and respective specifications. The same applies to changes to existing products, where the actuarial function intervenes by giving its opinion on the proposed changes.

The actuarial function provides support to the reinsurance area in the negotiation of reinsurance treaties, providing information with risk and profitability metrics and sensitivity analyses and portfolio statistics, and monitoring the evolution of the reinsurance treaties, including their conditions in the actuarial analyses conducted. The adequacy of the treaties for the Companies' obligations is subject to actuarial analysis.

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## B.7. Outsourcing

### B.7.1. Outsourcing Policy

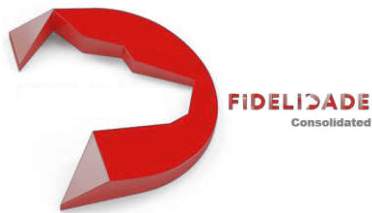
In line with the Outsourcing Policy, the scope of application of which is singular, covering the various insurance companies within the Fidelidade Consolidated, universe, general principles are established which are applicable to the outsourcing of critical or important functions or activities, and the main process activities leading to their contracting either from within the group or outside of it: (1) Identification and documentation of the critical or important functions or activities, (2) Selection of the service provider; (3) Contract formalisation; (4) Notification to the ASF.

Insofar as the Companies maintain full responsibility for any functions or activities which may be outsourced, definitions are provided of the main aspects to be implemented related with the monitoring inherent to the outsourced function or activity, and the responsibilities of each of the participants are identified, both in the outsourcing process and in the subsequent monitoring of the service provider.

The Outsourcing Policy also establishes the principles and process applicable to new outsourcing of critical or important functions or activities.

### B.7.2. Outsourced critical or important functions or activities

Of the range of functions or activities considered critical or important that are outsourced in the Companies, of note are the activities related with asset management regarding, on the one hand, a Senior Secured Loans portfolio and, on the other, three Investment



Grade Fixed Income Securities portfolios. The jurisdictions of the providers of these services are located in the United Kingdom, Hong Kong and Germany.

The Contact Centre management and operation services are provided at the Company's premises in Évora and Lisbon by a service provider with its headquarters in Portugal.

In 2020 an extra-group subcontract was entered into, pursuant to which Clearwater undertakes to provide the Subcontractor, through an IT solution, with daily reconciliation services between the accounting positions relating to investments and the custody banks.

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## B.8. Any other information

### B.8.1. Option to produce a single own risk and solvency assessment document

As soon as the regulations have been created for such, the Group intends to request permission to produce a single own risk and solvency assessment document.

# C. Risk Profile

Risk management is an integral part of the daily activities of the Fidelidade Consolidated Companies. An integrated approach is applied in order to ensure that the group Companies' strategic objectives (clients' interests, financial strength and efficiency of processes) are maintained.

On the other hand, this integrated approach ensures value creation via the identification of adequate balance between risk and return, simultaneously guaranteeing the Companies' obligations to their stakeholders.

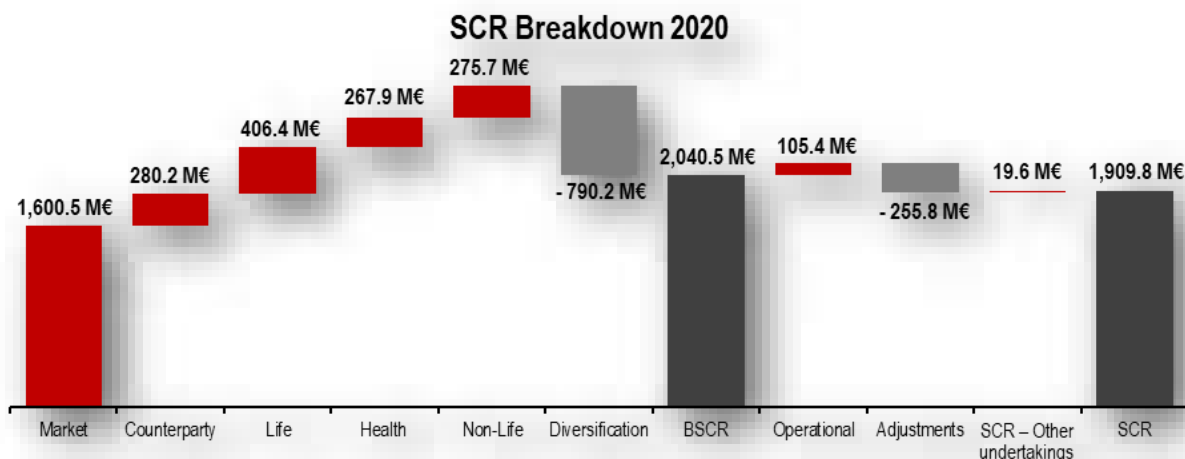
Risk management assists the Companies in identifying, assessing, managing and monitoring risks, in order to ensure that adequate and immediate measures are adopted in the event of material changes in their risk profile.

Accordingly, to outline Fidelidade Consolidated risk profile, the various risks to which the group is exposed are identified and these are then assessed.

As mentioned earlier, no comparisons with the information included in the 2019 report are presented throughout this chapter.

The risk assessment is based on a standard formula used to calculate the solvency capital requirement. For other risks, not included in that formula, the group has opted to use a qualitative analysis to classify the foreseeable impact on its capital needs.

Hence, the calculation of Fidelidade Consolidated solvency capital requirement (SCR) as at 31 December 2020 was as follows:



The market risk is clearly prominent in this requirement, followed by the much lower underwriting risks (of which the Life underwriting risk is more significant) and counterparty default risk. Operational risk is the lowest of the risk modules that make up the SCR calculated on the basis of consolidated data in line with Article 336 a) of Delegated Regulation (EU) 2015/35.

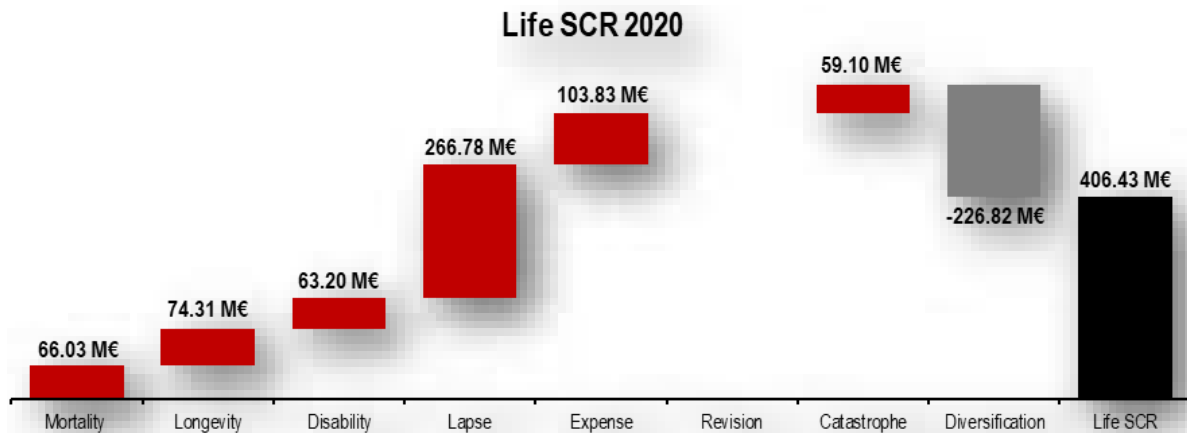
An analysis of these risks is then carried out, namely, as to their nature and their impact on Fidelidade Consolidated.

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## C.1. Underwriting risks

### C.1.1. Life underwriting risk

The life underwriting risk is the second most significant for Fidelidade Consolidated.



Analysing the sub-modules that make up this risk, the lapse risk is the most important within the life underwriting risk module.

Its importance results from the impact of temporary annual renewable contracts linked to mortgages and contracts with the “Funeral Service Organisation and Expenses” and “Adjustment of the funeral service to a Vault, Drawer or Perpetual Grave” covers, which the Company is not entitled to cancel or change the prices of, so that the contract boundaries considered for the purpose of assessing the technical provisions are, for the former, the maturity of the mortgage associated with each of them and, for the latter, indefinite.

The second most significant sub-module, although carrying much less weight than the lapse risk, is the expense risk, which basically results from the fact that, when calculating the capital requirements of this risk sub-module, the Company considered as expenses, for the total amount of the Life liabilities, as per the understanding of the ASF, the commissions to be paid for the intermediation activity of brokers, within the scope of Article 31 of Commission Delegated Regulation (EU) 2015/35, of 10 October 2014, and, consequently, these were subject to the shocks applicable to this risk.

The next risk is the longevity risk, explained by the inclusion within the portfolio of annuities resulting from the acquisition of La Positiva Life.

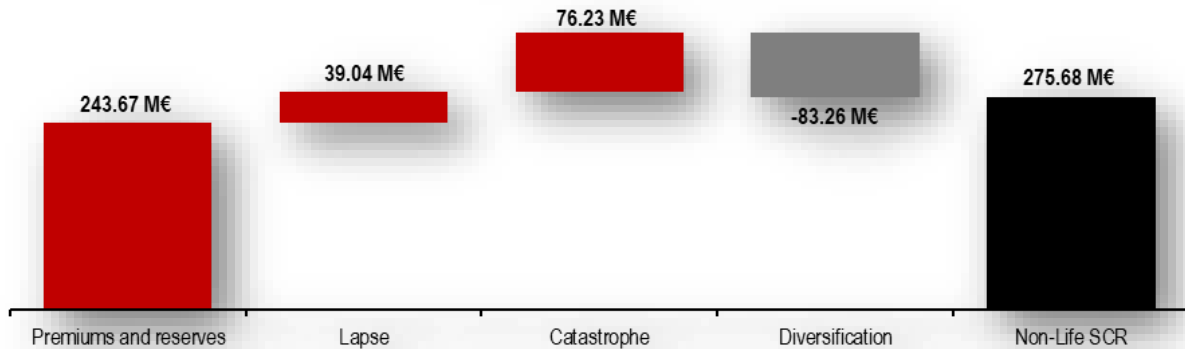
Lastly, we have the mortality, disability and catastrophe risks, both with their origins in Life Risk insurance contracts.

The revision risk is zero since there is no exposure to this risk.

#### C.1.2. Non-Life underwriting risk

The non-life underwriting risk is the fourth most significant for Fidelidade Consolidated.

### Non-Life SCR 2020



Within this sub-module, the premium and reserve risk is the most important.

The weight of this risk basically results from the volume of premiums and reserves relating to motor insurance contracts (liability and other covers), fire and other damage insurance and general liability insurance.

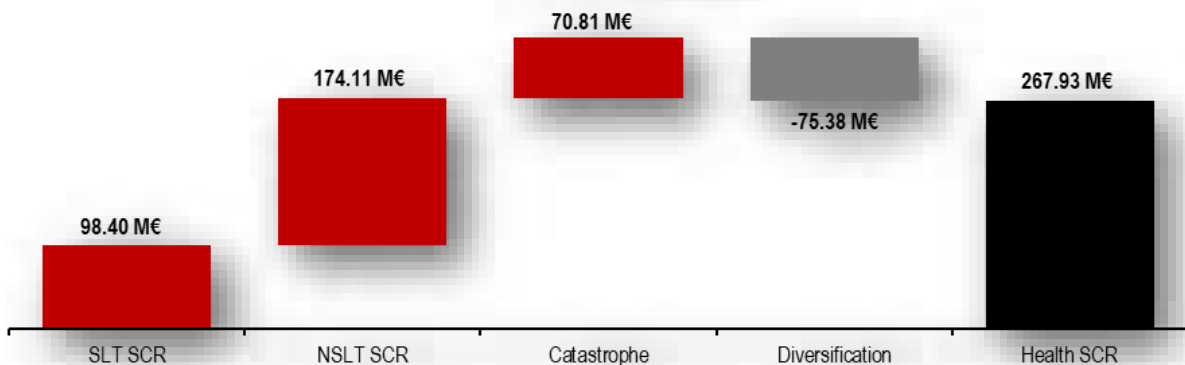
With a much lower figure, there is the catastrophe risk, which basically arises from the significant amount of sums insured with seismic phenomena coverage. However, in the event of a seismic phenomenon, because of the existing reinsurance contracts only a part of the liability will be assumed by the Companies. The effect of this risk is not significant for this reason. It is also important to state that the mitigating effect of these reinsurance contracts is considered in the counterparty default risk module.

Regarding the lapse risk, its weight is less significant, given that the insurance contracts have a contract boundary up to the next renewal date.

#### C.1.3. Health underwriting risk

In terms of weight, this is the fifth risk in the hierarchy of the underwriting risk modules.

### Health SCR 2020





The most significant sub-module is the NSLT (not similar to life techniques) health sub-module, which originates from the premium and reserve risk in the workers' compensation and personal accidents lines of business, given that health insurance is 100% reinsured with Multicare.

The SLT (similar to life techniques) health sub-module is basically composed of longevity risk resulting from pensions and permanent assistance expenses in the workers' compensation line of business.

With a lower figure is the catastrophe risk sub-module, mainly as a result of the concentration of accidents, given the sums insured involved.

#### C.1.4. Mitigation measures – underwriting risk

For a number of lines of business, the Group uses reinsurance contracts which guarantee mitigation of underwriting risks for life, non-life and health. This mitigation is taken into account when calculating the respective capital requirements.

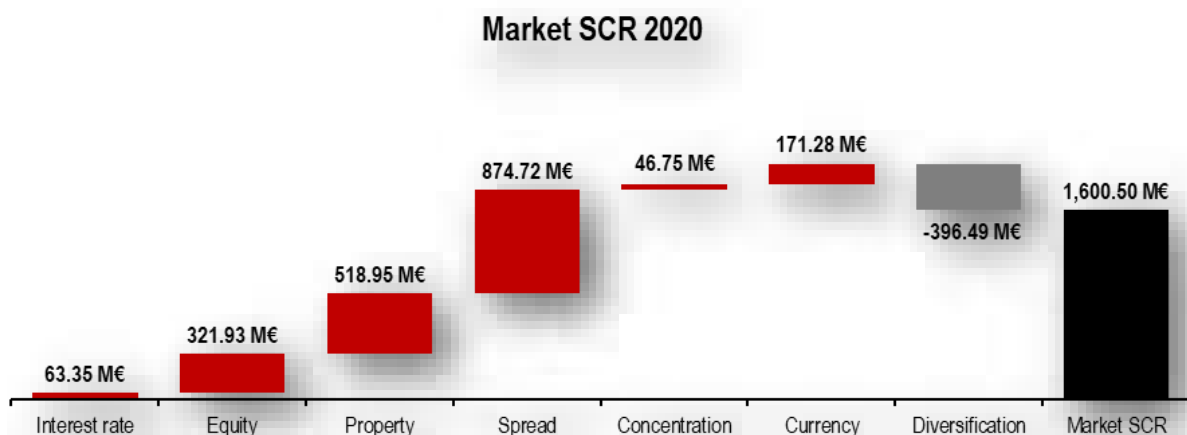
Regarding the lapse risk associated with the life segment, the Companies are studying ways to mitigate this risk given its relevance fundamentally in relation to temporary annual renewable (TAR) group life insurance contracts in which the contract boundary is linked to the maturity of the underlying mortgages.

The method being studied may involve reinsuring part of the lapse risk, considering the objective of reducing it to the optimal point at which selection of other lapse risk scenarios is avoided.

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## C.2. Market risk

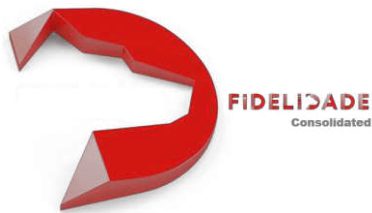
Market risk is Fidelidade Consolidated most significant risk and is clearly above the other risk modules.



Within this module, the most important sub-module is the spread risk, which is a result of the group's high exposure to fixed income financial instruments, other than European government bonds.

The second most important market risk sub-module is the property risk, reflecting the investment strategy being pursued, where there is significant exposure to the real estate market.

The third most important sub-module is equity risk, as a result of the Company's significant exposure to equity markets.



Currency risk is the fourth most important sub-module in the market risk module. The value of the currency risk reflects the hedging for the most significant exposures to foreign currency.

In the case of interest rate risk, its low value is a result of the Asset and Liability management monitoring of the duration gap.

Concentration risk has a lower value. The Company's greatest exposures in this risk are to the Fosun International Limited economic group, to HSBC and to the Republic of Peru.

#### C.2.1. Mitigation measures – market risk

Various risk mitigation techniques are in use or are being studied for a set of risks to which the Group is exposed. The following can be highlighted:

##### **Market Risk - Currency**

Using futures and forwards contracts Fidelidade hedges the currency exposure of its assets portfolio:

- the exposure to assets denominated in American Dollars (USD) and in Hong Kong Dollars (HKD), given the high correlation between USD and HKD, is mitigated by using futures, forwards and swaps contracts in USD;
- the exposure to assets denominated in Pounds Sterling (GBP) is mitigated by using futures, forwards and swaps contracts in GBP;
- the exposure to assets denominated in Yens (JPY) is mitigated by using forwards in JPY.

The futures contracts in question have a duration of three months, and the Group intends to replace them with similar contracts, at the end of that period.

The effect of this mitigation when calculating the capital requirement associated with currency risk is also reflected in the counterparty default risk module, considering exposure to *Chicago Mercantile Exchange* and the other counterparties.

##### **Underwriting risks**

For a number of lines of business, the companies use reinsurance contracts which guarantee mitigation of underwriting risks for life, non-life and health. This mitigation is taken into account when calculating the respective capital requirements.

The effect of this mitigation when calculating the capital requirement associated with underwriting risks is also reflected in the counterparty default risk module.

