

# Integrated Management Report

# 2023

**FIDELIDADE**  
SEGUROS DESDE 1808



# RUIIG 2023

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<b>3</b>	61	
	62	<b>183</b>
<b>9</b>	62	
10	67	<b>185</b>
12	68	
14	75	
21	75	<b>191</b>
	91	192
<b>22</b>	107	192
25	120	194
30	137	209
40	139	217
	142	250
44	143	264
46	145	279
	147	301
<b>48</b>	153	302
49	158	306
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51	<b>159</b>	308
52	160	
54	168	<b>336</b>
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58	173	
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# Message from the Board of Directors - Executive Committee



## Message from the Board Directors

This is the Fidelidade Group's second Single Integrated Management Report, which details the main challenges we faced during the year, as well as the main achievements and targets reached. The topic we have chosen - "Longevity for all ages" - reflects the central importance of Longevity in our global strategy, as a unifying principle of our sustainability strategy.

### Strength and resilience

2023 was characterised by challenges that impacted the world and our business. The rise of political extremism and persistent conflicts have aggravated geopolitical risks and generated a dynamic of increased uncertainty. On the other hand, the continued inflationary scenario had a negative impact on our cost structure, while the increase in interest rates made it significantly more difficult to manage our financial assets.

According to the International Monetary Fund, real world economic activity is estimated to have slowed in 2023 to an estimated growth of 3.0%, 0.5 percentage points lower than in 2022. In Latin America, where we have a significant presence, economic growth fell from 4.1% in 2022 to 2.3% in 2023. In Portugal, the economy grew by 2.1% in 2023, compared to growth of 6.8% in 2022.

Despite this context, it was possible to maintain adequate levels of growth and profitability, although lower than initially estimated. In 2023, our net profits totalled 180.3 million Euros, a robust figure considering the difficult and uncertain economic climate we are experiencing. Premiums grew by 1.7% and totalled 5.2 billion Euros overall, showing differing trends between the Non-Life and Life segments. Non-Life premiums rose by around 10.5%, while Life premiums fell by around 7.5%. In Portugal, this uneven trend was fundamentally due to rising interest rates and competition from products such as Savings Certificates and bank deposits. However, we were able to maintain our market share in Portugal at around 30% in terms of total premiums (29% Non-Life and 30% cent Life). The good performance of international operations proved increasingly relevant to our results, and grew to a revenue of 1,703 million Euros, representing more than a third of overall premiums and net income.



**Jorge Magalhães Correia,**  
Chairman of the Board of Directors

Our solidity and solvency were recognised again in 2023. For the second year running, Fitch gave us an A- rating. This is a top rating in the Portuguese market. Fitch highlighted Fidelidade's strong business profile, high capitalisation and solvency, solid investment portfolio, outstanding leadership in the Portuguese market and international diversification, as key factors in maintaining its rating.

2023 was also the year in which we saw our financial strength recognised in other countries where the Fidelidade Group is present. In Macau, we saw our rating improve from A- to A with a stable outlook and, in Peru, Moody's gave our La Positiva operation a solid A with a stable outlook.

## Pioneering and innovation

In 2023 we continued along the path of innovation and promotion of the adoption by our customers of products that promote and encourage healthy lifestyles - such as Multicare Vitality -, development of technological solutions designed to promote safe and responsible behaviour in car mobility - such as Fidelidade Drive - and new products that follow the trends of light mobility. We expanded the accessibility and functionalities of our various digital platforms, which already have more than 1.6 million users in Portugal. We worked to develop personal financial

management solutions via the Fidelidade MySavings platform, which has seen considerable growth. We continued to emphasise innovative support products and services for specific segments of the population, such as the senior segment, with the new AP65+ insurance, while in the business sector we expanded the offer aimed at SMEs, with solutions adapted to the emerging needs of this segment, including cybersecurity.

**“Our solidity and solvency were recognised again in 2023. For the second year running, Fitch gave us an A- rating. This is a top rating in the Portuguese market.”**

In specialised markets, such as pet care, we advanced with vertical integration strategies and international expansion into the Spanish market. Internal innovation was also a priority, with programmes designed to foster the entrepreneurial spirit and adaptability of our teams, which contributed to the recognition of leadership and excellence in the sector. This commitment to innovation and continuous improvement has strengthened our position and leadership in the market and has also resulted in awards and recognition that confirm customer satisfaction and trust.

## Sustainability as part of our DNA

In the last year we have taken important steps towards becoming an increasingly sustainable company and have made a commitment to reducing carbon across the entire value chain - operations, insurance, and investments - with the aim of being Net-Zero in Operations by 2040 and in Insurance and Investments by 2050. We wanted to go even further and set interim emissions reduction targets for 2025 in Operations and for 2030 in the other business areas.

This additional effort is being recognized. We can proudly say that according to the Morningstar Sustainability Rating, at the time of its 2023 review, we are the fourth most sustainable insurer globally and the second most sustainable in Europe, which compels us to increase our commitment to our collective future.

For the first time, we were present at COP28, which allowed us to improve the general perception of our ability to contribute proactively to ecological transition, in line with our strategy.

Based on the conviction that the future is shaped by the adoption and promotion of sustainable practices; we will continue to integrate strategies and initiatives that not only preserve but also strengthen the environmental and social balance. We still have a

long and arduous way to go, but our commitment to sustainability will continue to be a fundamental task for Fidelidade in 2024.

### Community involvement

At Fidelidade, we have a clear idea of our role in the community as an insurance company and as a business with a strong social conscience.

In addition to the work, we do on multiple fronts on a daily basis in the area of Social Responsibility, we launched the 5th edition of the Fidelidade Community Award, in 2023, which has established itself as one of the most important in Portugal. We were the official insurer of World Youth Day, we deepened our links with universities, by developing and implementing the scientific and academic co-operation protocols we have with the Instituto Superior Técnico (IST), the Nova School of Business and Economics, and the Católica Medical School. At the IST, we inaugurated the Técnico Innovation Centre powered by Fidelidade, a facility that will transform the relationship between Portugal's largest engineering school, its students, and the community.

### Putting people first

In 2023, our efforts to create a high-quality working environment were recognised once again, which consolidated our position as a Great Place to Work.

In Portugal we achieved certification in 8 of our 10 companies and, internationally, in 14 companies spread across 9 countries where we are present. This result reflects not only the quality and consistency of our efforts to promote a positive working environment, but also the trust shown by our employees. This is proved by the significant response rate to satisfaction surveys, which was around 90%, which shows the commitment and deep involvement of our employees with the company's values and culture.

**“We want to continue growing internationally, by strengthening current operations, by promoting greater synergies and improving profitability, and by seizing the new growth opportunities that appear.”**

### Outlook for 2024

2024 will once again be a challenging year. We will continue to live in an environment of uncertainty, which is probably marked by some economic slowdown. We will therefore have to find ways to improve our profitability, to be more efficient and judicious, by optimising the resources we have.

Regardless of the challenges that may arise, we will continue to embrace our vocation in the area of

health, by supporting longevity, and will work to be an increasingly present support in the lives of businesses. We will endeavour to improve our offer in the area of savings and investments in Portugal, by helping the Portuguese to save better and prepare for their future. We will continue to promote the quality of life and longevity of our customers and society in general, by promoting health and healthy lifestyles, autonomy and financial resilience through innovative and sustainable solutions that demonstrate our commitment to society.

We want to continue growing internationally, by strengthening current operations, by promoting greater synergies and improving profitability, and by seizing the new growth opportunities that appear.

We will endeavour to increase our commitment to sustainability, which will continue to be a central pillar of our actions, socially, environmentally and in our internal and external business practices.

During 2024, we will be working to float a minority percentage of Luz Saúde's share capital on the stock market, but only when the right market conditions exist. This will be an important step forward, which will enable us to continue preparing the future, by increasing our capacity to continue growing both in Portugal and in other markets where we are present. We will also begin the work necessary to

float Fidelidade on the stock market in 2025, in line with the expectations repeatedly expressed by our shareholders. This will be a demanding process, which will mobilise our energy and test the organisation's implementation capacity.

2024 will also be the year in which we make great progress in the construction of our new headquarters, which is an old aspiration, dictated both by the need to finally be able to be together under the same roof, in conditions of increased well-being and productivity, and also by the need to provide the community with an experience of tangible physical contact with the Fidelidade brand, via a distinctive building that is open to society.

By continuing the steps taken in 2023, we want to be a company that invests increasingly in people. Without whom, it would not have been possible to achieve the results described in this document. Our goal in 2024, is to take more ambitious steps and to become increasingly like the "Fidelidade we want to be". We believe that it is in the day-to-day running of our business and with our people that we can make a difference, via fair and consistent practices that reflect our values.

We face 2024 with optimism, and are ready to continue our path of innovation, social responsibility, and operational excellence.

**"We believe that it is in the day-to-day running of our business and with our people that we can make a difference, via fair and consistent practices that reflect our values."**

We sincerely thank the entire Fidelidade family, employees, customers, partners and shareholders for their support and the trust they have placed in us. We remain committed to making a difference in people's lives and in society, by strengthening our leadership in the sector and contributing to a more sustainable and prosperous future. May the coming year bring us new opportunities to grow, innovate and strengthen our legacy as a promoter of "Longevity for all ages".



**Rogério Campos Henriques,**  
Chief Executive Officer



**Jorge Magalhães Correia**  
Chairman

Legal, Compliance, Audit and Institutional Relations

**Fidelidade Executive Committee**



**Rogério Campos Henriques**  
Chief Executive Officer

People and Organisation, Sustainability, Marketing, Technology and Business Support, Business Agility and Health Business



**William Mak**  
Financial and Real Estate Investments



**Thomas Chen**  
Risk Management, Accounting and Capital Planning



**António Noronha**  
Commercial and Life Business



**Juan Arsuaga Serrats**  
Private and Corporate Business, Workers' Compensation, Reinsurance, Operations and Procurement, and Risk and Prevention



