



2021

Presentation of results 9M2021
Grupo Catalana Occidente

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Presentation based on data from the 9M2021 report published on 28/10/2021



01 Keys of the period

Key financial figures



Economic and sectoral
environment



€3,720.6M Turnover
€361.0M Attributable result



Sound solvency position
7.5% long-term capital at market value



+5% Shareholder remuneration
of the first two dividends of the financial year 2021

Global economic environment

COVID-19: strong impact on growth in the economy



Global

GDP +2.8% 19 -3.1% 20 +5.9% 21e

United States

GDP +2.2% 19 -3.4% 20 +6.0% 21e

Latam

GDP +0.0% 19 -7.0% 20 +6.3% 21e

Eurozone

GDP +1.2% 19 -6,3% 20 +5.0% 21e

Spain

GDP +2.0% 19 -10.8% 20 +5.7% 21e

Emerging and developing economies in Asia

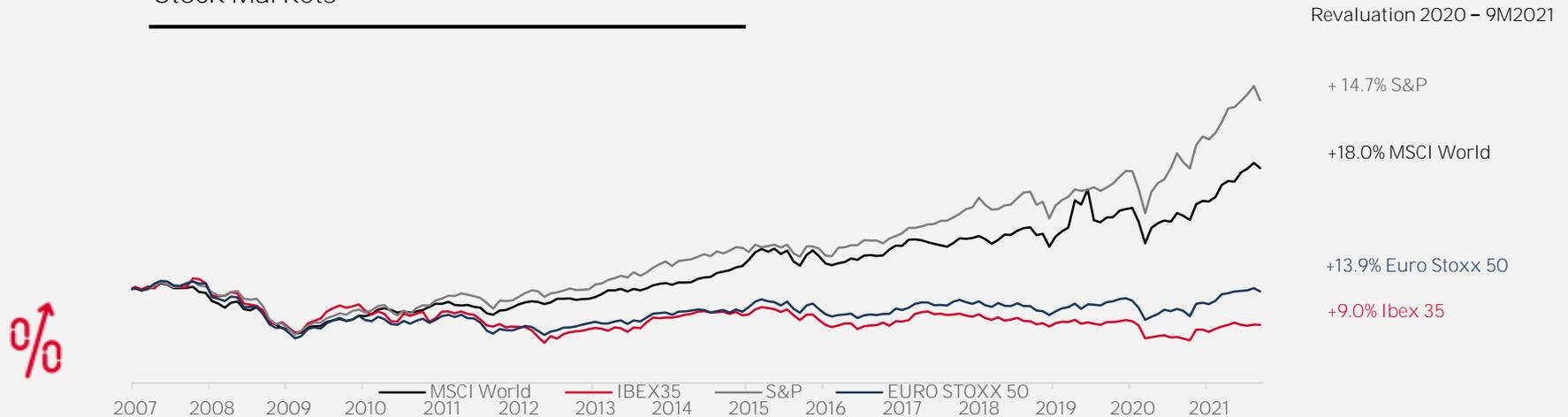
GDP +5.4% 19 -0.8% 20 +7.2% 21e

Financial Markets

Accommodative policy that keeps interest rates at minimums



Stock Markets

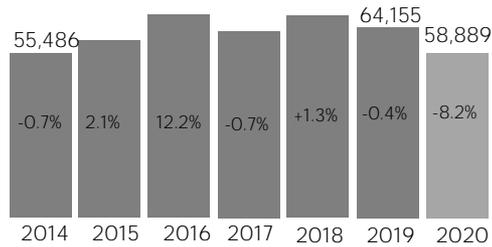


Source: Bloomberg. Updated October 2021

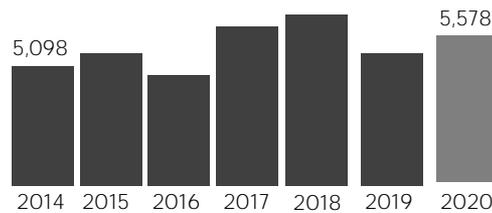
The insurance industry in Spain

Increase in insurance sector turnover in Spain driven by life premiums

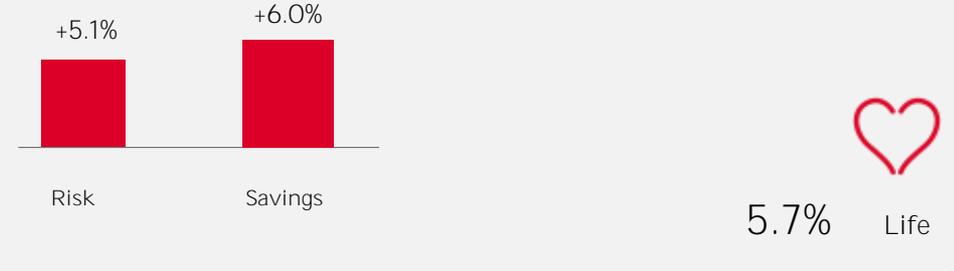
Premiums (€M)



Technical account result



Insurance sector premiums 9M2021: 4.1%



Source: ICEA October 2021

Key financial figures



Economic and sectoral
environment



€3,720.6M

Turnover

€361.0M

Attributable result



Sound solvency position
7.5% long-term capital at market value



+5% Shareholder remuneration
of the first two dividends of the financial year 2021

Grupo Catalana Occidente in 9M2021

(figures in € million)

Income	9M2020	9M2021	% Chg. 20-21
Traditional business	2,051.8	2,123.2	3.5%
Recurring premiums	1,847.0	1,883.1	2.0%
Single premiums life	204.8	240.1	17.2%
Credit insurance business	1,423.8	1,597.4	12.2%
Turnover	3,475.6	3,720.6	7.0%

(figures in € million)

Results	9M2020	9M2021	% Chg. 20-21
Recurring result from traditional business	194.0	202.4	4.3%
Recurring result from credit insurance business	42.5	175.5	312.9%
Non-recurring result	-11.5	14.3	
Consolidated result	225.1	392.2	74.2%
Attributed result	217.5	361.0	66.0%

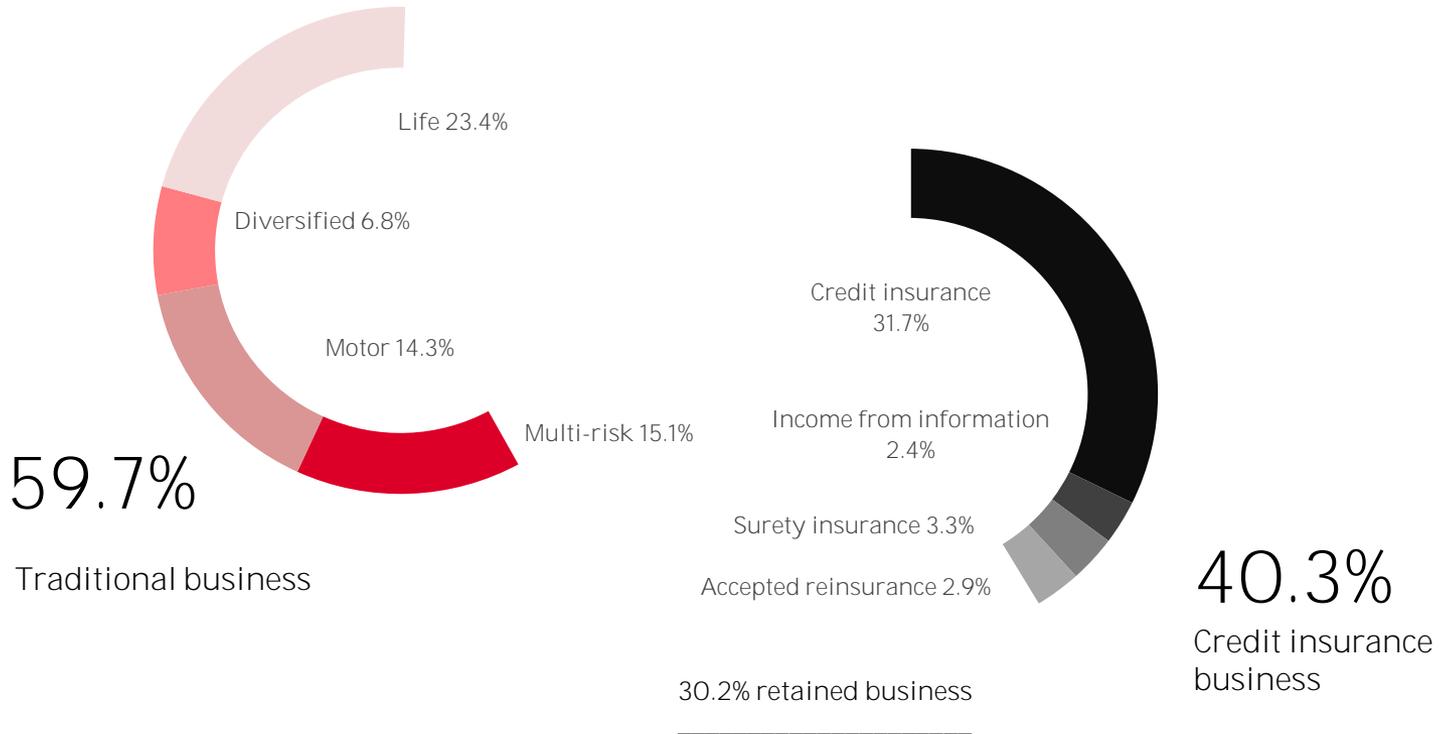
GCO: actions during the COVID-19 crisis

- Employee protection and operational support.
 - Ensure employee protection and continuity of work. Teleworking of all our employees.
 - We are still operational under extreme conditions.
- Maintenance of customer service.
 - Continuity in the relationship with the customer through telematic means.
 - Continuity in customer service for expert opinions, repairs, agency offices, etc...
- Measures aimed at the traditional business.
 - Flexibility in payment of receipts, instalments and deferment.
 - Adapting 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 cyber-risk protection in teleworking.
- 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 the various governments to support commercial activity through credit insurance.
- Measures to support society.
 - Participation with UNESPA in a fund to protect health workers facing 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.
 - The Group supports more than 20,000 suppliers affected by COVID-19 through interest-free advances.