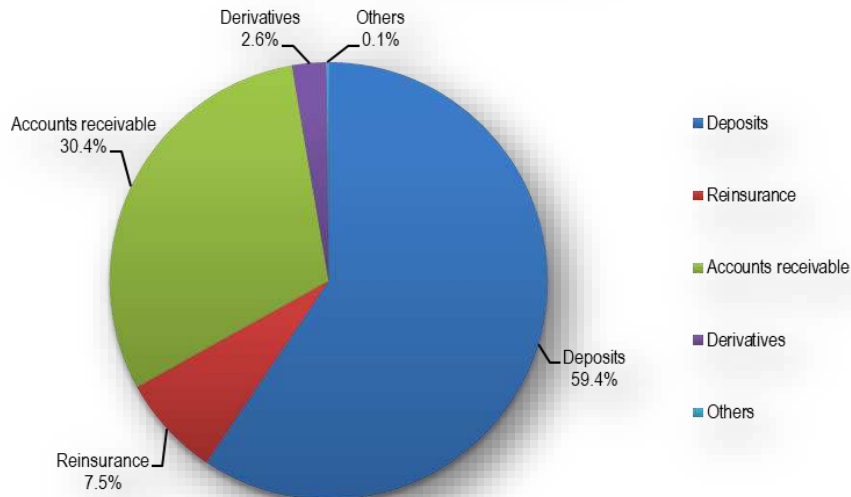
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### C.3. Counterparty Default risk

The counterparty default risk module is the third highest of all the risks assessed by Fidelidade Consolidated.

The breakdown of this risk by counterparty type is:

### Counterparty Risk Breakdown



The solvency capital requirement for counterparty default risk results essentially from the component relating to deposits (around 59.4%), in which exposure to Caixa Geral de Depósitos carries significant weight, and from the component relating to “accounts receivable” (around 30.4%). Of the remaining exposures, the most significant relate to exposures to counterparties to which the group transfers part of the underwriting risks through reinsurance contracts.

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#### C.4. Liquidity risk

Fidelidade Consolidated liquidity risk is managed so that there is always capacity to meet the group’s obligations and liabilities.

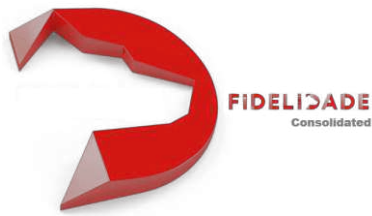
The Liquidity Risk is analysed individually at Fidelidade, Via Directa, Multicare, Fidelidade Assistance and Companhia Portuguesa de Resseguro, as these offer a good approximation to the Group’s Liquidity level.

Accordingly, an ALM analysis is prepared monthly, and includes Assets and Liabilities, and Monitoring of the ALM and Liquidity Policy.

The ALM analyses conducted cover the interest rate gap, considering the yield to maturity and modified duration of the liabilities and the respective assets, including the convexity effect, and short and long-term cash flow matching. This analysis also includes a comparison between the cash flow matching and liquidity-generating capacity of assets without maturity, namely shares, funds and property.

Liquidity-generating needs are analysed following the ALM process. Based on the ALM report, the adequacy of the portfolio size is tested, in particular, compared to the known liabilities, taking into account the movements of liabilities maturities foreseeable in the current month. The result of this diagnosis is the application or generation of liquidity, identifying portfolios and amounts of liquidity to be generated or applied that lead to recommendations on the need to purchase or sell assets.

The ALM and Liquidity Policy describes a series of characteristics for classifying the asset liquidity and consequently Liquidity levels based on situations of stress, on both the liabilities and assets side.



Given the above, there is considered to be adequate mitigation of this risk in the group, which allows for the conclusion that this risk is low.

Regarding liquidity risk, “expected profits included in future premiums” (EPIFP) is considered to be the current expected value of future cash flows resulting from the inclusion in the technical provisions of premiums relating to existing insurance and reinsurance contracts, which should be received in the future, but which may not be received for some reason other than the occurrence of insured events, regardless of the legal or contractual rights of the policyholder to terminate the policy.

The EPIFP, at 31 December 2020, was:

Amounts in thousand euros	
Expected profits included in future premiums	572,244
<b>Total</b>	<b>572,244</b>

This figure only refers to the life risk line of business, and the methods and main assumptions described in point D.2.1 of this report are used.

Premiums considered when calculating this profit are net of reinsurance liabilities.

Lastly, the valuation referred to in Article 260(1) d) ii) of Commission Delegated Regulation (EU) 2015/35, of 10 October 2014, is not adjusted to the characteristics of the products associated with this line of business.

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## C.5. Operational risk

Operational risk is the risk of losses resulting either from the inadequacy or failure of internal procedures, persons, or systems or from the occurrence of external events.

This is the risk module with the least weight of all the risks assessed by the Companies. Its decrease reflects the evolution of the Group’s business in the life segment.

In their management of operational risk and internal control, the Companies identify, within their processes, the most significant operational risks to which each of them is exposed (based on a pre-defined risks matrix), and they document the controls which exist to mitigate these.

Additionally, to assess the operational risk of each Company in the Group, quantitative information is collected on the risks previously identified and an assessment is carried out of the internal control system, supported by a process of own assessment of the control activities documented.

## C.6. Other material risks

As part of the ORSA process, risks are identified which do not fall within the standard formula.

Risk	Fidelidade	Fidelidade Assistance	Multicare	Via Directa	CPR
Reputational	✓	✓	✓	✓	✓
Strategic	✓	✓	✓	✓	✓
Business	✓	✓	✓	✓	✓
Legal	✓	✓	✓	✓	✓
Liquidity	✓	n.e.	n.e.	n.e.	n.e.

- ✓ - The standard formula seems appropriate  
 ✗ - The standard formula may not be appropriate  
 n.e. - No exposure

The overall results of the analysis carried out in each of the group companies do not point to the existence of significant deviations in the risks assessed. Only two situations were identified in Fidelidade where the qualitative analysis identified possible deviations from the standard formula. However, the quantitative analysis carried out subsequently did not indicate that there were material differences. The risks in question were equity risk and property risk, and in the latter the deviation points to a decrease in the capital requirement.

### C.6.1. Reputational risk

Management of the group's reputational risk is fundamentally based on:

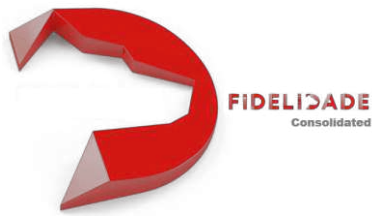
- The existence of a function responsible for corporate communication and media relations;
- The existence of a brand communication function;
- The function of clients' complaints management, which includes providing management information to the heads of the different areas of the Companies and the Executive Committee;
- Planning and monitoring of the Companies' Human Resources;
- The Corporate Social Responsibility programme.

In addition, being aware of the growing importance of reputation for an organisation's standing and success, the group also set up a Communication Coordination Committee, which meets regularly and is led by the Chairman of the Executive Committee, in order to better articulate all of the Companies' internal and external communication flows.

Actions carried out in this area have had an impact, as can be seen from the many awards given for excellent service/client satisfaction. This risk is therefore considered to be adequately mitigated and is therefore classified as low.

### C.6.2. Strategic risk

The group's strategy is attained by means of a chain of responsibilities beginning with the Executive Committee, which defines the high-level strategic objectives (this process is accommodated within a governance model which involves the Board of Directors, the Investments Committee and the Advisory Board), passing to the heads of each Division, who are responsible for outlining plans to achieve those objectives, and ending with the Companies' employees, who seek to achieve the proposed objectives on a daily basis within the scope of their functions.



The strategic decisions taken by the group are based on well-defined processes of approval and of implementation and monitoring, which have proved to be both effective in terms of implementing the strategy and adequate as a reaction to external factors which may affect the Companies' activity. This risk is therefore considered to be low.

#### C.6.3. Business (continuity) risk

Like any other insurance company operating in Portugal, the Companies may be exposed to potential market events. However, this risk is classified as low, given the group's strong position in the Portuguese insurance market, which has also been increasing.

When analysing this risk, the possibility of the Companies suffering losses as a consequence of centralising the development of their business in a given sector or geographical area or with specific clients was also considered.

The group's business concentration risk is considered low, given the high level of diversification in the type of products sold and the sales channels used and in the group's clients. However, it should be noted that there is still a high level of concentration geographically speaking, with most of the business being in Portugal. Nevertheless, the group is in the process of expanding its business internationally, in particular in markets outside Europe where it has already been developing on its business.

#### C.6.4. Legal risk

Although this risk is included in the definition of operational risk, the decision was made to analyse it separately, given both its importance and the method of assessment / measurement set out in the standard formula for operational risk, which does not allow for it to be highlighted.

The group is constantly adapting to the rules in force (at both national and international level) and to the impacts that these have on its business. However, there is a risk, which is considered medium, resulting from potential regulatory changes.

Regarding fiscal changes to which the group may become subject, we may highlight those related with deferred taxes, namely in terms of the tax rate and/or period for reporting tax losses.

Linked to this risk there is also the risk of possible changes to the level of tax benefits related with certain investment products. If these changes occur, some products may lose the competitive advantage associated with them, which leads to a risk related to sales of these products. Although this situation has already occurred in the past with some products, without any significant impact for the group, this risk must still be considered.

In addition, the Fidelidade Consolidated are exposed to compliance risks during the normal course of their operations. One example of this risk is the recent decision by the Competition Authority (AdC), on 28 December 2018, in an ongoing case against several insurance companies. In this decision, the AdC concluded that contacts established between different insurance companies in the past, in relation to the renewal of certain corporate policies that are characterised by heavy deficits, in some lines of business, are contrary to competition law, and a global penalty of EUR 12 million was set. No natural persons were subject to sanctions.

In addition, the companies are exposed to compliance risks during the normal course of their operations. One example of this risk is the recent decision by the Competition Authority (AdC), on 28 December 2018, in an ongoing case against several insurance companies. In this decision, the AdC concluded that contacts established between different insurance companies in the past, in relation to the renewal of certain corporate policies that are characterised by heavy deficits, in some lines of business, are contrary to competition law, and a global penalty of EUR 12 million was set. No natural persons were subject to sanctions.

In conclusion, and considering all the points covered above, the legal risk associated with the group is considered medium, due to the impacts that potential changes in the tax legislation would have and to uncertainties related with the application of the Solvency II rules.

## C.7. Any other information

### C.7.1. Adjustment for the loss-absorbing capacity of deferred taxes

Since 2018, the Group has recognised adjustment for the loss-absorbing capacity of deferred taxes not only relating to the impact on deferred tax liabilities, but also the impact on deferred tax assets, in this case using exclusively the effect deriving from temporary differences and not the recovery of tax losses.

The Group Companies also decided to limit the impact of the adjustment for the loss-absorbing capacity of deferred taxes, in the component that would imply an increase in deferred tax assets, as follows: the sum of the net current deferred tax asset and the adjustment cannot be greater than 15% of the SCR, considering that, in the event of the underlying scenario occurring, this would be the eligibility limit since it corresponds to Tier 3 own funds.

### C.7.2. Risk sensitivity

The sensitivity of the solvency ratio, at 31 December 2020, to the main risks to which Fidelidade Consolidated is exposed, expressed as an absolute impact on that ratio (in percentage points), is presented in the table below:

Risk Type	Effect of changes on:		Total effect
	Eligible funds	Capital requirement	
Value of equity -20%	-11,3	+2,1	-9,4
Value of property -10%	-10,0	+2,3	-7,9
Spread +100bps	-18,2	-3,3	-21,1
Interest rate -100 bps increase	+5,0	+2,3	+7,3
Interest rate -50 bps decrease	-2,7	-1,8	-4,5

Explanation of the Solvency II sensitivity analyses:

Risco	Cenário
Equity	Impact of a 20% decrease in the value of equity, including equity funds.
Property	Impact of a 10% decrease in the value of property, including Real Estate Funds.
Spread	Impact of a 100 bps (basis points) increase in debt securities.
Interest rate	Parallel increase of 100 bps (basis points) along the whole curve
	Parallel decrease of 50 bps (basis points) along the whole curve

### C.7.3. Risk concentration

The following table presents the significant concentrations of risk between entities in the scope of group supervision and third parties which exceed 10% of the group's solvency capital requirement:

Amounts in thousand euros

Country of exposure	Type of Exposure				
	Assets – shares and equity securities	Assets - bonds	Assets - others	Liabilities - insurance	
	Exposure amount			Exposure amount	Maximum amount payable by reinsurer
PT	2,413,536	1,875,355	396,063	50,876,748	0
CN	1,881,113	0	1,260	0	0
IT	0	1,639,527	0	0	0
PE	0	1,161,630	165,355	0	0
IE	909,266	0	0	0	0
GB	845	790,143	6,862	0	0
ES	0	690,377	0	0	0
AO	0	0	590,631	0	0
CV	401,172	0	11,398	0	0
VG	0	269,577	0	0	0
FR	0	256,769	0	0	0
MZ	0	0	217,178	0	0
LU	45,266	0	50,414	0	0
HK	0	76,722	0	0	0
MO	0	0	67,964	0	0
US	48,065	0	0	0	0
DE	3,658	0	29,278	0	0
BO	0	0	16,732	0	0
PY	0	0	1,025	0	0

The amount of exposure for 'Liabilities – insurance' corresponds to the sums insured per entity.

Regarding the 'Assets' exposures, the greatest concentration relates to shares and equity securities of New China Life Insurance CO (EUR 1,881,113 thousand), Portuguese, Italian and Peruvian public debt (EUR 1,699,838 thousand, EUR 1,466,618 thousand and EUR 970,088 thousand respectively), and shares and equity securities of Fidelidade Property Europe (EUR 1,692,838 thousand), representing approximately 55% of the group's total assets.

The sixth largest exposure within 'Assets' exposures is approximately 4.8% of the group's total assets.

#### C.7.4. SCR other undertakings

The SCR – other undertakings was 19.6 thousand euros.

The companies included in this module are:

- FCM
- FID III
- Luz Saúde
- Tenax
- SGOI



# D. Valuation for Solvency Purposes

In this chapter we present information on the valuation of the assets, technical provisions and other liabilities for solvency purposes and compare this valuation with that used in the financial statements.

No comparisons with the information included in the 2019 report are presented throughout this chapter, as mentioned earlier.

During the period covered by this report, there were no material changes, when compared with the period covered by the previous report, in the bases, methods and main assumptions used for the valuation of assets or in the relevant assumptions used to calculate the technical provisions.

The following paragraphs describe the bases, methods and main assumptions used for the valuation for solvency purposes, which breaks down as follows:

Amounts in thousand euros

		Solvency II	Financial statements	Difference
<b>Assets</b>				
D.1	<b>Total Assets</b>	<b>18,298,873</b>	<b>18,403,793</b>	<b>-104,920</b>
<b>Liabilities</b>				
D.2	Technical Provisions	14,137,917	14,170,582	-32,665
D.3	Other liabilities	1,406,608	1,118,552	288,056
<b>Total Liabilities</b>		<b>15,544,525</b>	<b>15,289,134</b>	<b>255,391</b>
<b>Excess of assets over liabilities</b>		<b>2,754,348</b>	<b>3,114,659</b>	<b>-360,311</b>

## D.1. Assets

The valuation of the assets for solvency purposes and a comparison with that used in the financial statements is presented in this report, segmented into:

- Financial assets;
- Real estate assets;
- Other assets.

This chapter also includes the amounts recoverable from reinsurance contracts and special purpose vehicles.

The following table summarises the comparison, which is discussed further in the sub-chapters below.

Amounts in thousand euros

Assets	Solvency II	Financial statements	Difference
Financial assets	16,100,371	16,072,905	27,466
Real estate assets	695,794	696,980	-1,186
Other assets	1,187,317	1,250,248	-62,931
Reinsurance recoverables	315,391	383,660	-68,269
<b>Total</b>	<b>18,298,873</b>	<b>18,403,793</b>	<b>-104,920</b>

### D.1.1. Financial assets

The following table presents the valuation of the financial assets for solvency purposes, by class of asset.

Amounts in thousand euros

Assets	Solvency II
Holdings in related undertakings, including participations	2,396,075
Equities — listed	593,471
Equities — unlisted	29,638
Government bonds	4,517,017
Corporate bonds	6,359,901
Structured notes	211,981
Collateralised securities	0
Collective investment undertakings	973,983
Derivatives	34,763
Deposits other than cash equivalents	459,776
Other investments	0
Assets held for index-linked and unit-linked contracts	523,766
<b>Total</b>	<b>16,100,371</b>

For solvency purposes, financial assets are valued in line with the following bases, methods and assumptions.

Financial assets are registered at fair value, which corresponds to the amount for which a financial asset could be sold or a liability settled between independent, knowledgeable parties interested in concluding the transaction in normal market conditions (exit price).

Within the scope of the Solvency II rules, to determine the fair value of financial instruments, assets are classified according to the fair value hierarchy criteria defined as part of IFRS 13 (Fair Value Measurement) in the following categories:

*QMP - Quoted market price in active markets for the same assets*

In this category, the fair value is determined considering the bid price in the active market available on the electronic platform.

*QMPS - Quoted market price in active markets for similar assets*

In this category, fair value is determined by considering the prices obtained from the market maker. The portfolio assets in this situation are essentially private placements.

*AVM - Alternative valuation methods*

The Fidelidade Group does not make valuations from financial models.

*AEM - Adjusted equity method*

Assets considered in this category are initially recognised at cost and are periodically subjected to revaluation in line with the financial statement's disclosure.

*IEM - IFRS equity methods*

Currently not applicable.

The following table presents a comparison of the valuation of financial assets for solvency purposes and their valuation in the financial statements.