**André Cardoso**  
International Operations, Investor Relations Office, Strategic Planning and Business Development



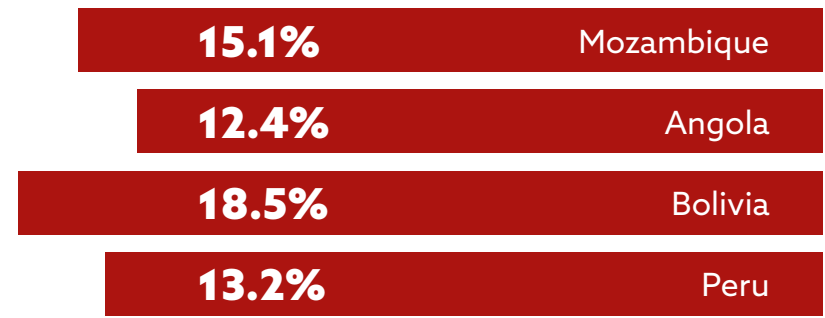
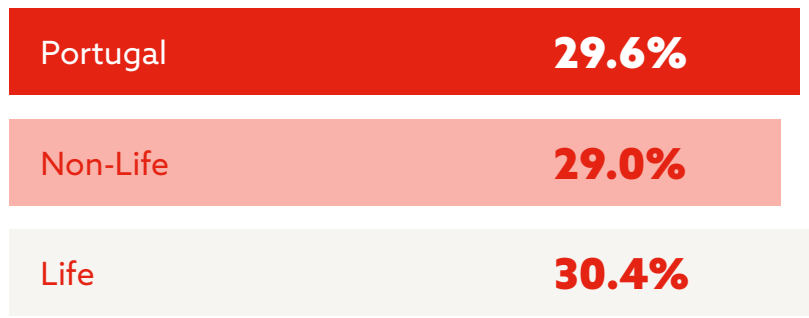
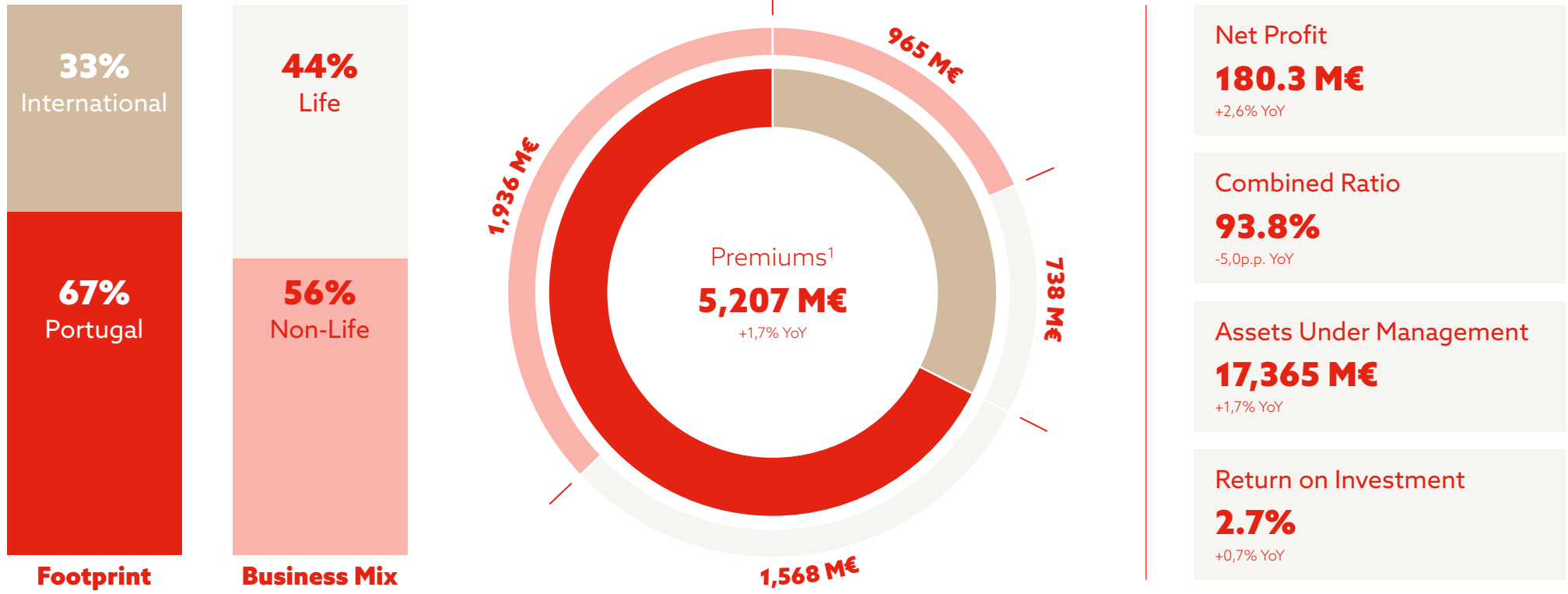
**Miguel Abecasis**  
Car Business, Innovation, Actuarial and Assistance



# Fidelidade Group

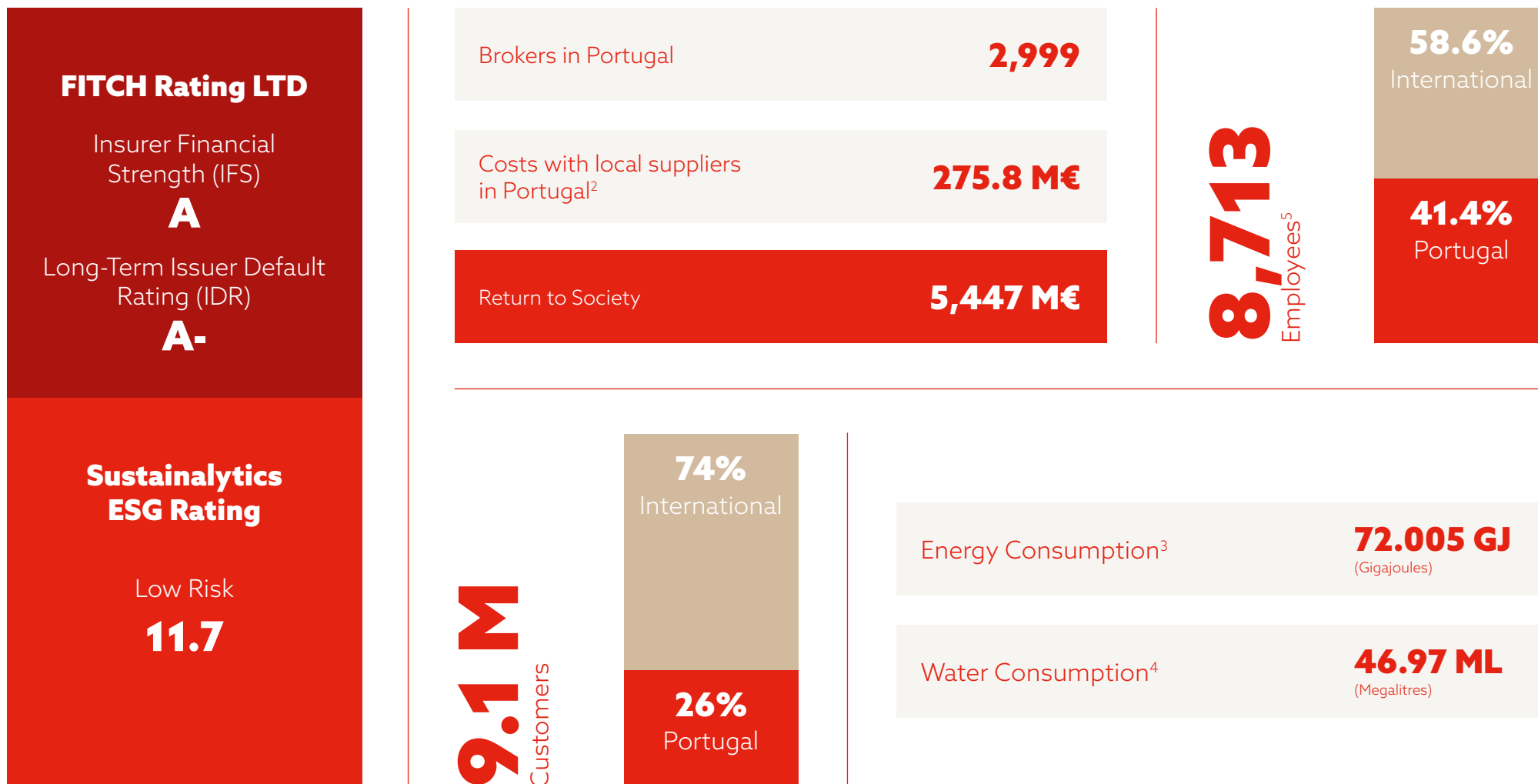


1.1. Key Figures 2023



<sup>1</sup> Gross written premiums. Includes sums related to investment contracts.

### 1.1. Key Figures 2023



<sup>2</sup> Portuguese companies included in the non-financial information report: see subchapter 8.1. Fidelidade Group | Indicators.

<sup>3</sup> Companies included in the non-financial information report: see subchapter 8.1. Fidelidade Group | Indicators. Alianza Bolivia and Alianza Paraguay do not report.

<sup>4</sup> Companies included in the non-financial information report: see subchapter 8.1. Fidelidade Group | Indicators. FID I&D, Alianza Paraguay, Fidelidade Angola, Fidelidade Macau, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France do not report.

<sup>5</sup> Fidelidade Group, excluding employees of Luz Saúde, are not considered for the purposes of this Report.

## 1.2. Highlights of the Year

Longevity occupies a central place in Fidelidade's global strategy. In 2023, and as a result of this positioning, the Group invested in innovative solutions that help foster health and healthy lifestyles, financial autonomy and resilience, and reinforce its commitment to society and the planet. This commitment has been recognized in many ways, further increasing our commitment to "Longevity for all ages".

### Some relevant milestones:

#### ESG Rating

A rating of 11.7 was obtained from Morningstar Sustainalytics, which placed Fidelidade as the fourth most sustainable insurer in the world. It is the best positioned company in the banking and insurance sector in Portugal and the second most sustainable Portuguese company.

#### Fidelidade considered the "Best Insurance Company in Portugal"

Chosen for the second year running by DECO PROTeste as the best insurance company operating in Portugal. It has the highest levels of customer satisfaction for the evaluated products: car, health and multi-risk home insurance.

#### Financial Literacy

Carrying out several financial literacy initiatives aimed at employees, brokers, clients, and partners, through physical and digital channels.

#### Sustainability Week

Organisation in Portugal of the Fidelidade Group's first international sustainability event, with the aim of forming a community of sustainability focal points, by boosting training and holding a boot-camp to align the sustainability strategies between the Group's various geographies.

#### COP28

Participation in COP28, leveraging the Group's capacity to proactively contribute to the ecological transition in line with the Group's environmental, social, and business strategy.

#### FITCH

Reaffirmation of Fidelidade's A rating in Insurer Financial Strength (IFS) and A- in Long-Term Issuer Default Rating (IDR) by the financial rating agency Fitch.

#### Great Place to Work

Fidelidade has been recognized for the second consecutive year as "Best Workplace" by Great Place to Work Portugal, being in the Top 10 of companies with more than 500 employees

#### Center for Climate Change

Development of this skills and knowledge centre for the Fidelidade Group, which is open to the public. It will integrate initiatives linked to climate change and Net-Zero targets, based on partnerships with external skill centres.

#### App Fidelidade DRIVE

Over 100,000 users of the Fidelidade Drive app, focussed on preventing and promoting safe and responsible driving.

#### World Youth Day

Support for WYD Lisbon 2023, providing the necessary insurance for the event and the participation of Group employees as volunteers.

**Fidelity Pets Ecosystem**

The Fidelidade Pets Ecosystem project won the Best Insurance Project award at the Portugal Digital Awards and was also honoured with the gold award in the "Connected Ecosystems & Marketplaces" category of the Qorus Insurance Innovation Awards.

**Fidelidade Community Award**

Promotion of the 5th edition of the Fidelidade Community Award, which aims to strengthen the social sector by reinforcing Fidelidade's commitment to the sustainable development of society.

**Prevention Ecosystem**

Strengthening and expanding the prevention value proposition by focusing on check-ups, the Multicare Vitality programme, and online medical services.

**SOFIA**

Launch, in pilot mode, of the SOFIA digital platform, aimed at the senior, family and caregivers segment, which provides access to home support services.

**Vitality Run**

The 3rd Multicare Vitality Run was held under the slogan "Running for all ages", to promote the adoption of healthy habits from an early age, with a view to a sustainable, longer, and healthier life. It had 2,500 participants.

**Técnico Innovation Centre Powered by Fidelidade**

Inauguration of the Técnico Innovation Centre, a multipurpose space with a study room open 24 hours a day, which will be a point of contact between the Instituto Superior Técnico and the community, via the dissemination of knowledge and innovation.

**XLAB**

Launch of the first edition of the Fidelidade Group's internal innovation programme, which seeks to stimulate change and entrepreneurial spirit among teams.

**App MySavings**

The marked growth in users of the MySavings app, which offers Fidelidade customers financial products with different risk profiles, has become a mechanism for raising awareness, financial autonomy, and savings/ investment.

**Personal Accidents 65+**

Launch of Personal Accident Insurance for the over-65s, which reinforces Fidelidade's ongoing commitment to the protection of customers at all stages of life.

### 1.3. History of the Fidelidade Group

#### The third oldest insurance company in the world

Its origins date back to 1808, when Seguradora Bonança was founded. The Group has grown over 215 years, through a long organic process of mergers, which involved more than 50 insurance companies and four core brands, Bonança, Fidelidade, Mundial and Império, which culminated in Fidelidade being chosen as its sole brand in 2013. This growth was also marked by the launch of pioneering brands such as Multicare (health insurer) and ok! seguros (direct insurer) and, more recently, by an acquisitions strategy and the launch of greenfield operations, both in Portugal and internationally. The Group's recent history is defined by the privatisation process that took place in 2014, when the Portuguese state, acting via Caixa Geral de Depósitos, sold around 85% of the Group's share capital to the Fosun Group. This initiated a new phase marked by the consolidation of the leadership in Portugal and international expansion.