Diversification Grupo Catalana Occidente 12M2020



Balanced portfolio, complete offer



Global Presence

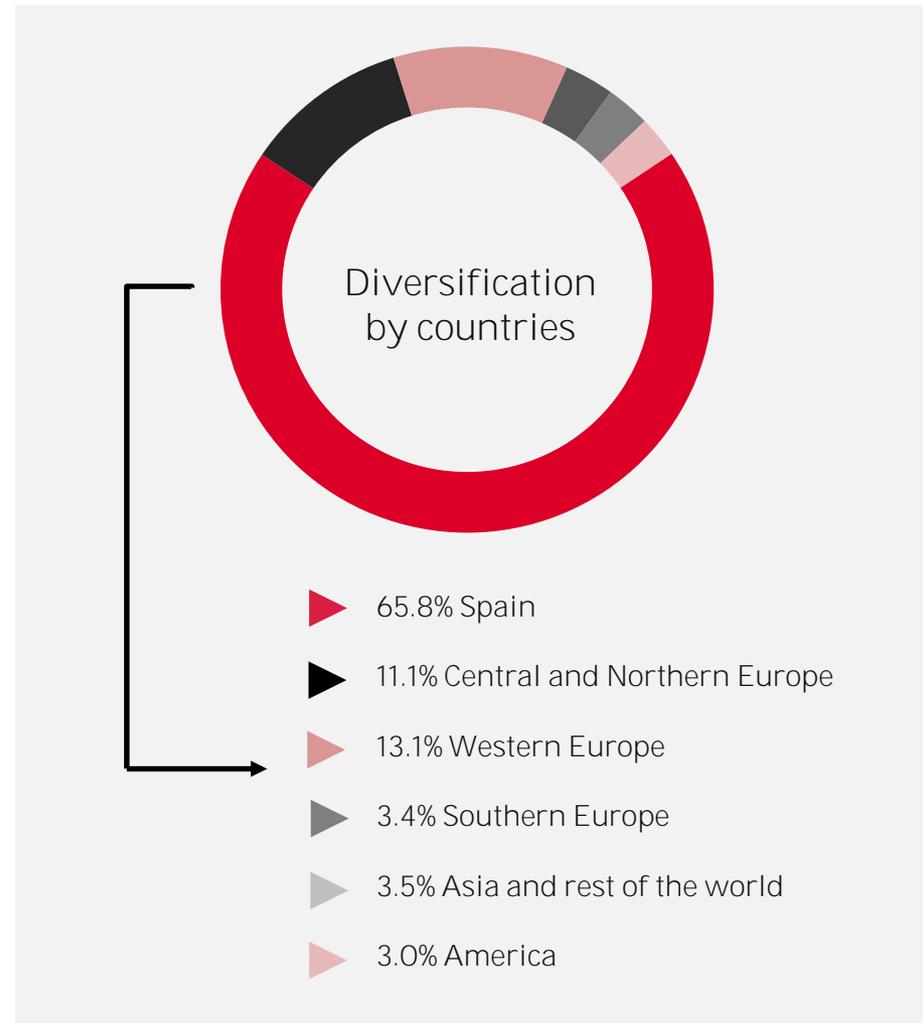
5th Largest insurance group in Spain



2nd Largest credit insurance group in the world



50 countries
1,600 offices



Sustainability



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



Employees and diversity

- More than 96% permanent contracts
- Work-life balance and diversity programmes
- Flexible working
- We are committed to guaranteeing: equal opportunities, fair pay, lifelong learning and facilitating work-life balance.



Sustainability policy

In January 2021, the Board of Directors approved the Group's new Sustainability Policy, focusing its strategy on the creation of long-term sustainable social value, as well as the management of social, environmental and good governance risks.

On 25 February 2021, the Board of Directors approved the 2020 Sustainability Report, verified by an independent external auditor and available on the Group's website.

Key financial figures



Economic and sectoral
environment



€3,720.6M Turnover
€361.0M Attributable result



Sound solvency position
7.5% long-term capital at market value



+5% Shareholder remuneration
of the first two dividends of the financial year 2021

Share price evolution

Shares in Grupo Catalana Occidente end September 2021 at €31.5/share

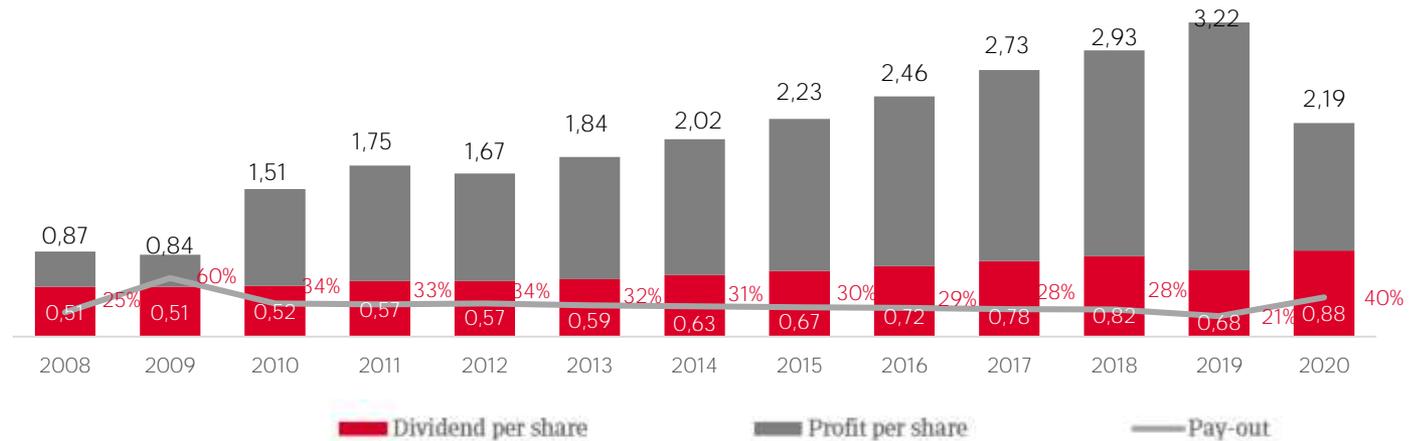


Profitability (YTD)	2019	2020	9M2021	TACC 2002 -9M21
GCO	-4.45%	-6.42%	8.06%	12.18%
Ibex 35	11.82%	-15.45%	8.95%	2.03%
EuroStoxx Insurance	24.44%	-19.04%	10.29%	3.29%

* Compound annual growth rate

5% increase of the first two dividends for the financial year 2021

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



July 2020

€19.06M

Oct 2020

€19.06M

Feb 2021

€19.06M

May 2021

€48.68M

Dividends financial year 2020

€105.85M total

July 2021

€20.00 M

Oct 2021

€20.00 M



02 Information 9M2021



02 Information 9M2021

Income statement

Traditional business

Credit insurance business

Capital, investments and solvency

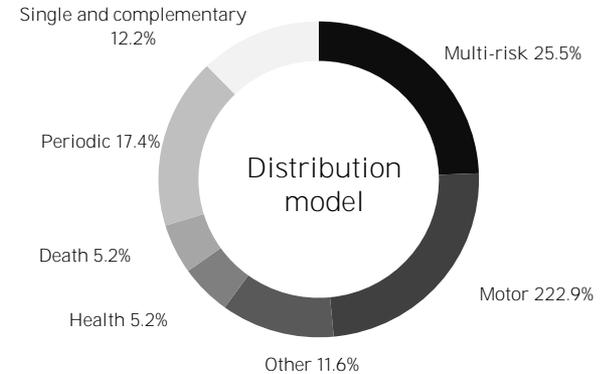
Traditional business

+2.0% **€1,883.1M**
Recurring premiums

88.1% -0.3p.p
Combined ratio

+1.5% **€215.2M**
Technical result

+4.3% **€202.4M**
Recurring result



COVID-19 Impact:

The impact of the health crisis has resulted in a lower ratio combined with a lower claims frequency, most notably in the health and motor branches.

Traditional business Multi-risk



Premiums
premiums

+4.7%

Combined
ratio

90.1%

(figures in € million)

Multi-risk	9M2020	9M2021	% Chg. 20-21	12M2020
Written premiums	515.7	539.9	4.7%	686.9
% <i>Technical cost</i>	54.3%	56.1%	1.8	55.0%
% <i>Commissions</i>	21.0%	21.1%	0.1	20.9%
% <i>expenses</i>	13.1%	12.9%	-0.2	13.1%
% Combined ratio	88.4%	90.1%	1.7	89.0%
Technical result after expenses	58.4	52.0	-11.0%	74.5
% <i>on earned premiums</i>	11.7%	9.9%		11.1%
Earned premiums	502.4	523.4	4.2%	676.1

Traditional business Motor



Premiums
premiums

-2.8%

Combined
ratio

87.4%

(figures in € million)

Motor	9M2020	9M2021	% Chg. 20-21	12M2020
Written premiums	494.5	480.9	-2.8%	653.8
% <i>Technical cost</i>	66.9%	63.2%	-3.7	66.5%
% <i>Commissions</i>	11.1%	11.3%	0.2	11.2%
% <i>expenses</i>	12.7%	12.9%	0.2	12.7%
% Combined ratio	90.7%	87.4%	-3.3	90.3%
Technical result after expenses	45.7	61.5	34.6%	63.4
% <i>on earned premiums</i>	9.4%	12.6%		9.7%
Earned premiums	490.6	486.6	-0.8%	655.5

Traditional business Other



Premiums
premiums

+5.3%

Combined
ratio

85.2%

(figures in € million)

