



# 2021

**Quarterly Report 3M2021**  
Grupo Catalana Occidente S.A.

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# 01

## Keys of the period 3M2021

## Main figures

The Group managed to increase turnover and profit over the previous year in the first quarter

### Growth

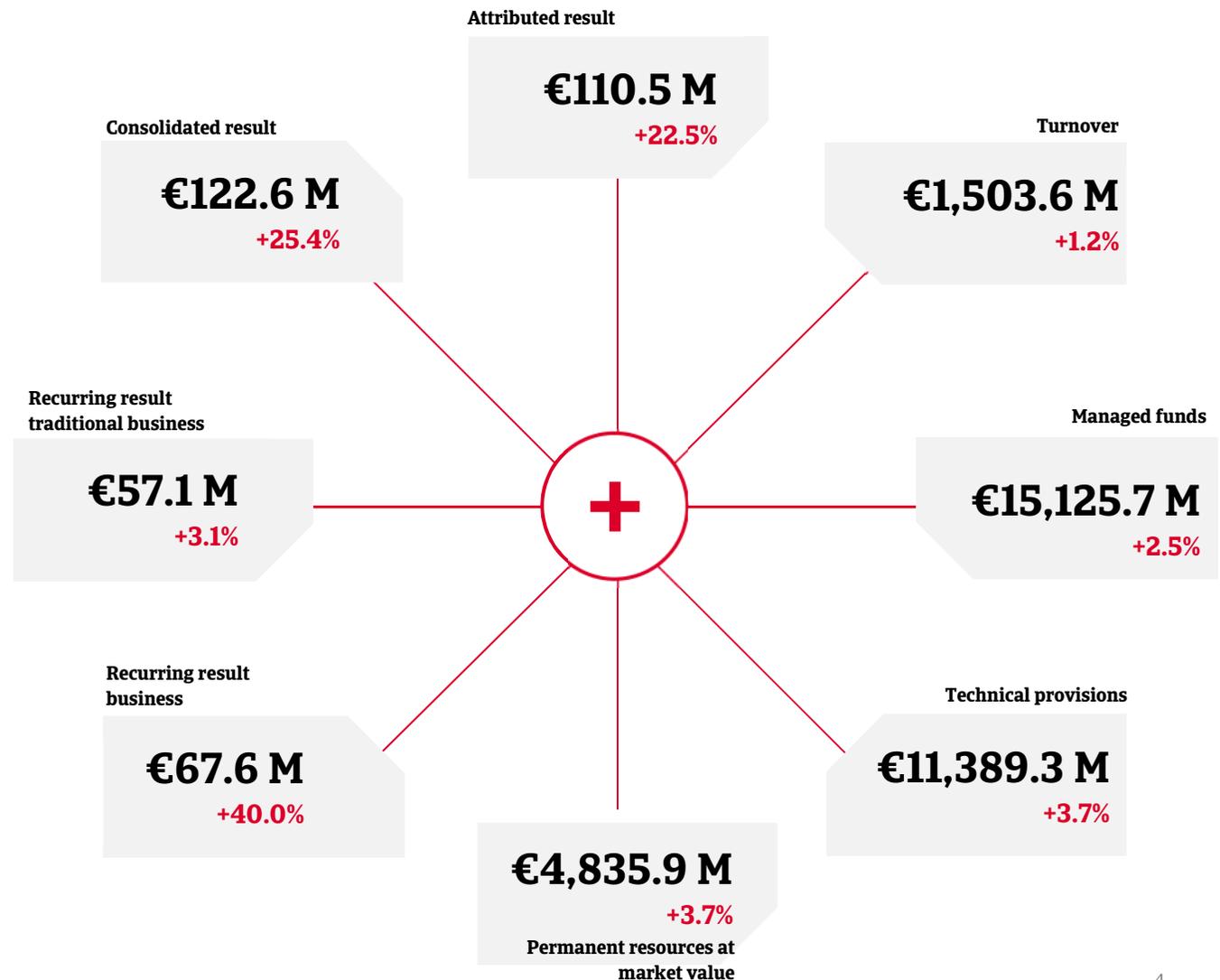
- Increase of 1.2% in turnover.

### Profitability

- Increase of 22.5% in the attributed result, with €110.5 million.
- Improvement in recurrent earnings in the traditional business and in the credit insurance business, which continues to be exposed to the performance of COVID-19:
  - +3.1% in the traditional business, with €57.1 million.
  - +40.0% in the credit insurance business, with €67.6 million.
- Combined ratio:
  - 88.9% in traditional business (non-life).
  - 62.3% in the credit insurance business (gross).
- Commitment to shareholders: dividend charged to 2020 paid of €105.85 million, an increase of 29.86%.

### Solvency

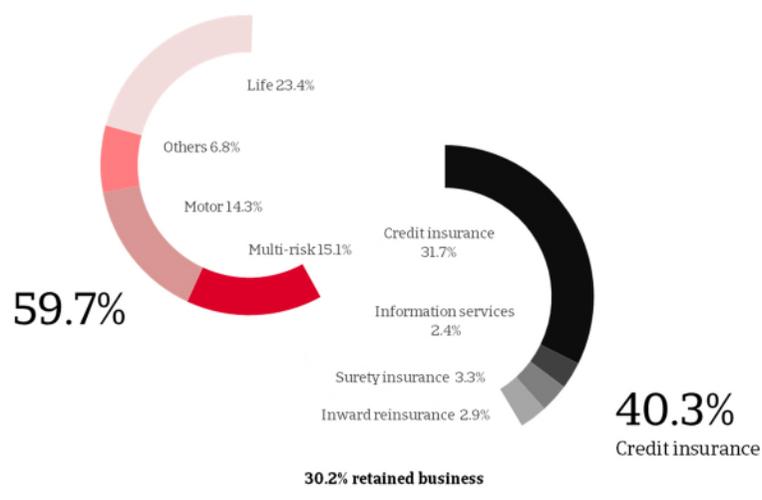
- The estimated Solvency II ratio at the close of 2020 for the Group is 216%.



| Key financial figures                 | (figures in € million) |          |                 |         |
|---------------------------------------|------------------------|----------|-----------------|---------|
|                                       | 3M2020                 | 3M2021   | % Chg.<br>20-21 | 12M2020 |
| <b>GROWTH</b>                         |                        |          |                 |         |
| Turnover                              | 1,486.1                | 1,503.6  | 1.2%            | 4,559.5 |
| - Traditional business                | 875.6                  | 884.5    | 1.0%            | 2,720.4 |
| - Credit insurance business           | 610.5                  | 619.1    | 1.4%            | 1,839.1 |
| <b>PROFITABILITY</b>                  |                        |          |                 |         |
| Consolidated result                   | 97.7                   | 122.6    | 25.4%           | 270.1   |
| - Traditional business                | 55.4                   | 57.1     | 3.1%            | 238.6   |
| - Credit insurance business           | 48.3                   | 67.6     | 40.0%           | 50.4    |
| - Non-recurring                       | -6.0                   | -2.1     |                 | -18.9   |
| Attributed result                     | 90.2                   | 110.5    | 22.5%           | 262.3   |
| Combined traditional business ratio   | 89.2%                  | 88.9%    | -0.3            | 88.6%   |
| Combined gross ratio credit insurance | 87.4%                  | 62.3%    | -25.1           | 94.1%   |
| Dividend per share                    |                        |          |                 | 0.88    |
| Pay-out                               |                        |          |                 | 40.4%   |
| Share price                           | 18.4                   | 34.0     | 84.6%           | 29.2    |
| PER                                   | 5.9                    | 14.4     |                 | 13.34   |
| ROE                                   |                        |          |                 | 7.3%    |
| <b>NON-FINANCIAL DATA</b>             |                        |          |                 |         |
| Number of employees                   | 7,426                  | 7,351    | -1.0%           | 7,384   |
| Number of offices                     | 1,601                  | 1,576    | -1.6%           | 1,591   |
| Number of intermediaries              | 17,380                 | 17,004   | -2.2%           | 17,042  |
|                                       | 12M2020                | 3M2021   | % Chg.<br>20-21 |         |
| <b>SOLVENCY</b>                       |                        |          |                 |         |
| Permanent resources at market value   | 4,663.4                | 4,835.9  | 3.7%            |         |
| Technical provisions                  | 10,982.5               | 11,389.3 | 3.7%            |         |
| Managed funds                         | 14,758.9               | 15,125.7 | 2.5%            |         |

## Business diversification 2020

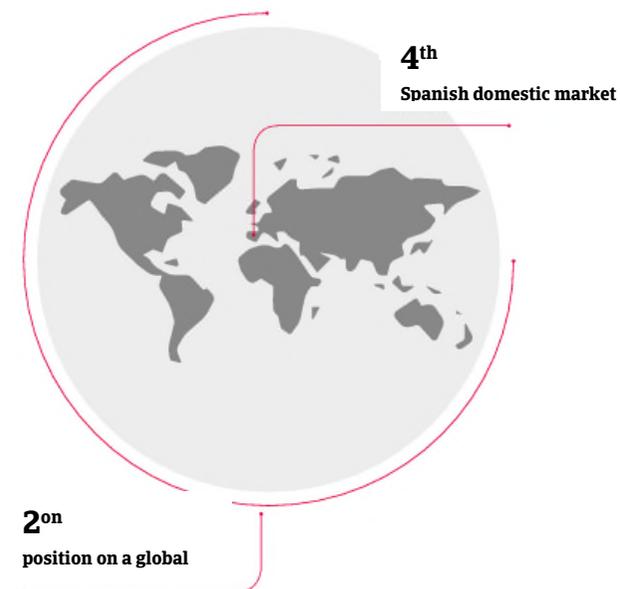
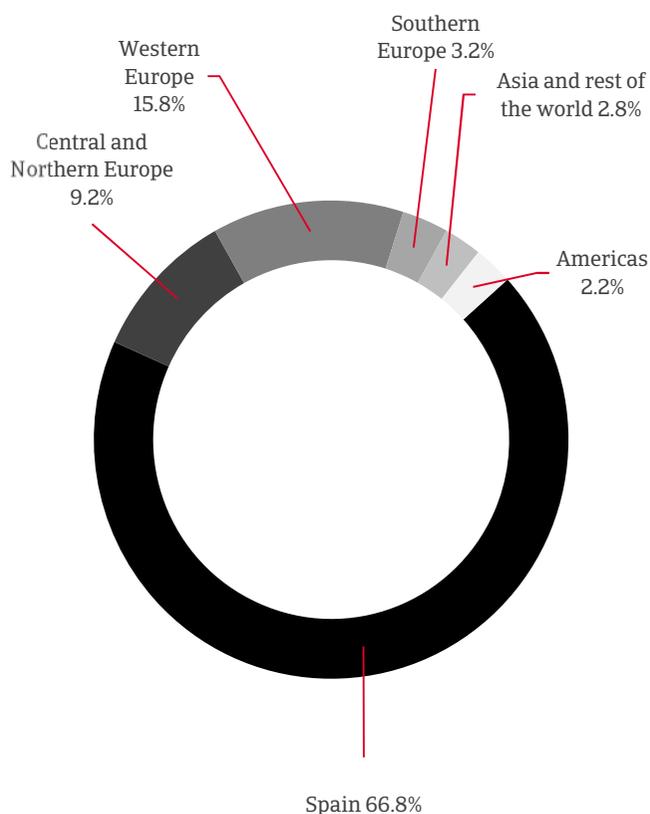
Grupo Catalana Occidente has a balanced and diversified portfolio.