## 1800

- **1808** Founding of Bonança

- **1835** Founding of Fidelidade



## 1900

- **1913** Founding of Mundial - Companhia de Seguros

- **1942** Founding of Império

- **1975** Nationalisation of the insurance sector in Portugal

- **1990** Reprivatisation of Bonança

- **1992** Reprivatisation of Império and Mundial

- **1995** CGD holds Fidelidade's entire share capital

- **1997** Launch of the Multicare brand



## 2000

- **2001** Merger of Império and Bonança creating Império Bonança

- **2002** Merger of Fidelidade and Mundial Confiança resulting in Fidelidade Mundial

- **2007** Acquisition of Companhia Portuguesa de Resseguros (CPR)



- **2011** Beginning of operations in Angola with Universal Seguros (now Fidelidade Angola)

- **2012** Merger of Império Bonança and Fidelidade Mundial and the establishing of Fidelidade - Companhia de Seguros, SA

- **2013** Launch of the single brand Fidelidade

- **2014** Privatisation and Fosun's entry into the capital



- **2014** Fidelidade starts operations in Moçambique

- **2014** Acquisition of Espírito Santo Saúde, currently Luz Saúde

- **2014** Acquisition of Garantia (Cabo Verde)

- **2019** Acquisition of the majority stake in the Latin American group La Positiva



- **2020** Beginning of FID Chile's operations and acquisition of Tenax, an assets management company in the United Kingdom

- **2021** Acquisition of 70% of Ímpar in Mozambique

- **2022** Acquisition of 70% from The Prosperity Company holding

- **2022** Strengthening of the majority stake at Luz Saúde Group



- **2022** Strengthening of the majority stake at La Positiva

- **2023** Acquisition of Veterinários sobre Rodas






Today, the Group is present on four continents, and in 13 countries, and serves 9.1 million customers. Its geographical diversity and the strength of its brands make its business more solid, by giving it greater resilience to adverse contexts and by ensuring new opportunities for growth.


As a result of its ambition to go further and to fortify its presence in the international market, Fidelidade has been implementing a model of high proximity between local

teams and central services, by taking advantage of best practices at a global level and by valuing the local characteristics of its various operations.







The companies in the Fidelidade Group, their main areas of activity and the Group's percentage holding in each of them are presented below.

EUROPE

 <p><b>FIDELIDADE</b> SEGUROS DESDE 1808</p>	<p><b>Fidelidade - Companhia de Seguros, S.A. is the company that heads the Fidelidade Group and is market leader in the Portuguese insurance market. It provides a wide range of Life and Non-Life products and, as previously mentioned, has operations in several geographies.</b></p>	
 <p><b>via directa</b> COMPANHIA DE SEGUROS, S.A.</p>	<p>Via Directa - Companhia de Seguros S.A. is the insurance company designed to sell insurance policies through remote channels (telephone and internet), and operates through several brands, among them the ok! seguros brand. It is a pioneer in online sales of insurance in Portugal and leader in the direct insurers segment.</p>	<p><b>100%</b></p>
 <p><b>MULTICARE</b> FIDELIDADE</p>	<p>Multicare - Seguros de Saúde, S.A. is the insurance company dedicated to health insurance, managing the market leader in that business line in Portugal, with over one million customers. It stands out for its pioneering spirit, focus on prevention and robust capital, as well as its network of about 5,000 private health providers, including the best healthcare facilities. It is the only health insurer with ISO 9001 Quality Management System certification since 2011.</p>	<p><b>100%</b></p>
 <p><b>FIDELIDADE</b> ASSISTANCE</p>	<p>Fidelidade Assistência - Companhia de Seguros, S.A. is an insurance company specialised in assistance and legal protection insurance. Operating essentially as a reinsurer, it is the market leader in Portugal.</p>	<p><b>100%</b></p>
 <p><b>COMPANHIA PORTUGUESA DE RESSEGUROS SA</b></p>	<p>Companhia Portuguesa de Resseguros, S.A. operates in reinsurance in the Non-Life segment, essentially underwriting risks under the Non-Proportional Treaties with Fidelidade.</p>	<p><b>100%</b></p>

<p><b>the prosperity company</b></p>	<p>The Prosperity Company leads the TPC Group. Its head office is in Liechtenstein, and it provides savings solutions, based on unit-linked pension products, for individual customers of Liechtenstein Life Assurance AG (a life insurer). The group has other companies that operate other aspects of its value proposal, for both customers and intermediaries. Its activity is carried out mainly in Switzerland and Germany.</p>	<p><b>70%</b></p>
<p><b>FIDELIDADE PROPERTY</b></p>	<p>Fidelidade - Property Europe, S.A. and Fidelidade - Property International, S.A. are responsible for managing the Fidelidade Group's real estate investments.</p>	<p><b>100%</b></p>
	<p>Tenax Capital Limited is an asset management company, with its headquarters in London, specialising in the management of funds for insurers and banks, with a focus on building low-capital-intensive products in these financial institutions.</p>	<p><b>80%</b></p>
<p><b>FIDELIDADE REAL ESTATE INVESTMENT MANAGEMENT</b></p>	<p>Fidelidade - Sociedade Gestora de Organismos de Investimento Coletivo, S.A. was set up in 2018, with the aim of managing real estate investment funds in Southern European markets.</p>	<p><b>100%</b></p>
<p><b>LUZ SAÚDE</b></p>	<p>Luz Saúde, S.A. is the head of the Luz Saúde Group and one of the leading private healthcare providers in Portugal. It manages 30 private hospitals and clinics, and one retirement home. In 2023, it had 1,126 beds and performed 2.3 million medical consultations, 421 thousand urgent consultations and 68 thousand surgeries and births.</p>	<p><b>99,9%</b></p>
<p><b>SAFEMODE</b></p>	<p>Safemode is the brand under which EAPS - Empresa de Análise, Prevenção e Segurança, S.A. develops and provides risk analysis and health and safety at work services, including occupational medicine, among others.</p>	<p><b>100%</b></p>



	<p>GEP – Gestão de Peritagens, S.A. is the company responsible for providing loss adjusting expert reports and claims inquiries for the insurers in the Fidelidade Group, and is present in Portugal, Angola, Mozambique, and Cape Verde.</p>	<p>100%</p>
	<p>Cares – Assistência e Reparações, S.A. is a company that specialises in repairs, maintenance, and assistance for property. It works in the insurance, retail and corporate markets, and is certified by ISO 9001 for Quality since 2013.</p>	<p>100%</p>
	<p>CETRA – Centro Técnico de Reparação Automóvel, S.A. is a company that provides car repair services. It operates under the Fidelidade Car Service brand.</p>	<p>100%</p>
	<p>Clínica Fisiátrica das Antas, Unipessoal, Lda. is a physical medicine and rehabilitation unit in Porto, which has a specialised clinical and therapeutic team. Its mission is the comprehensive functional rehabilitation of users, by promoting functionality, the reduction of sequelae, the improvement of quality of life, and independent living at work in social life and day-to-day.</p>	<p>100%</p>
	<p>FID R&amp;D, S.A. provides consultancy and development services for new digital solutions and platforms, analytical models, new solutions based on Artificial Intelligence models and Machine Learning.</p>	<p>100%</p>
	<p>Veterinários Sobre Rodas, Lda. provides medical and veterinary care at home, and has a clinic in Sintra, a washing and grooming van, an online shop, and a space for dogs, which provides daycare and training services.</p>	<p>88%</p>

## ASIA-PACIFIC



Fidelidade has been present in Macao since 1999, with a diverse offer of protection solutions for private clients and companies. It initially operated through local branches and subsequently through companies incorporated under local law: Fidelidade Macau – Companhia de Seguros, S.A. and Fidelidade Macau Vida - Companhia de Seguros, S.A. that sell Non-Life and Life insurance through an agents’ network and Banco Nacional Ultramarino ("BNU"), with which they have a bancassurance agreement.

100%

## ÁFRICA



Fidelidade Angola - Companhia de Seguros, S.A., (formerly Universal Seguros, S.A.), was founded in 2011 and currently ranks third in the Angolan market. It trades in the Non-Life and Life segments, where it offers a diversified range of products, particularly its comprehensive offer in the corporate segment.

70%



Garantia - Companhia de Seguros de Cabo Verde, S.A., is the primary insurer in the Cape Verde market, and trades in the Life and Non-Life insurance segments with a wide range of products, including health insurance, of which it is a pioneer in this market. These products are distributed by its branches, brokers and via banking channel strategic partnerships, i.e. Banco Comercial do Atlântico, which is also its shareholder.

55,9%



Fidelidade Moçambique - Companhia de Seguros, S.A. (formerly Seguradora Internacional de Moçambique, S.A.), is one of the largest and most experienced insurance companies in Mozambique and offers a wide range of products in the Life and Non-Life segments. It ranks third in the Mozambican insurance market, and its presence throughout the country is ensured by a network of branches in the provincial capitals, under the Fidelidade Ímpar brand, and via exclusive access to the Millennium BIM network, which is one of the largest banks in Mozambique.

70%

LATIN AMERICA



La Positiva Seguros y Reaseguros S.A., was founded in 1937, and leads the La Positiva Group, which has been one of the main players in the Peruvian insurance market for over 80 years. It currently ranks third in the market and has more than three million customers in the country. La Positiva's mission involves continuous improvement, risk management expertise, and a growing presence in the insurance market, in which it focuses on the development and launching of innovative products. This strategy is reinforced by collaboration with strategic partners and the effective use of distribution channels, which not only strengthen the company's market position, but also increase its standards of excellence and agility in customer service.

93,9%<sup>6</sup>

In addition to its strong presence in Peru, Grupo La Positiva has expanded its operations to:



- Bolivia via its holdings in the Alianza Compañía de Seguros y Reaseguros S.A. E.M.A. and Alianza Vida Seguros y Reaseguros, S.A.



- Paraguay via its holding in Alianza Garantia Seguros y Reaseguros S.A.

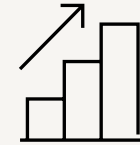
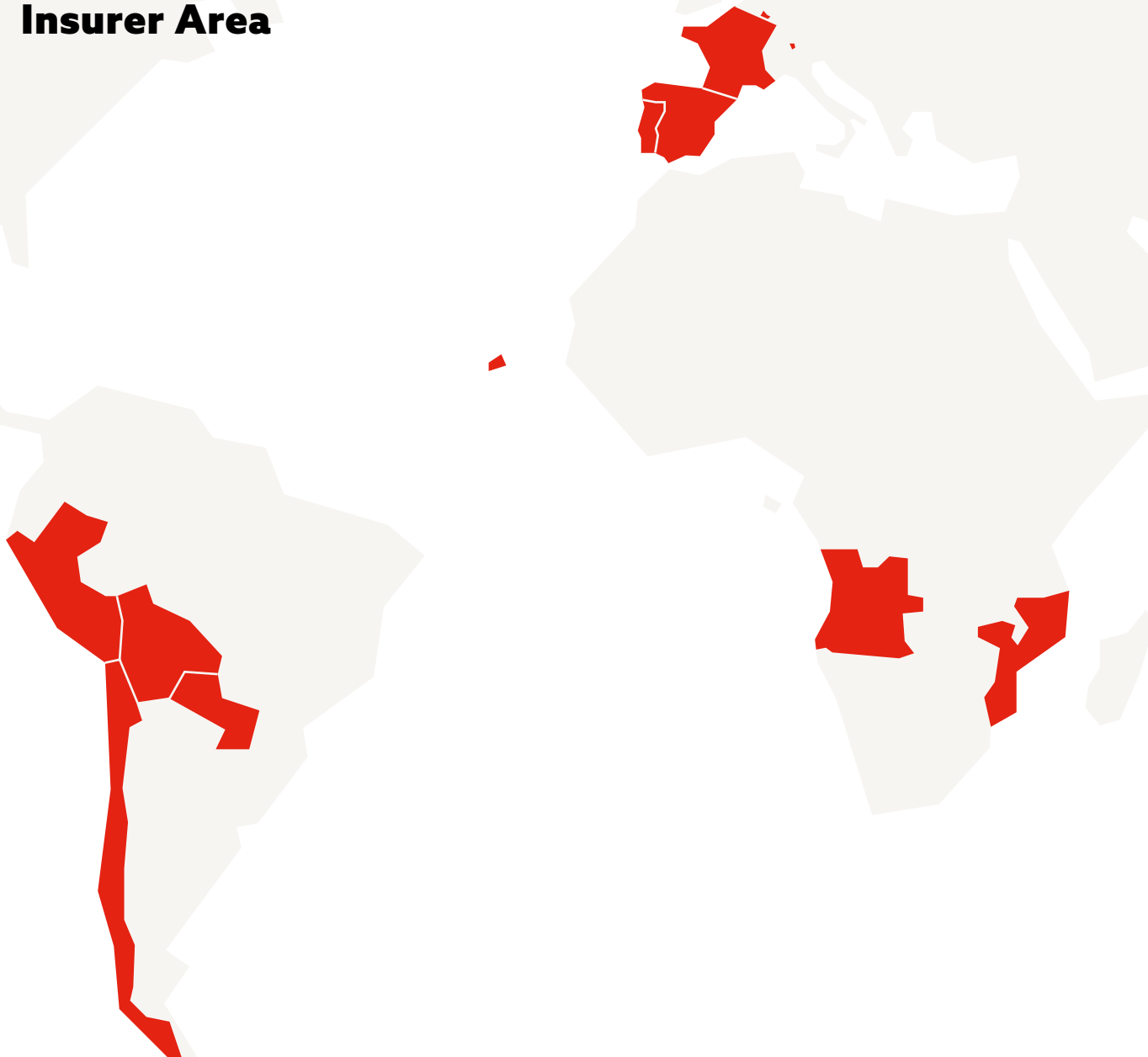