Amounts in thousand euros

Assets	Solvency II	Financial statements	Difference
Holdings in related undertakings, including participations	2,396,075	2,411,563	-15,488
Equities — listed	593,471	593,471	0
Equities — unlisted	29,638	29,500	138
Government bonds	4,517,017	4,480,695	36,322
Corporate bonds	6,359,901	6,360,188	-287
Structured notes	211,981	211,981	0
Collateralised securities	0	0	0
Collective investment undertakings	973,983	972,568	1,415
Derivatives	34,763	35,815	-1,052
Deposits other than cash equivalents	459,776	453,594	6,182
Other investments	0	0	0
Assets held for index-linked and unit-linked contracts	523,766	523,530	236
<b>Total</b>	<b>16,100,371</b>	<b>16,072,905</b>	<b>27,466</b>

The differences, by class of asset, are:

#### Holdings in related undertakings, including participations

This results from the valuation, for solvency purposes, of unlisted subsidiaries using the Adjusted Equity Method (AEM), (net, the total value of these holdings for solvency purposes fell by EUR 15,488 thousand).

The total difference includes (among others which are less relevant) the impact of the valuations of Luz Saúde using the Adjusted Equity Method (AEM) (fall in the value of the holding for solvency purposes by EUR 163,890 thousand) and of Fidelidade Property Europe (increase of EUR 167,233 thousand in the solvency valuation).

#### Equities - unlisted

This results from the valuation, for solvency purposes, of unlisted securities using the Adjusted Equity Method (AEM).

#### Government bonds

The difference corresponds to potential gains from the portfolio of financial assets valued at amortised cost recognised in Solvency II.

#### Corporate bonds

This results from valuation adjustments to standardise exchange rates on assets held outside the Euro area and the price of an asset held in several locations.

#### Collective investment undertakings

This results from funds valuation adjustments where the look-through approach was applied. In the statutory financial statements, the available valuation at the close of accounts date was considered. In some funds this did not correspond to the year-end valuation. For Solvency II purposes, it was possible to consider the year-end valuation that was made available in the meantime by the collective investment undertakings.

### Derivatives

This is largely the result of splitting the heading into assets balance and liabilities balance. The level of detail in Solvency II was greater than that in the financial statements. This effect is also reflected in the corresponding account in liabilities.

### Deposits other than cash equivalents

This results from the difference, when negative, between the balances of current accounts related with futures contracts and the components relating either to the valuation of unmatured contracts (recorded under the heading "Derivatives") or to the initial margin (collateral), which was considered in the valuation for solvency purposes under the heading "Debts owed to credit institutions" in other liabilities.

### Assets held for index-linked and unit-linked contracts

This results from the closing quoted prices at 31 December 2020 being obtained at different times. In the financial statements the valuation at 31 December 2020 was made some hours before the close of some financial markets which have an extended operation. For Solvency II it was possible to consider the final value after the close of all financial markets.

## D.1.2. Real estate assets

The following table presents the valuation of real estate assets for solvency purposes, by class of asset.

Amounts in thousand euros

Assets	Solvency II
Property, plant and equipment held for own use	149,921
Property (other than for own use)	228,575
Collective investment undertakings	317,298
<b>Total</b>	<b>695,794</b>

For solvency purposes, real estate assets are valued in line with the following bases, methods and assumptions.

The Companies' real estate assets are accounted for at their Market Value, which is the price for which the property could be sold, at the valuation date, in a private agreement between an independent and interested vendor and purchaser, it being implied that:

- i) the asset is put up for sale on the market;
- ii) the conditions of sale permit a regular sale;
- iii) the period for negotiating the sale is adequate, considering the nature of the property.

Following this, one of the following valuation methods is used to determine the Market Value:

### Market Approach

The Market Approach consists of determining the value of a property by comparing it with identical or similar properties, according to the information available on the market regarding transaction values or prices practiced for comparable properties.

In line with this approach, the value of the property is the result of adjustment to the values and prices obtained on the market, in the light of the location and physical characteristics of the property being valued.

### Cost Approach

The Cost Approach consists of applying the principle that a purchaser will not pay more for an asset than the cost of obtaining another with the same level of utility, whether through purchase or construction, unless undue time, inconvenience, risk or other factors are involved.

This approach provides an indication of value by calculating the current replacement or reproduction cost of the asset and deducting for deterioration and all other relevant forms of obsolescence.

### Income Approach

The Income Approach considers information relating to the income and operating expenses of the property being valued, determining the value by a capitalisation process. In this approach, taking into account the principle of replacing the asset, it is assumed that at a given rate of return required by the market, the revenue flow generated by the property will lead to its most probable fair value.

Accordingly, the estimate of the property's value results from converting the income it generates (usually the net revenue) by applying a given capitalisation rate or update rate, or even both, which reflects the expected level of return on the investment.

In order to comply with the regulations applicable to the Portuguese insurance sector, the following method is applied to value the real estate assets of the companies in the Group.

- It is necessary to follow the property valuation criteria defined for insurance sector entities within the scope of the *Conselho Nacional de Supervisores Financeiros* (CNSF) [National Board of Financial Supervisors], namely as set out in the future regime of the document "*A Avaliação e Valorização de Imóveis – Uma Abordagem Integrada para o Sistema Financeiro Português*" [Appraisal and Valuation of Property – An Integrated Approach for the Portuguese Financial System]";
- Besides being registered with the Portuguese Securities Market Commission (except for valuation processes outside Portuguese territory, for which local valuers are accepted) and having taken out general liability insurance, the valuer must be a RICS member, and follow RICS standards;
- Where a property's market value is estimated to be over EUR 2.5 million, two valuations are performed by different experts, and the lower value prevails;
- It is necessary to use at least one of the three methods in IFRS 13, with the Income Approach being compulsory;
- The valuation report must itemise the valuation of the land separately from the valuation of the building(s);
- In the case of buildings under the horizontal property regime, the valuation report must also allocate valuations per unit, that is, it must include a breakdown of the quota share of the land and the building(s) per unit;
- The valuation report may include a sensitivity analysis regarding the most relevant variables in the valuation;
- Following a principle of prudence, real estate assets must be revalued annually.

The following table presents a comparison of the valuation of real estate assets for solvency purposes and their valuation in the financial statements.

Amounts in thousand euros			
Assets	Solvency II	Financial statements	Difference
Property, plant and equipment held for own use	149,921	152,960	-3,039
Property (other than for own use)	228,575	227,541	1,034
Collective investment undertakings	317,298	316,479	819
<b>Total</b>	<b>695,794</b>	<b>696,980</b>	<b>-1,186</b>

The difference, by class of asset, is:

Property, plant and equipment held for own use

This results from the revaluation of property at fair value.

Property (other than for own use)

This results from the revaluation at fair value of property held in the Fid Perú perimeter.

Collective investment undertakings

This results from funds valuation adjustments where the look-through approach was applied. In the statutory financial statements, the available valuation at the close of accounts date was considered. In some funds this did not correspond to the year-end valuation. For Solvency II purposes, it was possible to consider the year-end valuation that was made available in the meantime by the collective investment undertakings.

### D.1.3. Other Assets

The following table presents the valuation of other assets for solvency purposes, by class of asset.

Amounts in thousand euros

Assets	Solvency II
Goodwill	0
Deferred acquisition costs	0
Intangible assets	0
Deferred tax assets	354,387
Pension benefit surplus	6,914
Loans and mortgages to individuals	0
Other loans and mortgages	0
Loans on policies	1,229
Deposits to cedants	137
Insurance and intermediaries' receivables	273,491
Reinsurance recoverables	19,788
Receivables (trade, not insurance)	125,727
Own shares (held directly)	149
Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
Cash and cash equivalents	381,029
Any other assets, not elsewhere shown	24,466
<b>Total</b>	<b>1,187,317</b>

Other assets are generally valued in the financial statements at fair value. Specific situations where that is not the case are explained in the following table, which presents a comparison of the valuation of other assets for solvency purposes and their valuation in the financial statements.

Amounts in thousand euros

Assets	Solvency II	Financial statements	Difference
Goodwill	0	43,796	-43,796
Deferred acquisition costs	0	83,535	-83,535
Intangible assets	0	122,940	-122,940
Deferred tax assets	354,387	159,897	194,490
Pension benefit surplus	6,914	6,914	0
Loans and mortgages to individuals	0	0	0
Other loans and mortgages	0	0	0
Loans on policies	1,229	1,229	0
Deposits to cedants	137	137	0
Insurance and intermediaries' receivables	273,491	300,411	-26,920
Reinsurance recoverables	19,788	19,788	0
Receivables (trade, not insurance)	125,727	125,727	0
Own shares (held directly)	149	149	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	0	0	0
Cash and cash equivalents	381,029	361,259	19,770
Any other assets, not elsewhere shown	24,466	24,466	0
<b>Total</b>	<b>1,187,317</b>	<b>1,250,248</b>	<b>-62,931</b>

The differences, by class of asset, are:

#### Goodwill and Deferred acquisition costs

The value of these assets for solvency purposes is zero.

#### Intangible assets

In order for these assets to have a value in the balance sheet for solvency purposes, they must be able to be sold separately and, moreover, it would be necessary to demonstrate that there is an active market in which similar intangible assets are traded. Given that the group's assets considered in this class do not meet these requirements, their value for solvency purposes is zero.

#### Deferred tax assets

The difference results from the application of the tax rate to losses with taxable temporary differences implicit in the balance sheet for solvency purposes, that is, after adjustments with a negative impact on own funds.

#### Insurance and intermediaries' receivables

The difference relates to receivables for reimbursement of amounts paid out in claims. This amount is considered in the Non-Life technical provisions, given that its valuation for solvency purposes is net of these receivables.



### Cash and cash equivalents

This results from the difference, when negative, between the balances of current accounts related with futures contracts and the components relating either to the valuation of unmatured contracts (recorded under the heading “Derivatives”) or to the initial margin (collateral), which was considered in the valuation for solvency purposes under the heading “Debts owed to credit institutions” in other liabilities.

#### D.1.4. Reinsurance and special purpose vehicles recoverables

Reinsurance recoverables were calculated according to methodologies in line with those used for the valuation of technical provisions, considering adjustment to reflect the probability of reinsurer default.

Recoverables in the Non-Life, Health SLT and Health NSLT lines of business were obtained based on the following assumptions:

- In each of the insurers in the group, in the Non-Life, Health SLT and Health NSLT lines of business, when calculating the claims provision, the values of the accounting provisions of reinsurance ceded adjusted by the expected losses from counterparty default were assumed as the base value, and these were then distributed in annual future cash flows calculated on the basis of the future pattern of payments obtained for direct insurance in each of the lines of business. Fidelidade Consolidated values were obtained by consolidation, eliminating intra-group relations;
- The component of the provision for premiums in the Non-Life and Health NSLT lines of business was calculated as described in points D.2.2. and D.2.4.

Recoverables from the Life line of business were obtained based on the following assumptions:

- To calculate Life reinsurance recoverables, projections are obtained of future premiums cash flows, claims, commissions and expenses in line with the reinsurance contracts, considering the contractual limits of the direct insurance contracts. All liabilities cash flows are based on the concept of expected value, insofar as they are linked to probabilities of occurrence of events to which they are subject, taking into account the time value of cash.

The expected inflation and interest rate structures referred to in points D.2.5 and D.2.6, respectively, were applied to the cash flows in the Life, Non-Life, Health SLT and Health NSLT lines of business.

The following table shows the amounts recoverable from reinsurance contracts and special purpose vehicles, by line of business.

Amounts in thousand euros

Line of Business	Solvency II	Financial statements	Difference
Life and health similar to life, excluding health insurance and index-linked and unit-linked	70,754	64,195	6,559
Life, index-linked and unit-linked	0	0	0
Non-life, excluding health insurance	218,764	285,644	-66,880
Accidents and Health similar to life	0	0	0
Accidents and Health similar to non-life	25,873	33,821	-7,948
<b>Total</b>	<b>315,391</b>	<b>383,660</b>	<b>-68,269</b>

The differences result from the method applied to calculate the best estimate, which uses assumptions that are not considered in the financial statements, such as:

- Probability of counterparty default;
- Consideration of the effects of inflation;
- Discounting of estimated liabilities;
- Method for calculating the provision for premiums

## D.2. Technical provisions

The valuation of technical provisions for solvency purposes and a comparison with that used in the financial statements is presented in this report, segmented into:

- Life;
- Non-Life;
- Health:
  - SLT (Similar to Life Techniques);
  - NSLT (Not Similar to Life Techniques).

The following table summarises the comparison, which is discussed further in the sub-chapters below:

Amounts in thousand euros

Line of Business	Solvency II	Financial statements	Difference
Life	11,609,455	11,547,940	61,515
Non-Life	974,890	1,316,491	-341,601
Health – SLT	1,240,097	974,576	265,521
Health – NSLT	313,475	331,575	-18,100
<b>Total</b>	<b>14,137,917</b>	<b>14,170,582</b>	<b>-32,665</b>

The valuation of the technical provisions results from applying statistical methods which have a degree of uncertainty resulting from random factors which may not yet be reflected in the base information used, namely, market factors, legal changes and political factors.

However, this degree of uncertainty is lower due to Fidelidade Consolidated Companies not using simplifications when calculating the technical provisions.

### D.2.1. Life

The following table presents the value of the Life technical provisions by line of business, including the value of the best estimate, risk margin and the value of the application of the transitional measure on technical provisions.

Amounts in thousand euros

Line of Business	Best estimate	Risk Margin	TMTP	Technical Provisions
<b>Index-linked and unit-linked insurance</b>				
Contracts without bonds and guarantees	492,829	7,711	0	500,540
Contracts with bonds and guarantees	2,190	0	0	2,190
<b>Savings</b>				
Contracts with profit-sharing	2,193,702	13,379	-126,595	2,080,486
Contracts without profit-sharing	7,998,429	11,413	-177,936	7,831,906
<b>Risk</b>				
Contracts with profit-sharing	37,122	217	0	37,339
Contracts without profit-sharing	-362,190	190,045	0	-172,145
<b>Annuities</b>				
Contracts with profit-sharing	127,684	8,013	0	135,697
Contracts without profit-sharing	1,131,253	61,528	0	1,192,781
<b>Reinsurance accepted</b>				
Reinsurance accepted	661	0	0	661
<b>Total</b>	<b>11,621,680</b>	<b>292,306</b>	<b>-304,531</b>	<b>11,609,455</b>

The Life technical provisions result from the sum of the best estimate and the risk margin less the transitional measure on technical provisions (TMTP).

The best estimate corresponds to the current value of future projected cash flows related to insurance contracts, including premiums, claims, commissions and expenses, discounted at the relevant interest rate term structures (see point D.2.6). Stochastic techniques were used when determining the time value of the options and guarantees.

Future cash-flow projections are obtained by applying probabilities of events occurring based on a historical analysis of these events in the group's portfolio, in particular mortality, disability, survival, lapse, expense and inflation.

The risk margin is calculated using the formula mentioned in Article 37(1) of Commission Delegated Regulation (EU) 2015/35, of 10 October 2014, that is, using the cost of capital method with a rate of 6%.

In this method capital corresponds to the solvency capital requirement of the Life Underwriting Risk, Operational Risk and Counterparty Risk (in the part corresponding to the Life segment), allocated by line of business.

The value of the best estimate results from the sum of the claims provision and the value of the best estimate of future cash flows from policies held in portfolio.

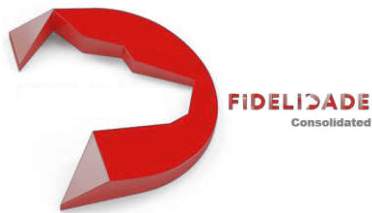
All liabilities cash flows are based on the concept of expected value, insofar as they are linked to probabilities of occurrence of events to which they are subject. These probabilities constitute second-order technical bases, and that expected value is therefore the group's best estimate, following a historical analysis covering several years.

Income to calculate profit-sharing, included in the claim's estimates, was determined on the basis of assets held in portfolio at 31 December 2020 and their potential gains at that date. For such purpose, a "risk neutral" projection was made, in which different securities were subject to the reference interest rates curve (see point D.2.6), added to the recognition of potential gains at that date.

Therefore, in the case of fixed income securities, in order to determine the cash flows default probabilities were calculated so that the current value of those cash flows, discounted at the reference curve, was the same as the market value.

Profit-sharing was calculated based on the minimum percentage of allocation, defined contractually.

For insurance with demographic risk, profit-sharing was calculated on the technical and financial results and was distributed by payment in cash. In the case of annuities insurance, the profit-sharing calculation also comes from the technical and financial results and was allocated by increase in future annuities. For capital redemption products, profit sharing was calculated on the



financial results, and was allocated by addition to the mathematical provision, with the consequent increase in sums insured, that is, increase in the amounts paid at maturity, redemption or death.

The Monte Carlo method was used to determine the time value of the options and guarantees.

For unit-linked insurance without guarantees, the technical provision is calculated using the sum of the statutory technical provision (corresponding to the value of the assets) and the corresponding provision for expenses and risk margin. The provisions for expenses are calculated using the current value of the difference between the estimated expenses and the management costs charged at the end of each year.

For unit-linked insurance with guarantees, the best estimate is calculated using the current value of the best estimate of future cash flows, maturities, redemptions, claims, commissions, expenses and less any future premiums. When calculating the maturity cash flow, we consider the higher of the guaranteed value and the estimated value of the assets on the maturity date, with these figures being obtained based on their market value on the valuation date, on the reference curve (see point D.2.6) and net of the products' management costs.

Expenses are estimated using the unit costs calculated based on the total costs charged to unit-linked products in the previous year. Commissions are estimated in line with the distribution agreements for each product. Redemption and death cash flows are estimated based on probabilities calculated in line with the Fidelidade Consolidated past history.