In the traditional business (59.4% of the total turnover), the Group carries out its activity through the entities Catalana Occidente, Plus Ultra Seguros, Seguros Bilbao and NorteHispana Seguros, guaranteeing a balanced and diverse implementation. In credit insurance business (30.2% of the total in terms of retained business), the Crédito y Caución brand gives it a leadership position in the Spanish market, while the Atradius brand gives it an international dimension and leadership.

## Global presence

The Group is present in over 50 countries and has a significant presence in Spain.



Grupo Catalana Occidente obtains 66.8% of its income from the Spanish domestic market, where it holds the fourth position, through the brands Seguros Catalana Occidente, Plus Ultra Seguros, Seguros Bilbao, NorteHispana Seguros, and Crédito y Caución.

In the credit insurance business, through the brands Atradius and Atradius Re, the Group is present in over 50 countries and holds the second position on a global scale.

## Evolution of the Group in 3M2021

The Group's attributable profit was €110.5 million and turnover increased by 1.2%.

The Group's results were impacted in the first quarter in traditional business by the meteorological events in Spain, mainly affecting the multi-risk business, and the credit insurance business remained exposed to the evolution of the COVID-19 health crisis.

Business volume increased 1.2%, reflecting the sustained growth in traditional business. The technical result, with €152.7 million, is up 28.3% mainly due to the evolution of the credit insurance business.

The financial result contributes €12.3 million to reach €164.4 million profit before tax. Taxes represent €41.8 million, 25.4% on the profit. Consolidated income amounted to €122.6 million, an increase of 25.4%.

 For further information, see annexes

| (figures in € million)  |                |                |                 |                |
|---|----------------|----------------|-----------------|----------------|
| Income statement  | 3M2020         | 3M2021         | % Chg.<br>20-21 | 12M2020        |
| Written premiums  | 1,431.6        | 1,447.9        | 1.1%            | 4,426.4        |
| Income from information   | 54.5           | 55.7           | 2.2%            | 133.1          |
| <b>Turnover</b>   | <b>1,486.1</b> | <b>1,503.6</b> | <b>1.2%</b>     | <b>4,559.5</b> |
| Technical cost  | 744.1          | 706.1          | -5.1%           | 2,917.8        |
| % on total income from insurance                                    | 62.5%          | 59.2%          |                 | 63.9%          |
| Commissions   | 142.7          | 144.0          | 0.9%            | 560.6          |
| % on total income from insurance                                    | 12.0%          | 12.1%          |                 | 12.3%          |
| Expenses  | 185.5          | 188.3          | 1.5%            | 749.5          |
| % on total income from insurance                                    | 15.6%          | 15.8%          |                 | 16.4%          |
| <b>Technical result</b>   | <b>119.0</b>   | <b>152.7</b>   | <b>28.3%</b>    | 339.8          |
| % on total income from insurance                                    | 10.0%          | 12.8%          |                 | 7.4%           |
| Financial result  | 0.7            | 12.3           |                 | <b>28.2</b>    |
| % on total income from insurance                                    | 0.1%           | 1.0%           |                 | 0.7%           |
| Result of non-technical non-financial account                       | 5.0            | -5.6           |                 | -14.1          |
| % on total income from insurance                                    | 0.4%           | -0.5%          |                 | -0.3%          |
| Result from compl. activities Credit insurance and funeral business | 3.1            | 5.0            |                 | 6.4            |
| % on total income from insurance                                    | 0.3%           | 0.4%           |                 | 0.1%           |
| <b>Profit before tax</b>  | <b>127.8</b>   | <b>164.4</b>   | <b>28.6%</b>    | 364.6          |
| % on net income   | 10.7%          | 13.8%          |                 | 8.0%           |
| Taxes   | 30.1           | 41.8           |                 | 94.5           |
| % taxes   | 23.5%          | 25.4%          |                 | 25.9%          |
| <b>Consolidated result</b>  | <b>97.7</b>    | <b>122.6</b>   | <b>25.4%</b>    | <b>270.1</b>   |
| Result attributable to minorities                                   | 7.6            | 12.1           |                 | 7.8            |
| <b>Attributed result</b>  | <b>90.2</b>    | <b>110.5</b>   | <b>22.5%</b>    | <b>262.3</b>   |
| % on total income from insurance                                    | 7.6%           | 9.3%           |                 | 5.7%           |
| <b>Results by business lines</b>                                    |                |                |                 |                |
| <b>Recurring results traditional business</b>                       | <b>55.4</b>    | <b>57.1</b>    | <b>3.1%</b>     | <b>238.6</b>   |
| <b>Recurring results from credit insurance business</b>             | <b>48.3</b>    | <b>67.6</b>    | <b>40.0%</b>    | <b>50.4</b>    |
| <b>Non-recurring result</b>   | <b>-6.0</b>    | <b>-2.1</b>    |                 | <b>-18.9</b>   |

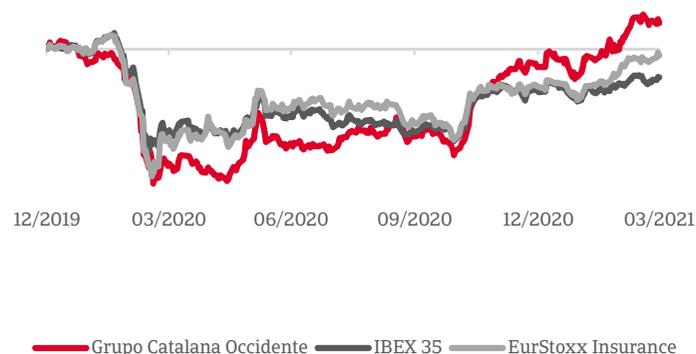
## GCO shares and dividends

### Share performance

Shares in Grupo Catalana Occidente end of the first quarter at € 34.0/share

In this period the share price increased by 16.6%, above the reference index of the Spanish market.

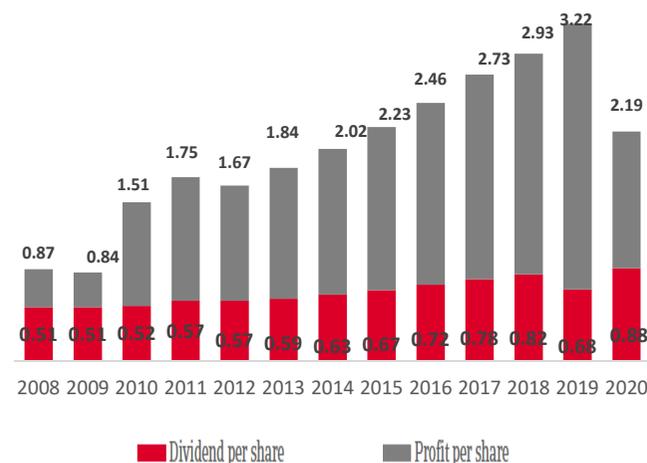
### Share performance since the end of 2019



The average recommendation of the analysts is to "purchase" the share with a target price of €34.8/share (max. € 40.0/share and min. €31.5/share).

### Dividends

Following the Regulators' recommendations after reducing the total dividend for 2019, the Group resumes its dividend policy.



### Active relationship with the financial market

Grupo Catalana Occidente maintains a smooth and close relationship with the financial market, offering specific communication channels

During the first three months of the year, the Group transmitted its value proposition to the financial markets through the annual retransmission of the results published (on the website, in English and Spanish) and by holding roadshows in different European countries, as well as participating in virtual forums/conferences.

### Share price

| (euro per share) | 3M2020 | 3M2021 | 12M2020 |
|------------------|--------|--------|---------|
| Period start     | 31.15  | 29.15  | 31.15   |
| Minimum          | 16.02  | 27.80  | 16.20   |
| Maximum          | 32.05  | 34.95  | 32.05   |
| Period end       | 18.42  | 34.00  | 29.15   |
| Average          | 27.22  | 31.30  | 23.24   |

### Profitability (YTD)

|                     | 3M2020  | 3M2021 | TACC<br>2002 - 3M21 |
|---------------------|---------|--------|---------------------|
| GCO                 | -40.87% | 16.64% | 12.97%              |
| Ibex 35             | -28.94% | 6.27%  | 1.94%               |
| EuroStoxx Insurance | -35.81% | 13.01% | 3.51%               |

### Other data (in euro)

|   | 3M2020      | 3M2021      | 12M2020     |
|---|-------------|-------------|-------------|
| Number of shares                              | 120,000,000 | 120,000,000 | 120,000,000 |
| Nominal value of the share                    | 0.30        | 0.30        | 0.30        |
| Average daily subscription (number of shares) | 75,247      | 84,198      | 73,334      |
| Average daily subscription (euro)             | 1,829,256   | 2,729,519   | 1,653,784   |

## 2021 macroeconomic environment

2020 saw an unprecedented drastic slump in the global economy due to the COVID-19 pandemic (-3.3%).

Widespread impairment of economic indicators.

2021 Upward reviews to expected growth by +6.0% (+5.5% over January 2021 review).

### United States GDP +6.4% GDP 2021e (+5.5%)

- Contraction of investment and exports.
- Unemployment estimated at 6.2%

### South America +4.6% GDP 2021e (+4.1%)

- Worsening financial conditions
- Weak external demand

### Spain GDP +6.4% 2021e (+5.9%)

- Strong impact on the economy due to the important weight of tourism
- Expected deficit of 9.5%
- Unemployment estimated at 16%

### Eurozone GDP +4.4% 2021e (+4.2%)

- Tensions over health crisis management and vaccination.
- Estimated 100% public debt
- Unemployment estimated at 10.4%

### United Kingdom GDP +5.3% 2021e (+5.1%)

- Depreciation of the pound against the euro
- Drop in exports of more than 50%

### Asia Pacific + 8.6% GDP 2021e (+8.3%)

- China:
- Sharp drop in industrial production
  - Collapse of direct investment

International Monetary Fund. April 2021 review compared to January 2021 estimate

## Fixed income

Widespread measures to inject liquidity and credit support in the economy.

Minimum interest rates

| Interest rates |        |         |         |          |
|----------------|--------|---------|---------|----------|
| 3M2021 (%)     | 1 year | 3 years | 5 years | 10 years |
| Spain          | -0.6   | -0.2    | -0.1    | 0.1      |
| 5Alemania      | -0.7   | -0.7    | -0.7    | -0.6     |
| U.S.           | 0.1    | 0.3     | 0.5     | 0.9      |

Source: Bloomberg at the close of March 2021

## Variable income

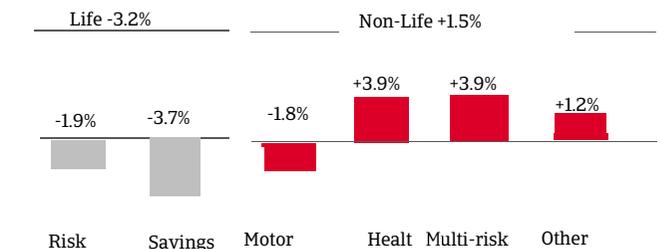
Recovery of the stock market indices affected by the health crisis.

|                     | 3M2021   | %Chg. |
|---------------------|----------|-------|
| Ibex35              | 8,580.0  | 6.3%  |
| EuroStoxx Insurance | 295.3    | 13.0% |
| Eurostoxx50         | 3,919.2  | 10.3% |
| Dow Jones           | 32,981.6 | 7.8%  |

## Sectoral environment

The insurance sector in Spain has fallen by 0.3% in turnover, due to the drop in life premiums

### Performance of turnover



Source: ICEA at the close of March 2021

### Insurance group ranking performance 12M2020

Source: ICEA at the close of 2020

| Group                             | Position | Market share |
|-----------------------------------|----------|--------------|
| VidaCaixa                         | =        | 12.1%        |
| Mapfre                            | =        | 11.3%        |
| Grupo Mutua Madrileña             | =        | 9.4%         |
| Grupo Catalana Occidente          | ↑ 1      | 5.1%         |
| Allianz                           | ↓ 1      | 5.1%         |
| Grupo Axa                         | ↑ 1      | 4.9%         |
| Zurich                            | ↓ 1      | 4.2%         |
| Generali                          | ↑ 1      | 3.8%         |
| Santalucía                        | ↓ 1      | 3.7%         |
| Grupo Helvetia (Helvetia + Caser) | ↑ 2      | 3.2%         |

## Group actions against COVID-19

Grupo Catalana Occidente has promoted a plan of measures to support all its stakeholders and strengthen their confidence in the face of the COVID-19 health crisis. The main measures that have been carried out could be divided into five groups:

**Employee protection and operational support.** Our employees are our most valuable asset and this has been a priority in the face of the current health crisis.