Other	9M2020	9M2021	% Chg. 20-21	12M2020
Written premiums	238.5	251.1	5.3%	312.2
% <i>Technical cost</i>	50.1%	51.9%	1.8	51.0%
% <i>Commissions</i>	18.7%	20.0%	1.3	19.0%
% <i>expenses</i>	14.4%	13.2%	-1.2	14.3%
% Combined ratio	83.2%	85.2%	2.0	84.4%
Technical result after expenses	38.8	35	-9.8%	48.9
% <i>on earned premiums</i>	16.5%	14.8%		15.4%
Earned premiums	230.8	235.7	2.1%	312.4

Traditional business Life



Premiums
premiums
+2.2%

Combined
Ratio for funeral
80.2%

Combined
Ratio for health
82.5%

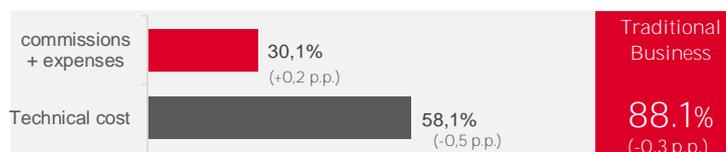
(figures in € million)

Life	9M2020	9M2021	% Chg. 20-21	12M2020
Life insurance turnover	803.1	851.3	6.0%	1,067.5
Health	132.0	133.3	1.0%	142.8
Funeral	107.7	110.5	2.6%	143.3
Periodic premiums	358.6	367.4	2.5%	476.5
Single premiums	204.8	240.1	17.2%	304.9
Pension plan contributions	41.5	38.5	-7.2%	71.8
Net contributions to investment funds	2.7	1.5		1.3
Technical result after expenses	69.3	66.7	-3.8%	74.2
<i>% on earned premiums</i>	<i>8.6%</i>	<i>8.2%</i>		<i>7.0%</i>
Technical-financial result	85.3	88.0	3.2%	95.3
<i>% on earned premiums</i>	<i>11.1%</i>	<i>10.8%</i>		<i>8.9%</i>
Earned premiums	766.3	816.9	6.6%	1,066.1
Combined ratio Health	83.1%	82.5%	-0.6	84.1%
Combined ratio Funeral	81.2%	80.2%	-1.0	84.0%

Traditional business

Traditional business	(figures in € million)			12M2020
	9M2020	9M2021	% chg. 20-21	
Written premiums	2,051.8	2,123.2	3.5%	2,720.4
Life insurance premiums, ex. single	1,847.0	1,883.1	2.0%	2,415.5
Technical result after expenses	212.1	215.2	1.5%	265.4
<i>% on earned premiums</i>	<i>10.7%</i>	<i>10.4%</i>		<i>9.8%</i>
Financial result	44.3	48.2	8.8%	51.8
<i>% on earned premiums</i>	<i>2.2%</i>	<i>2.3%</i>		<i>2.1%</i>
Non technical result	-12.2	-13.1		-16.3
Complementary act. Funeral B.	3.9	3.7	-5.1%	4.6
Company income tax	-54.1	-51.8		-66.8
Recurring result	194.0	202.4	4.3%	238.6
Non-recurring result	-10.4	9.9		-10.3
Total result	183.6	212.3	15.6%	228.3
Earned premiums	1,990.3	2,062.6	3.6%	2,710.1

Combined ratio





02 Information 9M2021

Income statement

Traditional business

Credit insurance business

Capital, investments and solvency

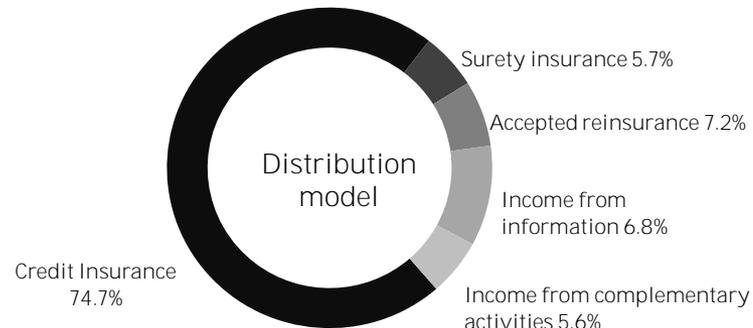
Credit insurance business

+8.3% 1,410.1M€
Earned premiums

59.6% -33.8p.p
Gross combined ratio

€210,9M€ +269.4%
Technical result

€175.5M +312.9%
Recurring result



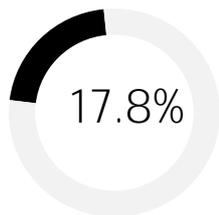
COVID-19 Impact:

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

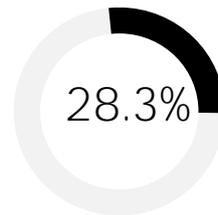
Credit insurance business

€1,410.1M +8.3%

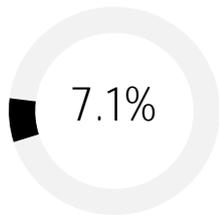
Earned premiums



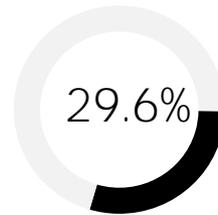
Spain and Portugal
Earned premiums: €251.3M
Change: +2.2%



Central and Northern Europe
Earned premiums: €399.6M
Change +14.9%



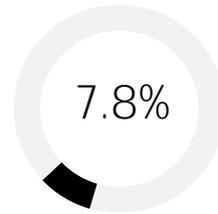
America
Earned premiums: €100.7M
Change +9.3%



Western Europe
Earned premiums: €417.7M
Change +6.3%



Asia and rest of the world
Earned premiums: €130.2M
Change +8.4%



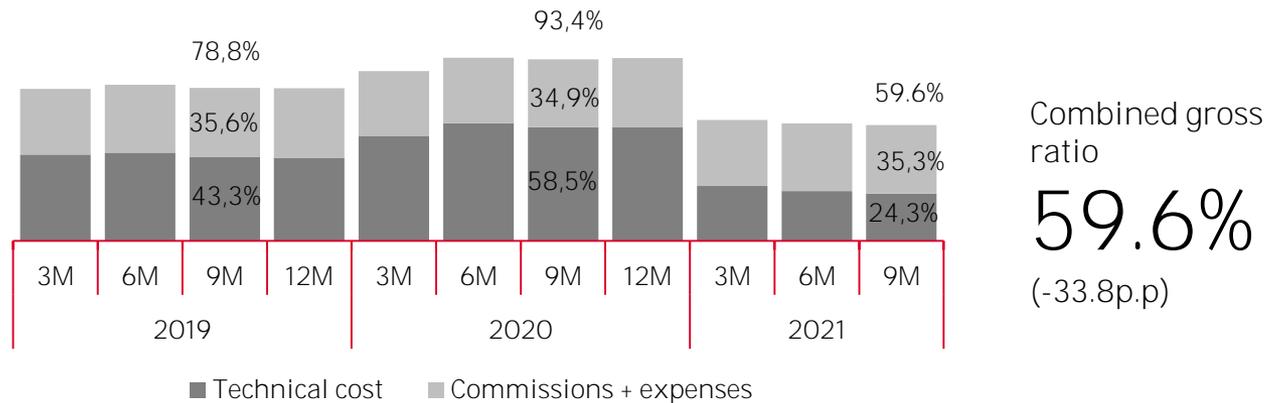
Southern Europe
Earned premiums: €110.6M
Change +7.6%

€1,519.8M +7.7%

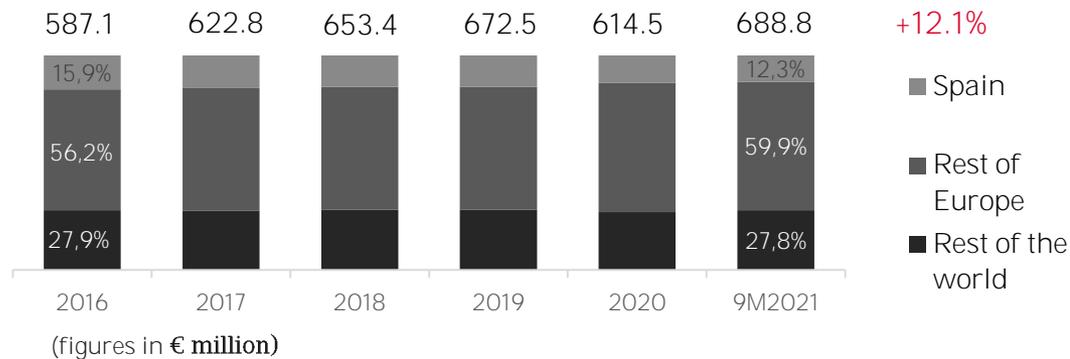
Purchased premiums and information services

Credit insurance business

Performance of the gross combined ratio



Performance of risk exposure (TPE)



Credit insurance business

(figures in € million)

Credit insurance business	9M2020	9M2021	% chg. 20-21	12M2020
Earned premiums	1,301.8	1,410.1	8.3%	1,727.4
Income from information	108.9	109.7	0.7%	133.1
Total income	1,410.7	1,519.8	7.7%	1,860.5
Technical result after expenses	93.5	614.1	556.8%	109.3
<i>% on income</i>	6.6%	40.4%		5.9%
Reinsurance result	-36.4	-403.2		-28.1
<i>Reinsurance transfer ratio</i>	51.1%	53.5%		52.1%
Net technical result	57.1	210.9	269.4%	81.2
<i>% on income</i>	4.0%	13.9%		4.4%
Financial result	4.8	10.1	110.4%	5.1
<i>% on income</i>	0.3%	0.7%		0.3%
Result from complementary activities	8.3	9.8	18.1%	1.8
Company income tax	-23.8	-52.0		-34.8
Adjustments	-3.9	-3.2		-2.9
Recurring result	42.5	175.5	312.9%	50.4
Non-recurring result	-1.0	4.4		-8.6
Total business result	41.5	179.9	333.5%	41.8