The following calculation assumptions were used:

#### Decreases by Death and Disability

Mortality was analysed by class of products, namely: products in the event of death, in the event of life and the financial component. The disability risk was treated in the same way as the risk of death.

#### Decreases by Redemption and Cancellation

Decreases by cancellations and decreases by redemption were determined according to the historical experience for each type.

#### Technical Management Costs

Since these come into play in determining the economic value of the existing business, the acquisition costs were removed from the total expenses charged to the Life Line of Business, at 31 December 2020.

#### Premiums

For products with demographic risk all future premiums were considered, while for capital redemption products it was assumed that, if the policy is in force, the policyholder will comply with the established premiums payment plan, provided that the product's general and specific conditions so permit and only in scenarios in which the reference interest rate (see point D.2.6) is lower than the product's technical rate. For products whose contracts allow for extraordinary payments, the average payments made in the last five years were taken into account.

#### Commissions

Commissions cash flows were calculated based on the provision of services/ commissioning agreements in force in the group, defined in the technical specifications and notes of the different types.

### Future management measures

Regarding future management measures, it was agreed to maintain the portfolio's asset mix at the valuation date. Thus, the proportion of each class of assets and the structure of securities within each class will tend to remain the same over time in the representation in the mathematical provisions.

### Policyholders' behaviour

Policyholders' behaviour in terms of redemptions and cancellations is that described in the point on Decreases by Redemption and Cancellation.

For capital redemption products the payment plans are treated in line with what is set out in the point on Premiums.

### Risk margin

The risk margin is calculated using the formula mentioned in Article 37(1) of Commission Delegated Regulation (EU) 2015/35, of 10 October 2014, that is, using the cost of capital method with a rate of 6%.

The following table presents a comparison of the valuation of Life technical provisions for solvency purposes and their valuation in the financial statements.

Amounts in thousand euros			
Line of Business	Technical Provisions	Financial statements	Difference
<b>Index-linked and unit-linked insurance</b>			
Contracts without bonds and guarantees	500,540	521,340	-20,800
Contracts with bonds and guarantees	2,190	2,190	0
<b>Savings</b>			
Contracts with profit-sharing	2,080,486	1,999,354	81,132
Contracts without profit-sharing	7,831,906	7,753,095	78,811
<b>Risk</b>			
Contracts with profit-sharing	37,339	38,215	-876
Contracts without profit-sharing	-172,145	223,009	-395,154
<b>Annuities</b>			
Contracts with profit-sharing	135,697	85,447	50,250
Contracts without profit-sharing	1,192,781	924,629	268,152
<b>Reinsurance accepted</b>			
Reinsurance accepted	661	661	0
<b>Total</b>	<b>11,609,455</b>	<b>11,547,940</b>	<b>61,515</b>

For risk products the differences are basically justified by the different contract boundaries used for the technical provisions in the financial statements for a series of temporary annual renewable (TAR) group life insurance contracts, as described in D.5.1. This change to the contract boundaries has a positive impact on the Company's solvency capital requirement coverage ratio of around 17 pp.

For annuities products, the differences are essentially the result of applying the risk-free interest rate term structure.

The differences in the index-linked and unit-linked class arise from the current value of the difference between the estimated technical management costs and the future management costs.

For capital redemption products, without profit-sharing, the differences result, on the one hand, from the application of the transitional measure on technical provisions and, on the other, from the difference between the rates guaranteed to clients and the rates contained in the reference interest rates curve (see point D.2.6).

## D.2.2. Non-Life

The following table presents the value of the Non-Life technical provisions by line of business, including the value of the best estimate and the risk margin.

Amounts in thousand euros

Line of Business	Best estimate	Risk Margin	Technical Provisions
Motor vehicle liability insurance	394,766	13,590	408,356
Other motor insurance	113,106	6,926	120,032
Marine, aviation and transport insurance	14,963	934	15,897
Fire and other damage to property insurance	247,744	5,480	253,224
General liability insurance	107,515	3,632	111,147
Credit and suretyship insurance	2,474	615	3,089
Legal expenses insurance	3,313	198	3,511
Assistance	29,246	1,062	30,308
Miscellaneous financial loss	27,691	1,635	29,326
Non-proportional reinsurance accepted	0	0	0
<b>Total</b>	<b>940,818</b>	<b>34,072</b>	<b>974,890</b>

The Non-Life technical provisions result from adding the value of the best estimate of the claims and premiums provisions and the risk margin.

The best estimate of Fidelidade Consolidated provisions is equal to the sum of the best estimate of the provisions of the different insurers in the group, after elimination of intra-group effects.

The best estimate of the provisions corresponds to the current value of future projected cash flows related to insurance contracts, including premiums, claims, commissions and expenses, discounted using the relevant interest rate term structures (see point D.2.6).

Future cash-flow projections are obtained by applying probabilities of events occurring based on a historical analysis of these events in the group's portfolio, in particular claims, lapse, expense and inflation.

The risk margin is calculated using the formula mentioned in Article 37(1) of Commission Delegated Regulation (EU) 2015/35, of 10 October 2014, that is, using the cost of capital method with a rate of 6%.

In this method capital corresponds to the solvency capital requirement of the Non-Life Underwriting Risk, Operational Risk and Counterparty Risk (in the part corresponding to the Non-Life segment), allocated by line of business.

The following table presents a comparison of the valuation of Non-Life technical provisions for solvency purposes and their valuation in the financial statements.

Amounts in thousand euros

Line of Business	Technical Provisions	Financial statements	Difference
Motor vehicle liability insurance	408,356	537,077	-128,721
Other motor insurance	120,032	151,792	-31,760
Marine, aviation and transport insurance	15,897	22,048	-6,151
Fire and other damage to property insurance	253,224	328,818	-75,594
General liability insurance	111,147	164,512	-53,365
Credit and suretyship insurance	3,089	12,162	-9,073
Legal expenses insurance	3,511	5,568	-2,057
Assistance	30,308	27,762	2,546
Miscellaneous financial loss	29,326	35,406	-6,080
Non-proportional reinsurance accepted	0	0	0
Other technical provisions	0	31,346	-31,346
<b>Total</b>	<b>974,890</b>	<b>1,316,491</b>	<b>-341,601</b>

The main differences identified result from:

- The provisions calculated on the basis of economic principles include the associated estimate of reimbursements, while the accounting provisions presented are gross of reimbursements, as previously stated in the paragraph entitled “insurance and intermediaries’ receivables” in point D.1.3 Other Assets;
- A prudent provisioning policy, associated with good claims management and follow-up;
- The statutory provisions reflect:
  - Provision for premiums and provision for unexpired risks calculated using a different method to that applied to obtain the provision for premiums under Solvency II;
  - The estimate of payables not discounted.

The heading Other technical provisions, which only appears in the financial statements with the value of EUR -31,346 thousand, mostly corresponds to amounts allocated to the equalisation provision.

### D.2.3. Health – SLT

The following table presents the value of the Health-SLT technical provisions by line of business, including the value of the best estimate, the risk margin and the value of the application of the transitional measure on technical provisions.

Amounts in thousand euros

Line of Business	Best estimate	Risk Margin	MTPT	Technical Provisions
<b>Health insurance (direct insurance)</b>				
Contracts without bonds and guarantees	0	0	0	0
Contracts with bonds and guarantees	0	0	0	0
<b>Health insurance (reinsurance accepted)</b>				
Health insurance (reinsurance accepted)	0	0	0	0
<b>Annuities stemming from non-life insurance contracts</b>				
relating to health insurance obligations	1,349,228	127,991	-237,122	1,240,097
relating to insurance obligations other than health insurance obligations	0	0	0	0
<b>Total</b>	<b>1,349,228</b>	<b>127,991</b>	<b>-237,122</b>	<b>1,240,097</b>

The Health - SLT technical provisions result from adding the value of the best estimate of the claims provisions and the risk margin, adjusted by the transitional measure on technical provisions.

Fidelidade Consolidated best estimate is equal to the sum of the best estimate of the different insurers in the group, after elimination of intra-group effects.

The best estimate of the provisions corresponds to the current value of future projected cash flows related to insurance contracts, including claims and expenses, discounted using the relevant interest rate term structures (see point D.2.6.).

Future cash-flow projections are obtained by applying probabilities of events occurring based on a historical analysis of these events in the group's portfolio, in particular survival, expense and inflation.

The risk margin is calculated using the formula mentioned in Article 37(1) of Commission Delegated Regulation (EU) 2015/35, of 10 October 2014, that is, using the cost of capital method with a rate of 6%.

In this method capital corresponds to the solvency capital requirement of the Health - SLT Underwriting Risk and Operational Risk (in the part corresponding to the Health - SLT segment).

The following table presents a comparison of the valuation of Health - SLT technical provisions for solvency purposes and their valuation in the financial statements.

Amounts in thousand euros

Line of Business	Technical Provisions	Financial statements	Difference
<b>Health insurance (direct insurance)</b>			
Contracts without bonds and guarantees	0	0	0
Contracts with bonds and guarantees	0	0	0
<b>Health insurance (reinsurance accepted)</b>			
Health insurance (reinsurance accepted)	0	0	0
<b>Annuities stemming from non-life insurance contracts</b>			
relating to health insurance obligations	1,240,097	974,576	265,521
relating to insurance obligations other than health insurance obligations	0	0	0
<b>Total</b>	<b>1,240,097</b>	<b>974,576</b>	<b>265,521</b>

Considering the adjustment of the transitional measure on technical provisions, the impact of revaluing the provisions results fundamentally from the evolution of the interest rates term structure referred to in point D.2.6.

#### D.2.4. Health – NSLT

The following table presents the value of the Health – NSLT technical provisions by line of business, including the value of the best estimate and the risk margin.

Amounts in thousand euros

Line of Business	Best estimate	Risk Margin	Technical Provisions
Medical expenses insurance	107,145	5,575	112,720
Income protection insurance	43,869	960	44,829
Workers' compensation insurance	143,318	12,608	155,926
<b>Total</b>	<b>294,332</b>	<b>19,143</b>	<b>313,475</b>

The Health – NSLT technical provisions result from adding the value of the best estimate of the claims and premiums provisions and the risk margin.

Fidelidade Consolidated best estimate is equal to the sum of the best estimate of the different insurers in the group, after elimination of intra-group effects.



The best estimate of the provisions corresponds to the current value of future projected cash flows related to insurance contracts, including premiums, claims, commissions and expenses, discounted using the relevant interest rates term structures (see point D.2.6.).

Future cash-flow projections are obtained by applying probabilities of events occurring based on a historical analysis of these events in the group's portfolio, in particular claims, lapse, expense and inflation.

The risk margin is calculated using the formula mentioned in Article 37(1) of Commission Delegated Regulation (EU) 2015/35, of 10 October 2014, that is, using the cost of capital method with a rate of 6%.

In this method capital corresponds to the solvency capital requirement of the Health - NSLT Underwriting Risk, Operational Risk and Counterparty Risk (in the part corresponding to the Health - NSLT segment), allocated by line of business.

The following table presents a comparison of the valuation of Health - NSLT technical provisions for solvency purposes and their valuation in the financial statements.

Amounts in thousand euros

Line of Business	Technical Provisions	Financial Statements	Difference
Medical expenses insurance	112,720	131,411	-18,691
Income protection insurance	44,829	48,590	-3,761
Workers' compensation insurance	155,926	151,574	4,352
<b>Total</b>	<b>313,475</b>	<b>331,575</b>	<b>-18,100</b>

The main differences identified between the figures for the accounting provisions and the provisions calculated on the basis of economic principles result from:

- The provisions calculated on the basis of economic principles include the associated estimate of reimbursements, while the accounting provisions presented are gross of reimbursements, as previously stated in the paragraph entitled "insurance and intermediaries' receivables" in point D.1.3. Other Assets;
- A prudent provisioning policy, associated with good claims management and follow-up;
- The statutory provisions reflect:
  - Provision for premiums and provision for unexpired risks calculated using a different method to that applied to obtain the provision for premiums under Solvency II;
  - The estimate of payables not discounted.

#### D.2.5. Inflation rate

To calculate the best estimate, in the life, non-life and health lines of business:

- In the insurers in Fidelidade Consolidated perimeter without La Positiva, the harmonised index of prices, three-year forecast, disclosed by Banco de Portugal in December 2020 is used. In the best estimate projections, 0.3% was considered in 2021, 0.9% in 2022 and 1% in subsequent years.
- In the projections for the insurers in La Positiva and Fid Chile Seguros Generales, future inflation is considered to follow the pattern implicit in the historical information used to estimate future cash flows.

#### D.2.6. Reference interest rates

For technical provisions in currencies for which the Supervisor does not publish interest rate structures (Peruvian Sols (PEN), Bolivian Bolivianos (BOB) and Paraguayan Guaranis (PYG)), interest rate structures were calculated by applying a method similar to that considered by EIOPA, assuming as the basis of calculation for the first years the interest rate structure of Peruvian

Government Bonds for PEN and BOB, Colombian Government Bonds for PYG, and the long-term inflation rate expected by the respective Central Banks to determine the future behaviour of interest rate structures.

When valuing the other technical provisions, the group used the relevant risk-free interest rate structures established in Commission Implementing Regulation (EU) 2021/178, of 8 February 2021, without volatility adjustment.

### D.3. Other liabilities

The following table presents a comparison of the valuation of other liabilities for solvency purposes and their valuation in the financial statements.

Amounts in thousand euros

Liabilities	Solvency II	Financial statements	Difference
Contingent liabilities	0	0	0
Provisions other than technical provisions	58,514	58,514	0
Pension benefit obligations	341	341	0
Deposits from reinsurers	36,295	36,295	0
Deferred tax liabilities	414,672	150,673	263,999
Derivatives	44,461	45,930	-1,469
Debts owed to credit institutions	40,896	14,670	26,226
Financial liabilities other than debts owed to credit institutions	109,460	103,897	5,563
Insurance and intermediaries' payables	98,663	104,668	-6,005
Reinsurance payables	183,471	183,729	-258
Payables (trade, not insurance)	259,031	259,031	0
Subordinated liabilities	0	0	0
Any other liabilities, not elsewhere shown	160,804	160,804	0
<b>Total</b>	<b>1,406,608</b>	<b>1,118,552</b>	<b>288,056</b>

Other liabilities are generally valued in the financial statements at fair value. Specific situations where that is not the case are described below.

The differences, by class of liability, are:

#### Deferred tax liabilities

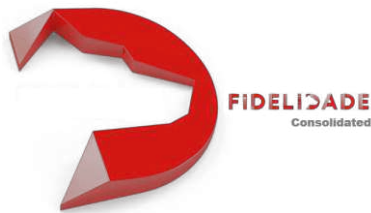
The difference results from the application of the tax rate to gains with taxable temporary differences implicit in the balance sheet for solvency purposes, that is, after adjustments with a positive impact on own funds.

#### Derivatives

This is largely the result of splitting the heading into assets balance and liabilities balance. The level of detail in Solvency II was greater than that in the financial statements. This effect is also reflected in the corresponding account in assets.

#### Debts owed to credit institutions

This results from the difference, when negative, between the balances of current accounts related with futures contracts and the components relating either to the valuation of unmatured contracts (recorded under the heading "Derivatives") or to the



initial margin (collateral), which was considered in the financial statements valuation under the heading “Cash and cash equivalents” in other assets.

#### Financial liabilities other than debts owed to credit institutions

The difference corresponds partly to the La Positiva PUT Option of EUR 69,750 thousand, which is valued at EUR 75,312 thousand under SII.

#### Insurance and intermediaries' payables

The difference relates to payables for reimbursement of amounts paid out in claims. This amount is considered in the Non-Life technical provisions, given that its valuation for solvency purposes is net of these payables.

#### Reinsurance payables

The difference relates to reinsurance ceded payables for reimbursement of amounts paid out in direct insurance claims. For solvency purposes these payables are included in the Non-Life and Health – SLT technical provisions, the valuation of which was net of these.

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## D.4. Alternative valuation methods

As mentioned in point D.1.1 of this report, Fidelidade Consolidated does not make valuations from financial models.

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## D.5. Any other information

### D.5.1. Information on the valuation for solvency purposes

The bases, methods and main assumptions used at group level for the valuation of assets, technical provisions and other liabilities for solvency purposes do not differ from those used in any of the group's European subsidiaries for valuation for solvency purposes of the respective assets, technical provisions and other liabilities.

### D.5.2. Changing the contractual limits of temporary annual renewable insurance contracts

When calculating the best estimate of the Life liabilities relating to temporary annual renewable (TAR) life insurance contracts, the contract boundary considered is the date of the next renewal except for contracts for which the group has provenly waived the unilateral right to terminate the contract and to reject or amend the tariffs in force.

For these contracts, which are all linked to mortgages, for the purpose of valuing their technical provisions, Fidelidade Consolidated considered their contract boundary to be the maturity of the mortgage agreement associated with each adhesion, and for contracts with the “Funeral Service Organisation and Expenses” and “Adjustment of the funeral service to a Vault, Drawer or Perpetual Grave” covers the boundary was considered to be indefinite, and lapse probabilities were taken into account. Although the reinsurance treaty associated with these contracts is of annual duration, when calculating the reinsurance recoverables the group assumed a time limit consistent with the insurance contract limits to which they relate, according to the understanding of the ASF.

### D.5.3. Application of the transitional deduction to technical provisions

Of its subsidiaries, only Fidelidade applied, pursuant to Article 25 of Law No. 147/2015, of 9 September, the transitional deduction to technical provisions for liabilities similar to life, in the following groups of homogeneous risks:

- Capital redemption products, with and without profit sharing;
- Health – SLT, related with liabilities with workers' compensation insurance contracts.

ASF ruled that for 2019 the transitional deduction to technical provisions must be recalculated, based on 31 December 2018 information, and the reduction resulting from that calculation (if greater than the normal gradual reduction) must be reported on the first day of 2019.