- To ensure employee protection and work continuity: teleworking has been implemented for all our employees.
- Rethinking of processes to maintain operational support under extreme conditions.

**Maintenance of customer service.** The Group emphasizes its vocation of service to the customer in order to attend to the needs at a time like the present.

- Continuity in the relationship with the customer through telematic means.
- Continuity in customer service for loss adjustments, repairs, agency offices, etc... Successful implementation of undertaking loss adjustments by video

**Measures aimed at the traditional business.** Flexibility in payment of receipts, instalments and deferment.

- Flexibility in payment of receipts, instalments and deferment.
- Adaptation of prices according to the circumstances of the risk and the customer,
- 24-hour medical guidance by telephone for any

insured party, video consultation of medical staff and before cyber-risk protection in teleworking.

- The video consultation service for Cosalud Asistencia Sanitaria and Cosalud Reembolso policyholders has been incorporated, which allows medical attention to be received without the need to travel, by those doctors and centres within the Cosalud medical team that have adhered to this functionality.
- Cover has been extended to our policyholders in teleworking situations in cyber-risk insurance.

### Measures aimed at the credit insurance business.

- Flexibility in payment of receipts, instalments and deferment.
- Flexibility in the period of declaration of non-payment, extending it by 30 days.
- Discussions with different Governments to support business continuity through credit insurance.

### Measures to support society.

- Participation with UNESPA in a fund to protect healthcare and nursing home staff dealing with COVID-19.
- The Fundación Jesús Serra collaborates with Save the Children and supports the CSIC for research in a future vaccine.
- Support from the innovation programme to overcome the health challenges caused: Beat the Vid.

### Support measures for suppliers and associates.

- The Catalana Occidente Group has earmarked nearly €20 million to give advances to its suppliers for their invoicing, which are affected by the coronavirus in Spain, in order to help them deal with the liquidity problems they may have suffered as a result of the stoppage of activity caused by the pandemic.

The impact of COVID-19 on individual business results can be found on pages 12-15 for traditional business and pages 15-16 for credit insurance business. We also report impacts on investments: see page 17.

The agreements adopted with the various governments in the credit insurance business have also been published on page 24.



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# 02

## Business performance in 3M2021

## Traditional business

Positive evolution with growth of 1.6% in turnover of recurring premiums and 3.1% in recurring profit.

Turnover increased by 1.0% at the close of March 2021 to €884.5 million. The growth of 4.8% in multi-risk and 4.1% in others should be highlighted.

The technical result increased by 3.9%, supported both in the Life and the Non-Life business. The non-life technical result provides €45.5 million and grows 3.6%, thanks to the improvement of 0.3 percentage points of the combined ratio to 88.9%. Technical cost declined 0.2 p.p. while fees and expenses decreased 0.1 p.p.. In turn, the Life business increased its technical result by 4.0% to €18.3 million.

The financial result, with €13.0 million, is reduced by 0.8%. Complementary activities provide €1.6 million from the funeral insurance business.

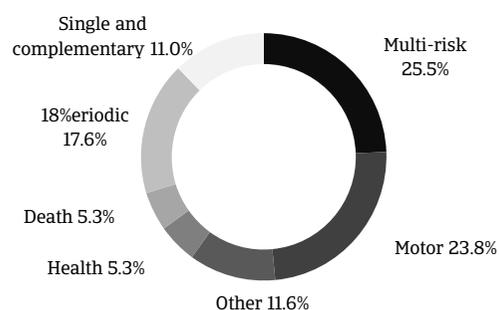
Recurring profit after tax has increased 3.1% reaching €57.1 million. During the year there have been negative non-recurring results for a value of €4.4 million; consequently, the total result is of €52.7 million, increasing by 2.6%.

 For further information, see annexes.

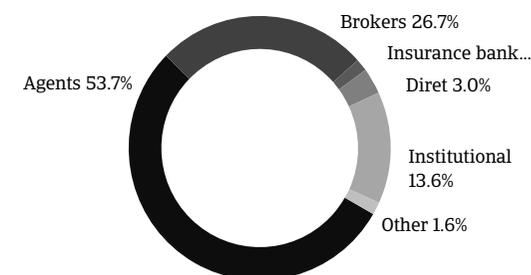
(figures in € million)

| Traditional business            | 3M2020       | 3M2021       | % Chg. 20-21 | 12M2020        |
|---------------------------------|--------------|--------------|--------------|----------------|
| <b>Written premiums</b>         | <b>875.6</b> | <b>884.5</b> | <b>1.0%</b>  | <b>2,720.4</b> |
| Recurring premiums              | 789.5        | 802.2        | 1.6%         | 2,415.5        |
| <b>Technical result</b>         | <b>61.4</b>  | <b>63.8</b>  | <b>3.9%</b>  | <b>265.4</b>   |
| % on earned premiums            | 9.0%         | 9.3%         |              | 9.8%           |
| <b>Financial result</b>         | <b>12.9</b>  | <b>13.0</b>  | <b>0.8%</b>  | <b>51.8</b>    |
| % on earned premiums            | 1.9%         | 1.9%         |              | 2.1%           |
| Non technical result            | -4.3         | -4.0         |              | -16.3          |
| Complementary act. (Funeral B.) | 1.1          | 1.6          | 45.5%        | 4.6            |
| Company income tax              | 15.8         | 17.4         |              | -66.8          |
| <b>Recurring result</b>         | <b>55.4</b>  | <b>57.1</b>  | <b>3.1%</b>  | <b>238.6</b>   |
| Non-recurring result            | -1.3         | -4.4         |              | -10.3          |
| <b>Total result</b>             | <b>54.1</b>  | <b>52.7</b>  | <b>-2.6%</b> | <b>228.3</b>   |
| <b>Earned premiums</b>          | <b>683.0</b> | <b>683.7</b> | <b>0.1%</b>  | <b>2,710.1</b> |

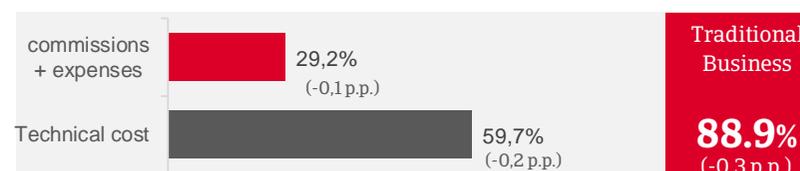
### Distribution by business (TAM)



### Distribution channels



### Combined ratio



### Multi-risk

Growth in turnover of 4.8% to €200.2 million. The combined ratio has increased by 4.8 percentage point to 95.4%. This increase is due to an increase in the frequency of claims due to greater use of the home and a peak fire claim in March. The weather events that occurred in January (storms Filomena and Hortensia) have had a similar impact to the Gloria event of the previous year.

**COVID-19 impact:** change in the casuistry of claims received as a result of the increased use of the home.

### Motor

Decrease in turnover of 2.2% with €189.7 million. The combined ratio improved 7.3 p.p. to 83.9%, with a lower claims ratio due to a lower frequency of claims.

**COVID-19 impact:** reduction in accident frequency due to the lower relative mobility of vehicles compared to the first quarter of 2020 where the decrease in frequency only affected the last two weeks of March. The technical cost is reduced by 7.6 percentage points.

 For further information, see annexes.

(figures in € million)

|  | 3M2020       | 3M2021       | % Chg.<br>20-21 | 12M2020      |
|--|--------------|--------------|-----------------|--------------|
| <b>Multi-risk</b>                      |              |              |                 |              |
| <b>Written premiums</b>                | <b>191.1</b> | <b>200.2</b> | <b>4.8%</b>     | <b>686.9</b> |
| % Technical cost                       | 57.1%        | 61.9%        | 4.8             | 55.0%        |
| % Commissions                          | 21.1%        | 21.0%        | -0.1            | 20.9%        |
| % Expenses                             | 12.4%        | 12.5%        | 0.1             | 13.1%        |
| <b>% Combined ratio</b>                | <b>90.6%</b> | <b>95.4%</b> | <b>4.8</b>      | <b>89.0%</b> |
| <b>Technical result after expenses</b> | <b>15.6</b>  | <b>7.9</b>   | <b>-49.4%</b>   | <b>74.5</b>  |
| % on earned premiums                   | 9.5%         | 4.6%         |                 | 11.1%        |
| Earned premiums                        | <b>166.1</b> | <b>171.3</b> | <b>3.1%</b>     | <b>676.1</b> |

(figures in € million)

|  | 3M2020       | 3M2021       | % Chg.<br>20-21 | 12M2020      |
|--|--------------|--------------|-----------------|--------------|
| <b>Motor</b>                           |              |              |                 |              |
| <b>Written premiums</b>                | <b>194.0</b> | <b>189.7</b> | <b>-2.2%</b>    | <b>653.8</b> |
| % Technical cost                       | 68.0%        | 60.4%        | -7.6            | 66.5%        |
| % Commissions                          | 11.1%        | 11.3%        | 0.2             | 11.2%        |
| % Expenses                             | 12.2%        | 12.3%        | 0.1             | 12.7%        |
| <b>% Combined ratio</b>                | <b>91.2%</b> | <b>83.9%</b> | <b>-7.3</b>     | <b>90.3%</b> |
| <b>Technical result after expenses</b> | <b>14.4</b>  | <b>25.8</b>  | <b>79.2%</b>    | <b>63.4</b>  |
| % on earned premiums                   | 8.9%         | 16.1%        |                 | 9.7%         |
| Earned premiums                        | <b>163.6</b> | <b>160.6</b> | <b>-1.8%</b>    | <b>655.5</b> |

## Other

Growth in turnover of 4.1% to €99.2 million. The combined ratio was 84.7%, an increase of 2.4 p.p. due to an increase in the technical cost, which was partly offset by the reduction in expenses.

**COVID-19 impact:** lower turnover in branches related to economic activity (Civil Liability, Accidents...).

## Life

The life business performed favourably with a turnover of €385.4 million. The combined ratio reduced by 1.4 percentage points to 84.3% in the life funeral business

**COVID-19 Impact:** Reduction of the combined ratio in the healthcare business by 2.1 p.p. to 93.1%.

 For further information, see annexes.