02 Information 9M2021

Income statement

Traditional business

Credit insurance business

Capital, investments and solvency

Financial strength

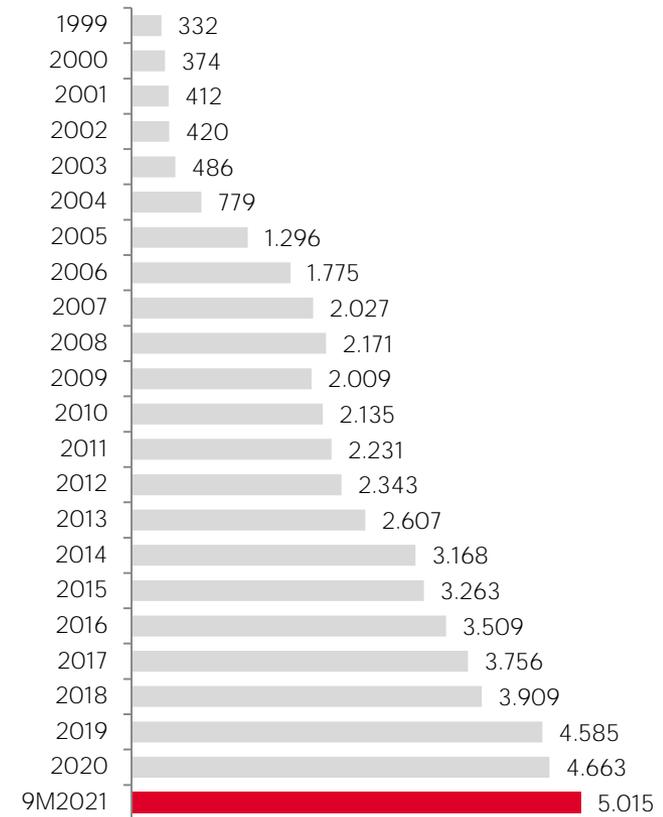


“At the close of September 2021, the Group's capital has increased by 7.5% supported by the results”

(figures in € million)

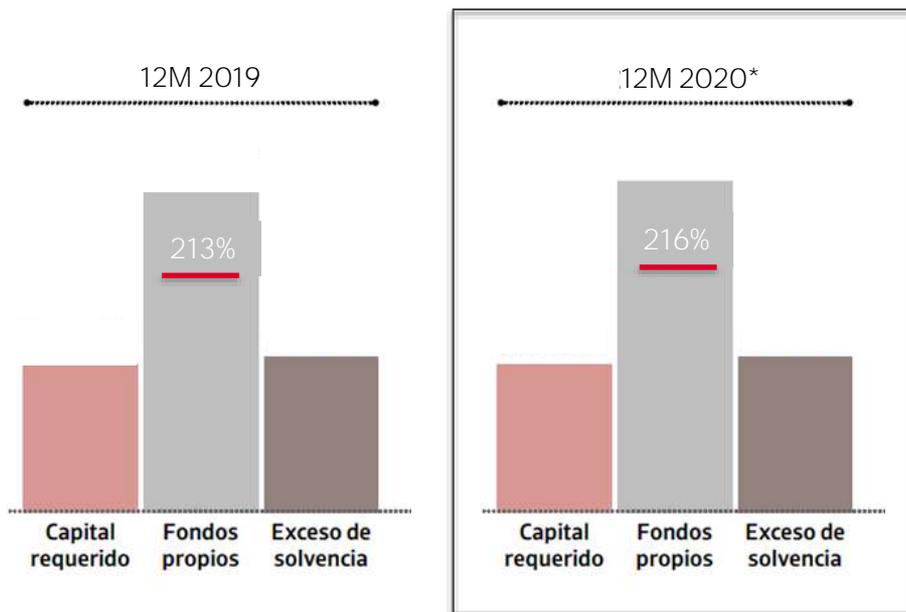
Permanent resources at 31/12/2020	4,138.3
Permanent resources at market value on 31/12/2020	4,663.4
Net equity on 01/01/2021	3,937.6
(+) Consolidated results	392.2
(+) Dividends paid	-107.7
(+) Change in valuation adjustments	74.7
(+) Other changes	-1.2
Total movements	358.0
Total net equity on 30/09/2021	4,295.6
Subordinated debt	194.8
Permanent resources on 30/09/2021	4,490.4
Capital gains not included in balance sheet (properties)	525.0
Permanent resources at market value on 30/09/2021	5,015.4

+7.5%



Sound solvency position 216% at the close of 2020

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



* Data with transitional technical provisions and partial internal model.

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

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



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

Credit rating

A and A2 ratings, awarded by AM Best and Moody's respectively, reflect the Group's strong balance sheet, good business model, excellent operating results and appropriate capitalisation thanks to the entities' internal capital generation.

“A”

A.M. Best operating entities of the Group

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

“A2”

Moody's operating entities of the credit insurance business

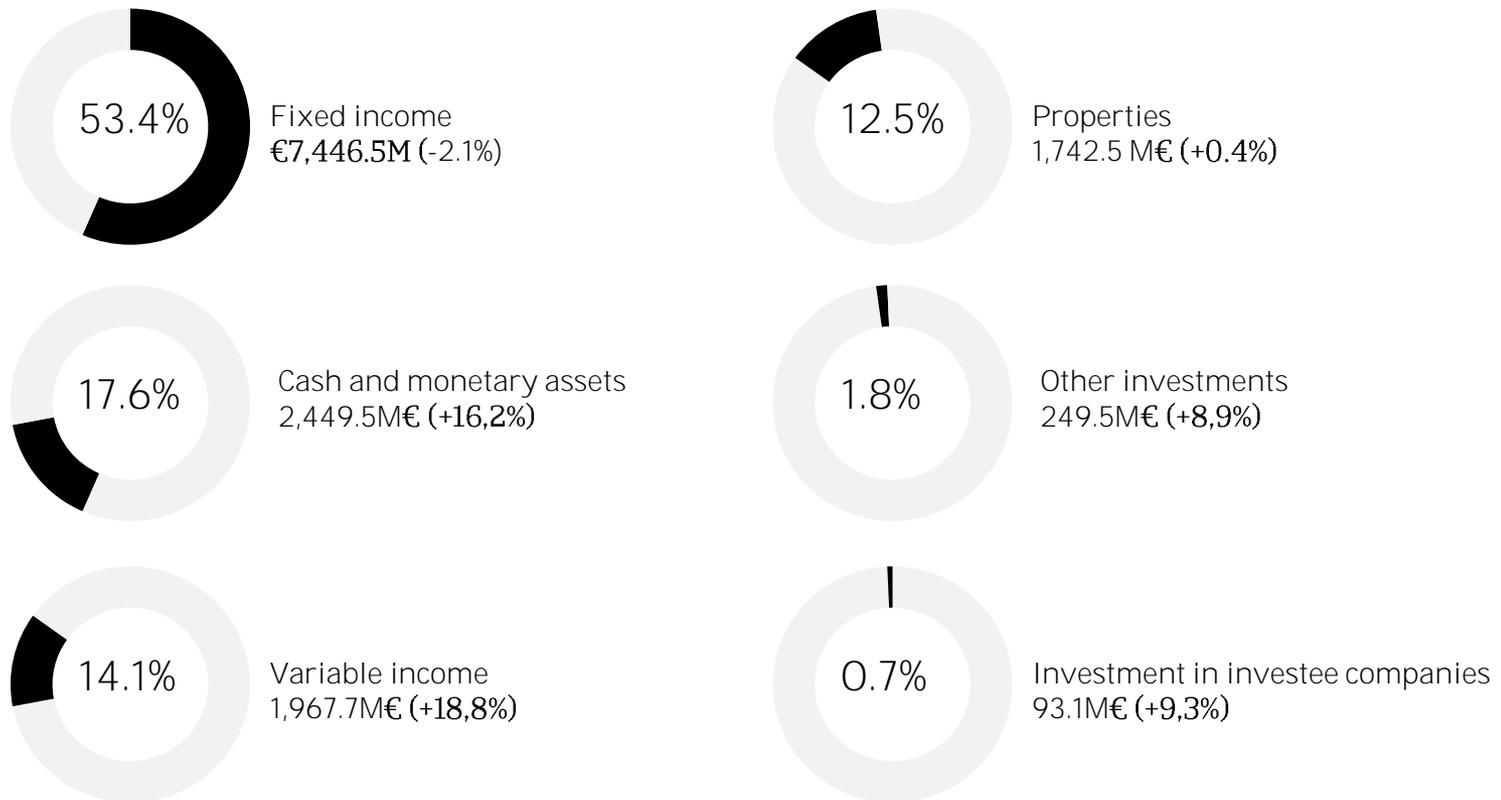
They highlight the strong competitive position, strong capitalization, low financial leverage and conservative investment portfolio.