Accordingly, the following table contains the respective amounts of the gross technical provisions and of the reinsurance recoverables, for solvency purposes, with the reference date of 1 January 2019<sup>4</sup>, and in the financial statements, with the reference date of 31 December 2018. The initial amount of the transitional deduction applied is also shown:

Amounts in thousand euros

Lines of business / Homogeneous risk groups		Gross Technical Provisions			Reinsurance recoverables		Transitional Deduction
		Financial Statements	Solvency II		Financial Statements	Solvency II	
			Best Estimate	Risk Margin			
29 and 33	Life insurance liabilities - Health – SLT	699,747	881,404	75,225	0	0	256,882
30	Life insurance liabilities - Insurance with profit-sharing - Capital redemption products	1,254,522	1,382,107	9,559	0	0	137,145
32	Life insurance liabilities - Other liabilities similar to life - Capital redemption products	5,087,284	5,268,160	11,889	0	0	192,764
<b>Total</b>		<b>7,041,553</b>	<b>7,531,671</b>	<b>96,673</b>	<b>0</b>	<b>0</b>	<b>586,791</b>

Pursuant to Article 25 of Law No. 147/2015, of 9 September, the group applied the transitional deduction to technical provisions on the first day of 2020. The table below shows the amount of that deduction at 31 December 2020:

Amounts in thousand euros

Lines of business / Homogeneous risk groups		Transitional Deduction		
		Recalculation 1/1/2019	Decrease at 1/1/2020	Amount at 31/12/2020
29 and 33	Life insurance liabilities - Health – SLT	256,882	-19,760	237,122
30	Life insurance liabilities - Insurance with profit-sharing - Capital redemption products	137,145	-10,550	126,595
32	Life insurance liabilities - Other liabilities similar to life - Capital redemption products	192,764	-14,828	177,936
<b>Total</b>		<b>586,791</b>	<b>-45,138</b>	<b>541,653</b>

The following table quantifies the impact on the group's financial condition, at 31 December 2020, of not applying this transitional deduction, namely the impact on the amount of the technical provisions, solvency capital requirement, minimum capital

<sup>4</sup> Pursuant to Article 25 of Law No. 147/2015, of 9 September 2015, the ASF requested all insurance companies covered by the transitional rules to recalculate the transitional deduction, using information relating to 31 December 2018 as the basis for recalculation and with an effective date of 1 January 2019.

requirement, basic own funds and eligible own funds to meet the minimum capital requirement and the solvency capital requirement.

Amounts in thousand euros

	Transitional measure on technical provisions		
	Amount with the transitional measure	Amount without the transitional measure	Impact of the transitional measure
<b>Technical provisions</b>	14,137,917	14,679,570	-541,653
<b>Basic own funds</b>			
Excess assets over liabilities	2,744,169	2,373,312	370,858
<b>Eligible own funds to meet SCR</b>	2,745,095	2,374,237	370,858
<b>Solvency Capital Requirement (SCR)</b>	1,909,812	2,025,847	-116,035
<b>SCR coverage ratio</b>	143.74%	117.20%	

The impact of the annual decrease in the transitional deduction to technical provisions, on the first day of 2021, is approximately 0.32% of the total amount of the technical provisions and 1.90 pp of the SCR coverage ratio.

# E. Capital Management

During the period covered by this report, there were no significant changes related to the objectives, policies and processes adopted by Fidelidade Consolidated to manage own funds.

The changes which occurred in 2020, both in its own funds and in its solvency capital requirement are explained in this chapter.

As mentioned earlier, no comparisons with the information included in the 2019 report are presented throughout this chapter.

Method 1 (accounting consolidation-based method) described in Article 270 of the Legal Framework on the Taking-up and Pursuit of the Business of Insurance and Reinsurance, approved by Law No. 147/2015, of 9 September, was used to calculate the group's solvency, using the net data of any intra-group transactions.

## E.1. Own funds

### E.1.1. Management of own funds

The new legal framework on the taking-up and pursuit of the business of insurance requires insurance undertakings to have an effective risk management system.

Accordingly, the own risk and solvency assessment, normally identified by the acronym ORSA, is considered a central element in this system, since, from a prospective vision, it relates risk, capital and return, in the context of the business strategy established by the insurance undertaking.

The ORSA exercise, which coincides with the strategic planning timeframe (never less than 3 years), therefore plays a key role in the group's Capital Management, supporting its main activities, namely:

- *Assessing, together with risk management, the risk appetite structure in relation to the business strategy and capital management strategy;*
- *Contributing to the commencement of the strategic planning process, through the performance of a capital adequacy assessment in the most recent period;*
- *Monitoring of capital adequacy in line with the regulatory capital requirements and the internal capital needs.*

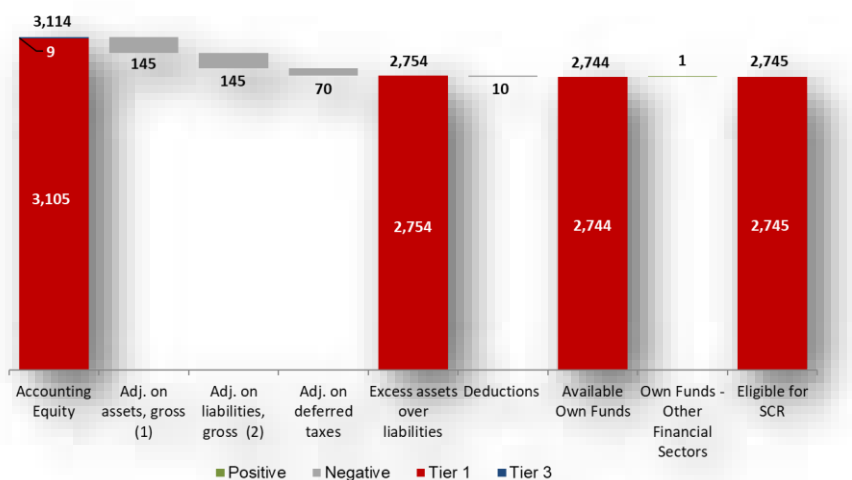
Considering the results obtained in the ORSA, and if the capital requirements are not in line with those defined, both in regulatory terms and in terms of other limits defined internally, corrective actions to be implemented are detailed, in order to restore the adequate/intended level of capital.

### E.1.2. Structure, amount and tiering of own funds

The following table presents a comparison of the own funds as set out in Fidelidade Consolidated financial statements and the excess of assets over liabilities calculated for solvency purposes.

	Amounts in thousand euros		
	Solvency II	Financial statements	Difference
Assets	18,298,873	18,403,793	-104,920
Technical Provisions	14,137,917	14,170,582	-32,665
Other liabilities	1,406,608	1,118,552	288,056
<b>Excess assets over liabilities</b>	<b>2,754,348</b>	<b>3,114,659</b>	<b>-360,311</b>

The difference is explained in the graph below in million euros:



- (1) Impact on own funds resulting from the difference between market value and book value of assets  
(2) Impact on own funds resulting from the difference between fair value plus risk margin and the transitional measure applicable to technical provisions, and the book value of liabilities (net of reinsurance, deferred acquisition costs and reimbursement of amounts paid in claims)

The following table provides information on the structure, amount and quality of the basic own funds and ancillary own funds, at 31 December 2020.

Amounts in thousand euros

Own Funds Structure		Amount	Tier
Basic Own Funds	Ordinary share capital (gross of own shares)	509,264	1
	Non-available called but not paid in ordinary share capital at group level	0	
	Share premium account related to ordinary share capital	382,666	1
	Surplus funds	0	
	Non-available surplus funds at group level	0	
	Preference shares	0	
	Non-available preference shares at group level	0	
	Share premium account related to preference shares	0	
	Non-available share premium account related to preference shares at group level	0	
	Reconciliation reserve	1,547,292	1
	Subordinated liabilities	0	
	Non-available subordinated liabilities at group level	0	
	An amount equal to the value of net deferred tax assets	0	
	An amount equal to the value of net deferred tax assets not available at group level	0	
	Other items approved by the supervisory authority as basic own funds not specified above	314,977	1
	Non-available own funds related to other own funds items approved by supervisory authority	0	
	Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	0	
	<b>Excess Assets over Liabilities (deducting own shares)</b>	<b>2,754,199</b>	
	Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities, whereof deducted according to art 228 of Directive 2009/138/EC	1,765	1
	Deductions for participations where there is non-availability of information (Article 229)	0	
Deduction for participations included by using D&A when a combination of methods is used	0		
<b>Total basic own funds</b>	<b>2,752,434</b>		



Amounts in thousand euros

Own Funds - Structure		Amount	Tier
Ancillary own funds	Unpaid and uncalled ordinary share capital callable on demand	0	
	Unpaid and uncalled preference shares callable on demand	0	
	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0	
	Letters of credit and guarantees under Article 96(2) of Directive 2009/138/EC	0	
	Letters of credit and guarantees other than under Article 96(2) of Directive 2009/138/EC	0	
	Non-available ancillary own funds at group level	0	
	Other ancillary own funds	0	
	<b>Total ancillary own funds</b>	<b>0</b>	
<b>Total own funds</b>		<b>2,752,434</b>	
Minority interests at group level (if not reported as part of another own fund item)		0	
Non-available minority interests at group level		-8,265	1
<b>Total eligible own funds without financial sector</b>		<b>2,744,169</b>	
Own funds from other financial sectors		925	1
<b>Total eligible own funds with financial sector</b>		<b>2,745,094</b>	

The table below shows the amounts of own funds available and eligible to meet the solvency capital requirement (SCR) and the minimum capital requirement (MCR), classified by tier, relating to 31 December 2020:

Amounts in thousand euros

	Eligible own funds to meet		
	SCR		MCR
	with financial sector	without financial sector	
<b>Tier 1</b>	2,745,095	2,744,169	2,744,169
<b>Tier 2</b>	0	0	0
<b>Tier 3</b>	0	0	0
<b>Total</b>	<b>2,745,095</b>	<b>2,744,169</b>	<b>2,744,169</b>

### E.1.3. Restrictions to the transferability and fungibility of the own funds in the subsidiaries

No restrictions were identified which affect the availability and transferability of the own funds of the subsidiaries, and which might affect the group's Solvency position.

## E.2. Solvency capital requirement and minimum capital requirement

To calculate the solvency capital requirement, the group applies the standard formula set out in Articles 119 to 129 of the Legal Framework on the Taking-up and Pursuit of the Business of Insurance and Reinsurance, approved by Law No. 147/2015, of 9 September, and does not use simplified calculations or specific parameters.

Calculation of the minimum capital requirement is in line with that set out in Article 147 of the aforementioned Legal Framework.

Information is presented below on the solvency capital requirement (SCR) and the minimum capital requirement (MCR) and also the respective coverage ratio, at 31 December 2020:

Amounts in thousand euros

	Capital Requirements	Coverage Ratio
<b>SCR</b>	1,909,812	143.74%
<b>SCR without financial sector</b>	1,909,812	143.69%
<b>MCR</b>	647,026	424.12%

The table below provides a breakdown of the SCR by risk modules, with reference to 31 December 2020, focusing, in particular, on the breakdown of the BSCR and the adjustments for the loss-absorbing capacity of the technical provisions and of deferred taxes.

Amounts in thousand euros

	SCR Breakdown
Market risk	1,600,495
Counterparty default risk	280,169
Life underwriting risk	406,427
Health underwriting risk	267,930
Non-Life underwriting risk	275,676
Diversification	-790,192
Intangible assets risk	0
<b>Basic Solvency Capital Requirement</b>	<b>2,040,506</b>
Operational risk	105,413
Loss-absorbing capacity of technical provisions	-2,230
Loss-absorbing capacity of deferred taxes	-253,525
<b>Solvency capital requirement for companies using the consolidated method</b>	<b>1,890,164</b>
Capital requirement for other financial sectors (capital requirements not linked to the insurance sector)	788
Capital requirement for residual undertakings	18,860
<b>Consolidated Group Solvency Capital Requirement</b>	<b>1,909,812</b>

Information on the main changes to the solvency capital requirement in the period covered by this report, and the reasons for those changes, are included in Chapter C.

### E.3. Use of the duration-based equity risk sub-module in the calculation of the solvency capital requirement

Fidelidade Consolidated does not use the duration-based equity risk sub-module, set out in Article 125(5) of the Legal Framework on the Taking-up and Pursuit of the Business of Insurance and Reinsurance, approved by Law No. 147/2015, of 9 September.

### E.4. Differences between the standard formula and any internal model used

As previously stated, Fidelidade Consolidated uses the standard formula, and does not apply any internal model.

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## E.5. Non-compliance with the minimum capital requirement and non-compliance with the solvency capital requirement

There was no failure to comply with the minimum capital requirement or the solvency capital requirement during the period covered by this report.

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## E.6. Any other information

### E.6.1. Transitional measure on equity risk

The group applied the transitional regime applicable to the equity risk set out in Article 20(2) and (3) of Law No. 147/2015, of 9 September.

### E.6.2. Futures, forwards and swaps contracts

Calculation of capital requirements of the currency risk sub-module includes the effect of hedging of exchange rate exposure of assets held in portfolio denominated in American dollars (USD), Hong Kong dollars (HKD) and Pounds sterling (GBP), via the use of futures and foreign exchange forwards and swaps, and of assets denominated in Yen (JPY), via the use of foreign exchange forwards.

The counterparty default risk module also takes into account exposure to counterparties with which the above-mentioned hedging is performed.

### E.6.3. Solvency capital requirement and own funds of the group's insurance and reinsurance undertakings

The following tables present the solvency capital requirement of each of the group's insurance and reinsurance undertakings included in the Fidelidade Consolidated solvency calculation:

## a) EEA Insurance Undertakings

Amounts in thousand euros

Legal name of undertaking	SCR Market risk	SCR Counterparty default risk	SCR Underwriting risk - life	SCR Underwriting risk - health	SCR Underwriting risk – non-life	SCR Operational risk	Individual SCR	Individual MCR	Individual Own Funds Eligible for SCR coverage
Fidelidade - Companhia de Seguros, S.A.	1,366,805	212,663	376,265	187,170	216,887	79,050	1,528,650	439,136	2,906,159
Comp Portuguesa Resseguros, S.A.	558	561	0	124	343	90	1,134	3,600	13,766
Fidelidade Assistência - Companhia de Seguros, S.A.	2,755	3,573	0	0	12,495	1,583	16,527	5,428	49,885
Via Directa - Companhia de Seguros, S.A.	3,104	2,861	0	27	15,059	1,715	18,318	8,243	29,652
Multicare - Seguros Saúde, S.A.	4,320	13,463	0	61,666	0	9,998	74,604	19,161	114,548

## b) Insurance and reinsurance undertakings outside the EEA (using Solvency II rules)

Amounts in thousand euros

Legal name of undertaking	Local capital requirement	Minimum local capital requirement	Eligible own funds in line with local rules
FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	18,436	8,183	16,303
FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	8,115	3,700	29,989
Positiva Seguros y Reaseguros S.A.A	69,310	20,383	90,071
LA POSITIVA VIDA SEGUROS Y REASEGUROS, S.A.A.	320,815	80,204	-222,034
Alianza Vida Seguros y Reaseguros S.A.	11,320	7,400	3,630
Alianza Compania de Seguros y Reaseguros E.M.A. S.A.	30,429	7,607	32,234
Alianza Garantia	17,475	8,066	2,629
La Positiva S.A. - Entidad Prestadora de Salud	5,097	3,700	1,740
FID CHILE SEGUROS GENERALES, S.A.	7,353	3,700	5,618
Fidelidade Macau Vida	72,788	18,197	18,782
GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	8,001	7,400	13,523

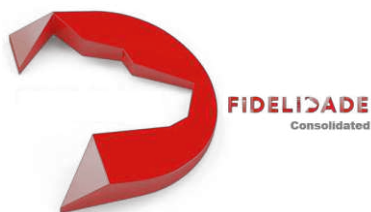
## c) Other regulated and non-regulated financial undertakings including insurance holding companies and mixed financial holding companies

Amounts in thousand euros

Legal name of undertaking	Local capital requirement	Minimum local capital requirement	Eligible own funds in line with local rules
Fidelidade - Sociedade Gestora de Org. de Investimento Imobiliari	227	125	334
Tenax Capital Ltd	749	0	788

## E.6.4. Effects of group diversification

Of the entities within the group's consolidation perimeter, Fidelidade business has a very substantial weight, when compared with the other entities.



Accordingly, the effect of diversification resulting from the consolidation of the business of the group's insurance and reinsurance undertakings is not significant, as can be seen in the following table.