(figures in € million)

| <b>Other</b>                           | <b>3M2020</b> | <b>3M2021</b> | <b>% Chg.<br/>20-21</b> | <b>12M2020</b> |
|--|---------------|---------------|-------------------------|----------------|
| <b>Written premiums</b>                | <b>95.3</b>   | <b>99.2</b>   | <b>4.1%</b>             | <b>312.2</b>   |
| % Technical cost                       | 49.0%         | 53.1%         | 4.1                     | 51.0%          |
| % Commissions                          | 19.3%         | 19.7%         | 0.4                     | 19.0%          |
| % Expenses                             | 13.9%         | 11.8%         | -2.1                    | 14.3%          |
| <b>% Combined ratio</b>                | <b>82.3%</b>  | <b>84.7%</b>  | <b>2.4</b>              | <b>84.4%</b>   |
| <b>Technical result after expenses</b> | <b>13.9</b>   | <b>11.8</b>   | <b>-15.1%</b>           | <b>48.9</b>    |
| % on earned premiums                   | 17.5%         | 15.4%         |                         | 15.4%          |
| Earned premiums                        | <b>78.2</b>   | <b>76.7</b>   | <b>-1.9%</b>            | <b>312.4</b>   |

(figures in € million)

| <b>Life</b>                            | <b>3M2020</b> | <b>3M2021</b> | <b>% Chg.<br/>20-21</b> | <b>12M2020</b> |
|--|---------------|---------------|-------------------------|----------------|
| <b>Life insurance turnover</b>         | <b>395.2</b>  | <b>395.4</b>  | <b>0.1%</b>             | <b>1,067.5</b> |
| Health                                 | 120.4         | 121.5         | <b>0.9%</b>             | 142.8          |
| Funeral                                | 38.7          | 39.1          | <b>1.0%</b>             | 143.3          |
| Periodic premiums                      | 150.0         | 152.5         | <b>1.7%</b>             | 476.5          |
| Single premiums                        | 86.1          | 82.3          | <b>-4.4%</b>            | 304.9          |
| Pension plan contributions             | 16.4          | 14.5          | <b>-11.6%</b>           | 71.8           |
| Net contributions to investment funds  | 0.2           | 0.2           | <b>0.0%</b>             | 1.3            |
| <b>Technical result after expenses</b> | <b>17.6</b>   | <b>18.3</b>   | <b>4.0%</b>             | <b>74.2</b>    |
| % on earned premiums                   | 5.6%          | 6.7%          |                         | 7.0%           |
| <b>Technical-financial result</b>      | <b>22.7</b>   | <b>25.7</b>   | <b>13.2%</b>            | <b>95.3</b>    |
| % on earned premiums                   | 8.3%          | 9.3%          |                         | 8.9%           |
| Earned premiums                        | <b>275.1</b>  | <b>275.1</b>  | <b>0.0%</b>             | <b>1,066.1</b> |

## Credit insurance business

Slight growth in net insurance revenues of 0.2% with recurring income of €67.6 million

In the credit insurance business, the Group has increased its net income (earned premiums and information services) by 0.2% reaching €509.3 million. The earned premiums, at €453.5 million, have increased by 0.1%.

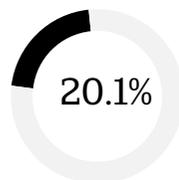
In Spain and Portugal, the Group's premiums declined slightly, as in the rest of the European markets, with the exception of Central and Northern Europe, which increased by 7.6%, with a notable growth in Germany.

In turn, income from information has increased by 2.2%, contributing €55.7 million.

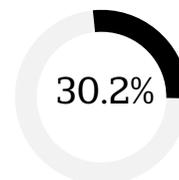
The Group has increased its risk exposure (TPE) by 3.0% compared to the end of 2020. This is due to the fact that after adjusting the risks during the previous year, in 2021 the levels begin to recover while maintaining an exhaustive selection of it. Europe represents 73.1% of total exposure and Spain is the main market, with 12.7% of the total.

 For further information, see annexes.

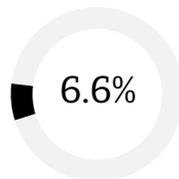
### 0.1% decrease in earned premiums, at €453.5 million



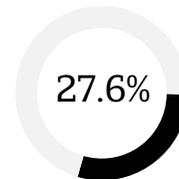
**Spain and Portugal**  
Earned premiums: **€91.1M**  
Change: **-2.9%**



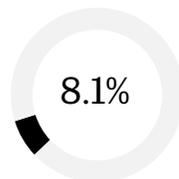
**Central and Northern Europe**  
Earned premiums: **€136.8M**  
Change **+7.6%**



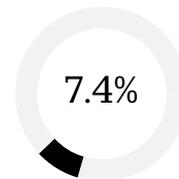
**The Americas**  
Earned premiums: **€29.7M**  
Change **-14.8%**



**Western Europe**  
Earned premiums: **€125.3M**  
Change **-1.6%**

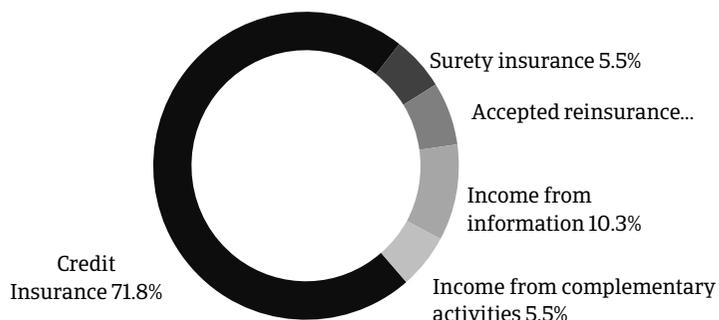


**Asia and rest of the world**  
Earned premiums: **€36.8M**  
Change **+2.9%**



**Southern Europe**  
Earned premiums: **€33.8M**  
Change **-3.1%**

### Diversification of the business due to earned premiums



The technical result after credit insurance expenses amounted to €191.9 million, €127.6 million more than in the same period of the previous financial year, which was heavily impacted by the COVID-19 health crisis. The effectiveness of the implementation of the risk management measures will lead to a stabilisation of margins in the second half of 2020 and an improvement in the first quarter of 2021.

The gross combined ratio was 62.3%. Having closed the 2020 financial year with a prudent level of provisions that continues to be maintained at the close of the first quarter, the inflow of claims is lower than expected. As a result of these improved expectations, reinsurers also earn an additional profit. Specifically, the result granted to reinsurance increased to €103.4 million, of which €69.3 million correspond to governmental agreements.

The financial result is lower than in the same period of the previous year mainly due to exchange rate differences which were very favourable in the previous year. The result of the complementary activities is €3.4 million.

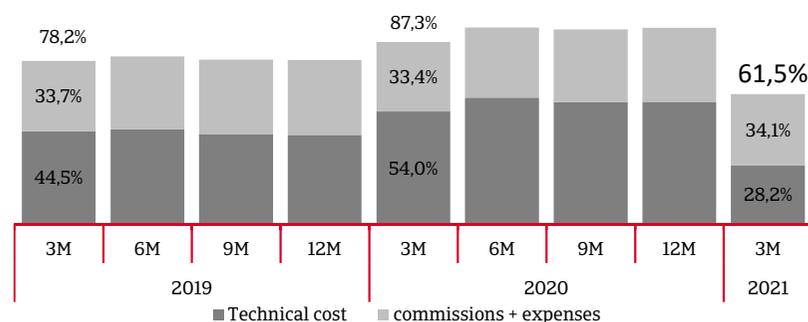
Consequently, the recurring result is positioned at €67.6 million, up 40.0% from the first quarter of 2020. During the year there were non-recurring profits of €2.3 million. In total, this business contributed a result of €69.9 million.

**COVID-19 Impact:** Re-pricing of risks and adaptation of risk appetite. Extension of most reinsurance agreements with European governments (Annexes).

For further information, see annexes.

|   | (figures in € million) |               |                     |                |
|---|------------------------|---------------|---------------------|----------------|
| <b>Credit insurance business</b>            | <b>3M2020</b>          | <b>3M2021</b> | <b>% Chg. 20-21</b> | <b>12M2020</b> |
| Earned premiums                             | 453.9                  | 453.5         | -0.1%               | 1,727.4        |
| Income from information                     | 54.5                   | 55.7          | 2.2%                | 133.1          |
| <b>Credit insurance income</b>              | <b>508.4</b>           | <b>509.3</b>  | <b>0.2%</b>         | <b>1,860.5</b> |
| <b>Technical result after expenses</b>      | <b>64.3</b>            | <b>191.9</b>  | <b>198.4%</b>       | <b>109.3</b>   |
| % on income                                 | 12.6%                  | 37.7%         |                     | 5.9%           |
| Reinsurance result                          | -7.2                   | -103.4        |                     | -28.1          |
| Reinsurance transfer ratio                  | 38.0%                  | 37.0%         |                     | 37.0%          |
| <b>Net technical result</b>                 | <b>57.1</b>            | <b>88.5</b>   | <b>55.0%</b>        | <b>81.2</b>    |
| % on income                                 | 11.2%                  | 17.4%         |                     | 4.4%           |
| <b>Financial result</b>                     | <b>10.3</b>            | <b>-0.5</b>   | <b>-104.9%</b>      | <b>5.1</b>     |
| % on income                                 | 2.0%                   | -0.1%         |                     | 0.3%           |
| <b>Result from complementary activities</b> | <b>2.0</b>             | <b>3.4</b>    | <b>70.0%</b>        | <b>1.8</b>     |
| Company income tax                          | -19.6                  | -22.7         |                     | -34.8          |
| Adjustments                                 | -1.4                   | -1.1          |                     | -2.9           |
| <b>Recurring result</b>                     | <b>48.3</b>            | <b>67.6</b>   | <b>40.0%</b>        | <b>50.4</b>    |
| Non-recurring result                        | -4.7                   | 2.3           |                     | -8.6           |
| <b>Total result</b>                         | <b>43.6</b>            | <b>69.9</b>   | <b>60.3%</b>        | <b>41.8</b>    |

#### Performance of the gross combined ratio



## Investments and funds under management

The investment operations, focused on traditional assets, have been characterised by prudence and diversification

The Group manages funds amounting to €15,125.7 million, €366.8 million more than in the previous year.

The total investment in property at market value amounts to €1,744.0 million. The majority of the Group's properties are located in areas considered "prime" areas in the most important Spanish cities. All of the properties for use by third parties are located in these areas and have a very high rate of occupancy. Every two years they are evaluated, through entities that are authorised by the supervisor. Capital gains from these properties stand at €528.7 million.

Fixed-income investment represents 54.5% of the total portfolio, standing at €7,483.9 million. The distribution of the rating in the portfolio is shown graphically below. At the close of the first quarter, 53.7% of the portfolio is rated A or higher. The duration of the portfolio at the end of March is 4.37 years and profitability at 1.95%.