Investments

The Group invests in traditional assets through prudent, diversified management

€15,439.5 M

(+4.6% compared to the funds managed at the end of 2020)





03 Calendar and annexes

Schedule

Analyst and investor relations

January	February	March	April	May	June	July	August	September	October	November	December
	25 Results 12M2020		29 Results 9M2021			29 Results 9M2021			28 Results 9M2021		
	25 Presentation of results 12M2020 16.30		30 Presentation of results 9M2021 11.30			29 Presentation of results 9M2021 16.30			28 Presentation of results 9M2021 16.30		
			29 General Shareholders' Meeting 2020								
	Interim dividend 2020			Complement ary dividend 2020		Interim dividend 2021			Interim dividend 2021		

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<https://www.grupocatalanaoccidente.com/accionistas-e-inversores>



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Income statement

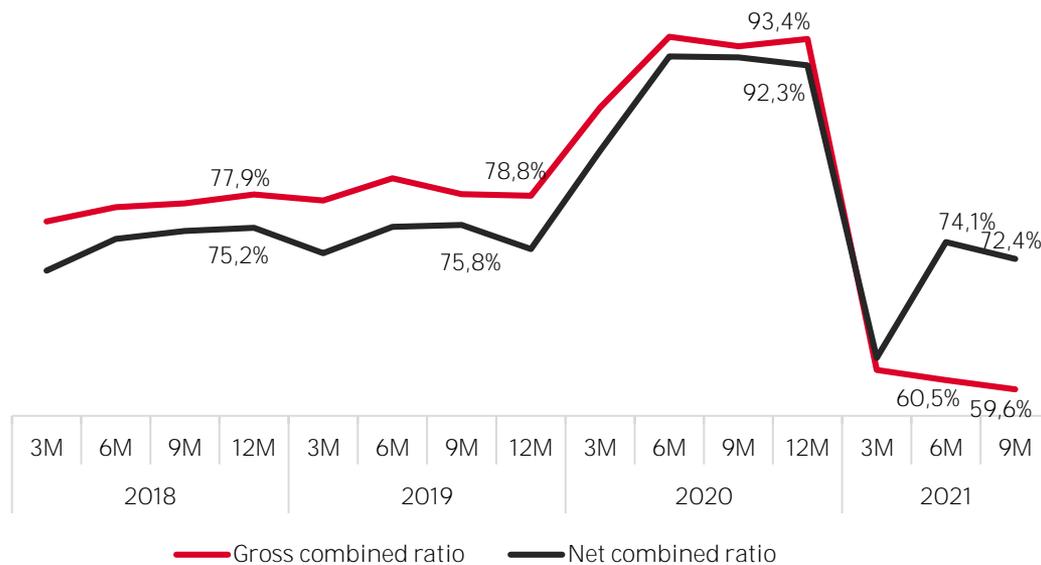
(figures in € million)

Income statement	9M2020	9M2021	% Chg. 20-21	12M2020
Premiums	3,366.7	3,610.9	7.3%	4,426.4
Income from information	108.9	109.7	0.7%	133.1
Turnover	3,475.6	3,720.6	7.0%	4,559.5
Technical cost	2,162.4	2130.5	-1.5%	2,917.8
% on net income	63.6%	59.5%		63.9%
Commissions	416.6	442.8	6.3%	560.6
% on net income	12.2%	12.4%		12.3%
Expenses	552.6	585.0	5.9%	749.5
% on net income	16.2%	16.3%		16.4%
Technical result after expenses	269.4	424.0	57.4%	339.8
% on net income	7.9%	11.8%		7.4%
Financial result	22.9	75.1		28.2
% on net income	0.7%	2.2%		0.7%
Result of non-technical non-financial account	-7.8	-22.2		-14.1
<i>% on total net income</i>	-0.2%	-0.7%		-0.3%
Result from compl. activities Credit insurance and funeral business	12.2	13.5		6.4
<i>% on total net income</i>	0.4%	0.4%		0.1%
Profit before tax	296.7	490.4	65.3%	364.6
% on net income	8.7%	13.7%		8.0%
Taxes	71.6	98.2		94.5
<i>% taxes</i>	24.1%	20.0%		25.9%
Consolidated result	225.1	392.2	74.2%	270.1
Result attributed to minorities	7.6	31.2		7.8
Attributed result	217.5	361.0	66.0%	262.3
% on net income	6.4%	10.1%		5.7%

Credit insurance business

Performance of the gross combined ratio

Combined ratio breakdown	9M2020	9M2021	% Chg. 20-21	12M2020
% Gross technical cost	58.5%	24.3%	-34.2	58.6%
% Gross commissions + expenses	34.9%	35.3%	0.4	35.5%
% Gross combined ratio	93.4%	59.6%	-33.8	94.1%
% Net technical cost	57.0%	39.3%	-17.7	55.9%
% Net commissions + expenses	35.3%	33.2%	-2.1	35.6%
% Net combined ratio	92.3%	72.4%	-19.9	91.5%



Credit insurance business

Agreements adopted in the credit insurance business

Agreement signed *	Main features	Conditions 2020	Renewal conditions H1 2021	Premiums ceded 20	Premiums ceded 21
Germany	<u>Guarantee contracts similar to proportional reinsurance.</u> Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 1 March 2020).	65% of the premiums. 90% of the claims. No commissions	90% of the premiums. 90% of the claims. With commissions.	€103.9 M	€75.7M
Belgium	<u>Instalment contract by tranches according to the claim ratio.</u> Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 27 March 2020).	Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded. With commissions.	Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded. With commissions.	€18.2 million	€10.1M
The Netherlands	<u>Proportional reinsurance agreement.</u> Cover for insured risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 29 February 2020).	90% of premiums and claims from new policyholders. 100% of premiums and 90% of claims of the insured in the portfolio. The government assumes all costs.	90% of premiums and claims from new policyholders. 90% of premiums and 90% of claims of the insured in the portfolio. The government assumes all costs.	€102.9M	€54.7M
Denmark	<u>Guarantee contracts similar to proportional reinsurance.</u> Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 01 March 2020).	65% of the premiums. 90% of the claims. No commissions	58.5% of the premiums. 90% of the claims. No commissions	€21.0M	€8.8M
Luxembourg	<u>Instalment contract by tranches according to the claim ratio.</u> Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 01 March 2020).	Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded. With commissions.	Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded. With commissions.	€0.9M	€0M
France	<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. 75% of the claims. With commissions.	75% of the premiums. 75% of the claims. With commissions.	€42.8M	€7.2M
United Kingdom	<u>Guarantee contracts similar to proportional reinsurance.</u> Coverage of risks underwritten between 1 April and 31 December 2020.	100% of the premiums. 90% of the claims. No commissions	90% of the premiums. 90% of the claims. With commissions.	€78.9M	€52.6M
Norway	<u>Instalment contract part.</u> Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 12 March 2020).	65% of the premiums. 90% of the claims. No commissions	58.5% of the premiums. 90% of the claims. No commissions	€5.0M	€2.2.
Spain	<u>Reinsurance contract in addition to that underwritten in the private market.</u> Premiums and Claims from 1 October 2020 to 30 June 2021.	31% of the premiums. 31% of the claims. With commissions.	42% of the premiums. 42% of the claims. With commissions.	€7.9M	€75.7M
Italy	<u>Proportional reinsurance agreement.</u> Coverage of risks underwritten between 19 May to 31 December 2020.	90% of the premiums. 90% of the claims. With commissions.	90% of the premiums. 90% of the claims. With commissions.	€32.9 M	€31.1M

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

Credit insurance business - TPE

(figures in € million)

	2016	2017	2018	2019	2020	9M 2021	% Chg. 20-21	% total
Spain and Portugal	93,437	98,714	99,453	98,739	79,231	84,668	6.9%	12.3%
Germany	82,783	86,430	90,599	93,024	93,568	104,172	11.3%	15.1%
Australia and Asia	79,013	84,233	92,222	95,595	84,153	95,222	13.2%	13.8%
The Americas	71,970	73,188	75,773	81,269	71,765	85,224	18.8%	12.4%
Eastern Europe	55,098	59,253	63,935	68,595	64,630	74,174	14.8%	10.8%
United Kingdom	43,794	43,537	44,989	51,019	46,339	52,812	14.0%	7.7%
France	43,323	49,326	51,866	48,407	45,239	49,377	9.1%	7.2%
Italy	37,208	42,242	44,263	43,661	42,001	46,113	9.8%	6.7%
Nordic and Baltic countries	26,964	28,738	30,525	31,748	30,779	34,130	10.9%	5.0%
The Netherlands	25,268	27,636	29,650	30,392	29,875	32,984	10.4%	4.8%
Belgium and Luxembourg	15,708	16,701	17,285	17,444	16,959	18,630	9.9%	2.7%
Rest of the world	12,538	12,830	12,842	12,627	10,011	11,288	12.8%	1.6%
Total	587,104	622,829	653,404	672,520	614,549	688,794	12.1%	100.0%

Credit insurance business - TPE

(figures in € million)

	2016	2017	2018	2019	2020	9M2021	% Chg. 20-21	% on total
Electronics	70,510	74,476	77,433	82,858	73,189	83,059	13.5%	12.1%
Chemicals	78,593	82,783	86,479	87,466	82,804	93,023	12.3%	13.5%
Durable consumer goods	65,324	68,442	69,881	73,145	69,071	78,191	13.2%	11.4%
Metals	58,855	63,419	68,424	72,285	61,597	72,739	18.1%	10.6%
Food	55,640	58,608	63,001	64,587	63,860	69,411	8.7%	10.1%
Transport	53,434	56,930	60,461	61,128	53,098	57,947	9.1%	8.4%
Construction	43,133	46,896	49,773	51,495	47,072	52,434	11.4%	7.6%
Machinery	34,734	37,137	39,972	41,225	39,635	44,561	12.4%	6.5%
Agriculture	30,907	33,318	33,876	33,954	29,845	33,682	12.9%	4.9%
Construction Materials	25,387	27,058	28,359	29,389	29,345	33,284	13.4%	4.8%
Services	25,276	26,994	27,837	27,109	23,346	24,669	5.7%	3.6%
Textiles	19,855	20,562	20,324	19,660	15,404	16,206	5.2%	2.4%
Paper	13,590	13,929	14,525	15,065	13,151	14,816	12.7%	2.2%
Finance	11,867	12,277	13,058	13,156	13,131	14,741	12.3%	2.1%
Total	587,104	622,829	653,404	672,520	614,549	688,764	12.1%	100.0%

General expenses and commissions

(figures in € million)

Expenses and commissions	9M2020	9M2021	% Chg. 20-21	12M2020
Traditional business	231.7	229.9	-0.8%	312.6
Credit insurance business	320.0	352.0	10.0%	433.7
Non-recurring expenses	0.9	3.1		3.8
Total expenses	552.6	585.0	5.9%	750.1
Commissions	416.6	442.8	6.3%	558.6
Total expenses and commissions	969.2	1,027.8	6.0%	1,308.6
% expenses and commissions without recurring premiums	30.6%	30.4%		28.5%