	Amounts in thousand euros
	<b>SCR</b>
Fidelidade - Companhia de Seguros, S.A.	1,528,650
Fidelidade Assistência - Companhia de Seguros, S.A.	16,527
Multicare - Seguros de Saúde, S.A.	74,604
Via Directa - Companhia de Seguros, S.A.	18,318
Companhia Portuguesa de Resseguro, S.A.	1,134
Fidelidade Angola - Companhia de Seguros, S.A.	18,436
Garantia - Companhia de Seguros de Cabo Verde, S.A.	8,001
Fidelidade Macau - Companhia de Seguros, S.A.	8,115
Fidelidade Macau Vida - Companhia de Seguros, S.A.	72,788
Fidelidade Chile	7,353
Alianza Compania de Seguros y Reaseguros E.M.A. S.A.	30,429
Alianza Garantia Seguros Y Reaseguros S.A.	17,475
Alianza Vida Seguros y Reaseguros S.A.	11,320
La Positiva S.A. - Entidad Prestadora de Salud	5,097
La Positiva Vida Seguros Y Reaseguros S.A.	320,815
Positiva Seguros y Reaseguros	69,310
<b>Total</b>	<b>2,208,372</b>
Adjustment in Fidelidade participations	-56,135
<b>Total</b>	<b>2,152,237</b>
Group diversification effects	-242,425
<b>Group SCR</b>	<b>1,909,812</b>



#### E.6.5. Minimum consolidated group solvency capital requirement

The minimum consolidated group solvency capital requirement corresponds to the sum of the following items:

Amounts in thousand euros

Insurance undertakings	MCR	Proportional part
Fidelidade - Companhia de Seguros, S.A.	439,136	100%
Companhia Portuguesa de Resseguro, S.A.	3,600	100%
Fidelidade Assistência - Companhia de Seguros, S.A.	5,428	100%
Via Directa - Companhia de Seguros, S.A.	8,243	100%
Multicare - Seguros de Saúde, S.A.	19,161	100%
Fidelidade Angola - Companhia de Seguros, S.A.	7,400	100%
Garantia - Companhia de Seguros de Cabo Verde, S.A.	7,400	100%
Fidelidade Macau - Companhia de Seguros, S.A.	3,700	100%
La Positiva Seguros Y Reaseguros	20,383	100%
La Positiva Vida Seguros Y Reaseguros	80,204	100%
Alianza Vida Seguros Y Reaseguros	7,400	100%
Alianza Compañía Seguros Y Reaseguros	7,607	100%
Alianza Garantia	8,066	100%
LaPositiva EPS	3,700	100%
FID CHILE	3,700	100%
Fidelidade Macau Vida- Companhia de Seguros, S.A.	21,898	100%
<b>Minimum consolidated group solvency capital requirement</b>	<b>647,026</b>	

#### E.6.6. Optional additional information

Since the outbreak of the Coronavirus Disease 2019 ("COVID-19"), which appeared in January 2020, the prevention and control of COVID-19 has been taking place on a global scale and throughout the country. The Company has implemented and will continue to strictly implement the requirements and guidelines of the General Directorate of Health and all indications of the state and regulatory authorities and will increase its support for the prevention and control of epidemics.

COVID-19 has had economic impacts at the national and global level and there have been significant losses in the global markets that have affected the quality of or the income from the Company's credit assets and investment assets.

However, as a result of the strong recovery of the markets, particularly at the end of the third quarter and in the fourth quarter of 2020, those losses have been fully recovered. Future impacts will depend on the evolution of the measures to prevent the epidemic, its duration and the implementation of any regulatory policies.

The full impact of the pandemic situation is still being assessed and will depend on its future evolution. Nevertheless, it has been shown that even during the worst periods in the global markets the Company maintained Eligible Own Funds comfortably above the Solvency Capital Requirement. Notwithstanding, the Company will continue to pay close attention to the COVID-19 situation and will assess and actively respond to its impacts on the solvency ratio.

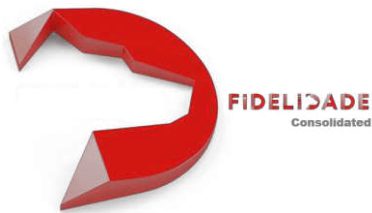
# Annexes



Annex – Quantitative Information\*

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\* Amounts in thousand euros



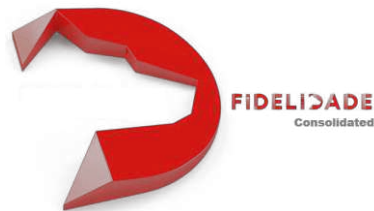
Annex I  
S.02.01.02  
Balance sheet

		Solvency II Value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	0
Deferred tax assets	R0040	354,387
Pension benefit surplus	R0050	6,914
Property, plant & equipment held for own use	R0060	149,921
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	16,122,478
Property (other than for own use)	R0080	228,575
Holdings in related undertakings, including participations	R0090	2,396,075
Equities	R0100	623,108
Equities - listed	R0110	593,471
Equities - unlisted	R0120	29,637
Bonds	R0130	11,088,900
Government Bonds	R0140	4,517,017
Corporate Bonds	R0150	6,359,901
Structured notes	R0160	211,981
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	1,291,281
Derivatives	R0190	34,763
Deposits other than cash equivalents	R0200	459,776
Other investments	R0210	0
Assets held for index-linked and unit-linked contracts	R0220	523,766
Loans and mortgages	R0230	1,229
Loans on policies	R0240	1,229
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	0
Reinsurance recoverables from:	R0270	315,391
Non-life and health similar to non-life	R0280	244,637
Non-life excluding health	R0290	218,764
Health similar to non-life	R0300	25,873
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	70,754
Health similar to life	R0320	0
Life excluding health and index-linked and unit-linked	R0330	70,754
Life index-linked and unit-linked	R0340	0
Deposits to cedants	R0350	137
Insurance and intermediaries receivables	R0360	273,491
Reinsurance receivables	R0370	19,788
Receivables (trade, not insurance)	R0380	125,727
Own shares (held directly)	R0390	149
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0
Cash and cash equivalents	R0410	381,028
Any other assets, not elsewhere shown	R0420	24,466
<b>Total assets</b>	<b>R0500</b>	<b>18,298,873</b>



Annex I  
S.02.01.02  
Balance sheet  
(Cont.)

		Solvency II Value
		C0010
Liabilities		
Technical provisions - non-life	R0510	1,288,366
Technical provisions - non-life (excluding health)	R0520	974,891
Technical provisions calculated as a whole	R0530	0
Best Estimate	R0540	940,818
Risk margin	R0550	34,073
Technical provisions - health (similar to non-life)	R0560	313,475
Technical provisions calculated as a whole	R0570	0
Best Estimate	R0580	294,332
Risk margin	R0590	19,143
Technical provisions - life (excluding index-linked and unit-linked)	R0600	12,346,821
Technical provisions - health (similar to life)	R0610	1,240,097
Technical provisions calculated as a whole	R0620	0
Best Estimate	R0630	1,112,106
Risk margin	R0640	127,991
Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	11,106,724
Technical provisions calculated as a whole	R0660	0
Best Estimate	R0670	10,822,130
Risk margin	R0680	284,594
Technical provisions - index-linked and unit-linked	R0690	502,730
Technical provisions calculated as a whole	R0700	521,340
Best Estimate	R0710	-26,321
Risk margin	R0720	7,711
Other technical provisions	R0730	0
Contingent liabilities	R0740	0
Provisions other than technical provisions	R0750	58,514
Pension benefit obligations	R0760	341
Deposits from reinsurers	R0770	36,295
Deferred tax liabilities	R0780	414,672
Derivatives	R0790	44,461
Debts owed to credit institutions	R0800	40,896
Financial liabilities other than debts owed to credit institutions	R0810	109,460
Insurance & intermediaries payables	R0820	98,662
Reinsurance payables	R0830	183,471
Payables (trade, not insurance)	R0840	259,031
Subordinated liabilities	R0850	0
Subordinated liabilities not in Basic Own Funds	R0860	0
Subordinated liabilities in Basic Own Funds	R0870	0
Any other liabilities, not elsewhere shown	R0880	160,804
<b>Total liabilities</b>	<b>R0900</b>	<b>15,544,524</b>
<b>Excess of assets over liabilities</b>	<b>R1000</b>	<b>2,754,348</b>



Annex I  
S.05.01.02  
Premiums, claims and expenses by line of business

	Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of Business for: accepted non-proportional reinsurance				Total	
	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property		
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200	
<b>Premiums written</b>																		
Gross - Direct Business	R0110	434,812	40,715	291,544	378,901	280,472	39,776	425,951	88,472	38,614	6,227	50,005	46,202					2,121,692
Gross - Proportional reinsurance accepted	R0120	446	645	94	125	129	44	6,501	1,899	66	1	227	125					10,303
Gross - Non-proportional reinsurance accepted	R0130												0	0	0	0		0
Reinsurers' share	R0140	12,311	15,084	2,520	12,991	12,013	24,171	214,434	47,486	29,700	3	342	19,755	0	0	0	0	390,812
Net	R0200	422,947	26,275	289,118	366,035	268,588	15,649	218,018	42,885	8,981	6,225	49,890	26,572	0	0	0	0	1,741,183
<b>Premiums earned</b>																		
Gross - Direct Business	R0210	425,636	40,236	333,280	375,991	272,993	38,573	411,454	87,718	35,913	6,046	49,192	36,970					2,114,003
Gross - Proportional reinsurance accepted	R0220	-1,307	645	177	107	129	67	7,251	1,674	464	2	231	66					9,506
Gross - Non-proportional reinsurance accepted	R0230												0	0	0	0		0
Reinsurers' share	R0240	9,130	13,786	2,520	12,971	5,986	23,440	197,051	48,169	27,523	4	343	12,645	0	0	0	0	353,566
Net	R0300	415,199	27,096	330,936	363,127	267,137	15,200	221,655	41,223	8,854	6,045	49,081	24,391	0	0	0	0	1,769,944
<b>Claims incurred</b>																		
Gross - Direct Business	R0310	281,442	11,461	131,838	244,464	101,366	7,490	133,215	29,382	1,743	-241	39,920	17,806					999,885
Gross - Proportional reinsurance accepted	R0320	314	137	12,708	225	-385	-80	820	-647	0	97	-13,567	33					-346
Gross - Non-proportional reinsurance accepted	R0330												0	0	0	0		0
Reinsurers' share	R0340	6,118	2,501	2,018	9,074	9,479	2,338	46,657	14,195	1,243	0	-26	8,043	0	0	0	0	101,642
Net	R0400	275,638	9,096	142,527	235,614	91,502	5,071	87,378	14,540	500	-143	26,379	9,795	0	0	0	0	897,897
<b>Changes in other technical provisions</b>																		
Gross - Direct Business	R0410	-4,221	732	-84	233	562	22	2,106	10,156	-1	252	-958	441					9,242
Gross - Proportional reinsurance accepted	R0420			0	-76	-7	0	13	48		-1,844	54	0					6,802
Gross - Non-proportional reinsurance accepted	R0430												0	0	0	0		0
Reinsurers' share	R0440	0	0	0	0	0	0	0	8,417	0	0	-1	0	0	0	0	0	8,416
Net	R0500	4,393	732	-84	157	556	22	2,119	1,787	-2	-1,592	-902	441	0	0	0	0	7,627
Expenses incurred	R0550	97,786	20,407	78,487	136,902	111,428	8,590	118,698	26,224	4,565	4,799	22,454	13,693	0	0	0	0	644,033
Other expenses	R1200																	247,318
Total expenses	R1300																	891,351

Annex I  
S.05.01.02  
Premiums, claims and expenses by line of business  
(Cont.)

	Line of Business for: life insurance obligations						Life reinsurance obligations		Total
	Health insurance	insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
<b>Premiums written</b>									
Gross	R1410	0	85,816	385,376	952,392	0	0	1,669	1,425,253
Reinsurers' share	R1420	0	1,049	92,407	0	0	0	0	93,456
Net	R1500	0	84,766	385,376	859,985	0	0	1,669	1,331,796
<b>Premiums earned</b>									
Gross	R1510	0	85,879	385,376	953,567	0	0	1,638	1,426,460
Reinsurers' share	R1520	0	1,055	0	93,268	0	0	0	94,323
Net	R1600	0	84,823	385,376	860,300	0	0	1,638	1,332,137
<b>Claims incurred</b>									
Gross	R1610	0	256,567	-1,756	1,777,163	105,176	0	1,172	2,138,321
Reinsurers' share	R1620	0	-30	0	93,484	0	0	0	93,454
Net	R1700	0	256,597	-1,756	1,683,679	105,176	0	1,172	2,044,867
<b>Changes in other technical provisions</b>									
Gross	R1710	0	-152,833	0	31,894	0	0	0	-120,939
Reinsurers' share	R1720	0	-23	0	6,344	0	0	-84	6,237
Net	R1800	0	-152,810	0	25,550	0	0	84	-127,176
Expenses incurred	R1900	0	25,621	4,169	158,296	1,917	0	2	190,005
Other expenses	R2500								133
<b>Total expenses</b>	<b>R2600</b>								<b>190,138</b>

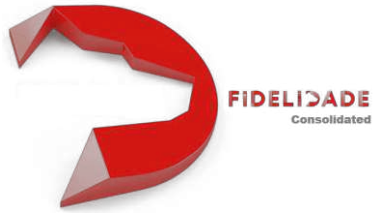
Annex I  
S.05.02.01  
Premiums, claims and expenses by country

	Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country	
	C0010	AO	BO	FR	MO	PE	C0070	
	R0010	C0080					C0140	
<b>Premiums written</b>								
Gross - Direct Business	R0110	1,523,460	42,259	82,574	52,551	0	326,489	2,059,171
Gross - Proportional reinsurance accepted	R0120	2,451	446	6,918	0	0	0	9,815
Gross - Non-proportional reinsurance accepted	R0130	0	0	0	0	0	0	0
Reinsurers' share	R0140	141,575	12,871	43,512	35,068	0	112,885	362,690
Net	R0200	1,384,336	29,835	45,980	17,482	0	213,604	1,706,296
<b>Premiums earned</b>								
Gross - Direct Business	R0210	1,511,598	39,704	90,256	51,181	0	343,936	2,052,439
Gross - Proportional reinsurance accepted	R0220	1,014	541	6,918	0	0	0	8,473
Gross - Non-proportional reinsurance accepted	R0230	0	0	0	0	0	0	0
Reinsurers' share	R0240	134,032	12,451	43,987	33,396	0	101,017	325,973
Net	R0300	1,378,581	27,794	53,187	17,786	0	242,919	1,734,938
<b>Claims incurred</b>								
Gross - Direct Business	R0310	765,217	13,532	37,737	26,283	0	128,212	975,755
Gross - Proportional reinsurance accepted	R0320	-2,995	289	1,857	0	0	325	-523
Gross - Non-proportional reinsurance accepted	R0330	0	0	0	0	0	0	0
Reinsurers' share	R0340	32,907	480	13,887	15,455	0	25,970	91,833
Net	R0400	729,315	13,342	25,707	10,828	0	102,568	883,399
<b>Changes in other technical provisions</b>								
Gross - Direct Business	R0410	-2,082	0	0	9,212	0	930	8,335
Gross - Proportional reinsurance accepted	R0420	6,839	0	0	0	0	0	6,839
Gross - Non- proportional reinsurance accepted	R0430	0	0	0	0	0	0	0
Reinsurers' share	R0440	0	0	0	8,417	0	0	8,417
Net	R0500	4,757	0	0	795	0	930	6,757
<b>Expenses incurred</b>	R0550	468,735	14,300	19,990	7,269	0	111,348	627,657
<b>Other expenses</b>	R1200							0
<b>Total expenses</b>	R1300							468,735

Annex I  
 S.05.02.01  
 Premiums, claims and expenses by country

(Cont.)

	Home Country	Top 5 countries (by amount of gross premiums written) - life obligations					Total Top 5 and home country	
	R1400	BO	FR	MO	PE	ES	C0210	
							C0280	
<b>Premiums written</b>								
Gross	R1410	1,169,257	39,739	32,402	27,935	147,592	4,391	1,421,315
Reinsurers' share	R1420	19,731	26,333	2,466	184	42,813	1,118	92,644
Net	R1500	1,149,526	13,406	29,936	27,751	104,779	3,273	1,328,671
<b>Premiums earned</b>								
Gross	R1510	1,168,930	41,340	32,402	27,935	147,593	4,391	1,422,592
Reinsurers' share	R1520	19,704	27,356	2,466	184	42,813	1,118	93,641
Net	R1600	1,149,227	13,984	29,936	27,751	104,780	3,273	1,328,950
<b>Claims incurred</b>								
Gross	R1610	1,789,992	31,480	23,329	9,692	206,290	74,060	2,134,843
Reinsurers' share	R1620	3,869	25,706	2,459	0	60,460	559	93,052
Net	R1700	1,786,123	5,774	20,870	9,692	145,830	73,501	2,041,790
<b>Changes in other technical provisions</b>								
Gross	R1710	-119,961	870	10,106	24,156	-33,068	-1,803	-119,698
Reinsurers' share	R1720	6,020	442	-153	28	-10	-13	6,315
Net	R1800	-125,981	428	10,259	24,128	-33,058	-1,790	-126,013
<b>Expenses incurred</b>	R1900	111,905	12,852	6,931	2,254	49,819	4,661	188,421
<b>Other expenses</b>	R2500							99
<b>Total expenses</b>	R2600							188,520



Annex I  
S.22.01.22  
Impact of long term guarantees and transitional measures

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero	
		C0010	C0030	C0050	C0070	C0090	
Technical provisions	R0010	14,137,917	541,653	0	0	0	0
Basic own funds	R0020	2,744,169	-370,858	0	0	0	0
Eligible own funds to meet Solvency Capital Requirement	R0050	2,745,095	-370,858	0	0	0	0
Solvency Capital Requirement	R0090	1,909,812	116,035	0	0	0	0

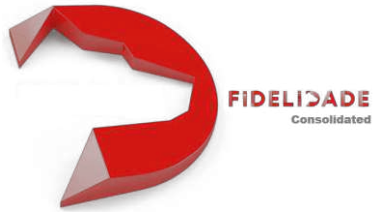


Annex I  
S.23.01.22  
Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
<b>Basic own funds before deduction for participations in other financial sector</b>						
Ordinary share capital (gross of own shares)	R0010	509,264	509,264	0	0	0
Non-available called but not paid in ordinary share capital at group level	R0020	0	0	0	0	0
Share premium account related to ordinary share capital	R0030	382,666	382,666	0	0	0
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0	0	0	0	0
Subordinated mutual member accounts	R0050	0	0	0	0	0
Non-available subordinated mutual member accounts at group level	R0060	0	0	0	0	0
Surplus funds	R0070	0	0	0	0	0
Non-available surplus funds at group level	R0080	0	0	0	0	0
Preference shares	R0090	0	0	0	0	0
Non-available preference shares at group level	R0100	0	0	0	0	0
Share premium account related to preference shares	R0110	0	0	0	0	0
Non-available share premium account related to preference shares at group level	R0120	0	0	0	0	0
Reconciliation reserve	R0130	1,547,292	1,547,292	0	0	0
Subordinated liabilities	R0140	0	0	0	0	0
Non-available subordinated liabilities at group level	R0150	0	0	0	0	0
An amount equal to the value of net deferred tax assets	R0160	0	0	0	0	0
The amount equal to the value of net deferred tax assets not available at the group level	R0170	0	0	0	0	0
Other items approved by supervisory authority as basic own funds not specified above	R0180	314,977	314,977	0	0	0
Non available own funds related to other own funds items approved by supervisory authority	R0190	0	0	0	0	0
Minority interests (if not reported as part of a specific own fund item)	R0200	0	0	0	0	0
Non-available minority interests at group level	R0210	8,265	8,265	0	0	0
<b>Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds</b>						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	0	0	0	0	0
<b>Deductions</b>						
Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	R0230	1,765	1,765	0	0	0
whereof deducted according to art 228 of the Directive 2009/138/EC	R0240	0	0	0	0	0
Deductions for participations where there is non-availability of information (Article 229)	R0250	0	0	0	0	0
Deduction for participations included by using D&A when a combination of methods is used	R0260	0	0	0	0	0
Total of non-available own fund items	R0270	8,265	8,265	0	0	0
<b>Total deductions</b>	<b>R0280</b>	<b>10,030</b>	<b>10,030</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total basic own funds after deductions</b>	<b>R0290</b>	<b>2,744,169</b>	<b>2,744,169</b>	<b>0</b>	<b>0</b>	<b>0</b>

Annex I  
S.23.01.22  
Own funds  
(Cont.)