FID Chile Seguros Generales S.A. is an insurance company in the Non-Life segment that began operating in January 2020, after having obtained authorisation from the Chilean regulator in the final quarter of 2019. FID Chile has developed a range of Non-Life products aimed at individual and corporate customers,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

100%

<sup>6</sup> Shareholding in La Positiva Seguros y Reaseguros S.A

## Insurer Area



**33%**

of the insurance business of the Fidelity Group is outside of Portugal



**13**

Countries



**8,713**

Employees, of which 5,107 work outside of Portugal

## 1.4. Mission and Values

The Fidelidade Group's aim is to protect the future of families and businesses by fostering transparent, close, and trusting relationships with all those around it. But it wants to go further. It wants to be an agent of change and to make a difference in society, in favour of a more sustainable and secure future for all. It is therefore committed to pushing boundaries, the creation of innovative solutions, and to supporting its customers through the different stages of their lives.

### MISSION

**So that life won't stop.**

The Fidelidade Group's mission is to support the development and construction of a sustainable society. It is committed to educating, serving, accompanying and caring for people throughout their lives with innovative products and services that effectively protect people. Being an example to others, never leaving anyone without an answer and support, even if you have to go beyond your duties to do so.

### VALUES

The Fidelidade Group's mission is guided by values that have been part of its DNA since its inception. And because Fidelidade believes in life and supports those who dream, these principles are combined with the essence of a human brand that defines the Group as an insurance entity.

**It is by sharing our values that we are Fidelidade!**

### BE PROUD OF OUR PAST, INSPIRE OUR FUTURE

We are Fidelidade whenever we reinvent the past with the future. Our history makes us proud, challenges us, and gives us strength, responsibility, and inspiration to reinvent the future. We honour our history by sharing our knowledge.

### BE OUTSTANDING, OVERCOME YOUR LIMITS

We are Fidelidade whenever we outdo ourselves. We always want to do more, and we try to go further in everything we do. We dare to dream and outdo ourselves so we can continue to transform society.



### BE INNOVATIVE, CHASE THE PROGRESS

We are Fidelidade whenever we drive change. We believe it is always possible to find better solutions to protect the lives and property of our clients. It is this spirit that drives us to change and reinvent what we do.

### BE PEOPLE DRIVEN, BE THERE

We are Fidelidade whenever we are there. The Fidelidade Group is made up of people who contribute to protecting and caring for people. We are reliable, and we honour our commitments. People know they can count on our skills. Because every story is a part of our story.

# Building the Future



The Fidelidade Group bases the growth and consolidation of its business on the various geographies in which it operates and has a long-term vision in which its contribution to society is a central objective, and the future is prepared in the present, by creating value for all stakeholders. In addition to this commitment, Fidelidade incorporates sustainability imperatives in its strategy to build a more sustainable and resilient society.

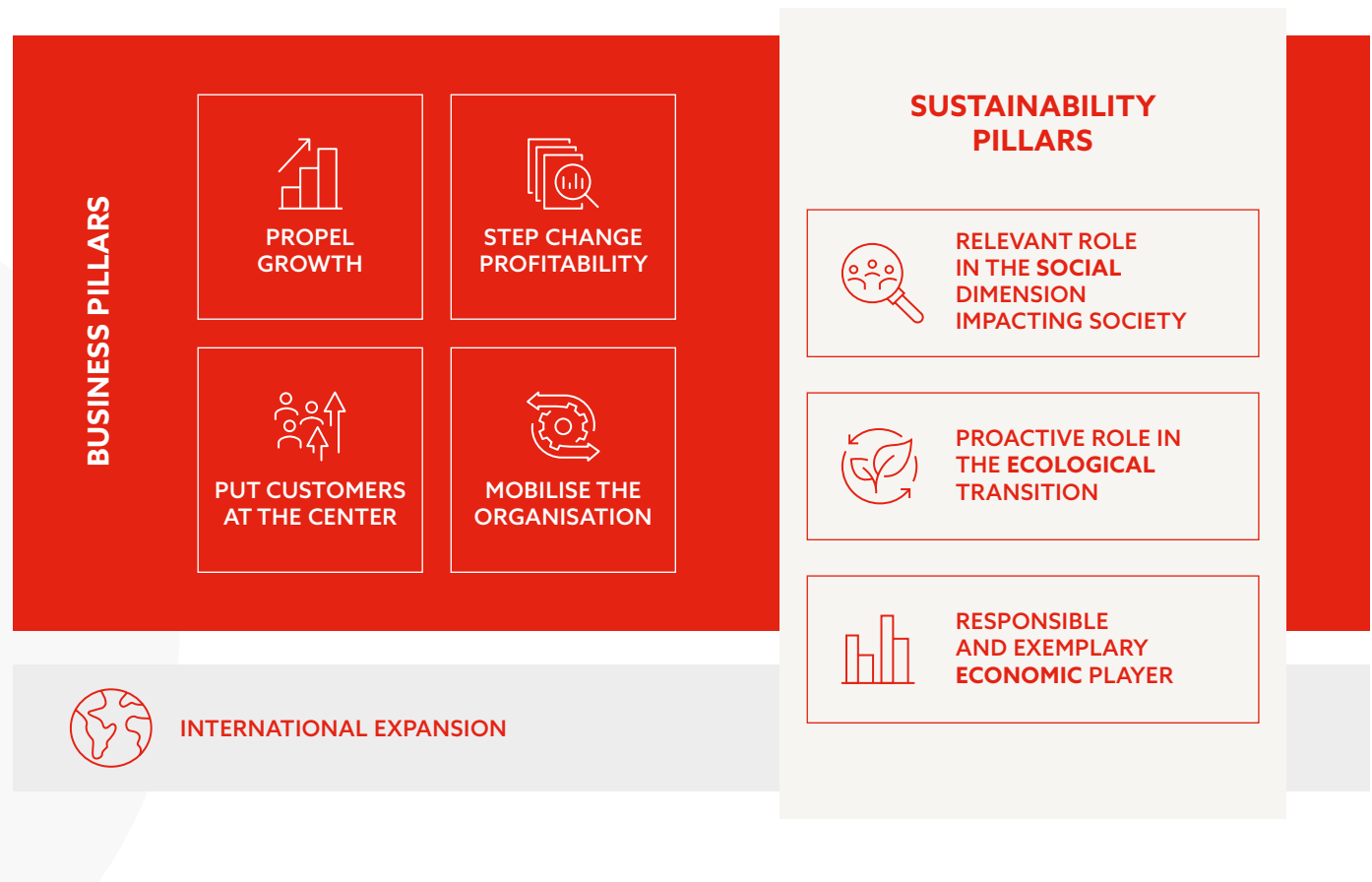
**"Our strategy promotes the growth and diversification of Fidelidade's business, by ensuring it is better prepared to meet the challenges that lie ahead."**

**André Simões Cardoso**  
Fidelidade Executive Committee  
Member



The Group's entire strategy is based on four main business pillars and is complemented by international expansion and ESG (Environmental, Social and Governance) strategic pillars, in line with the UN 2030 Agenda, by the assumption of commitments and targets to be met by 2030.

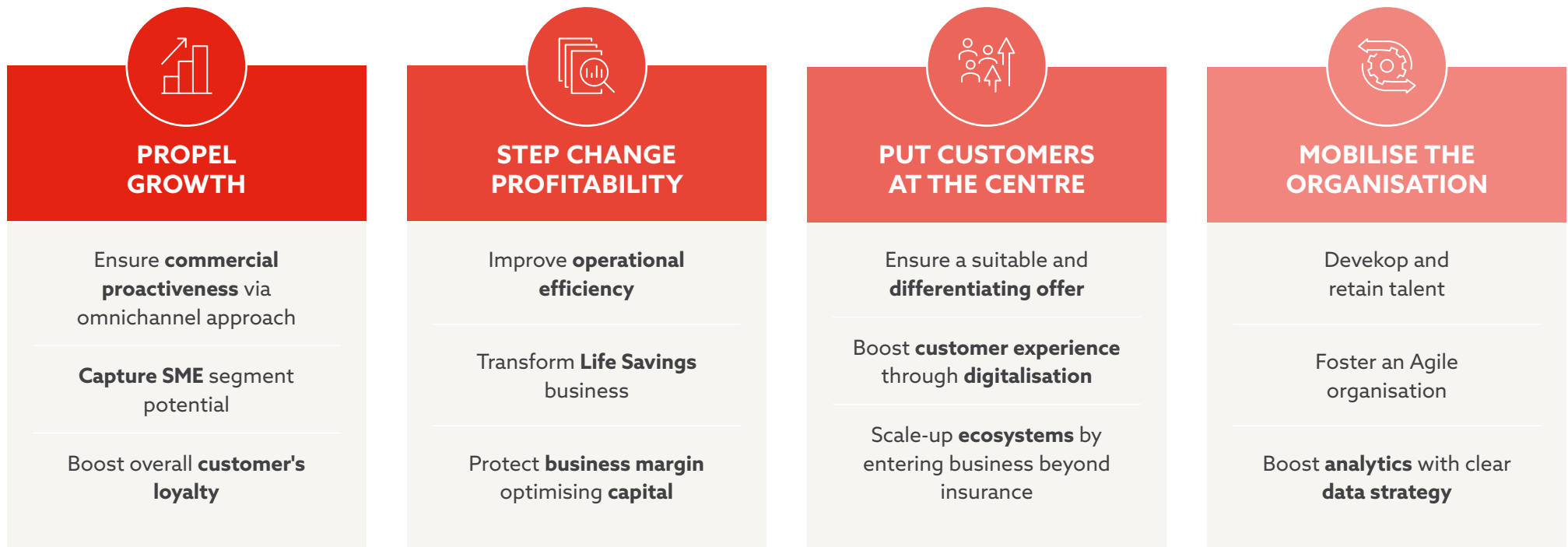
**Fidelidade Group's Strategy**





**2.1. Business Pillars**

The Fidelidade Group's strategy is based on the four pillars described in detail on the following pages: Boost Growth; Optimise Profitability; Focus on the Customer; Mobilise the Organisation. The Fidelidade Group integrates these four pillars, permanently respecting its commitment to society, always with a view to creating value for all stakeholders.





**BOOST GROWTH**



**Ensure commercial proactiveness via omnichannel approach**

The Fidelidade Group relies on the strength of its brands, its presence in various distribution channels, its recognised technical capabilities, and its culture of innovation, in order to strengthen its presence in the markets in which it operates and reach more and more customers. The continuous work to improve commercial dynamics and strengthen interaction between the various sales channels also enhances the offer of an omnichannel experience and the adaptation of products to customer expectations. This action plan supports an increase in market share and greater resilience in the face of external adversity. At the same time, the potential identified in the Life segment in European markets, strengthened by Fidelidade's position in the savings ecosystem in Portugal, has been one of the drivers of growth.

**Capture SME segment potential**

The Fidelidade Group aims to grow in the SME segment, by increasing its customer portfolio percentage, via a modular offer, new tools, and a commitment to the streamlining of points of sale. It also aims to attract new customers in priority segments via a more targeted sectoral approach.

The Group has therefore been working on renewing its integrated value propositions for SMEs in terms of segmentation, offer, tools, market approach and operating model.