(figures in € million)

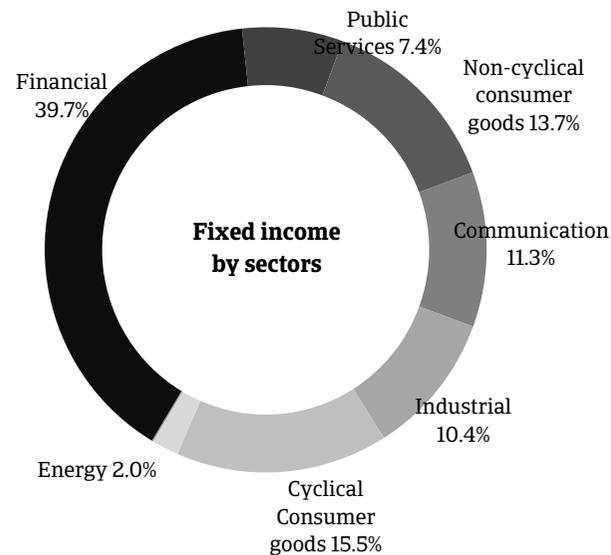
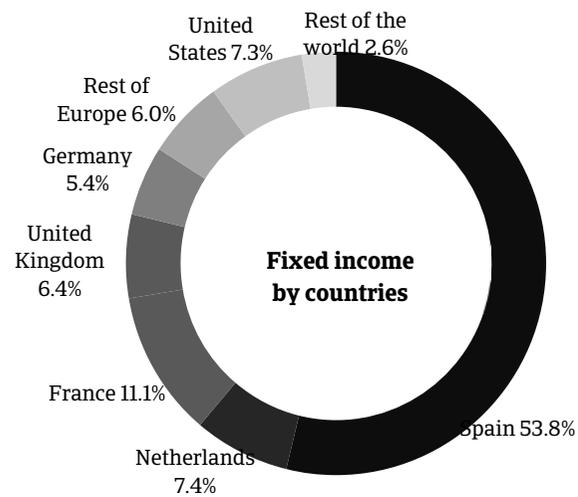
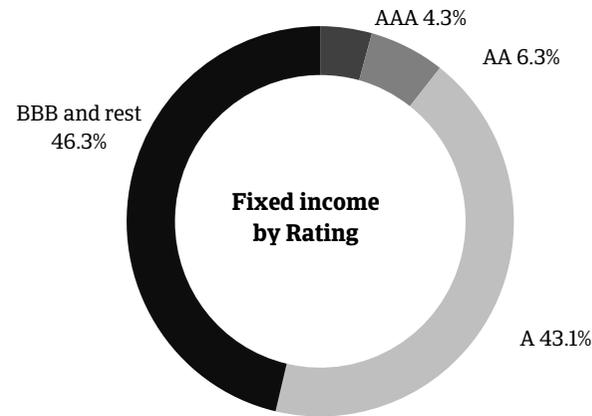
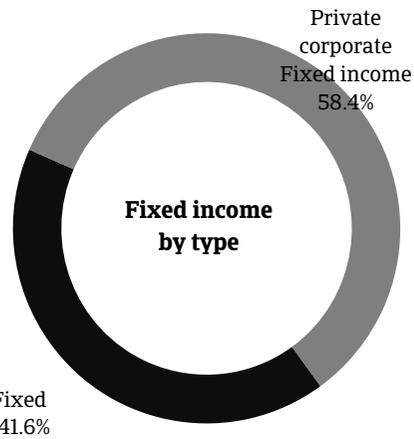
| <b>Investments and managed funds</b>             | <b>12M2020</b>  | <b>3M2021</b>   | <b>% Chg. 20-21</b> | <b>% on Inv. R. Co.</b> |
|--|-----------------|-----------------|---------------------|-------------------------|
| Properties                                       | 1,735.4         | 1,744.0         | 0.5%                | 12.7%                   |
| Fixed income                                     | 7,604.1         | 7,483.9         | -1.6%               | 54.5%                   |
| Variable income                                  | 1,656.4         | 1,859.9         | 12.3%               | 13.5%                   |
| Deposits with credit institutions                | 573.4           | 587.1           | 2.4%                | 4.3%                    |
| Other investments                                | 229.2           | 240.0           | 4.7%                | 1.7%                    |
| Cash and monetary assets                         | 1,535.5         | 1,733.3         | 12.9%               | 12.6%                   |
| Investment in investee companies                 | 85.2            | 88.4            | 3.8%                | 0.6%                    |
| <b>Total investments, risk to entity</b>         | <b>13,419.2</b> | <b>13,736.6</b> | <b>2.4%</b>         | <b>100.0%</b>           |
| Investments on behalf of policyholders           | 618.4           | 646.6           | 4.6%                | 4.7%                    |
| Pension plans and investment funds               | 721.3           | 742.5           | 2.9%                | 5.4%                    |
| <b>Total investments, risk to policy holders</b> | <b>1,339.7</b>  | <b>1,389.1</b>  | <b>3.7%</b>         |                         |
| <b>Investments and managed funds</b>             | <b>14,758.9</b> | <b>15,125.7</b> | <b>2.5%</b>         |                         |

Variable income represents 13.5% of the portfolio and is increased by 12.3%, reflecting the lesser revaluation of the financial market. The investment portfolio is widely diversified and focused on high-capitalisation securities, mainly in the Spanish market (27.0%) and the European market (53.7%), which show attractive dividend returns.

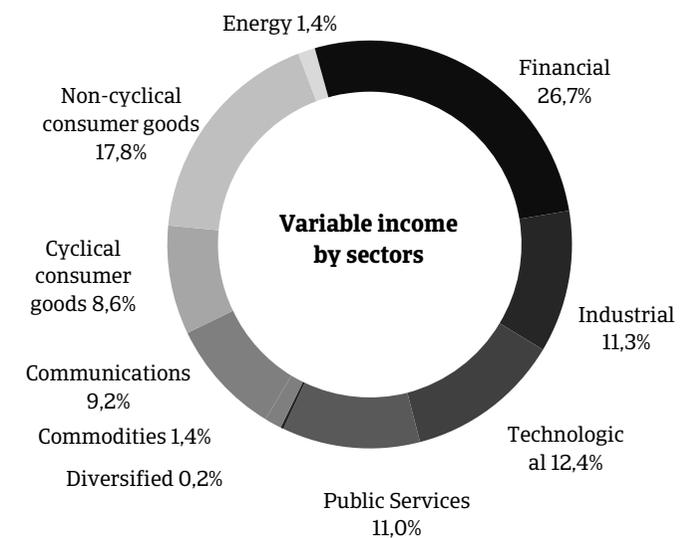
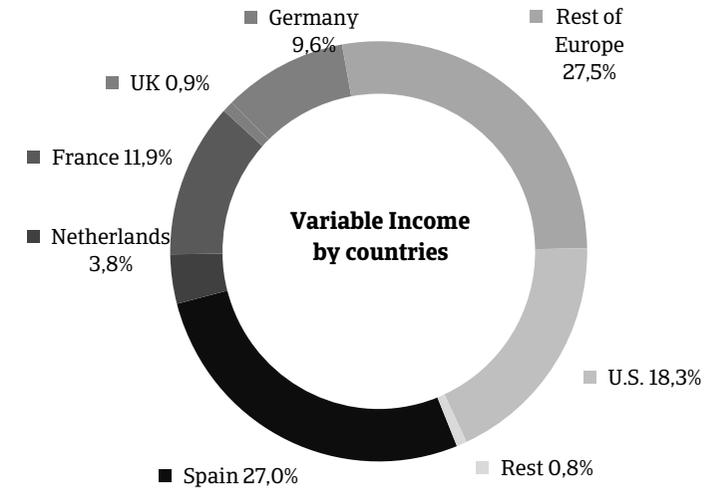
The Group maintains a liquidity position in deposits at credit institutions of €2,320.4 million, mainly at Banco Santander and BBVA, and a significant level of cash of €1,733.3 million.

**COVID-19 Impact: Recovery of valuations to pre-COVID-19 levels.**

## Fixed income



## Variable income



## Capital management

Grupo Catalana Occidente manages its capital with the goal of maximising value for all its interest groups, maintaining a solid position through obtaining long-term results and a prudent policy for remunerating shareholders.

|                                   |   |                                   |                              |
|-----------------------------------|---|-----------------------------------|------------------------------|
| <b>Capitalisation</b><br>€3,498 M | <b>High quality of own funds</b><br>95% Tier1 | <b>Solvency II ratio at 216%e</b> | <b>Strength for rating A</b> |
|-----------------------------------|---|-----------------------------------|------------------------------|

\*Estimated data at the end of 2020

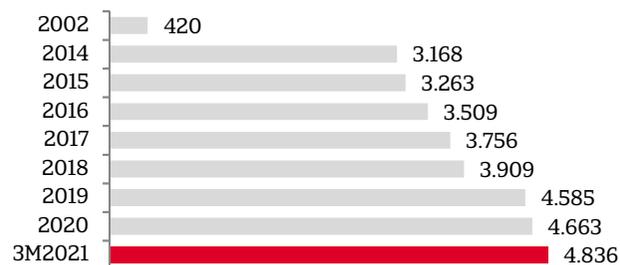
Capital management at the Group is governed by the following principles:

- Ensure that Group and its companies have sufficient capitalisation to meet their financial obligations, even as they face extraordinary events.
- Manage the capital adequacy of the Group and its companies, taking into account the economic and accounting outlook and capital requirements.
- Optimise the capital structure through efficient allocation of resources between entities, ensuring financial flexibility and properly remunerating shareholders.

No significant changes have occurred in risk management with respect to the 2020 financial statements. For more information, consult the report on the financial and solvency situation (SFCR) available on the Group's website.

## Capital performance

**At the end of March, the Group's capital increased by 3.7%, supported by the results.**



(figures in € million)

|  |                |
|--|----------------|
| <b>Long-term capital at market value on 31/12/2020</b>   | <b>4,138.3</b> |
| <b>Net equity on 01/01/2021</b>                          | <b>3,937.6</b> |
| (+) Consolidated results                                 | 122.6          |
| (+) Dividends paid                                       | -19.1          |
| (+) Change in valuation adjustments                      | 65.3           |
| (+) Other changes  | 0.0            |
| <b>Total net equity on 31/03/2021</b>                    | <b>4,106.5</b> |
| Subordinated debt  | 200.7          |
| <b>Permanent resources at 31/03/2021</b>                 | <b>4,307.2</b> |
| Capital gains not included in balance sheet (properties) | 528.7          |
| <b>Long-term capital at market value on 31/03/2021</b>   | <b>4,835.9</b> |

Market movements have led to an increase in the value of investments, with a positive impact of €65.3 million. Dividends have also been paid, amounting to €19.1 million, thus reducing net equity by the same amount.

## Credit rating

In December 2020, A.M. Best confirmed the financial strength rating of A (excellent) with a stable outlook for the Group's main operating entities, both in traditional business and credit insurance business. This rating reflects the solid balance sheet strength, excellent operating results and appropriate capitalization of the Group's main operating entities. Furthermore, it considers that exposure to natural disasters is limited, thanks to the existence of a national coverage system (Consorcio de Compensación de Seguros).

Moody's affirmed the 'A2' rating of the operating entities in the credit insurance business under the Atradius brand, upgrading the outlook back to stable in February 2021. The confirmation of this rating reflects Moody's confidence in the strength of the Atradius brand, even in situations of economic uncertainty such as that generated by COVID-19. This is due to Atradius' dynamic risk exposure management, its strong economic capitalisation and its solid positioning as the second largest global credit insurance player.

|  | A.M. Best                             | Moody's             |
|--|---------------------------------------|---------------------|
| <b>Seguros Catalana Occidente</b>            | 'A' stable (FSR)<br>'a+' stable (ICR) |                     |
| <b>Seguros Bilbao</b>                        | 'A' stable (FSR)<br>'a+' stable (ICR) |                     |
| <b>Plus Ultra Seguros</b>                    | 'A' stable (FSR)<br>'a+' stable (ICR) |                     |
| <b>Atradius Crédito y Caución Seg Reas</b>   | 'A' stable (FSR)<br>'a+' stable (ICR) | 'A2' negative (IFS) |
| <b>Atradius Reinsurance DAC</b>              | 'A' stable (FSR)<br>'a+' stable (ICR) | 'A2' negative (IFS) |
| <b>Atradius Trade Credit Insurance, Inc.</b> | 'A' stable (FSR)<br>'a+' stable (ICR) | 'A2' negative (IFS) |
| <b>Atradius Seguros de Crédito, S.A.</b>     | 'A' stable (FSR)<br>'a+' stable (ICR) |                     |

# Sustainability

For Grupo Catalana Occidente, sustainability is the voluntary commitment to integrate risks and responsible management of economic, social and environmental issues into its strategy, to promote ethical behaviour with our stakeholders, to rigorously apply the principles of good governance and to contribute to the well-being of society through the creation of sustainable social value.