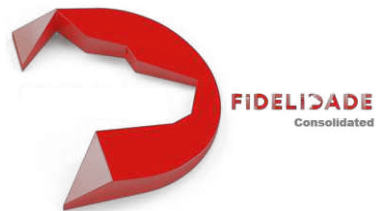
Unpaid and uncalled ordinary share capital callable on demand	R0300	0	0	0	0	0
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0	0	0	0	0
Unpaid and uncalled preference shares callable on demand	R0320	0	0	0	0	0
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0	0	0	0	0
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0	0	0	0	0
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0	0	0	0	0
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0	0	0	0	0
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0	0	0	0	0
Non available ancillary own funds at group level	R0380	0	0	0	0	0
Other ancillary own funds	R0390	0	0	0	0	0
<b>Total ancillary own funds</b>	<b>R0400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Own funds of other financial sectors</b>						
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies - total	R0410	925	925	0	0	0
Institutions for occupational retirement provision	R0420	0	0	0	0	0
Non regulated entities carrying out financial activities	R0430	0	0	0	0	0
Total own funds of other financial sectors	R0440	925	925	0	0	0
<b>Own funds when using the D&amp;A, exclusively or in combination of method 1</b>						
Own funds aggregated when using the D&A and combination of method	R0450	0	0	0	0	0
Own funds aggregated when using the D&A and a combination of method net of IGT	R0460	0	0	0	0	0
		0	0	0	0	0
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0520	2,744,169	2,744,169	0	0	0
Total available own funds to meet the minimum consolidated group SCR	R0530	2,744,169	2,744,169	0	0	0
Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0560	2,744,169	2,744,169	0	0	0
Total eligible own funds to meet the minimum consolidated group SCR	R0570	2,744,169	2,744,169	0	0	0
<b>Minimum consolidated Group SCR</b>	<b>R0610</b>	<b>647,026</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ratio of Eligible own funds to Minimum Consolidated Group SCR</b>	<b>R0650</b>	<b>424.12%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&amp;A)</b>	<b>R0660</b>	<b>2,745,095</b>	<b>2,745,095</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Group SCR</b>	<b>R0680</b>	<b>1,909,812</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&amp;A</b>	<b>R0690</b>	<b>143.74%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



Annex I  
S.23.01.22  
Own funds  
(Cont.)

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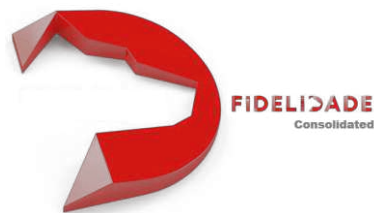
Reconciliation reserve		
Excess of assets over liabilities	R0700	2,754,348
Own shares (included as assets on the balance sheet)	R0710	149
Forseeable dividends, distributions and charges	R0720	0
Other basic own fund items	R0730	1,206,907
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	0
Other non available own funds	R0750	0
<b>Reconciliation reserve before deduction for participations in other financial sector</b>	<b>R0760</b>	<b>1,547,292</b>
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	572,244
Expected profits included in future premiums (EPIFP) - Non- life business	R0780	0
<b>Total EPIFP</b>	<b>R0790</b>	<b>572,244</b>



S.25.01.22

Solvency Capital Requirement - for groups on Standard Formula

		Gross solvency capital requirement		USP		Simplifications	
			C0110	C0090	C0120		
Market risk	R0010		1,600,495	0		0	
Counterparty default risk	R0020		280,169	0		0	
Life underwriting risk	R0030		406,427	0		0	
Health underwriting risk	R0040		267,930	0		0	
Non-life underwriting risk	R0050		275,676	0		0	
Diversification	R0060		-790,192	0		0	
Intangible asset risk	R0070		0	0		0	
<b>Basic Solvency Capital Requirement</b>	<b>R0100</b>		<b>2,040,506</b>	<b>0</b>		<b>0</b>	
<b>Calculation of Solvency Capital Requirement</b>	<b>0</b>	<b>C0100</b>					
Operational risk	R0130		105,413				
Loss-absorbing capacity of technical provisions	R0140		-2,230				
Loss-absorbing capacity of deferred taxes	R0150		-253,525				
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160		0				
<b>Solvency capital requirement excluding capital add-on</b>	<b>R0200</b>		<b>1,890,164</b>				
Capital add-on already set	R0210		0				
<b>Solvency capital requirement</b>	<b>R0220</b>		<b>1,909,812</b>				
<b>Other information on SCR</b>	<b>0</b>		<b>0</b>				
Capital requirement for duration-based equity risk sub-module	R0400		0				
Total amount of Notional Solvency Capital Requirements for remaining part	R0410		0				
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420		0				
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430		0				
Diversification effects due to RFF nSCR aggregation for article 304	R0440		0				
Minimum consolidated group solvency capital requirement	R0470		647,026				
<b>Information on other entities</b>	<b>0</b>		<b>0</b>				
Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500		788				
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510		788				
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	R0520		0				
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated entities carrying out financial activities	R0530		0				
Capital requirement for non-controlled participation requirements	R0540		0				
Capital requirement for residual undertakings	R0550		18,860				
<b>Overall SCR</b>	<b>0</b>		<b>0</b>				
SCR for undertakings included via D and A	R0560		0				
<b>Solvency capital requirement</b>	<b>R0570</b>		<b>1,909,812</b>				



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Undertakings in the scope of the group

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	Criteria of influence							Inclusion in the scope of group supervision		Group solvency calculation
								% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking	
C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260	
PT	LEI/529900FNL8ZOPUOT704	LEI	Fidelidade - Companhia de Seguros, S. A.	4	SA	2	ASF	0.00%	0.00%	0.00%	0	2	0.00%	1	0	1	
PT	LEI/9598005TTT45GTVTB854	LEI	COMPANHIA PORTUGUESA DE RESSEGUROS, S.A.	3	SA	2	ASF	100.00%	100.00%	100.00%	0	1	100.00%	1	0	1	
PT	LEI/959800J9FJW7L435TD92	LEI	FIDELIDADE ASSISTENCIA - COMPANHIA DE SEGUROS, S.A.	2	SA	2	ASF	100.00%	100.00%	100.00%	0	1	100.00%	1	0	1	
PT	LEI/959800XGKSDYTU6HVV17	LEI	VIA DIRECTA - COMPANHIA DE SEGUROS, S.A.	2	SA	2	ASF	100.00%	100.00%	100.00%	0	1	100.00%	1	0	1	
PT	LEI/95980038LJ194K38XP93	LEI	MULTICARE - SEGUROS DE SAUDE, S.A.	2	SA	2	ASF	100.00%	100.00%	100.00%	0	1	100.00%	1	0	1	
PT	SC/1002	SC	FIDELIDADE - PROPERTY EUROPE, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	3	
PT	SC/1003	SC	GEP - GESTAO DE PERITAGENS, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	1	
PT	SC/1004	SC	EAPS - EMPRESA DE ANALISE, PREVENCAO E SEGURANCA, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	1	
PT	SC/1006	SC	Fundo Saudeinveste	99	0	2	0	99.09%	100.00%	99.09%	0	1	100.00%	0	0	3	
PT	SC/1007	SC	Audatex Portugal S.A.	10	SA	2	0	34.78%	34.78%	34.78%	0	2	34.78%	0	0	3	
PT	SC/1040	SC	CETRA - CENTRO TECNICO DE REPARACAO AUTOMOVEL, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	1	
PT	SC/1053	SC	FIIF IMOFID	99	0	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	3	
PT	SC/1060	SC	FIDELIDADE - SERVICOS DE ASSISTENCIA, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	1	
PT	SC/1061	SC	CARES MULTIASSISTANCE, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	1	
AO	SC/1072	SC	FIDELIDADE ANGOLA - COMPANHIA DE SEGUROS, S.A.	4	SA	2	ARSEG	70.03%	100.00%	70.03%	0	1	100.00%	0	0	1	
DE	SC/1073	SC	FCM Beteiligungs GmbH	99	0	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	3	
PT	SC/1075	SC	Luz Saude	99	0	2	0	50.85%	100.00%	50.85%	0	1	100.00%	0	0	3	
PT	SC/1096	SC	FIDELIDADE - PROPERTY INTERNATIONAL, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	3	
HK	SC/1100	SC	FID III (HK) LIMITED	99	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	3	
RU	SC/1101	SC	FPI (UK) 1 LIMITED	10	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	3	
AU	SC/1103	SC	FPI (AU) 1 PTY LIMITED	10	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	3	
IT	SC/1113	SC	FPE (IT) Societa per Azioni	10	SA	2	0	95.76%	100.00%	95.76%	0	1	100.00%	0	0	3	
MZ	SC/1114	SC	FIDELIDADE - CONSULTORIA E GESTAO DE RISCO, LIMITADA	10	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	1	
MZ	SC/1115	SC	FIDELIDADE - ASSISTENCIA E SERVICOS, LIMITADA	10	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	1	
MO	SC/1116	SC	FIDELIDADE MACAU - COMPANHIA DE SEGUROS, S.A.	2	SA	2	AMM	100.00%	100.00%	100.00%	0	1	100.00%	0	0	1	
LU	SC/1124	SC	FPE (Lux) Holding S.a r.l.	10	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%	0	0	3	
LU	SC/1125	SC	Thomas More Square (Lux) Sarl	10	LLC	2	0	99.30%	100.00%	99.30%	0	1	100.00%	0	0	3	

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Undertakings in the scope of the group  
(Cont.)

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	Criteria of influence						Inclusion in the scope of group supervision		Group solvency calculation
								% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
LU	SC/1126	SC	Thomas More Square (Lux) Holdings Sarl	10	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
JP	SC/1128	SC	Godo Kaisha Praia	10	0	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
JP	SC/1129	SC	Godo Kaisha Moana	10	0	2	0	97.00%	100.00%	97.00%	0	1	100.00%		0	3
IT	SC/1130	SC	Fundo Broggi	99	0	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
PT	SC/1131	SC	Fidelidade - Sociedade Gestora de Org. de Investimento Imobiliari	15	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	4
IE	SC/1134	SC	Fid Loans 1 (Ireland) Limited	99	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
IT	SC/1137	SC	Broggi Retail S.R.L.	10	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
AO	SC/1142	SC	UNIVERSAL - ASSISTENCIA E SERVICOS, LIMITADA	10	LLC	2	0	80.00%	100.00%	80.00%	0	1	100.00%		0	1
PT	SC/1143	SC	Fid Latam, SGPS S.A	5	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	1
CV	SC/1144	SC	GEP Cabo Verde, Gestao de Peritagens limitada	10	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	1
PE	LEI/894500HTWOOGHLLSF74	LEI	FID PERU S.A.	5	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	1
CL	LEI/894500RKO0QCJQUNWV10	LEI	Fid Chile SpA	5	SpA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	1
PT	SC/1152	SC	SERFUN PORTUGAL, SGPS, S.A.	10	SA	2	0	49.00%	49.00%	49.00%	0	2	49.00%		0	3
CL	SC/1153	SC	FID CHILE & MT JV SpA	5	SpA	2	0	99.28%	100.00%	99.28%	0	1	100.00%		0	1
PE	LEI/254900BKMWO80YKNK926	LEI	Positiva Seguros y Reaseguros S.A.A	2	SAA	2	SBS	91.50%	100.00%	91.50%	0	1	100.00%		0	1
BE	SC/1155	SC	FPE (BE) HOLDING S.a.r.l.	99	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
PE	LEI/254900FORTUDSQNBDB73	LEI	LA POSITIVA VIDA SEGUROS Y REASEGUROS, S.A.A.	4	SA	2	SBS	59.24%	100.00%	59.24%	0	1	100.00%		0	1
BO	SC/1166	SC	Alianza Vida Seguros y Reaseguros S.A.	4	SA	2	APS	64.96%	100.00%	64.96%	0	1	100.00%		0	1
BO	SC/1167	SC	Alianza Compania de Seguros y Reaseguros E.M.A. S.A.	2	SA	2	APS	70.08%	100.00%	70.08%	0	1	100.00%		0	1
BO	SC/1170	SC	Alianza SAFI, S.A.	99	SA	2	0	51.00%	100.00%	51.00%	0	1	100.00%		0	4
PY	SC/1171	SC	Alianza Garantia	4	0	2	0	52.02%	100.00%	52.02%	0	1	100.00%		0	1
PE	SC/1172	SC	La Positiva S.A. - Entidad Prestadora de Salud	2	SA	2	SBS	100.00%	100.00%	100.00%	0	1	100.00%		0	1
BO	SC/1173	SC	Full Assistance S.R.L.	99	SRL	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	1
BO	SC/1175	SC	Worldwide Security Corporation S.A.	99	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	1
CL	SC/1176	SC	FID CHILE SEGUROS GENERALES, S.A.	2	SA	2	CMF	100.00%	100.00%	100.00%	0	1	100.00%		0	1
PT	SC/1177	SC	FID I & D, S.A.	99	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
US	SC/1178	SC	Everest Healthcare Properties , LLC	10	LLC	2	0	44.16%	44.16%	44.16%	0	2	44.16%		0	3
PT	SC/1179	SC	FPE (PT), S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3

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Undertakings in the scope of the group  
(Cont.)

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	Criteria of influence						Inclusion in the scope of group supervision		Group solvency calculation
								% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
MO	SC/1180	SC	Fidelidade Macau Vida	1	SA	2	AMM	100.00%	100.00%	100.00%	0	1	100.00%		0	1
GB	SC/1181	SC	Tenax Capital Ltd.	15	LLC	2	0	75.00%	100.00%	75.00%	0	1	100.00%		0	4
HU	SC/1182	SC	FPE (HU) Kft	10	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
PT	SC/1183	SC	FSG Saude - Fundo de Investimento Imobiliario Fechado	99	0	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
GB	SC/1184	SC	FPE (UK) 1 LIMITED	10	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
LU	SC/1185	SC	FPE (Lux) 1	10	LLC	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
PT	SC/1186	SC	FPE (PT), SGPS, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
PT	SC/1187	SC	FPE (PT) OFFICE A, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
PT	SC/1188	SC	FPE (PT) 2 OFFICE B, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
PT	SC/1189	SC	FPE (PT) 3 RESIDENTIAL, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
PT	SC/1190	SC	FPE (PT) 4 RET, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
PT	SC/1191	SC	FPE (PT) 5 PARK, S.A.	10	SA	2	0	100.00%	100.00%	100.00%	0	1	100.00%		0	3
CV	SC/201	SC	GARANTIA - COMPANHIA DE SEGUROS DE CABO VERDE, S.A.	4	SA	2	BCV	55.89%	100.00%	55.89%	0	1	100.00%		0	1

## Annex - Responsible Actuary's Report



**FIDELIDADE CONSOLIDATED**

**REPORT OF**

**CERTIFICATION REPORT ON SOLVENCY AND FINANCIAL CONDITION AND  
INFORMATION TO BE DISCLOSED TO THE ASF FOR SUPERVISORY  
PURPOSES**

**CONDITION AT 31<sup>st</sup> DECEMBER 2020**

Lisbon, May 25, 2021

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2. Scope.....	6
3. Responsibilities .....	8
4. Opinion.....	9

## 1. Introduction

This report was produced by the Appointed Actuary certified by the Insurance and Pension Funds Supervisory Authority, aiming to provide an independent opinion on the solvency and financial condition of Fidelidade Consolidated at December 31, 2020.