**Boost overall customer's loyalty**

Fidelidade has been developing value propositions centred on the launch of programmes such as Fidelidade Drive and Multicare Vitality, which promote safe and responsible driving and healthy habits, respectively, in order to promote customer loyalty. By signing up to these programmes, customers are challenged to meet a set of goals for safe driving and healthy habits which, once achieved, allow them to accumulate points, which they can redeem at a wide variety of shops and services.



**STEP CHANGE PROFITABILITY**



**Improve operational efficiency**

Automation and technologies enable continuous improvement of the efficiency of the business, by driving digitalisation of the relationship with customers and distribution partners. As a result, the Fidelidade Group has redirected its people to higher value-added activities, due to the automation and improvement of internal processes that do not require human intervention and increased efficiency in various aspects of the business, namely underwriting and claims management.

**Transform Life Savings business**

In order to consolidate its prominent position in the savings area in Portugal and being aware of its importance as an economic agent, Fidelidade has been transforming its Financial Life business over the last few years.

Therefore, in order to promote savings and encourage responsible financial behaviour, the Group has carried out a series of financial literacy initiatives with training measures and the provision of training content, in both face-to-face and digital formats, with a view to increasing the acquisition of financial products adjusted to individual needs and the financial and sustainable planning of the entire population.

The structuring of Fidelidade's entire product offering is based on simplicity and accessibility, which allows it to be adjusted to the life cycle and objectives of each stage of people's lives, with a medium/long-term risk/return balance.

At the same time, Fidelidade is making progress towards incorporating ESG criteria into its offer and its investment, procurement, underwriting and operating processes, and is seeking to make a difference by assessing impacts and making decisions that impact environmental and social factors in a way that is aligned with the Group's purpose, values, and corporate strategy.

**Protect business margin optimising capital**

Adaptation to the market and regulatory context in which the Group operates, together with the integration of ESG issues into its investment decisions, optimises the management of the investment portfolio, by acting as a responsible investor. The Fidelidade Group seeks to maximise the return/risk factor, while ensuring the prudence that has always characterised its operations. This optimisation also focuses on diversifying investments, either geographically or in terms of asset classes, to mitigate risks and ensure protection against adverse market contexts.



**PUT CUSTOMERS AT THE CENTRE**



**Ensure a suitable and differentiating offer**

Fidelidade Group's ambition is not only to offer insurance and mutualise the customer's risk, but to actively support them in managing their risks. That requires the development of new integrated product ranges in the ecosystems in which it operates, offering products and services outside its primary activity and increasingly focused on preventing and solving the customer's holistic needs. The Group has taken this path in areas such as Mobility, Heritage, Health, and Assistance through the internalisation of various services relevant to the activity and also through forging strategic partnerships.

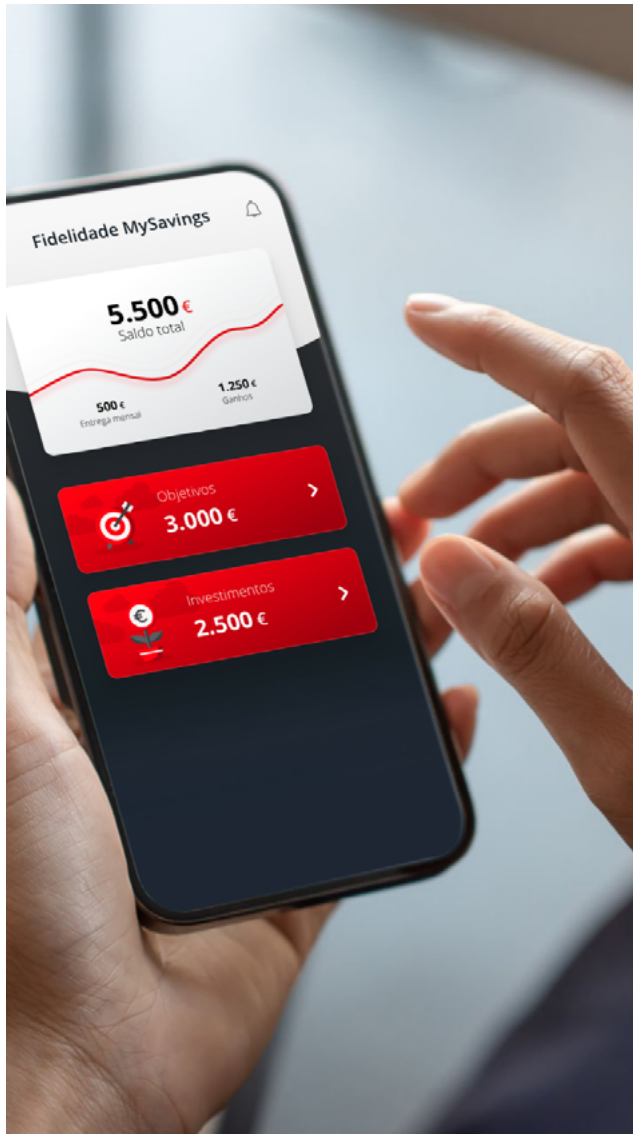
In view of the increasing complexity of the market and the increasing demand of consumers, the Group continuously aim to leverage its presence along the value chain, in order to offer a differentiated value proposition and continue to introduce sustainability criteria that foster ecological transition and social well-being.

**Boost customer experience through digitalisation**

The best solutions result from processes that connect improving the customer experience with process operational efficiency. To this end, the Fidelidade Group invests in solutions that involve the digitalisation and automation of processes, through the development of various business initiatives aimed at implementing and developing innovative products and service models.

**Scale-up ecosystems by entering businesses beyond insurance**

With its strategy of the creation of differentiated value propositions, the Fidelidade Group has built five ecosystems by leveraging digital, where it offers products other than insurance: Health Ecosystem, Home/Family Ecosystem, Mobility Ecosystem, Savings Ecosystem and Pets Ecosystem.



**MOBILISE THE ORGANISATION**



**Develop and retain talent**

In order to achieve its strategic objectives of growth, profitability and customer focus, the Group is attentive to change and to trends in the sector in order to ensure that it has the talent needed today for the challenges of the future, in line with its ambition to become a benchmark employer. To that end, it has developed an action plan that allows it to respond to challenges and fill potential gaps identified, from the talent available in the market, in a structured way.

The Fidelidade Group continues to focus on measures that promote its values, purpose, and identity among its employees and that create a community spirit, namely via social responsibility initiatives, such as the WeCare programme.

**Foster an Agile organisation**

The Fidelidade Group recognises the urgent need to adapt to a new way of working that is more centred on employee engagement and well-being and focuses on the maximisation of the impact on customers. To this end, we continued to invest in employee training and internal mobility, fostering experience sharing and knowledge generation. Alongside this, we continued to focus on reformulating working methods and organisational processes based on Agile methodologies.

**Boost analytics with a clear data strategy**

Fidelidade believes that Analytics and Artificial Intelligence are crucial to offering a better experience and increasing efficiency. It is therefore promoting measures such as:

- The implementation of tools to generate recommendations and leads for improvement/cross-selling and activation of digital properties, based on customer information;
- The development of retention and propensity models, predictive models based on Machine Learning functionalities, which make it possible to anticipate customer behaviour and adopt the best position in relation to them;
- Automation using Artificial Intelligence as the basis of new functionalities and redesign processes, to facilitate claims management and interaction with customers;
- The implementation of intelligent localisation systems to monitor forest fires and potential damage to insured units.

The Group sees data strategy as a key enabler for achieving the established objective, from data collection to data security and data quality, to the making available of the data.

## 2.2. Sustainability Pillars

**The core of the Fidelidade Group's business is preparing for the future - and the future doesn't exist without sustainability.**

The strategy delineated involves the three ESG pillars, within which commitments and targets are set, with 2030 being set as the next major milestone.

The Fidelidade Group aims, via its long-term sustainability approach, to be an active agent in the sustainable transformation of society, by playing a major role in society, in ecological transition, and as a responsible and exemplary economic agent. It therefore works continuously on issues that it considers fundamental, namely reduction of its carbon footprint, support for society in the transition to sustainability, focus on the attraction and development of talent, focus on the development and offering of products that meet customer needs, by ensuring easy access to capital, in risk management and a sustainable return on investments and operations.

The Fidelidade Group aligns its strategic priorities with the Sustainable Development Goals (SDGs), with a view to the creation of a positive impact on the planet and society. We have therefore identified seven priority objectives to which the Group contributes more significantly, without forgetting its global and irreversible commitment to the entire UN 2030 Agenda.

**"Being a responsible economic agent, with a positive impact, has always been a priority at Fidelidade. We believe that continuing to have sustainability embedded in our business strategy is the only way we do that."**

**João Mestre**  
Sustainability Management



**UN 2030 Agenda | Seven Priority Sustainable Development Goals for the Fidelidade Group**

In 2023, the seven relevant topics defined during the previous year were revalidated and it was on them that the Fidelidade Group based its vision of sustainability - Vision 2030 - based on three types of action (social, environmental and economic/governance) and five key challenges. The Group believes that social action is its greatest responsibility and where its core business can have the greatest impact. It has therefore prioritised social action, but without ever neglecting environmental and economic/governance activities.

**3 GOOD HEALTH AND WELL-BEING**



**Quality healthcare**

Development of products and services that foster healthy living habits and respond to the health needs of customers.

**8 DECENT WORK AND ECONOMIC GROWTH**



**Decent work and economic growth**

Conduct as a responsible employer, which encourages best practices with partners and suppliers, ensuring an economically viable activity that respects all stakeholders.


**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**



**Industry, innovation, and infrastructures**

Innovative approach that responds to the needs of customers and fosters sustainable development, involving society.

**10 REDUCED INEQUALITIES**



**Reducing inequalities**

Provision of products and services that respond to the needs of the most disadvantaged segments of the population. Responsible action with employees and other stakeholders that promotes diversity, equity, and inclusion.

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**



**Sustainable production and consumption**

Influence, throughout the value chain, behaviours that promote the circular economy and the responsible use of resources.

**13 CLIMATE ACTION**



**Climate action**

Encourage customers, suppliers, and partners to reduce their environmental footprint, as well as within the scope of its own activity. The objective of reaching the Net-Zero goal is a strategic priority in Fidelidade's operations.


**17 PARTNERSHIPS FOR THE GOALS**



**Partnerships for the goals**

In order to achieve the remaining Sustainable Development Goals, Fidelidade will act in partnership with its stakeholders to decisively enhance the impact of its actions.

The Group's ultimate aim is to influence change by promoting the adoption of more sustainable behaviours, namely through products and services, and to support customers and suppliers that ensure alignment with the best sustainability practices, without forgetting those who are still at the beginning of their journey.

PRIORITISED CHALLENGES	MATERIAL TOPICS	
<p><b>LONGEVITY AND AGEING</b></p> <p><b>HEALTH</b></p> <p><b>SOCIAL INCLUSION AND UNDERSERVED COMMUNITIES</b></p> <p><b>SAVINGS AND FINANCIAL LITERACY</b></p> <p><b>CLIMATE CHANGE AND EXTREME EVENTS</b></p>	<p> <b>SOCIAL DIMENSION</b></p> <hr/> <ul style="list-style-type: none"> <li>› Diverse, fair and inclusive employment</li> <li>› ESG awareness for customers and partners</li> </ul> <p> <b>ECONOMICAL / GOVERNANCE DIMENSION</b></p> <hr/> <ul style="list-style-type: none"> <li>› Sustainable products and services</li> <li>› Innovation models and service digitalisation</li> </ul>	<p> <b>ENVIRONMENTAL DIMENSION</b></p> <hr/> <ul style="list-style-type: none"> <li>› Resource efficiency</li> </ul> <hr/> <ul style="list-style-type: none"> <li>› Sustainable Investment</li> <li>› Sustainable Procurement</li> </ul>



**2030 VISION**

Prepare the future, contribute society's resilience, positively impacting all our stakeholders



**RELEVANT ROLE IN THE SOCIAL DIMENSION IMPACTING SOCIETY**



**PROACTIVE ROLE IN THE ECOLOGICAL TRANSITION**



**RESPONSIBLE AND EXEMPLARY ECONOMIC PLAYER**

SUSTAINABLE OFFER OF PRODUCTS AND SERVICES

INVESTIDOR RESPONSÁVEL E EMISSOR DE *GREEN BONDS*

ACTIVE SOCIAL RESPONSIBILITY AGENT

NET ZERO COMMITMENT

*PROCUREMENT* E PARCERIAS RESPONSÁVEIS

WECARE COMMITMENT

PROMOTER OF A FORESTRY FUND

ONE OF THE BEST COMPANIES TO WORK FOR

ACTIVE PROMOTER AND ORCHESTRATOR OF SUSTAINABILITY IN THE PORTUGUESE ECONOMY

SIGNATORY TO GLOBAL SUSTAINABILITY COMMITMENTS





**RELEVANT ROLE IN THE SOCIAL DIMENSION IMPACTING SOCIETY**

**Active social responsibility agent**

Investing in society, promoting its cohesion and resilience, by working together with institutions that contribute to social challenges, through volunteer programs, donations, and the Fidelidade Community Award ("Prémio Fidelidade Comunidade").