Social value is the result of focusing our activity not only on obtaining good financial results but also on favouring the welfare of the stakeholders to which the group's entities respond. This value becomes sustainable when it is integrated into the business strategy not only in the short term but also in the medium and long term.

This commitment is materialised through our Sustainability Policy and the Sustainability Master Plan 2020-2023.

## Sustainability policy

In January 2021, the Board of Directors approved the Sustainability Policy of Grupo Catalana Occidente, which replaces the former Corporate Responsibility Policy in force until then.

This document establishes the reference framework for the Group and the Entities that comprise it to develop and promote socially responsible behaviour. It includes the general principles of action in the area of sustainability, as well as specific sustainability goals pursued by the Group.

The new Sustainability Policy aims to respond to an increasingly demanding European and national regulatory framework, which includes the United Nations 2030 Agenda, the Paris Agreement of the United Nations Framework Convention on Climate Change, the European

Green Pact and the European Strategy for decarbonisation to 2050.

Externally, it strengthens its commitment to the United Nations Global Compact Principles, the United Nations Principles for Responsible Investment (PRI), the Principles for Sustainable Insurance (PSI) and the Sustainable Development Goals (SDGs).

Internally, the Policy is the key instrument to strengthen the Group's commitment to sustainability and lays the foundations on which to develop the Sustainability Master Plan.

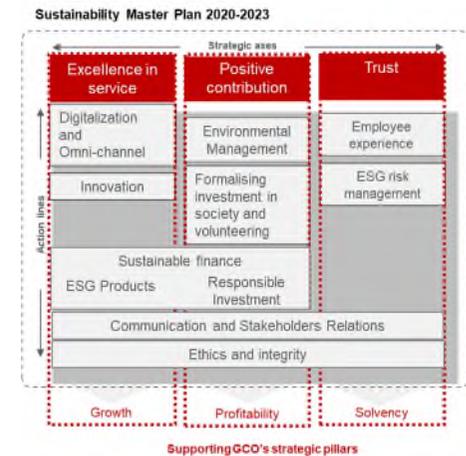
## Sustainability Master Plan

The Sustainability Master Plan is the main instrument through which Grupo Catalana Occidente develops and implements its sustainability strategy. In 2020, the Group updated its materiality study with the aim of identifying issues relevant to the Group and its stakeholders. Based on the new list of material issues, a new Sustainability Master Plan was updated for the period 2020-2023, which replaces the previous Corporate Responsibility Master Plan 2019-2021.

### Issues identified as material to the Group

- Customer experience
- Data protection and cybersecurity
- Innovation
- Corporate governance
- Ethics and transparency.
- Risk management
- Responsible investment.
- Responsible products
- Climate change and
- Attracting, developing and retaining talent
- Quality employment
- Health and safety
- Management of service providers.
- Commitment to Society
- Development of local communities

## Sustainability Master Plan 2020-2023



The Sustainability Master Plan has been structured by identifying three fundamental areas of development: excellence in service, positive contribution and trust; and a transversal area of transparency common to these areas: dissemination and reporting. Within each area, specific lines of action have been established in which the Group intends to create value in a sustainable manner, with actions for their development, those responsible for their execution, scope of action and indicators for their monitoring.

The actions carried out in the first quarter of 2021 include: applying regulations 2019/2088 on sustainability information disclosure and 2020/852 on Taxonomy, publishing the Sustainability Report 2020 verified and in line with GRI standards, including sustainability risks in the SFCR report according to the supervisory priorities published by ESMA, continuing to collaborate with our main alliances and reference organisations in the field (such as PRI, PSI, Global Compact, ODS and UNESPA, among others) and making progress in the study of more sustainable and innovative solutions.



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# 03 Annexes

## About Grupo Catalana Occidente

Grupo Catalana Occidente, S.A. is a limited company that does not directly practise in the insurance business, but that is the head of a group of dependent entities that are principally engaged in insurance activities.

The registered office of Grupo Catalana Occidente is in Paseo de la Castellana 4, Madrid (Spain) and its website is: [www.grupocatalanaoccidente.com](http://www.grupocatalanaoccidente.com)

The Group is subject to the standards and regulations of the insurance entities that operate in Spain. The Directorate General of Insurance and Pension Funds as leading supervisor of the College of Supervisors (hereinafter 'DGSFP') performs the functions of supervision in the field of insurance and reinsurance, insurance mediation, capitalisation and pension funds. The DGSFP is located in Madrid (Spain) in Paseo de la Castellana, 44 and its website is:

[www.dgfsp.mineco.es](http://www.dgfsp.mineco.es)

### Insurance specialist



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

### Closeness – global presence



- Distribution of intermediaries
- Over 17,400 intermediaries
- Over 7,350 employees
- Over 1,600 offices
- Over 50 countries

### Solid financial structure



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

### Technical rigour

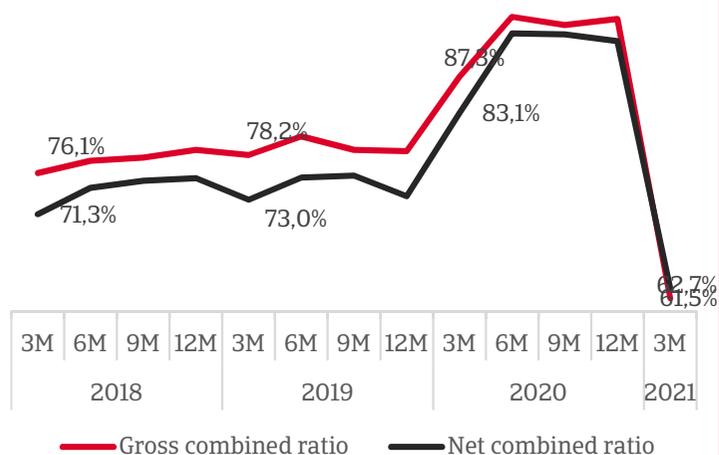


- Excellent combined ratio
- Strict cost control
- 1999- 2020: profits multiplied by 10
- Diversified and prudent investment portfolio

## Additional information of the credit insurance

|                                 | 3M2020       | 3M2021       | % Chg. 20-21 | 12M2020      |
|---------------------------------|--------------|--------------|--------------|--------------|
| <b>Combined ratio breakdown</b> |              |              |              | <b>0</b>     |
| % Gross technical cost          | 54.0%        | 28.2%        | -25.8        | 58.6%        |
| % Gross commissions + expenses  | 33.4%        | 34.1%        | 0.7          | 35.5%        |
| <b>% Gross combined ratio</b>   | <b>87.4%</b> | <b>62.3%</b> | <b>-25.1</b> | <b>94.1%</b> |
| % Net technical cost            | 52.4%        | 32.9%        | -19.5        | 55.9%        |
| % Net commissions + expenses    | 30.7%        | 31.4%        | 0.7          | 35.6%        |
| <b>% Net combined ratio</b>     | <b>83.1%</b> | <b>64.3%</b> | <b>-18.8</b> | <b>91.5%</b> |

Combined gross and net ratio evolution.



| Risk accumulation per country | 2017           | 2018           | 2019           | 2020           | 3M 2021        | % Chg. 20-21 | % total     |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|--------------|-------------|
| Spain and Portugal            | 98,714         | 99,453         | 98,739         | 79,231         | 80,269         | 1.3%         | 12.7%       |
| Germany                       | 86,430         | 90,599         | 93,024         | 93,568         | 97,234         | 3.9%         | 15.4%       |
| Australia and Asia            | 84,233         | 92,222         | 95,595         | 84,153         | 86,182         | 2.4%         | 13.6%       |
| The Americas                  | 73,188         | 75,773         | 81,269         | 71,765         | 73,804         | 2.8%         | 11.7%       |
| Eastern Europe                | 59,253         | 63,935         | 68,595         | 64,630         | 67,239         | 4.0%         | 10.6%       |
| United Kingdom                | 43,537         | 44,989         | 51,019         | 46,339         | 48,314         | 4.3%         | 7.6%        |
| France                        | 49,326         | 51,866         | 48,407         | 45,239         | 47,068         | 4.0%         | 7.4%        |
| Italy                         | 42,242         | 44,263         | 43,661         | 42,001         | 42,994         | 2.4%         | 6.8%        |
| Nordic and Baltic countries   | 28,738         | 30,525         | 31,748         | 30,779         | 31,786         | 3.3%         | 5.0%        |
| The Netherlands               | 27,636         | 29,650         | 30,392         | 29,875         | 30,602         | 2.4%         | 4.8%        |
| Belgium and Luxembourg        | 16,701         | 17,285         | 17,444         | 16,959         | 17,374         | 2.4%         | 2.7%        |
| Rest of the world             | 12,830         | 12,842         | 12,627         | 10,011         | 10,147         | 1.4%         | 1.6%        |
| <b>Total</b>                  | <b>622,829</b> | <b>653,404</b> | <b>672,520</b> | <b>614,549</b> | <b>633,013</b> | <b>3.0%</b>  | <b>100%</b> |

| Risk accumulation per sector | 2017           | 2018           | 2019           | 2020           | 3M2021         | % Chg. 20-21 | % on total  |
|------------------------------|----------------|----------------|----------------|----------------|----------------|--------------|-------------|
| Electronics                  | 74,476         | 77,433         | 82,858         | 73,189         | 74,752         | 2.1%         | 11.8%       |
| Chemicals                    | 82,783         | 86,479         | 87,466         | 82,804         | 85,628         | 3.4%         | 13.5%       |
| Durable consumer goods       | 68,442         | 69,881         | 73,145         | 69,071         | 70,568         | 2.2%         | 11.1%       |
| Metals                       | 63,419         | 68,424         | 72,285         | 61,597         | 64,643         | 4.9%         | 10.2%       |
| Food                         | 58,608         | 63,001         | 64,587         | 63,860         | 65,962         | 3.3%         | 10.4%       |
| Transport                    | 56,930         | 60,461         | 61,128         | 53,098         | 54,523         | 2.7%         | 8.6%        |
| Construction                 | 46,896         | 49,773         | 51,495         | 47,072         | 48,372         | 2.8%         | 7.6%        |
| Machinery                    | 37,137         | 39,972         | 41,225         | 39,635         | 41,009         | 3.5%         | 6.5%        |
| Agriculture                  | 33,318         | 33,876         | 33,954         | 29,845         | 30,886         | 3.5%         | 4.9%        |
| Construction materials       | 27,058         | 28,359         | 29,389         | 29,345         | 30,408         | 3.6%         | 4.8%        |
| Services                     | 26,994         | 27,837         | 27,109         | 23,346         | 23,387         | 0.2%         | 3.7%        |
| Textiles                     | 20,562         | 20,324         | 19,660         | 15,404         | 15,418         | 0.1%         | 2.4%        |
| Paper                        | 13,929         | 14,525         | 15,065         | 13,151         | 13,762         | 4.6%         | 2.2%        |
| Finance                      | 12,277         | 13,058         | 13,156         | 13,131         | 13,695         | 4.3%         | 2.2%        |
| <b>Total</b>                 | <b>622,829</b> | <b>653,404</b> | <b>672,520</b> | <b>614,549</b> | <b>633,013</b> | <b>3.0%</b>  | <b>100%</b> |