Financial result

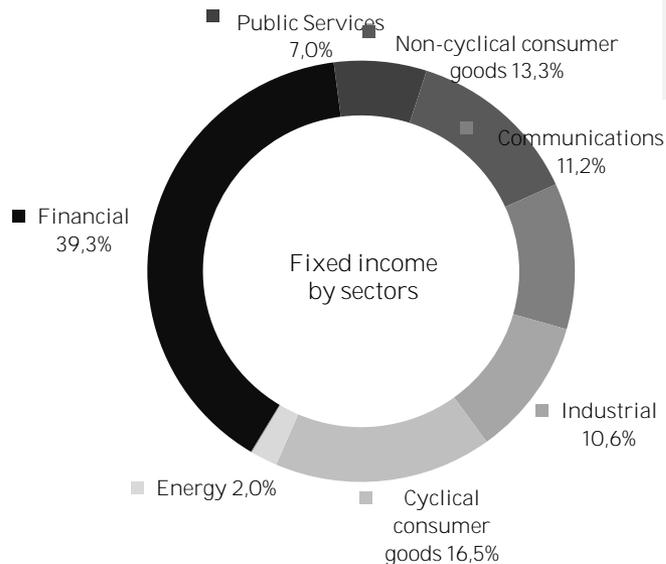
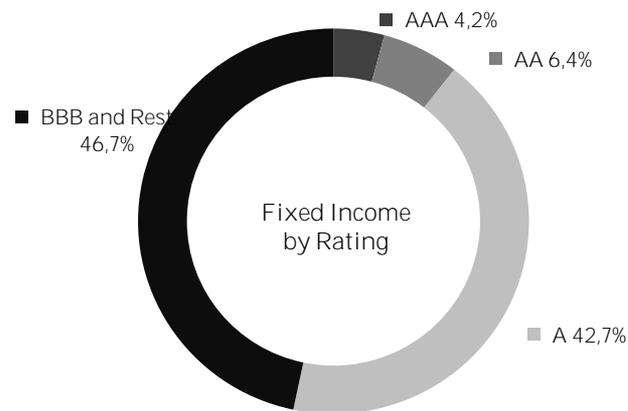
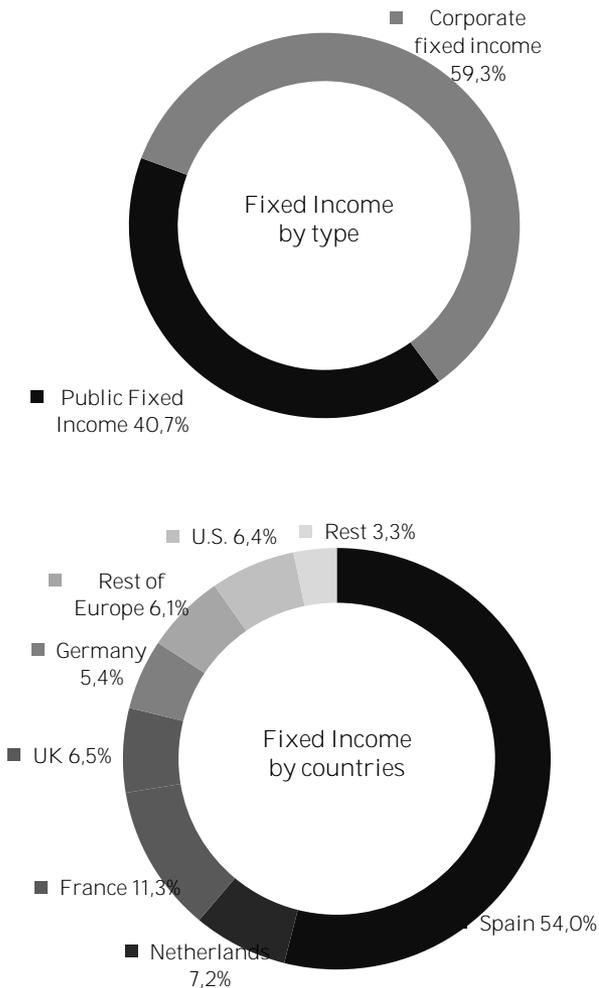
Financial result	(figures in € million)			12M2020
	9M2020	9M2021	% Chg. 20-21	
Financial income net of expenses	143.1	145.1	1.4%	182.7
Exchange Differences	-0.1	-0.5		0.0
Subsidiary companies	1.2	1.7		1.8
Interests applied to life	-99.9	-98.1	-1.8%	-132.7
Recurring financial results traditional business	44.3	48.2	8.8%	51.8
% on earned premiums	2.2%	2.3%		1.9%
Financial income net of expenses	11.9	8.6	-27.7%	13.5
Exchange Differences	6.3	3.4		5.5
Subsidiary companies	-0.9	10.5		2.9
Interest subordinated debt	-12.7	-12.6		-16.9
Recurring financial results from credit insurance	4.8	10.1	110.4%	5.1
% on net income from insurance	0.3%	0.7%		0.3%
Intra-group interest adjustment	-0.8	-0.3		-0.9
Adjusted recurring financial results from credit insurance	4.0	9.8		4.2
Recurring financial results	48.3	58.0	20.1%	60.3
% on total Group Income	1.4%	1.6%		1.3%
Non-recurring financial results	-25.4	17.2		-27.8
Financial result	22.9	75.1		28.2

Non-recurring result

	(figures in € million)		
Non-recurring result (net of taxes)	9M2020	9M2021	12M2020
Financial	-25.2	12.3	-22.1
Expenses and other non-recurring	9.0	-8.3	6.1
Taxes	5.8	5.9	5.7
Non-recurring from traditional business	-10.4	9.9	-10.3
Financial	-0.2	4.9	-5.7
Expenses and other non-recurring	-0.2	0.8	-3.8
Taxes	-0.6	-1.2	0.9
Non-recurring from credit insurance business	-1.0	4.4	-8.6
Non-recurring result net of taxes	-11.5	14.3	-18.9

Investments

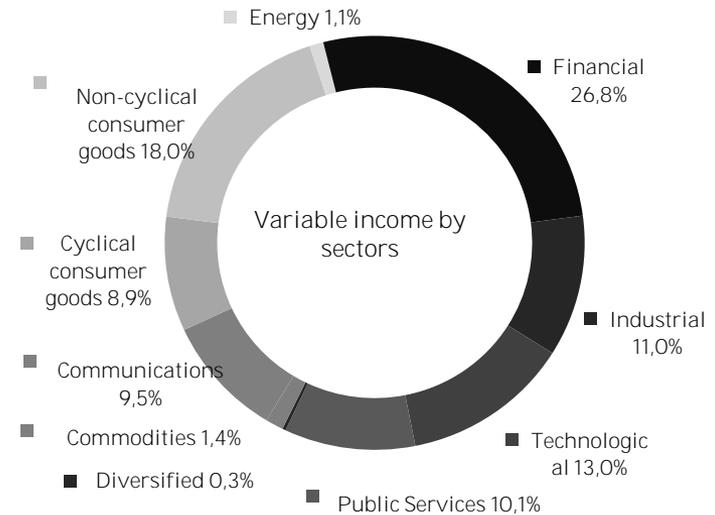
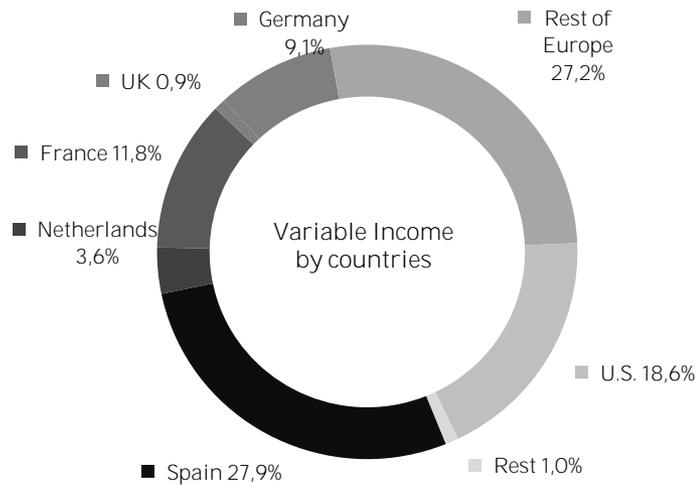
High fixed-income portfolio quality



Duration 4.13
IRR 1.90%

Investments in liquid assets

High liquidity 14.1% variable income



Balance sheet

	(figures in € million)		
Assets	12M2020	9M2021	% Chg. 20-21
Intangible assets and property, plant and machinery	1,440.1	1,423.3	-1.2%
Investments	13,066.4	13,698.3	4.8%
Property investments	692.9	701.4	1.2%
Financial investments	10,895.6	11,293.4	3.7%
Cash and short-term assets	1,478.0	1,703.5	15.3%
Reinsurance share in technical provisions	1,108.1	1,082.1	-2.3%
Other assets	1,753.2	1,959.0	11.7%
Deferred tax assets	271.9	246.5	-9.3%
Credits	971.0	1,118.1	15.1%
Other assets	510.3	594.4	16.5%
Total assets	17,367.7	18,162.7	4.6%
Liabilities and net equity	12M2020	9M2021	% Chg. 20-21
Permanent resources	4,138.3	4,490.4	8.5%
Net equity	3,937.6	4,295.6	9.1%
Parent company	3,578.9	3,903.1	9.1%
Minority interests	358.7	392.5	9.4%
Subordinated liabilities	200.7	194.8	-2.9%
Technical provisions	10,982.5	11,267.7	2.6%
Other liabilities	2,247.0	2,404.7	7.0%
Other provisions	234.6	229.2	-2.3%
Deposits received on buying reinsurance	58.3	58.1	-0.3%
Deferred tax liabilities	488.8	474.6	-2.9%
Debts	969.8	1,209.0	24.7%
Other liabilities	495.5	433.8	-12.5%
Total net liabilities and equity	17,367.7	18,162.7	4.6%

Grupo Catalana Occidente

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

Insurance specialist



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

Closeness – global presence



- Distribution of intermediaries
- Over 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

Challenges for 2021

Milestone 2020	2021 Guidelines
Growth	
<ul style="list-style-type: none"> - Turnover: €4,559.5 million - Increased positioning in the health sector thanks to the incorporation of the Antares business. - Increase of the insured offer and reinforcement in different business lines. 	<ul style="list-style-type: none"> • To promote the development of distribution networks that improve the participation of intermediaries and promote strategic products. • Continuous improvement of products and processes. • Adaptation of supply to new market trends. • New customer interaction capabilities. • Advances in digitalization.
Profitability	
<ul style="list-style-type: none"> - The consolidated result amounted to €270.1 million. - Excellent combined ratio of the traditional business 88.6% 	<ul style="list-style-type: none"> • Improved underwriting. • Increase the technical and financial result. • Unification of Group systems. • Group service concentration. • Evolution of the Contact Centre and Claims Centres. • Connectivity and individualization of the offer for brokers.
Solvency	
<ul style="list-style-type: none"> - The estimated solvency ratio at the end of 2020 is 216%. - AM Best : A Excellent with a stable outlook on the main entities in the traditional and credit insurance business. Moody's: A2 with a stable outlook for the main credit insurers. 	<ul style="list-style-type: none"> • HR Management: people, talent and productivity. • Analysis of flexible work models and teleworking. • Boost in the field of Sustainability. • Adaptation to IFRS 17.