**WeCare commitment**

Maintain the WeCare spirit in the commitment to customers, going beyond what is legally required in supporting victims in the most serious cases and ensuring assistance to the population in the markets in which it operates.



**RELEVANT ROLE IN THE SOCIAL DIMENSION IMPACTING SOCIETY**

**Sustainable offer of products and services**

Creating environmentally responsible business solutions, such as financial products that combine savings with good environmental practices or car insurance solutions that promote more sustainable driving behaviour, among others.

Provision of products and services to the most disadvantaged segments of society, by promoting inclusive protection.

Promotion of Longevity-related solutions that encourage saving habits in preparation for retirement and the provision of services targeted at the elderly, and at the elderly of tomorrow.

Promotion of the health of the population via products, services and programmes that encourage healthy lifestyle habits, promote prevention, and facilitate access to health care.



**PROACTIVE ROLE IN THE ECOLOGICAL TRANSITION**



**PROACTIVE ROLE IN THE ECOLOGICAL TRANSITION**

**Net-Zero commitment**

Definition of the Group's Net-Zero Transition Plan, via the fixing of emission reduction objectives in relation to portfolios and insurance, always ensuring alignment with the NZAOA (UN-convened Net-Zero Asset Owner Alliance) and via the establishment of a set of actions and commitments to achieve the defined targets.

**Promoter of a forestry fund**

Creation of a forestry fund, which involves a commitment by Fidelidade to invest 12 million Euros, to promote a more sustainable forest management policy in Portugal.



**RESPONSIBLE AND EXEMPLARY ECONOMIC PLAYER**

**Responsible investor and green bonds issuer**

As a responsible investor, to increase investments in sustainable assets, in the environmental, social and governance dimensions.

**Responsible procurement and partnerships**

In its relationship with its partners, by influencing the adoption of more sustainable behaviours, by favouring partners, who ensure best practices, and by supporting them on their sustainability journey, whenever necessary.

**One of the best companies to work for**

Support for employees, in terms of economics, health and preparation for an active life in retirement, as well as helping them in times of greater personal or family need.

Ensure equitable treatment, with fair pay that encourages diversity and inclusion.

Training employees, by promoting reskilling and upskilling, to guarantee adequate skills throughout their careers.



**RELEVANT ROLE IN THE SOCIAL DIMENSION IMPACTING SOCIETY**



**PROACTIVE ROLE IN THE ECOLOGICAL TRANSITION.**



**RESPONSIBLE AND EXEMPLARY ECONOMIC PLAYER**

**Active promoter and orchestrator of sustainability in the Portuguese economy**

Aligning its practices with the goals of the Paris Agreement by reducing greenhouse gas (GHG) emissions and supporting carbon sequestration projects

**Signatory to global sustainability commitments**

In 2023, Fidelidade became a signatory of the UNPRI, a United Nations initiative that brings together a network of investors, who support each other on the basis of an understanding of the implications of the inclusion of ESG factors in their investment decisions.

## Mechanisms to facilitate the implementation of Vision 2030

In order to ensure the implementation of its strategy, the Group has created a series of facilitation mechanisms for coherent, transversal, and integrated implementation, which ensure alignment with the UN 2030 Agenda.



Review of existing policies, which includes sustainability, and the creation of new policies



Creation and review of processes that continue to ensure transparency, business ethics and respect for all stakeholders



Creation of governance bodies involving the various areas of the Group, such as the Sustainability Committee



Regular, transparent, and clear dissemination of sustainability topics

The Fidelidade Group's stakeholders are fundamental to the definition of the strategy and are actively involved via various channels and activities. The consultation of internal and external stakeholders made it possible to identify priority areas, risks to be mitigated and business opportunities to be exploited with the ultimate aim of selection of the issues relevant to the Fidelidade Group. It is through this close relationship with its stakeholders that the Group fosters and guarantees transparency and trust in its business, which is a fundamental aspect for the creation of value in the long term.

Stakeholders engagement

MEANS OF ENGAGEMENT		STAKEHOLDERS	Business partners	Customers	Management and employees	Sustainability specialists	Society and communities	Suppliers	Peer entities	Sectoral entities
Report	Board meetings				●					
	EC meetings				●					
	Committees				●					
	Management information				●					
	Integrated Report		●	●	●	●	●	●	●	●
Communicate	Website		●	●	●	●	●	●	●	●
	Informative brochures		●	●						
	Press		●	●	●	●	●	●	●	●
	Newsletters		●	●	●		●			
	Intranet / Extranet		●		●					
	Promotional SMS			●						
	Social networks		●	●	●	●	●	●	●	●
	Apps			●						



### 2.2.1. Commitments and targets

The Fidelidade Group worked hard throughout the year to meet its commitments and targets and also announced new challenges for the coming years, in line with its strategic vision, such as the Net-Zero Transition Plan<sup>7</sup> for 2023.



#### COMMITMENTS | SOCIAL DIMENSION

##### Acomplished 2023

Continue the assessment on the organisational climate of Fidelidade Group in Portugal, through an annual survey carried out by Great Place to Work and disseminate the main results to employees.

Strengthen the commitment to people, introducing as an objective for all Executives and Managers achieving an Engagement Index of 80% in their departments.

Achieve a rate of 10% of internal mobility for the Group's employees in Portugal, promoting their growth and skills development.

- › In 2023, internal mobility was carried out for 12.7% of the Group's employees in Portugal.

Carry out a new assessment of the Psychosocial Risks to which the Group's employees in Portugal are exposed and disclose the main results to employees.

Hold awareness-raising sessions on Diversity, Equity and Inclusion for Executives and Managers, training 130 people.

##### Short-Term 2025

Develop the Escola de Liderança, focused on the development and training of Fidelidade's leaders, which will train 80% of the current leaders by the end of 2025:

- 21 leaders | Individual coaching processes.
- 239 leaders | Training "Jornada de Liderança", "Workshops Fyouture", "Corporate Governance", "Liderança inclusiva", "Programa de Desenvolvimento de Líderes".
- 27 leaders | Executive Education "Liderança" and "Gestão".
- 241 leaders | Conferences "We see beyond", "World Business Forum", "Leadership Summit", "Global Peter Drucker Forum", "A importância da formação executiva no feminino" e "A grande Conferência Liderança Femenina".

- › **Progress:** In 2023 the Escola de Liderança was formalised reaching 68% of the leaders in.

Gender Pay Gap value below 5% for Fidelidade Group worldwide.

60% of Fidelidade Group's employees in Portugal to have a Personal Development Plan (FIDME Commitment).

<sup>7</sup> For more information on the Net-Zero Transition Plan, see subchapter 3.4.4 Environment.





**COMMITMENTS | SOCIAL DIMENSION**

**Acomplished 2023**

Hold awareness-raising initiatives open to all employees on the themes of Diversity and Equity, Well-being and Psychosocial Risks, in particular by organising:

- › 7 webinars; Training 50 people in inclusive recruitment, 100 people in psychosocial risks and 50 team leaders in Psychological First Aid.

15 internships in the 1st Edition of Summer Internships.

Continuing to train the leaders of the future through the "Leadership Journey" training programme, training 48 people.

Provide training sessions to all Fidelidade's employees in Portugal about sustainability.

- › The training had a significant reach, involving 82% of the Group's employees.

Continue to hold awareness-raising initiatives open to society about sustainability, namely conferences, talks and training sessions.

Develop a Technology School focussed on employee reskilling and transversal training to strengthen digital proficiency skills.

**Short-Term 2025**

90% of Fidelidade Group's employees to have received training in ESG related topics.

99% of employees covered by the Job Family Model, at eligible companies (Fidelidade, VD e Multicare).

30 Admissions via Be a Scout in 2025.

100% of eligible employees covered by the Onboarding Programme.

145 thousand training hours to be delivered to Fidelidade Group's employees in Portugal.



**COMMITMENTS | ENVIRONMENTAL DIMENSION**

**Acomplished 2023**

Finalise the measurement of the carbon footprint of operations, investments and overwriting.

Create the Net Zero Transition Plan.

Approve a forestry fund, as an SFDR article 9 product, with an investment commitment from Fidelidade of 12 million euros.

Launch the Centre for Climate Change, preparing collaborations with universities and other national institutions.

**Short-Term 2024**

Have 100% of the electricity used in Portugal come from renewable sources.

Publish the Nature Positive Plan, therefore ensuring the strengthening of environmental topics beyond the carbon footprint.

**Short-Term 2025**

Reduce by 50% the emission intensity of scopes 1 and 2 as well as of Business Travel (scope 3) by FTE in Portugal.

**Medium-Term 2030**

Reduce by 40% the emission intensity of scopes 1 and 2 on Listed Equities and Corporate Bonds portfolio.

Reduce by 45% the emission intensity of scopes 1 and 2 on direct real estate investments portfolio.

Reduce by 30% the emission intensity within the Commercial underwriting portfolio in Portugal.

Reduce by 26% the emission intensity within the personal Motor underwriting portfolio in Portugal.

**Long-Term 2040**

Net Zero within operations.

**Long-Term 2050**

Net Zero within investments and underwriting.



**COMMITMENTS | ECONOMIC / GOVERNANCE DIMENSION**

**Acomplished 2023**

Kick-off of the review of the supplier evaluation and selection process to include ESG criteria, through the review of the Procurement Policy and the drafting of a Supplier Code of Conduct, to be finalised and implemented in 2024.

Include sustainability performance indicators in the annual appraisal of employees, including at Executive Board level.

**Short-Term 2025**

Review 100% of asset portfolio according to ESG criteria.

Make available in Portugal at least 10 insurance products or services aligned with ESG criteria, considering the guidelines that may be disclosed for product types that are not yet regulated – e.g. Non-Life insurance.

**The Fidelidade Group is committed to developing sustainable products and services to promote the adoption of behaviours in line with this objective and take account of customers' interests in terms of sustainability.**

### 2.2.2. Engagement with initiatives and entities

The Fidelidade Group has a close involvement with a wide range of national and international initiatives and organisations and works proactively to have a positive impact on society.



**BCSD Portugal**  
Signatory to the Charter of Principles of Companies for Sustainability, as part of Jornada 2030 Member of various BCSD working groups



**Portuguese Insurers Association**  
Member of the seismic risk working group



**CSR Europe**  
Signatory to the CEOs Call to Action – A New Deal for Europe



**negócios**  
Member of the Strategic Council of the Portuguese Sustainability Award




**Business Roundtable Portugal**  
Co-coordinator of the sustainability working group together with EDP and member of several other working groups




**Diversity & Inclusion Journey**  
Member of the Beyond Diversity Roundtable



**Lisbon – European Green Capital**  
Signatory to the Lisbon Commitment European Green Capital 2020 - Climate Action Lisbon 2030



**Grace**  
It is a member of the management board and management task force, and of various working groups, such as the sustainable finance group



**Casa do Impacto**  
Official partner of the Target Programme and member of the Advisory Board of the +PLUS Fund



**PRI – Principles for Responsible Investment**  
Member and signatory to the Principles for Responsible Investment



**PSI - Principles for Sustainable Insurance**

Member and signatory to the Principles for Sustainable Insurance



**Mental Health in the Workplace Pact**

Signatory to the Mental Health in the Workplace Pact (PMHW)



**Nova SBE - Inclusive Community Forum**

Signatory to the commitment with the ICF - Inclusive Community Forum



**United Nations Global Compact**

**United Nations Global Compact**

Signatory to the 10 UN Global Compact Principles



**Smart Waste Portugal Association (ASWP)**

Member of the Smart Waste Portugal Association



**Portuguese Association for Diversity and Inclusion**

Signatory to the Portuguese Charter for Diversity



**José Neves Foundation**

Signatory to the More and Better Jobs for Young People Pact



**Mind Forward Alliance**

Member of Mind Forward Alliance, a global network of industry-leading companies committed to putting mental health at the top of their organisations' priorities

## 2.3. International Expansion

International expansion plays an extremely important role in the Fidelidade Group's growth strategy, via the geographical diversification of the business and greater resilience to adverse events. Initially, from 1995 onwards, this strategy targeted markets with which Portugal had the greatest economic, cultural, and linguistic affinities, following its natural banking channel distribution partner (CGD) and by concentrating on markets where the bank was already present (Spain, France, and Macau). In 2011, Fidelidade expanded into the Angolan market, which was followed by the Cape Verde and Mozambique markets, three years later.