The company's situation is summarised in the following tables:

### *Technical Provisions*

#### **Life**

Best Estimate (after Transitional Deduction to the Technical Provisions)	10,822,130,304
Risk Margin	284,594,020
	<b>11,106,724,324</b>

#### **Non-Life**

Best Estimate	940,817,711
Risk Margin	34,073,434
	<b>974,891,145</b>

#### **Health SLT**

Best Estimate (after Transitional Deduction to the Technical Provisions)	1,112,105,998
Risk Margin	127,990,901
	<b>1,240,096,899</b>

#### **Health NSLT**

Best Estimate	294,332,173
Risk Margin	19,142,646
	<b>313.474.819</b>

#### **Index-linked and Unit-linked**

Technical Provisions calculated as a whole	521,339,864
Best Estimate	-26,320,730
Risk Margin	7,711,142
	<b>502,730,276</b>

<b>Total Technical Provisions</b>	<b>14,137,917,463</b>
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U: Euros

*Amounts Recoverable*

<b>Life</b>	70,753,913
<b>Non-Life</b>	218,764,148
<b>Health SLT</b>	0
<b>Health NSLT</b>	25,873,273
<b>Total Amounts Recoverable</b>	<b>315,391,334</b>

U: Euros

*Future Discretionary Benefits*

<b>Future Discretionary Benefits</b>	7,914,579
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U: Euros

*Underwriting Risks*

	<b>Net Capital Requirement</b>	<b>Gross Capital Requirement</b>
Life Underwriting Risks	405,592,788	406,426,954
Non-Life Underwriting Risks	275,675,988	275,675,988
Health Underwriting Risks	267,930,200	267,930,200

Technical Provisions Loss Adjustment	-834,166
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U: Euros

Using the company's information we also concluded:

*Capital and Own Funds requirements*

Total available own funds to meet the SCR <sup>(1)</sup>	2,744,169,424
Total available own funds to meet the MCR	2,744,169,424
Total eligible own funds to meet the SCR <sup>(1)</sup>	2,744,169,424
Total eligible own funds to meet the SCR <sup>(2)</sup>	2,745,094,694
Total eligible own funds to meet the MCR	2,744,169,424
Solvency Capital Requirement (SCR) <sup>(1)</sup>	1,909,812,148
Solvency Capital Requirement (SCR) <sup>(2)</sup>	1,909,812,148
Minimum Capital Requirement (MCR)	647,025,911
Ratio of eligible own funds to SCR <sup>(1)</sup>	144%
Ratio of eligible own funds to SCR <sup>(2)</sup>	144%
Ratio of eligible own funds to MCR	424%

U: Euros

<sup>(1)</sup> *Excluding own funds from another financial sector and from companies included in D&A*

<sup>(2)</sup> *Including own funds from another financial sector and from companies included in D&A*

## 2. Scope

This report is the certification of the solvency and financial condition report and the information to be disclosed to the ASF for supervisory purposes, set out in regulatory Standard No.2/2017-R, of 24th March.

This report has been produced in accordance with the structure presented in Annex II of Regulatory Standard No.2/2017-R, of 24th March.

It is the function of the appointed actuary to certify the adequacy with the legal, regulatory and technical regulations applicable to the calculation of the technical provisions, the amounts recoverable from reinsurance contracts and special purpose vehicles for securitisation of insurance risks and the capital requirement components related with those items.

The elements to be certified by the appointed actuary are defined in a regulatory standard of the Insurance and Pension Funds Supervisory Authority (ASF), which must also establish the content, terms, frequency, principles and presentation methods of the certification report and the terms and methods of reporting and publishing, as per the regulations in paragraphs 1, 3 and 11 a) to c) of Article 77 of Law No. 147/2015, of 9th September.

The certification covers confirmation of the adequacy with the legal, regulatory and technical regulations applicable to calculating the following elements:

- a) The technical provisions, including the application of the volatility adjustment, the matching adjustment and the transitional measures set out in Articles 24 and 25 of Law No. 147/2015, of 9th September;
- b) The amounts recoverable from insurance contracts and special purpose vehicles for securitisation of insurance risks;
- c) The categories of life insurance underwriting risk, non-life insurance underwriting risk, health underwriting risk, and adjustment for the loss-absorbing capacity of the

technical provisions of the solvency capital requirement, disclosed in the solvency and financial condition report.

This report may only be analysed as a whole and considering the context and purpose for which it has been drawn up, and its conclusions cannot be used with other aims and/or within any other scope.

It must be understood that the results after applying statistical methods always have an implicit degree of uncertainty due to random factors, structural changes not yet reflected in the Company information system and possibly in the market, and legal, judicial and political changes which may have an impact on the models applied.

### **3. Responsibilities**

This report has been produced in line with the provisions of Regulatory Standard No. 2/2017-R, of 24th March.

Approval of the solvency and financial condition report is the responsibility of the Company's administration.

The issue of an independent actuarial opinion on the elements mentioned in the previous chapter is the responsibility of the appointed actuary.

On the date this statement is made, we do not have information from the external auditor on the conclusions it has reached on the risks which it is responsible for certifying. Our conclusions have been sent to the external auditors.



#### 4. Opinion

The calculations of the technical provisions, amounts recoverable from reinsurance contracts, underwriting risks and solvency capital requirement components related with those risks are considered adequate, in line with the legal, regulatory and technical regulations applicable.

Lisbon, May 25, 2021

Actuarial - Consultadoria Lda.



Luís Portugal  
Partner-Director

Annex - Statutory Auditor's Report

*(Translation of a report originally issued in Portuguese)*

## **Statutory Auditor's Opinion on Solvency and Financial Condition Annual Report in the terms set out in subparagraph a) of No. 1 of article 3º of Regulatory Standard No. 2/2017-R of 24 March issued by Supervisory Authority for Insurance and Pension Funds**

To the Board of Directors of  
Fidelidade - Companhia de Seguros, S.A.

### **Introduction**

Under the terms of subparagraph a) of No. 1 of article 3º of Regulatory Standard No. 2/2017-R, of 24 March ("Regulatory Standard"), issued by Supervisory Authority for Insurance and Pension Funds ("ASF"), we examined the Solvency and Financial Condition Annual Report ("Report"), established in subparagraph a) of article 27º from Regulatory Standard No. 8/2016-R, of 16 August (republished by Regulatory Standard No. 1/2018, of 11 January) including the quantitative information to be disclosed with that Report ("Quantitative Information"), according to articles 4º and 5º of the Commission's Implementing Regulation (EU) No. 2015/2452, of 2 December 2015 of Fidelidade - Companhia de Seguros, S.A. ("The Entity"), with reference to 31 December 2020.

Our report comprises the reporting of the following matters:

- A. Report on the adjustments between the statutory statement of financial position and the balance sheet for solvency purposes and the classification, availability and eligibility of own funds and on the calculation of the solvency capital requirement and minimum capital requirement;
- B. Report on the implementation and effective application of the governance system; and
- C. Report on the remaining information disclosed in the Solvency and Financial Condition Annual Report and the jointly submitted quantitative information.

### **A. REPORT ON THE ADJUSTMENTS BETWEEN THE STATUTORY STATEMENT OF FINANCIAL POSITION AND THE BALANCE SHEET FOR SOLVENCY PURPOSES AND THE CLASSIFICATION, AVAILABILITY AND ELIGIBILITY OF OWN FUNDS AND ON THE CALCULATION OF THE SOLVENCY CAPITAL REQUIREMENT AND MINIMUM CAPITAL REQUIREMENT**

#### **Responsibilities of the Management Board**

It is the responsibility of the Entity's Board of Directors the calculation of the adjustments between the statutory statement of financial position and the balance sheet for solvency purposes and the classification and the availability evaluation and eligibility of own funds and the calculation of the solvency capital requirement and minimum capital requirement submitted to ASF, under the terms of Commission Implementing Regulation (EU) No. 2015/35, of 10 October 2014, that completes the Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009, relating to the Taking-up and Pursuit of the Business of Insurance and Reinsurance ("Regulation").

#### **Auditor's responsibilities**

Our responsibility, as defined in subparagraph a) of No.1 of article 4º of Regulatory Standard, consists in expressing, based on the work performed, a reasonable assurance conclusion, as to whether the adjustments between the statutory statement of financial position and the balance sheet for solvency purposes and that classification, availability and eligibility of own funds and the calculation of the solvency capital requirement and minimum capital requirement, are free from material misstatements, are complete and reliable and, in all materially relevant respects, are presented in accordance with the applicable legal and regulatory requirements.

According to No. 2 of article 3º of Regulatory Standard, it is not our responsibility to verify the adequacy of legal requirements, applicable regulatory and calculation techniques (i) of the elements included within the certification by the Entity's responsible actuary, as established in the article 7º of same Regulatory Standard, and (ii) of the elements of solvency capital requirement included within the certification by the Entity's responsible actuary, as established in the article 10º of same Regulatory Standard.

## Scope of Work

Our procedures were carried out in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", and other applicable technical guidance and ethical standards of the Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas* - "OROC") and consists in obtaining sufficient and appropriate audit evidence to conclude, with reasonable assurance, as to whether the adjustments between the statutory financial position statement and the balance sheet for solvency purposes, and that the classification, availability and eligibility of own funds and the calculation of the solvency capital requirement and minimum capital requirement, are free of material misstatements, are complete and reliable and, in all materially relevant respects, are presented in accordance with applicable legal and regulatory requirements.

The procedures carried out included, among other procedures, the following:

- (i) the reconciliation of the base information used for the calculation of the adjustments with the Entity's information systems and the respective statutory financial position statement as of 31 December of 2020, object of the Statutory Audit whose Report was issued on 28 April 2021 without qualifications or emphasis;
- (ii) the review of subsequent events that occurred between the date of the Statutory Audit Report and the date of this report;
- (iii) an understanding of the adopted criteria;
- (iv) the recalculation of the adjustments made by the Entity, except for those referred to in the next paragraph that are excluded from the scope of this certification;
- (v) the reconciliation of the base information used for the calculation of the solvency capital requirement and minimum capital requirement as of 31 December 2020, with the financial position statement for solvency purpose, with book records and other information maintained in the Entity's systems with reference to the same date;
- (vi) the review, on a sample basis, of the correct classification and characterization of assets in accordance with regulation requirements;
- (vii) the review of the calculation of the solvency capital requirement and minimum capital requirement as of 31 December 2020, performed by the Entity; and
- (viii) reading the documentation prepared by the Entity under the regulation requirements.

The procedures carried out did not include the examination of the adjustments to technical provisions and the amounts recoverable from reinsurance contracts which, according to article 7º of Regulatory Standard, were subject to actuarial certification by the Entity's responsible actuary.

Regarding the deferred taxes adjustments, as result of the adjustments referred to above, the procedures carried out only comprised the verification of the impact on deferred taxes, taking as the basis the referred adjustments made by the Entity.

The selection of the procedures performed depends on our professional judgment, including the procedures related to risk assessment of material misstatement on the information subject to analysis, due to fraud or error. In making these risk assessments we considered the internal control relevant for the preparation and presentation of the referred information, in order to plan and execute the appropriate procedures for the circumstances.

We applied the International Standard of Quality Control 1 (ISQC 1) and, as such, we maintain an extensive quality control system which includes policies and documented procedures related to the compliance of ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the audit evidence obtained is sufficient and appropriate to provide an acceptable basis for our conclusion.

## Conclusion

Based on the procedures carried out and which are included in the previous section "Scope of Work", which were planned and performed in order to obtain a reasonable level of assurance, we concluded that the adjustments between the statutory statement of financial position and the balance sheet for solvency purposes and that the classification, availability and eligibility of own funds and the calculation of the solvency capital requirement and minimum capital requirement, with reference to the Solvency and Financial Condition Annual Report date (31 December 2020), are free from material misstatements, complete and reliable and, in all materially respects, are in accordance with the applicable legal and regulatory requirements.

## B. REPORT ON THE IMPLEMENTATION AND EFFECTIVE APPLICATION OF THE GOVERNANCE SYSTEM

### Responsibilities of the Management Board

It is the responsibility of the Entity's Board of Directors to:

- Prepare Solvency and Financial Condition Annual Report and the information to report to ASF for regulatory purposes, under the terms of Regulatory Standard No. 8/2016-R, of 16 August, issued by ASF (republished in the Regulatory Standard No. 1/2018-R, of 11 January); and
- Define, approve, periodically review and document the main policies, strategies and processes that define and regulate the Entity governance, management and control, including the risk management and internal control systems ("Governance System"), which should be described on chapter B of the report, under the terms of article 294º of Commission Implementing Regulation (EU) No. 2015/35 of 10 October 2014 (Regulation).

### Auditor's responsibilities

Our responsibility, as defined in subparagraph a) of No. 1 of article 4º of Regulatory Standard, consists in expressing, based on the work performed, a limited assurance conclusion about the implementation and effective application of the governance system.

### Scope of Work

Our procedures were carried out in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", and other applicable technical guidance and ethical standards of the Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas* - "OROC") consists in obtaining sufficient and appropriate audit evidence to conclude, with moderate assurance, as to whether the content of the "Governance System" chapter of the Solvency and Financial Condition Annual Report reflects, in all materially respects, the description of the implementation and effective application of the Governance System of the Entity at 31 December 2020.

The procedures were carried out included, among other procedures, the following:

- (i) the assessment of the information included on Entity's Report relating to the Governance System with respect to the following main aspects: general information; qualification and integrity requirements; risk management system with the inclusion of risk and solvency self-evaluation; internal control system; internal audit function; actuarial function; subcontracting and eventual additional information;
- (ii) reading and assessing of the documents which sustain the main policies, strategies and processes described in the Report, which regulate how Entity is governed, managed and controlled and obtaining supporting evidence of its implementation;
- (iii) discussing the conclusions with the Entity's management.

The selection of the procedures performed depends on our professional judgment, including the procedures related to risk assessment of material misstatement on the information subject to analysis, due to fraud or error. In making these risk assessments we considered the internal control relevant for the preparation and presentation of the referred information, in order to plan and execute the appropriate procedures for the circumstances.

We applied the International Standard of Quality Control 1 (ISQC 1) and, as such, we maintain an extensive system of quality control which includes policies and documented procedures related to the compliance of ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the audit evidence obtained is sufficient and appropriate to provide an acceptable basis for our conclusion.

## **Conclusion**

Based on the procedures carried out and described in the previous section "Scope of Work", which were planned and performed in order to obtain a moderate degree of assurance, nothing has come to our attention which causes us to believe that at the date to which Solvency and Financial Condition Annual Report refers to (31 December 2020), the content of the chapter "Governance System", is not fairly present, in all material respects, the description of the implementation and effective application of the Entity's Governance System.

## **C. REPORT ON THE REMAINING INFORMATION DISCLOSED IN THE SOLVENCY AND FINANCIAL CONDITION REPORT AND THE JOINTLY DISCLOSED QUANTITATIVE INFORMATION**

### **Responsibilities of the Management Board**

It is the responsibility of the Board of Directors to prepare the Solvency and Financial Condition Annual Report and the information to report to ASF for supervisory purposes, under the terms of Regulatory Standard No. 8/2016-R, of 16 August, issued by ASF (republished by Regulatory Standard No. 1/2018, of 11 January), including the quantitative information to be jointly disclosed with that report, as established in the articles 4<sup>o</sup> e 5<sup>o</sup> of the Commission's Implementing Regulation (UE) No. 2015/2452, of 2 December 2015.

### **Auditor's responsibilities**

Our responsibility, as defined in subparagraph c) of No. 1 of article 4<sup>o</sup> of Regulatory Standard, consists in expressing, based on the procedures carried out, a limited assurance conclusion as to whether the remaining disclosed information in the report and in the jointly disclosed quantitative information, is in agreement with the information subject to the work carried out and with the knowledge we obtained during its execution.

### **Scope of Work**

Our procedures were carried out in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", and other applicable technical guidance and ethical standards of the Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas* - "OROC") and consists in obtaining sufficient and appropriate audit evidence to conclude, with moderate assurance, that the remaining disclosed information in Solvency and Financial Condition Annual Report is in agreement with the information that was subject to auditor review and with the knowledge obtained during the certification.

The procedures carried out included, among other procedures, the complete reading of the referred report and the evaluation of the agreement as referred above.

The selection of the procedures performed depends on our professional judgment, including the procedures related to risk assessment of material misstatement on the information subject to analysis, due to fraud or error. In making these risk assessments we considered the internal control relevant for the preparation and presentation of the referred information, in order to plan and execute the appropriate procedures for the circumstances.

We applied the International Standard of Quality Control 1 (ISQC 1) and, as such, we maintain an extensive system of quality control which includes policies and documented procedures related to the compliance of ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the audit evidence obtained is sufficient and appropriate to provide an acceptable basis for our conclusion.

## Conclusion

Based on the procedures carried out and described in the previous section "Scope of Work", which were planned and performed in order to obtain a moderate degree of assurance, nothing has come to our attention which causes us to believe that, with reference to the Solvency and Financial Condition Annual Report date (31 December 2020), the information disclosed in Report is not in agreement with the information which was subject to the work carried out by us with the knowledge obtained during its execution.

## Emphasis of matter

The recent developments surrounding the Covid-19 pandemic (Coronavirus) have a significant impact on the health of people and on our society as a whole, increasing uncertainty around the operational and financial performance of organisations. In chapter E.6.6. of Solvency and Financial Condition Annual Report are disclosed the developments from the pandemic identified by the Board of Directors for Fidelidade - Companhia de Seguros, S.A., based on the information available at the time. The Board of Directors recognises that the future impacts of the pandemic are still being evaluated and will be dependent on the evolution of the prevention health and economic measures, the duration of the pandemic, as well as regulatory policies issued. Our opinion has not been modified in relation to this matter.

## D. OTHERS MATTERS

Considering the normal dynamics of any internal control system, the conclusions presented related to the governance system of the Entity should not be used for any projection of future periods, since there could be changes of the processes and controls analysed and their degree of efficiency. On the other hand, given the limitations of the internal control system, there could be undetected irregularities, frauds or mistakes.

Lisbon, 26 May 2021

Ernst & Young Audit & Associados - SROC, S.A.  
Sociedade de Revisores Oficiais de Contas  
Represented by:

(Signed)

Ricardo Nuno Lopes Pinto - ROC No. 1579  
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