Creation of value

The vocation of Grupo Catalana Occidente is to consolidate a solid business and generate sustainable social value. In 2020, the Group contributed **€3,933.5 million** to society.

Evolution of contribution to society

(figures in € million)

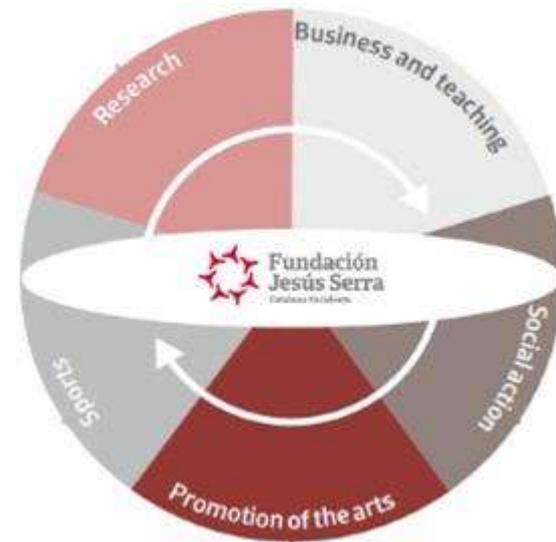
	2018	2019	2020
Direct economic value generated	3,803.8	4,145.5	4330.8
Distributed economic value	3,725.6	4,035.1	3,933.5
Provisions provided to customers	2,252.1	2,461.5	2,385.9
Public Administrations	406.5	465.3	452.5
Intermediaries	488.6	505.6	512.2
Employees	481.2	499.7	496.6
Shareholders	94.7	100.5	81.5
Contributions to non-profit entities and foundations	2.4	2.5	4.8
Retained economic value	78.2	110.4	397.3

Fundación Jesús Serra



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

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



More than insurance....

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

Global Presence



Saudi Arabia	Dubai(**)		
Europe			
Austria	Vienna		
Belgium	Namur Antwerp		
Czech Republic	Prague		
Denmark	Copenhagen Århus		
Finland	Helsinki		
France	Paris Bordeaux Compiègne Lille, Lyon Marseille Nancy Orléans Rennes Strasbourg Toulouse		
Germany	Cologne Berlin Bielefeld Bremen Dortmund, Frankfurt Freiburg Hamburg Hanover Kassel, Munich Nuremberg Stuttgart		
Greece	Athens		
Hungary	Budapest		
Ireland	Dublin		
Italy	Rome Milan		
Luxembourg	Luxembourg		
The Netherlands	Amsterdam Ommen		
Norway	Oslo		
Poland	Warsaw Krakow Poznan Jelenia Gora		
Portugal	Lisbon Porto		
Russia	Moscow (***)		
Slovakia	Bratislava		
Spain	Basque Country, Catalonia, Galicia, Andalusia, Asturias, Cantabria, La Rioja, Murcia, Valencia, Aragón, Castilla la Mancha, Navarra, Extremadura, Madrid, Castilla-Leon, Balearic Islands, Canary Islands, Ceuta and Melilla.		
Sweden	Stockholm		
Switzerland	Zurich Lausanne Lugano		
Turkey	Istanbul		
United Kingdom	Cardiff Belfast Birmingham London Manchester		
Middle East			
Israel	Tel Aviv (*)		
Lebanon	Beirut (*)		
United Arab Emirates	Dubai (**)		
Saudi Arabia	Dubai (**)		
		Asia	
		China	Shanghai (***)
		Hong Kong	Hong Kong
		India	Mumbai (***)
		Indonesia	Jakarta (**)
		Japan	Tokyo
		Malaysia	Kuala Lumpur (**)
		Philippines	Manila (**)
		Singapore	Singapore
		Taiwan	Taipei (**)
		Thailand	Bangkok (**)
		Vietnam	Hanoi (**)
		Africa	
		Kenya	Nairobi (*)
		South Africa	Johannesburg (*)
		Tunisia	Tunis (*)
		The Americas	
		Argentina	Buenos Aires (*)
		Brazil	São Paulo
		Canada	Almonte (Ontario) Mississauga (Ontario) Duncan (British Columbia)
		Chile	Santiago de Chile (*)
		Mexico	Mexico City, Guadalajara, Monterrey,
		Peru	Lima (*)
		USA	Hunt Valley (Maryland) Chicago (Illinois) Los Angeles (California) New York (New York)
		Oceania	
		Australia	Sydney Brisbane Melbourne Perth
		New Zealand	Wellington

(*) Partnership and collaboration agreements
 (***) Services established with local partners

Corporate structure

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

Traditional business
Credit insurance business

Risk strategy

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

The risk strategy is materialised through:

▷ Risk profile

Risk assumed in terms of solvency.

▷ Risk appetite

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

▷ Risk tolerance

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

▷ Risk limits

Operative limits established to comply with the Risk Strategy.

▷ Alert indicators

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

Risk map

RISKS INCLUDED IN PILLAR 1			
Risk	Description	Standard	Mitigation
Credit Underwriting Risk	Risk of loss or of adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions. In the case of credit insurance, the risk arises from the non-payment by our buyers (customers) of our customers, and in the case of surety, from the non-fulfilment of the contractual, legal or fiscal obligations of our customers.	<ul style="list-style-type: none"> - Underwriting policy and rate setting regulation - Underwriting guidelines - Authorisation matrices - Buyer rating monitoring and credit limit concessions - IFRS and Local Regulations 	<ul style="list-style-type: none"> - Reinsurance - DEM - Strict underwriting control - Control and monitoring of buyers' default risks
Non-life Underwriting Risk	Risk of loss or of adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions.	<ul style="list-style-type: none"> - Underwriting and reserve policies - Reinsurance policy - Underwriting manual and technical standards - Data quality policy - National and international insurance regulations - Good practice guides - Consortium 	<ul style="list-style-type: none"> - Strict control and monitoring of the combined ratio - Catastrophic non-life risks are also mitigated through CCS - Business value - Reinsurance policy - Maintenance of business diversification
Health Underwriting Risk	Risk of loss or of adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions.	<ul style="list-style-type: none"> - Underwriting and reserve policies - Reinsurance policy - Underwriting manual and technical standards - Data quality policy - National and international insurance regulations - Good practice guides 	<ul style="list-style-type: none"> - Strict control and monitoring of the combined ratio - Business value - Reinsurance policy - Maintenance of business diversification
Life and Funeral Underwriting Risk	Risk of loss or of adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions. This is broken down into biometric risks (which include the risks of mortality, longevity, morbidity/disability) and non biometric risks (fall in the portfolio, expenses, review and catastrophe).	<ul style="list-style-type: none"> - Underwriting and reserve policies - Reinsurance policy - Underwriting manual and technical standards - Data quality policy - National and international insurance regulations - Good practice guides 	<ul style="list-style-type: none"> - Strict control and monitoring of the combined ratio - Business value and profit test - Reinsurance policy - Maintenance of business diversification
Market Risk	Risk of loss or of adverse change in the financial situation resulting, directly or indirectly, from fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments.	<ul style="list-style-type: none"> - Investment policy - Management based on the principle of prudence - Asset and liability valuation policy - Insurance regulations (LOSSP) - CNMV regulations - Distribution regulations 	<ul style="list-style-type: none"> - Asset management based on the principle of prudence - Control of the different types of portfolio according to objectives - Liability commitments to be hedged. Detailed asset-liability matching analysis (ALM) and sensitivity analysis to future scenarios - Types of investments suitable for hedging - Dispersion and diversification limits - Credit rating to be maintained
Counterparty Risk	Counterparty risk arises from losses resulting from unexpected default or impairment in the credit quality of counterparties.	<ul style="list-style-type: none"> - Investment policy - Reinsurance policy - Management based on the principle of prudence - Insurance regulations - CNMV regulations - Distribution regulations 	<ul style="list-style-type: none"> - Reinsurance with counterparties with a high credit rating - Diversified investment portfolio with a high rating - Monitoring of the credit rating of the main financial counterparties and the reinsurer table - Monitoring of trade credit risk exposures
Operational Risk	Risk of loss arising from inadequate or dysfunctional internal processes, personnel or systems or external processes. It also includes regulatory non-compliance	<ul style="list-style-type: none"> - SolvPRC / Risk Register tool - Contingency plans - Data security and quality policy - Code of Ethics - Procedure for action in cases of fraud (whistleblower channel) - Insurance regulations - Principles of three lines of defence (COSO regulations) 	<ul style="list-style-type: none"> - Internal control system - SolvPRC - Control of inherent risk and residual risk through the implementation of preventive and mitigating controls upon the occurrence of an event.