Subsequently, in 2019, with the acquisition of a majority stake in the La Positiva Insurance Group in Peru and the start of operations in Chile in 2020, the Group began a new phase of international expansion, which continued with acquisitions of a majority

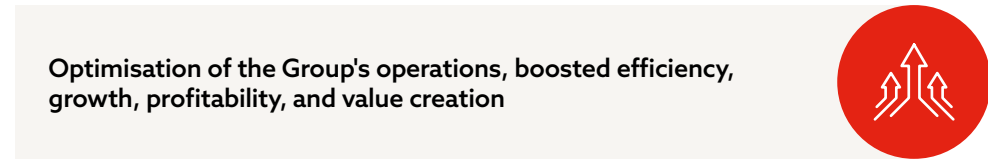
stake in Seguradora Internacional de Moçambique (now Fidelidade Moçambique) and a majority stake in The Prosperity Group AG, which focuses on the German and Swiss markets.

The Fidelidade Group aims to balance the consolidation of the various international operations with the selective search of expansion opportunities in complementary markets where it can offer competitive advantages, while always ensuring compliance with all the criteria of financial and operational sustainability.

The Fidelidade Group's strategy for international expansion is based on innovation, proximity, and the establishment of synergies, in order to create a cohesive and efficient organization in all geographies. Its vision for the future focuses on four main objectives:



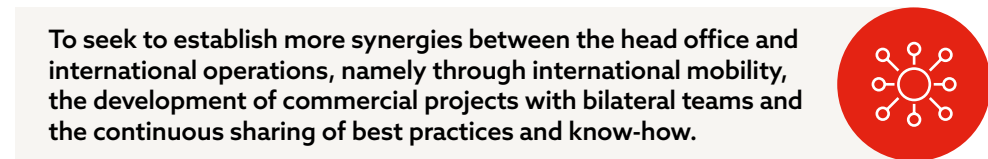
**Continued growth and increased international business, to contribute to the profitability of the Fidelidade Group**



**Optimisation of the Group's operations, boosted efficiency, growth, profitability, and value creation**



**Achievement of a new level of performance by consolidating the governance model**



**To seek to establish more synergies between the head office and international operations, namely through international mobility, the development of commercial projects with bilateral teams and the continuous sharing of best practices and know-how.**

The Fidelidade Group has adopted a strategic model that seeks to optimise the assimilation of know-how and the implementation of best practices at local level. The results of this effort, which has generated significant synergies for the development and implementation of comprehensive projects, have been boosted by the creation of follow-up forums. These forums seek to cover differing but complementary areas, and needs. Their fundamental principles are the strengthening of internal collaboration, the promotion of a disruptive and innovative dynamic in working models and projects, and the proactive driving of

**In order to consolidate support for the various geographies and ensure that internal know-how is put to good use, the Group has launched centres of excellence specialising in areas such as Advanced Analytics, Artificial Intelligence, pricing and innovation. These exchange platforms have made it possible for companies to share best practices and are a key to increasing their solidity and competitiveness in their markets, which has consequently, strengthened the Fidelidade Group worldwide.**

the development of international operations, with a commitment to constant support and monitoring of actions.

With the aim of achieving a more robust basis for participation, transparency, accountability and consensus as a Group, control bodies and mechanisms have been put in place, at both local level and Group level by International Committees. At the same time, there is a commitment to creating efficient operating practices and a consistent customer experience throughout the organisation. The Group is accordingly redefining its internal processes in the various geographies, in order to achieve a more solid and comprehensive vision that contributes to the implementation of effective strategies and consistency in the internal practices of its international operations.

The Fidelidade Group has also defined a strategy to strengthen its offer to families and other customers looking to invest in long-term products, via unit-linked insurance. The acquisition of TPC, which specialises in the sale of savings solutions without a guaranteed capital, which occurred in 2022 as part of this strategy, has accelerated the introduction of savings insurance in the various geographies in which the Group is present, by strengthening skills, via improved offer and by providing more flexible solutions to its distribution business partners.

**This year, Fidelidade has reiterated its commitment to being the insurance partner of benchmark Chinese companies with international business in the geographies in which the Group is present. It has therefore created strategic alliances with some of China's top 100 companies, to which it has allocated significant specialist team efforts, working across geographies to develop a commercial approach aimed at China's communities and companies.**

**This milestone was celebrated at the end of 2023 with an event that highlighted the scope of the Group's commitment and ambition, i.e. the Chinese Business Society. At the same time, the second Fidelidade Roadshow in China took place, which is a strategic initiative that seeks to strengthen commercial ties and to identify business opportunities, in order to build a global network of solid and lasting partnerships between the Fidelidade Group, and Chinese partners and customers.**

# Create Value





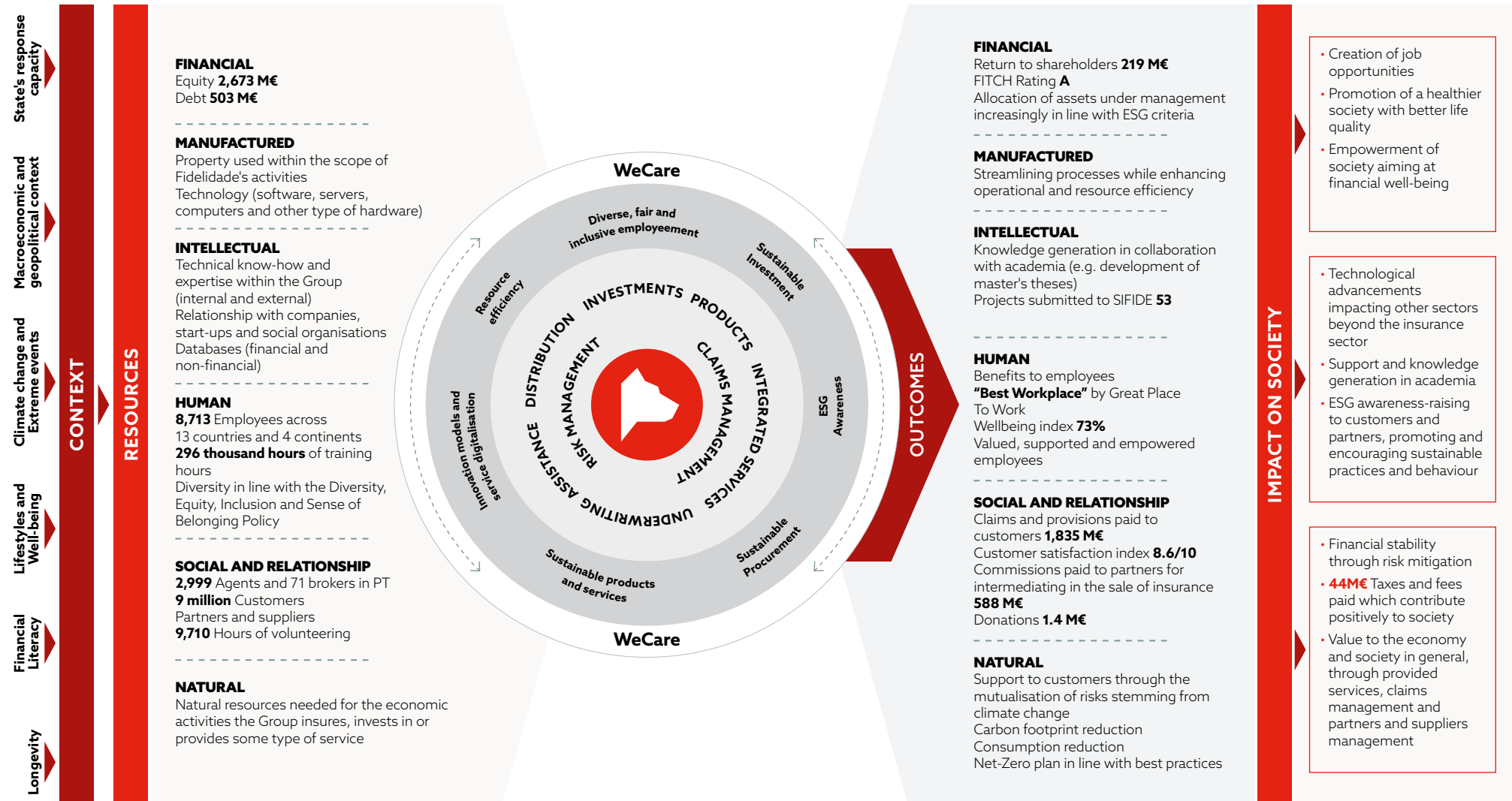
### 3.1. Value Creation Model

The Fidelidade Group's **Business Model** emerges from its mission and values and is based on a **long-term strategy and a robust and transparent governance model. The Fidelidade Group's Business Model emerges from its mission and values and is based on a long-term strategy and a robust and transparent governance model.** The Fidelidade Group's activity, as embodied by the WeCare commitment, which extends throughout the Group's social dimension, seeks to exceed the expectations of its customers and partners, by focussing on its customers, by ensuring their protection and satisfaction.

The following model explains the Group's social impact, how it obtains its financial and non-financial results, the resources it allocates to achieve them, the influence of the context on the entire value creation model, and how the WeCare spirit is at the heart of everything the Group does. Each of these points will be detailed on the following pages.



Value Creation Model



**FINANCIAL**  
Equity **2,673 M€**  
Debt **503 M€**

**MANUFACTURED**  
Property used within the scope of Fidelidade's activities  
Technology (software, servers, computers and other type of hardware)

**INTELLECTUAL**  
Technical know-how and expertise within the Group (internal and external)  
Relationship with companies, start-ups and social organisations  
Databases (financial and non-financial)

**HUMAN**  
**8,713** Employees across 13 countries and 4 continents  
**296 thousand hours** of training hours  
Diversity in line with the Diversity, Equity, Inclusion and Sense of Belonging Policy

**SOCIAL AND RELATIONSHIP**  
**2,999** Agents and 71 brokers in PT  
**9 million** Customers  
Partners and suppliers  
**9,710** Hours of volunteering

**NATURAL**  
Natural resources needed for the economic activities the Group insures, invests in or provides some type of service

**FINANCIAL**  
Return to shareholders **219 M€**  
FITCH Rating **A**  
Allocation of assets under management increasingly in line with ESG criteria

**MANUFACTURED**  
Streamlining processes while enhancing operational and resource efficiency

**INTELLECTUAL**  
Knowledge generation in collaboration with academia (e.g. development of master's theses)  
Projects submitted to SIFIDE **53**

**HUMAN**  
Benefits to employees  
"Best Workplace" by Great Place To Work  
Wellbeing index **73%**  
Valued, supported and empowered employees

**SOCIAL AND RELATIONSHIP**  
Claims and provisions paid to customers **1,835 M€**  
Customer satisfaction index **8.6/10**  
Commissions paid to partners for intermediating in the sale of insurance **588 M€**  
Donations **1.4 M€**

**NATURAL**  
Support to customers through the mutualisation of risks stemming from climate change  
Carbon footprint reduction  
Consumption reduction  
Net-Zero plan in line with best practices

- Creation of job opportunities
- Promotion of a healthier society with better life quality
- Empowerment of society aiming at financial well-being

- Technological advancements impacting other sectors beyond the insurance sector
- Support and knowledge generation in academia
- ESG awareness-raising to customers and partners, promoting and encouraging sustainable practices and behaviour

- Financial stability through risk mitigation
- **44M€** Taxes and fees paid which contribute positively to society
- Value to the economy and society in general, through provided services, claims management and partners and suppliers management

## 3.2. Context

### 3.2.1. Geopolitical context

The global picture is undergoing profound change. According to the World Economic Forum's "Global Risks Report 2023", the main risks in today's society are related to economic and environmental challenges, geopolitical dynamics, technology and cybersecurity, public health, socio-demographic trends and ESG issues.