### Agreements adopted in the credit insurance business

The government reinsurance arrangements are part of an overall package of measures and aim to ensure that sufficient liquidity is available in the market. All contracts apply to direct business (gross reinsurance). The joint impacts of these measures on these financial statements are as follows:

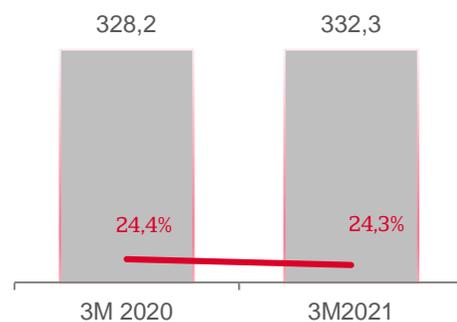
- Income statement: the contracts signed bring positive results to the Group the greater the impairment of the claims ratio of the countries covered. At the end of quarter, the assignment of premiums net of commissions was higher than the claims assigned, and the result of these contracts was a loss of €69.3 million.

| Agreement signed *     | Main features   | Conditions 2020  | Renewal conditions H1 2021  | Premiums granted 20 | Premiums granted 21 |
|------------------------|---|--|---|---------------------|---------------------|
| <b>Germany</b>         | <u>Guarantee contracts similar to proportional reinsurance.</u><br>Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 1 March 2020).   | 65% of the premiums.<br>90% of the claims.<br>No commissions   | 90% of the premiums.<br>90% of the claims.<br>With commissions.   | €103.9 M            | €37.4M              |
| <b>Belgium</b>         | <u>Instalment contract by tranches according to the claim ratio.</u><br>Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 27 March 2020).                                       | Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded.<br>With commissions.  | Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded.<br>With commissions.   | €18.2 million       | €4.6M               |
| <b>The Netherlands</b> | <u>Proportional reinsurance agreement.</u><br>Cover for insured risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 29 February 2020).  | 90% of premiums and claims from new policyholders.<br>100% of premiums and 90% of claims of the insured in the portfolio.<br>The government assumes all costs. | 90% of premiums and claims from new policyholders.<br>90% of premiums and 90% of claims of the insured in the portfolio.<br>The government assumes all costs. | €102.3 million      | €26.3M              |
| <b>Denmark</b>         | <u>Guarantee contracts similar to proportional reinsurance.</u><br>Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 01 March 2020).  | 65% of the premiums.<br>90% of the claims.<br>No commissions   | 58.5% of the premiums.<br>90% of the claims.<br>No commissions  | €21.0M              | €3.0M               |
| <b>Luxembourg</b>      | <u>Instalment contract by tranches according to the claim ratio.</u><br>Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 01 March 2020).                                       | Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded.<br>With commissions.  | Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded.<br>With commissions.   | €0.9M               | €0.3M               |
| <b>France</b>          | <u>Reinsurance contract with a performance similar to that of the quota share with certain particularities depending on the quality of the risks assumed.</u> Coverage of risks underwritten between 16 March and 31 December 2020. | 75% of the premiums.<br>75% of the claims.<br>With commissions.  | 75% of the premiums.<br>75% of the claims.<br>With commissions.   | €42.8M              | €2.4M               |
| <b>United Kingdom</b>  | <u>Guarantee contracts similar to proportional reinsurance.</u><br>Coverage of risks underwritten between 1 April and 31 December 2020.   | 100% of the premiums.<br>90% of the claims.<br>No commissions  | 90% of the premiums.<br>90% of the claims.<br>With commissions.   | €78.3M              | €20.9 M             |
| <b>Norway</b>          | <u>Instalment contract part.</u><br>Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 12 March 2020).   | 65% of the premiums.<br>90% of the claims.<br>No commissions   | 58.5% of the premiums.<br>90% of the claims.<br>No commissions  | €5.0M               | €1.0M               |
| <b>Spain</b>           | <u>Reinsurance contract in addition to that underwritten in the private market.</u><br>Premiums and Claims from 1 October 2020 to 30 June 2021.   | 31% of the premiums.<br>31% of the claims.<br>With commissions.  | 42% of the premiums.<br>42% of the claims.<br>With commissions.   | €7.3M               | €23.5M              |
| <b>Italy</b>           | <u>Proportional reinsurance agreement.</u><br>Coverage of risks underwritten between 19 May to 31 December 2020.  | 90% of the premiums.<br>90% of the claims.<br>With commissions.  | 90% of the premiums.<br>90% of the claims.<br>With commissions.   | €32.9 M             | €13.8M              |

\*The measure is for trade credit originated by insured persons operating in the country with a signed agreement and covers debtors from inside and outside that country. The average commission is 30% All agreements have been renewed until 30 June 2021 except for France which has been partially renewed until 30 June 2021.

## Expenses and commissions

| Expenses and commissions                              | (figures in € million) |              |              |                |
|---|------------------------|--------------|--------------|----------------|
|   | 3M2020                 | 3M2021       | % Chg. 20-21 | 12M2020        |
| Traditional business                                  | 75.4                   | 73.6         | -2.4%        | 312.6          |
| Credit insurance                                      | 110.2                  | 114.8        | 4.2%         | 433.7          |
| Non-recurring expenses                                | 0.0                    | 0.0          |              | 3.8            |
| <b>Total expenses</b>                                 | <b>185.5</b>           | <b>188.3</b> | <b>1.5%</b>  | <b>750.1</b>   |
| <b>Commissions</b>                                    | <b>142.7</b>           | <b>144.0</b> | <b>0.9%</b>  | <b>558.6</b>   |
| <b>Total expenses and commissions</b>                 | <b>328.2</b>           | <b>332.3</b> | <b>1.2%</b>  | <b>1,308.6</b> |
| % expenses and commissions without recurring premiums | 24.4%                  | 24.3%        |              | <b>28.5%</b>   |



## Financial result

| Financial result                 | (figures in € million) |             |              |              |
|----------------------------------|------------------------|-------------|--------------|--------------|
|                                  | 3M2020                 | 3M2021      | % Chg. 20-21 | 12M2020      |
| <b>Financial result</b>          |                        |             |              |              |
| Financial income                 | 46.4                   | 44.2        | -4.7%        | 182.7        |
| Exchange Differences             | -0.1                   | -0.4        |              | 0.0          |
| Subsidiary companies             | 0.2                    | 0.4         |              | 1.8          |
| Interests applied to life        | -33.6                  | -31.2       | -7.1%        | -132.7       |
| <b>Traditional business</b>      | <b>12.9</b>            | <b>13.0</b> | <b>0.8%</b>  | <b>51.8</b>  |
| % on earned premiums             | 1.9%                   | 1.9%        |              | 1.9%         |
| Financial income                 | 3.8                    | 1.2         | -68.4%       | 13.5         |
| Exchange Differences             | 9.5                    | 0.0         |              | 5.5          |
| Subsidiary companies             | 1.2                    | 2.5         |              | 2.9          |
| Interests subordinated debt      | -4.2                   | -4.2        |              | -16.9        |
| <b>Credit insurance</b>          | <b>10.3</b>            | <b>-0.5</b> |              | <b>5.1</b>   |
| % on net income from insurance   | 2.0%                   | -0.1%       |              | 0.3%         |
| Intra-group interest adjustment  | -0.4                   | -0.1        |              | -0.9         |
| <b>Adjusted credit insurance</b> | <b>9.8</b>             | <b>-0.6</b> |              | <b>4.2</b>   |
| <b>Recurring financial</b>       | <b>22.8</b>            | <b>12.4</b> |              | <b>60.3</b>  |
| % on total Group Income          | 1.9                    | 1.0         |              | 1.3%         |
| <b>Non-Recurring financial</b>   | <b>-22.1</b>           | <b>-0.1</b> |              | <b>-27.8</b> |
| <b>Financial result</b>          | <b>0.7</b>             | <b>12.3</b> |              | <b>28.2</b>  |

## Non-recurring result

| Non-recurring result                           | (figures in € million) |             |              |
|--|------------------------|-------------|--------------|
|  | 3M2020                 | 3M2021      | 12M2020      |
| <b>Non-recurring result</b>                    |                        |             |              |
| Financial                                      | -16.5                  | -3.2        | -22.1        |
| Expenses and others                            | 11.1                   | 0.0         | 6.1          |
| Taxes  | 4.1                    | -1.2        | 5.7          |
| <b>Non-recurring from traditional business</b> | <b>-1.3</b>            | <b>-4.4</b> | <b>-10.3</b> |
| Financial                                      | -5.6                   | 3.1         | -5.7         |
| Expenses and others                            | 0.0                    | 0.0         | -3.8         |
| Taxes  | 0.8                    | -0.8        | 0.9          |
| <b>Non-recurring from credit insurance</b>     | <b>-4.7</b>            | <b>2.3</b>  | <b>-8.6</b>  |
| <b>Net non-recurring result</b>                | <b>-6.0</b>            | <b>-2.1</b> | <b>-18.9</b> |

## Balance sheet

The assets of Grupo Catalana Occidente stood at €18,182.4 million.

The Catalana Occidente Group closed the first quarter of 2021 with assets of €18,182.4 million, a decrease of 4.7% since the beginning of the year.

The main items that explain this increase are:

- Technical provisions, with an extra €406.8 million
- €345.7 million in investments.

Note that the item “cash” does not fully reflect the Group's liquidity position as investments in deposits and money market funds are included in Financial Investments (See Investments and Funds under Management table).

Likewise, it should be remembered that Grupo Catalana Occidente does not account for the surplus value of its property, so they appear at the amortised cost value and not at market value.

|  | (figures in € million) |                 |                         |
|--|------------------------|-----------------|-------------------------|
|  | 12M2020                | 3M2021          | % Chg.<br>20-21         |
| <b>Assets</b>  |                        |                 |                         |
| <b>Intangible assets and property, plant and machinery</b> | <b>1,440.1</b>         | <b>1,437.7</b>  | <b>-0.2%</b>            |
| <b>Investments</b>   | <b>13,066.4</b>        | <b>13,412.0</b> | <b>2.6%</b>             |
| Property investment  | 692.9                  | 700.8           | 1.1%                    |
| Financial investments                                      | 10,895.6               | 11,038.4        | 1.3%                    |
| Cash and short-term assets                                 | 1,478.0                | 1,672.8         | 13.2%                   |
| <b>Reinsurance share in technical provisions</b>           | <b>1,108.1</b>         | <b>1,213.8</b>  | <b>9.5%</b>             |
| <b>Other assets</b>  | <b>1,753.2</b>         | <b>2,118.9</b>  | <b>20.9%</b>            |
| Deferred tax assets  | 271.9                  | 246.9           | -9.2%                   |
| Credits  | 971.0                  | 1,253.8         | 29.1%                   |
| Other assets   | 510.3                  | 618.2           | 21.1%                   |
| <b>Total assets</b>  | <b>17,367.7</b>        | <b>18,182.4</b> | <b>4.7%</b>             |
|  |                        |                 |                         |
|  | <b>12M2020</b>         | <b>3M2021</b>   | <b>% Chg.<br/>20-21</b> |
| <b>Net liabilities and equity</b>                          |                        |                 |                         |
| <b>Permanent resources</b>                                 | <b>4,138.3</b>         | <b>4,307.2</b>  | <b>4.1%</b>             |
| <b>Net equity</b>  | <b>3,937.6</b>         | <b>4,106.5</b>  | <b>4.3%</b>             |
| Parent company   | 3,578.9                | 3,731.1         | 4.3%                    |
| Minority interests   | 358.7                  | 375.4           | 4.7%                    |
| <b>Subordinated liabilities</b>                            | <b>200.7</b>           | <b>200.7</b>    | <b>0.0%</b>             |
| <b>Technical provisions</b>                                | <b>10,982.5</b>        | <b>11,389.3</b> | <b>3.7%</b>             |
| <b>Other liabilities</b>                                   | <b>2,247.0</b>         | <b>2,485.9</b>  | <b>10.6%</b>            |
| Other provisions   | 234.6                  | 221.4           | -5.6%                   |
| Deposits received on buying reinsurance                    | 58.3                   | 64.3            | 10.3%                   |
| Deferred tax liabilities                                   | 488.8                  | 468.4           | -4.2%                   |
| Debts  | 969.8                  | 1,271.1         | 31.1%                   |
| Other liabilities  | 495.5                  | 460.6           | -7.0%                   |
| <b>Total net liabilities and equity</b>                    | <b>17,367.7</b>        | <b>18,182.4</b> | <b>4.7%</b>             |

## Corporate structure

Grupo Catalana Occidente is made up of 50 companies, mostly involved in the insurance business. The parent company is Grupo Catalana Occidente S.A., (with registered office in Avda. Paseo de la Castellana 4, 28046 Madrid) which directly and indirectly administers and manages all of the shareholdings of all entities that make it up.