Risk map

RISKS NOT INCLUDED IN PILLAR 1			
Risk	Description	Internal regulations	Mitigation
Liquidity Risk	Risk of non-compliance of obligations due to an inability to obtain the necessary liquidity even if sufficient assets are in place	<ul style="list-style-type: none"> - Investment policy - Prudent management - Reinsurance policy - Insurance regulations - CNMV regulations - Distribution regulations 	<ul style="list-style-type: none"> - Prudent-based asset management - Control of the different types of portfolio - Liability commitments to be hedged. Detailed asset-liability matching (ALM) analysis as well as sensitivity analysis to future scenarios - Typology of investments suitable for hedging - Dispersion and diversification limits - Low level of indebtedness
Political and Economic Environment Risks	Risks arising from the national and international economic and political environment, which have an impact on the volatility of financial variables and on the real economy. In particular, the risk of a global pandemic associated with Covid, the global economic crisis and the lax monetary policy with interest rates at minimum levels should be highlighted	<ul style="list-style-type: none"> - Underwriting regulations - Written Policies (in particular investment policy) - Occupational risk prevention regulations - Internal Code of Conduct - European regulations - Sector analysis - Global regulation associated with the economic recession and pandemic 	<ul style="list-style-type: none"> - Occupational risk prevention regulations to protect our employees and our customer - Risk underwriting - Strategic planning process and its follow-up - Sectorial analysis - Internal audit, internal control, complaints and whistleblowing channel - Geographical and sectoral diversification in the Credit business - Contingency plans (Brexit) - "Event driven" monitoring and analysis of the Economic Research Unit
Social, Environmental and Governance Risk	Risk that constitutes the possibility of losses driven by environmental, social and governance factors (associated with the lack of business development under criteria of value for society, ethics, transparency and commitment to legality)	<ul style="list-style-type: none"> - Bylaws of the General Shareholders' Meeting - Regulations of the Board of Directors - Prevention of money laundering - Code of Conduct - Written policies (sustainability policy, climate change and environment policy, tax policy, outsourcing policy) - Sustainability Master Plan - Non-financial reporting regulations - European Sustainability Regulations (ESMA, EIOPA...) - Draft legislation on climate change - United Nations Sustainable Development Goals and Agenda 2030 - Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) 	<ul style="list-style-type: none"> - Internal Audit - Internal Control - Complaints channel - Occupational health and safety regulations - Corporate social responsibility report - Monitoring and adaptation of strategic planning - Code of conduct - Written policies (e.g. sustainability policy, climate change and environment policy,...) - Sustainability Master Plan
Other Risks	Risks not included in the previous groups, such as the risk of loss arising from inadequate strategic decisions, their defective implementation or inadequate adaptation to changes in the economic or social environment (strategic risk), the risk associated with the occurrence of an event that has a negative impact on the Group's reputation (reputational risk) or the risk arising from the interdependence of the risks existing between Group entities (contagion risk)	<ul style="list-style-type: none"> - Written policies - Reputational risk management protocol - Social media usage manual - Advertising regulations 	<ul style="list-style-type: none"> - Exhaustive monitoring of the medium-term plan - Code of ethics - Procedure in case of irregularities and frauds - Requirements of aptitude and reputation - Monitoring of information published in the media and social networks - Control of the manual for the use of social networks - Action protocols for the management of reputational risk events - Continuous monitoring of business units

Glossary

Item	Definition	Formulation
Technical result	Result of the insurance activity	Technical result = (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
Reinsurance result	Result due to transferring business to the reinsurer or accepting business from other entities.	Reinsurance result = Result of Inward Re + Result of ceded reinsurance
Financial result	Result of the financial investments.	Financial result = 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
Technical/financial result	Result of the insurance activity, including the financial result. This result is particularly relevant for Life insurance.	Technical/financial result = Technical result + Financial result
Result of non-technical non-financial account	Income and expenses that cannot be assigned to the technical or financial results.	Result of non-technical non-financial account = Income - expenses that cannot be assigned to the technical or financial results.
Result of credit insurance complementary activities	Result of activities that cannot be assigned to the purely insurance business. Mainly distinguishes the activities of: <ul style="list-style-type: none"> · Information services · Recoveries · Management of the export account of the Dutch state. 	Result of credit insurance complementary activities = income - expenses
Recurring result	Result of the entity's regular activity	Recurring result = technical/financial result + non-technical account result - taxes, all resulting from normal activity
Non-recurring result	Extraordinary or atypical movements that may undermine the analysis of the income statement. These are classified depending on their nature (technical, expenses and financial) and by business type (traditional and credit insurance)	Non-recurring result = technical/financial result + non-technical account result - taxes, all resulting from extraordinary or atypical activity

Turnover	<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>Turnover = Premiums invoiced + Income from information</p> <p>Premiums invoiced = premiums issued from direct insurance + premiums from accepted reinsurance</p>
Managed funds	<p>Amount of the financial and property assets managed by the Group</p>	<p>Managed funds = Financial and property assets entity risk + Financial and property assets policyholder risk + Managed pension funds</p> <p>Managed funds = fixed income + variable income + properties + deposits in credit entities + treasury + investee companies</p>
Financial strength	<p>This shows the debt and solvency situation.</p> <p>This is principally measured through the debt ratio, the interest coverage ratio and the credit rating.</p>	<p>Debt Ratio = Debt / Equity + Debt</p> <p>Interest coverage ratio = result before taxes / Interest</p>
Technical cost	<p>Direct costs of accident coverage.</p> <p>See claims.</p>	<p>Technical cost = claims in the year, net of reinsurance + variation of other technical provisions, net of reinsurance</p>
Dividend yield	<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.</p> <p>Indicator used to value the shares of an entity.</p>	<p>Dividend yield = dividend paid in the year per share / value of the price of the average share.</p>
Modified duration	<p>Sensitivity of the value of the assets to movements in interest rates</p>	<p>Modified duration= 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>
Expenses	<p>The general expenses include the costs incurred for management of the business, excluding those that can be assigned to claims.</p>	<p>Expenses = personnel expenses + commercial expenses + various expenses and services (allowance, training, management rewards, material and other office expenses, leases, external services, etc.)</p>
Permanence index	<p>This measures the customer's expectations of continuing with the entity</p> <p>Scale from less than 1 year to over 5 years</p>	<p>Permanence index= how long do you think that you will remain a customer?</p>

Company satisfaction index	This measures the general satisfaction of the customer with the entity Scale from 1 to 10	Overall satisfaction index = (Satisfied – dissatisfied) / respondents Satisfied responses with result from 7 to 10 Dissatisfied responses with result from 1 to 4
Service satisfaction index	This measures the evaluation of the service received Scale from 1 to 10	Service satisfaction index = (Satisfied – dissatisfied) / respondents Satisfied responses with result from 7 to 10 Dissatisfied responses with result from 1 to 4
Income from insurance	Measures the income directly derived from the activities of insurance and information services	Income from insurance = premiums accrued from direct insurance + premiums accrued from accepted reinsurance + information services and commissions
Investments in associated / subsidiary entities	Non-dependant entities where the Group has significant influence	Investments in associated / subsidiary entities = accounting value of the economic investment
Net Promoter Score NPS	This measures the degree of customer loyalty with the entity	Net Promoter score = Would you recommend the company to family and friends? = (promoters-critics)/ respondents Promoters: responses with result equal to 9 or 10 Critics: responses with result from 1 to 6
Pay out	Ratio that indicates the part of the result distributed among investors through dividends	Pay out = (Total dividend/ Result of the year attributable to the parent company) x 100
Price Earnings Ratio PER	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.	PER = Closing market price of the share / Profit for the year attributable to the parent company year-on-year (in case of quarterly closing) per share
Ex. single premiums	Total premiums without considering non-periodic premiums in the Life business	Ex. single premiums = Invoiced premiums - single premiums in the life business
Technical provisions	Amount of the obligations assumed that are derived from insurance and reinsurance contracts.	
Combined ratio	Indicator that measures the technical profitability of the Non Life insurances.	Combined ratio = Ratio of claims + ratio of expenses

Net combined ratio	Indicator that measures the technical profitability of the non life insurances net of the reinsurance effect	Net combined ratio = Net ratio of claims + net ratio of expenses
Expenses ratio	Ratio that reflects the part of the income from premiums dedicated to expenses.	Expenses ratio = Expenses from operation / Income from insurance
Net expenses ratio	Ratio that reflects the part of the income from premiums dedicated to expenses, net of the reinsurance effect	Net expenses ratio= (Net expenses from reinsurance operation) / (premiums attributed to direct business and accepted reinsurance + information services and commissions)
Claims ratio	Business indicator, consisting of the proportion between claims and earned premiums.	Claims ratio = Claims / Income from insurance
Net claims ratio	Business indicator, consisting of the proportion between claims and earned premiums, net of the reinsurance effect.	Net claims ratio= Claims in the year, net of reinsurance / (premiums attributed to direct business and accepted reinsurance + information services and commissions)
Permanent resources	Resources that can be included in own funds.	Permanent resources = Total net equity + subordinated liabilities
Permanent resources at market value	Resources that can be included in own funds at market value	Permanent resources at market value = Total net equity + subordinated liabilities + capital gains associated to properties for own use + capital gains associated to property investments
Resources transferred to the company	Amount that the Group returns to the main stakeholders.	Resources transferred to the company = claims paid + taxes + commissions + personnel expenses + dividends
Return On Equity ROE	Financial profitability or rate of return Measures the performance of the capital	ROE = (Result of the year. Attributable to the parent company) / (Equity attributable to the shareholders of the parent company at year-end)) x 100
Claims	See technical cost. Economic evaluation of claims.	Claims = Payments made from direct insurance + Variation of the provision for services of direct insurance + expenses attributable to services
Total Potential Exposure TPE	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

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