All of these have their own structure and organisational network, independent from the other insurance companies in the Group. From an organisational point of view they have a structure with centralisation and decentralisation of operations, with the following service centres: two underwriting centres, six claims centres, an administrative accounting centre and a call centre.

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

**Traditional business**

**Credit insurance business**

## Board of Directors

**Grupo Catalana Occidente has a Board of Directors that applies the principles of good governance with transparency and rigour.**

The Board of Directors is the maximum management authority in Grupo Catalana Occidente, S.A. The Board delegates ordinary management in the management team and concentrates its activity on the supervision function which includes:

- Strategic responsibility: direct the policies of the Group.
- Supervision responsibility: control the management events.
- Communication responsibility: serve as a link between shareholders.

Among other issues, the Board of Directors is responsible for the approval of the strategic plan, the annual objectives and budgets, the investment and finance policy and the policies of corporate governance, corporate responsibility, and risk control and management.

Its operation and actions are regulated by the Articles of Association and in the Regulations of the Board of Directors (available on the Group's website).



The Board of Directors annually approves the corporate governance report and the report on remuneration for the members of the Board of Directors corresponding to each year, following the guidelines established by the regulations in relation to the transparency of listed entities, and which is later submitted to a vote in the General Shareholders Meeting.

### Board of Directors

#### Chairman

\* José María Serra Farré

#### Chief Executive Officer

\* José Ignacio Álvarez Juste

#### Members

Jorge Enrich Izard

Enrique Giró Godó

\*\* Juan Ignacio Guerrero Gilabert

Federico Halpern Blasco

\*\* Francisco Javier Pérez Farguell

Maria Assumpta Soler Serra

Alberto Thiebaut Estrada

Fernando Villavecchia Obregón

#### Deputy non-board member secretary

Joaquín Guallar Pérez

\*Executive directors \*\*Independent

### Audit Committee

#### Chairman

Juan Ignacio Guerrero Gilabert

#### Vice-chairman

\* Hugo Serra Calderón

#### Secretary Director

\* Francisco J. Arregui Laborda

Ensivest Bros 2014, S.L.

Jorge Enrich Serra

Jusal, S.L.

José M.<sup>a</sup> Juncadella Sala

Lacanuda Consell, S.L.

Carlos Halpern Serra

Gestión de Activos y Valores S.L.

Álvaro Juncadella de Pallejá

#### Members

Francisco Javier Pérez Farguell

Lacanuda Consell, S.L.



The curriculums are available on the Group's website



For further information about the governance system, see SFCR

### Appointments and Remunerations Committee

#### Chairman

Francisco Javier Pérez Farguell

#### Members

Juan Ignacio Guerrero Gilabert

Alberto Thiebaut Estrada

## Calendar and contact

| January | February  | March | April  | May                                      | June | July   | August | September | October  | November | December |
|---------|---|-------|--|--|------|--|--------|-----------|--|----------|----------|
|         | 25<br>Results<br><b>12M2020</b>                             |       | 29<br>Results<br><b>3M2021</b>                             |  |      | 29<br>Results<br><b>6M2021</b>                             |        |           | 28<br>Results<br><b>9M2021</b>                             |          |          |
|         | 25<br>Presentation<br>of results<br><b>12M2020</b><br>16.30 |       | 30<br>Presentation<br>of results<br><b>3M2021</b><br>11.30 |  |      | 29<br>Presentation<br>of results<br><b>6M2021</b><br>16.30 |        |           | 28<br>Presentation<br>of results<br><b>9M2021</b><br>16.30 |          |          |
|         |   |       | 29<br>General<br>Shareholders'<br>Meeting<br><b>2020</b>   |  |      |  |        |           |  |          |          |
|         | Interim<br>dividend<br><b>2020</b>                          |       |  | Complementary<br>dividend<br><b>2020</b> |      | Interim<br>dividend<br><b>2021</b>                         |        |           | Interim<br>dividend<br><b>2021</b>                         |          |          |



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## Glossary

| Item   | Definition   | Formulation  |
|--|--|--|
| <b>Technical result</b>                                    | Result of the insurance activity   | <b>Technical result</b> = (premiums accrued from direct insurance + premiums accrued from reinsurance accepted + information services and commissions) - Technical cost - Participation in benefits and return premiums - Net operating expenses - Other technical expenses      |
| <b>Reinsurance result</b>                                  | Result due to transferring business to the reinsurer or accepting business from other entities.  | <b>Reinsurance result</b> = Result of Inward Re + Result of ceded reinsurance  |
| <b>Financial result</b>                                    | Result of the financial investments.   | <b>Financial result</b> = income from financial assets (coupons, dividends, actions) - financial expenses (commissions and other expenses) + result of subsidiary companies - interest accrued on the debt - interest paid to the insured parties of the life insurance business |
| <b>Technical/financial result</b>                          | Result of the insurance activity, including the financial result.<br>This result is particularly relevant for Life insurance.  | <b>Technical/financial result</b> = Technical result + Financial result  |
| <b>Result of non-technical non-financial account</b>       | Income and expenses that cannot be assigned to the technical or financial results.   | <b>Result of non-technical non-financial account</b> = Income - expenses that cannot be assigned to the technical or financial results.  |
| <b>Result of credit insurance complementary activities</b> | Result of activities that cannot be assigned to the purely insurance business.<br>Mainly distinguishes the activities of: <ul style="list-style-type: none"> <li>· Information services</li> <li>· Recoveries</li> <li>· Management of the export account of the Dutch state.</li> </ul> | <b>Result of credit insurance complementary activities</b> = income - expenses   |
| <b>Recurring result</b>                                    | Result of the entity's regular activity  | <b>Recurring result</b> = technical/financial result + non-technical account result - taxes, all resulting from normal activity  |
| <b>Non-recurring result</b>                                | Extraordinary or atypical movements that may undermine the analysis of the income statement.<br>These are classified depending on their nature (technical, expenses and financial) and by business type (traditional and credit insurance)   | <b>Non-recurring result</b> = technical/financial result + non-technical account result - taxes, all resulting from extraordinary or atypical activity   |

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

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| <b>Service satisfaction index</b>                      | This measures the evaluation of the service received<br>Scale from 1 to 10   | <b>Service satisfaction index</b> = (Satisfied – dissatisfied) / respondents<br>Satisfied responses with result from 7 to 10<br>Dissatisfied responses with result from 1 to 4   |
| <b>Income from insurance</b>                           | Measures the income directly derived from the activities of insurance and information services   | <b>Income from insurance</b> = premiums accrued from direct insurance + premiums accrued from accepted reinsurance + information services and commissions  |
| <b>Investments in associated / subsidiary entities</b> | Non-dependant entities where the Group has significant influence   | <b>Investments in associated / subsidiary entities</b> = accounting value of the economic investment   |
| <b>Net Promoter Score NPS</b>                          | This measures the degree of customer loyalty with the entity   | <b>Net Promoter score</b> = Would you recommend the company to family and friends? = (promoters-critics)/ respondents<br>Promoters: responses with result equal to 9 or 10<br>Critics: responses with result from 1 to 6 |
| <b>Pay out</b>   | Ratio that indicates the part of the result distributed among investors through dividends  | <b>Pay out</b> = (Total dividend/ Result of the year attributable to the parent company) x 100   |
| <b>Price Earnings Ratio PER</b>                        | The price-earnings ratio or PER measures the relationship between the price or value of the entity and the results. Its value expresses what the market pays for each monetary unit of results. It is representative of the entity's capacity to generate results. | <b>PER</b> = Price of the share at market close / Result of the year attributable to the parent company year-on-year (in the case of quarterly closing) per share  |
| <b>Ex. single premiums</b>                             | Total premiums without considering non-periodic premiums in the Life business  | <b>Ex. single premiums</b> = Invoiced premiums - single premiums in the life business  |
| <b>Technical provisions</b>                            | Amount of the obligations assumed that are derived from insurance and reinsurance contracts.   |  |
| <b>Combined ratio</b>                                  | Indicator that measures the technical profitability of the Non Life insurances.  | <b>Combined ratio</b> = Ratio of claims + ratio of expenses  |
| <b>Net combined ratio</b>                              | Indicator that measures the technical profitability of the non life insurances net of the reinsurance effect   | <b>Net combined ratio</b> = Net ratio of claims + net ratio of expenses  |
| <b>Expenses ratio</b>                                  | Ratio that reflects the part of the income from premiums dedicated to expenses.  | <b>Expenses ratio</b> = Expenses from operation / Income from insurance  |
| <b>Net expenses ratio</b>                              | Ratio that reflects the part of the income from premiums dedicated to expenses, net of the reinsurance effect  | <b>Net expenses ratio</b> = (Net expenses from reinsurance operation) / (premiums attributed to direct business and accepted reinsurance + information services and commissions)   |

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| <b>Claims ratio</b>                         | Business indicator, consisting of the proportion between claims and earned premiums.                                | <b>Claims ratio</b> = Claims / Income from insurance   |
| <b>Net claims ratio</b>                     | Business indicator, consisting of the proportion between claims and earned premiums, net of the reinsurance effect. | <b>Net claims ratio</b> = Claims in the year, net of reinsurance / (premiums attributed to direct business and accepted reinsurance + information services and commissions)                      |
| <b>Permanent resources</b>                  | Resources that can be included in own funds.  | <b>Permanent resources</b> = Total net equity + subordinated liabilities   |
| <b>Permanent resources at market value</b>  | Resources that can be included in own funds at market value   | <b>Permanent resources at market value</b> = Total net equity + subordinated liabilities + capital gains associated to properties for own use + capital gains associated to property investments |
| <b>Resources transferred to the company</b> | Amount that the Group returns to the main stakeholders.   | <b>Resources transferred to the company</b> = claims paid + taxes + commissions + personnel expenses + dividends   |
| <b>Return On Equity ROE</b>                 | Financial profitability or rate of return<br>Measures the performance of the capital                                | <b>ROE</b> = (Result of the year. Attributable to the parent company) / (Equity attributed to shareholders of the parent company at the end of the period) x 100                                 |
| <b>Claims</b>                               | See technical cost. Economic evaluation of claims.  | <b>Claims</b> = Payments made from direct insurance + Variation of the provision for services of direct insurance + expenses attributable to services  |
| <b>Total Potential Exposure TPE</b>         | This is the potential exposure to risk, also "cumulative risk".Credit insurance business term                       | TPE = the sum of the credit risks underwritten by the Group for each buyer   |

## Legal note

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