If 2022 was marked by the war in Ukraine, 2023 was marked by tensions between major powers such as the US, China and Russia and the conflict in Gaza, and Ukraine, which have further accentuated global fragmentation and the dangers and challenges that come with it. Instead of the expected post-Covid-19 recovery period, we are living in a climate of geopolitical uncertainty and economic, financial, and social impacts on nations, companies, and people.

In this context, and given the major impacts of climate change, which are increasingly evident in various parts of the world, increasing inequality, particularly as a result of migration and refugee flows, is a challenge that must be addressed.

There is an urgent need to move towards a more sustainable economy, focussed on energy transition, the reduction of greenhouse gas emissions, and the promotion of human rights. This need involves both new risks, and new opportunities in the management of financial, material, and human resources.



### 3.2.2. Macroeconomic framework<sup>8</sup>

**“The sharp rise in interest rates to reduce still high inflation marked 2023 and had significant impacts on the insurance industry and Fidelidade. In the Non-Life segment, I highlight the efforts to mitigate the effect of the increased average cost of claims, on profitability. In the Life segment, I highlight the very rapid adjustment of rates of return on savings supply, which permitted commercial competition but put pressure on the financial margin of this segment.”**

**Filipe Santos Martins**  
Strategic Planning and Business  
Development Management



#### **World Market**

The year 2023 was marked by a slowdown in global economic activity, and by a gradual reduction of inflation due to tighter monetary policies and the normalisation of raw material prices. This slow-down has been fuelled by the long-term effects of the covid-19 pandemic, the continuing conflict between Russia and Ukraine, rising interest rates and growing geo-economic fragmentation.

Global growth in 2023 was therefore 3%, a decrease of 0.5 percentage points (p.p.) compared to 2022 and below the historical average.

<sup>8</sup> Source: IMF Economic Outlook (Oct-2023), BdP Economic Bulletin (Dec-2023)

After the sharp rise in inflation in 2022, it slowed down in 2023 and is expected to fall further in the coming years, as a result of monetary policies geared towards the restoration of price stability. However, climate and geopolitical shocks could affect food and energy prices, and fuel the said geo-economic fragmentation, which could restrict the flow of raw materials in the markets.

### Portugal

In Portugal, economic growth slowed down during 2023, as the cumulative effects of inflation, the slowdown in the activity of the main trading partners and the tightening of monetary policies worsened financial conditions within the Euro area and Portugal.

In this context, the Portuguese GDP grew by only 2.1% in 2023, below the 6.8% level recorded in 2022. Inflation, meanwhile, fell from 8.1% in 2022 to 5.3% cent in 2023, as a result of the reduced demand caused by increased interest rates. In 2023, the unemployment rate increased by 0.5 p.p. compared to 2022, reaching 6.5%.

### Latin America

The Latin American region recorded a growth of 2.3% in 2023, down from 4.1% in the previous year, reflecting the impact of more restrictive policies, a weaker external environment and lower raw material prices. As a result, inflation stood on average at 13.8%, below the 14.0% recorded in 2022.

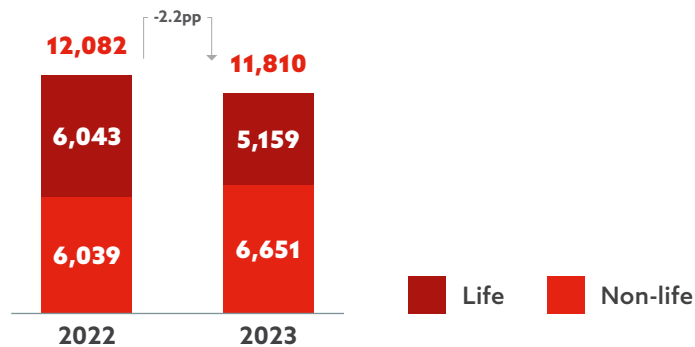
### Sub-Saharan Africa

The Sub-Saharan Africa region recorded growth of 3.3%, down from 4.0% in 2022, due to a worsening of climate shocks, a slowdown in the global economy and domestic supply problems, particularly in the electricity sector. The intensification of geo-economic fragmentation also limited the flow of goods and energy between regions, which led to a rise in prices, particularly in low-income countries. In this case, the sub-Saharan Africa region was particularly affected, since food represents on average around 40% of the consumption basket in this region. As a result, inflation stood at 15.8%, above the 14.5% recorded in 2022.

### 3.2.3. Insurance sector framework

#### Evolution of the Portuguese insurance market

In 2023, the Portuguese insurance market recorded total gross premiums of 11.8 billion Euros, a decrease of 2.2% compared to 2022, reflecting the evolution of the Life segment (-14.6% to 5.2 billion Euros) due to the economic context referred to above. On the other hand, the Non-Life segment continued its growth trajectory, recording premiums of 6.7 billion Euros, i.e. 10.1% more than in 2022.



Unit: million euros; Source: ASF

The decrease in premiums in the Life segment was mainly due to the Life Financial component, in particular in terms of unit-linked products. In fact, despite rising interest rates, the loss of income caused by inflation and instability in financial markets had a negative impact on this type of financial product, as was the case in 2022.

For their part, premiums in the Non-Life segment maintained their growth trend, generating greater traction when compared to the previous year, mainly as a result of real economic growth and the inflationary context.

In this segment, it is important to highlight the positive evolution registered in the Health business line (+16.7%), at a time when the population is increasingly aware of the need to complement the services of the National Health System. This growth allowed the Health line of business to consolidate its position as the second largest business line in the Non-Life segment, with direct insurance premiums rising to 1,349 million euros.

#### Non-Life: Gross premiums

	Gross Premiums		
	2022	2023	Change
<b>Non-Life</b>	<b>6,039</b>	<b>6,651</b>	<b>10.1%</b>
Car	1,966	2,098	6.7%
Health	1,156	1,349	16.7%
Fire and Other Damage	1,074	1,181	9.9%
Workers' Compensation	1,027	1,140	11.0%
Others	816	882	8.1%

Unit: million euros; Source: ASF

## EVOLUTION OF THE INTERNATIONAL INSURANCE MARKET

### Latin America

In the Latin American markets where the Fidelidade Group is present - especially Peru, Bolivia, and Chile - the Non-Life segment maintained its production growth trend, with growth accelerating in the Peruvian market, in 2023.

### Non-Life: Gross premiums

Country	Gross Premiums	
	2022	2023
Peru	0.4%	7.6%
Chile	22.0%	4.4%
Bolivia	11.7%	5.6%

Unit: % change rate

Source: Local regulatory entities with information updated to November and December 2023 (Peru and Bolivia); Chile with figures projected by AACH (Asociación de Aseguradores de Chile A.G.)

In 2023, premiums in the Life segment also maintained a very high level of growth, reflecting the strong commercial dynamics of annuity products (survival and old age).

### Life: Gross premiums

Country	Gross Premiums	
	2022	2023
Peru	5.7%	7.4%
Chile	35.3%	21.9%
Bolivia	17.6%	5.4%

Unit: % change rate

Source: Local regulatory entities with information updated to November and December 2023 (Peru and Bolivia); Chile with figures projected by AACH

### África

In the African market, Angola continued its upward production trend, with an increase of around 17%<sup>9</sup> in 2023 compared to 2022, mainly due to growth in the Life segment, which increased by 101%. The Non-Life segment also grew 9% compared to 2022.

On the other hand, Mozambique saw a decrease in production in 2023 (-2%<sup>10</sup> compared to 2022) because of a production decrease in the Non-Life business of around -2%. The Life segment increased by around 1% compared to 2022.

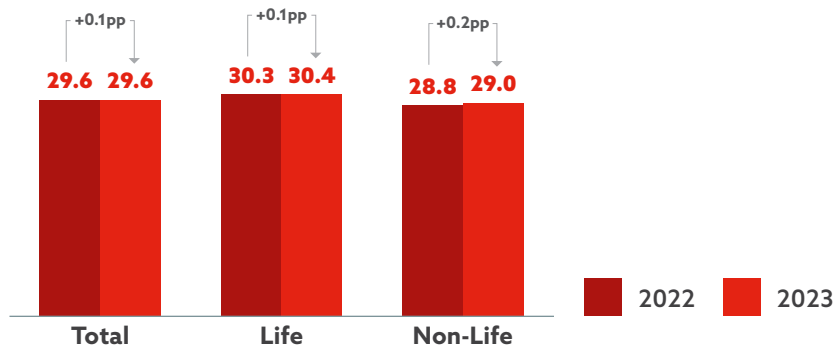
<sup>9</sup> Source: ASAN (Association of Angolan Insurers), November 2023

<sup>10</sup> Source: Main Quarterly Indicators Report (II Quarter 2023) and Main Quarterly Indicators Report (IV Quarter 2022) - ISSM (Mozambique Insurance Supervision Institute)

**POSITION OF THE FIDELIDADE GROUP IN THE PORTUGUESE MARKET**

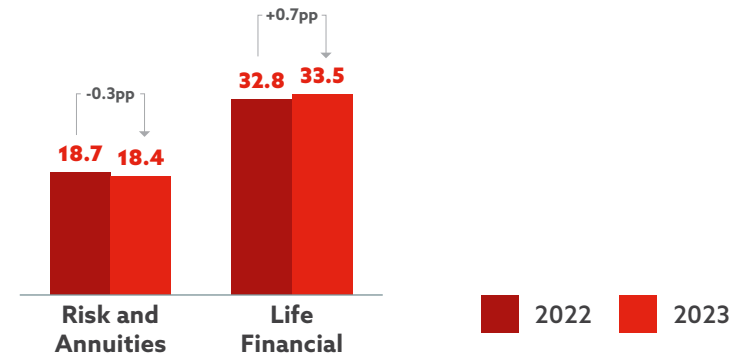
In 2023, the Fidelidade Group maintained its leading position in the Portuguese market. It recorded a global market share of 29.6%, which corresponded to an increase of +0.1 p.p. compared to the previous year, mainly reflecting the performance of the Non-Life segment.

**Total market share - Life and Non-Life segments**



Unit: %; Source: ASF

In the Life segment, and despite the decrease in the amount of premiums, the Fidelidade Group increased its market share by 0.1 p.p. compared to 2022, reflecting the commercial performance of financial products, especially the growth of guaranteed capital products, which grew by 88.8% compared to 2022, as a result of the new interest rate context.



Unit: %; Source: ASF

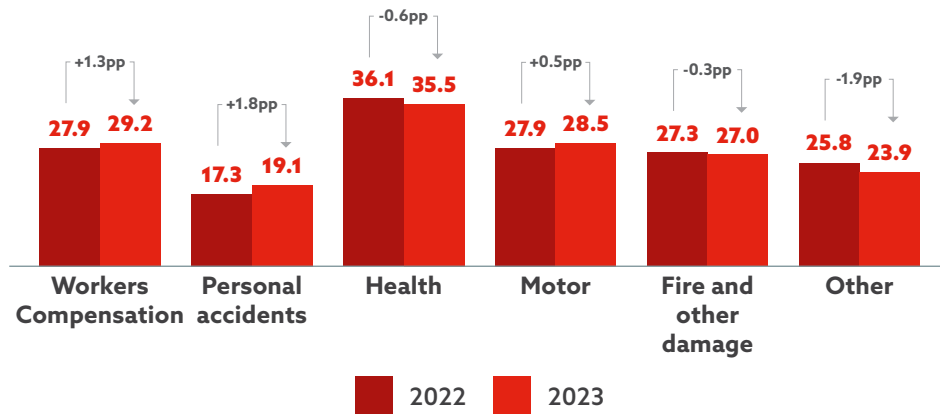
In the Non-Life segment, Fidelidade increased its market share by 0.2 p.p. compared to 2022, reflecting its improved position in the Workmen's Compensation, Motor Vehicle and Personal Accident products:

- In the Workmen's Compensation and Motor segments, market share increased by 1.3 p.p. and 0.5 p.p., respectively, reflecting strong commercial dynamics.



- The Personal Accidents branch also increased its market share by 1.8 p.p., reflecting a strong increase in premiums compared to the previous year, which was above the market average.
- The Health and Fire and Other Damage lines of business saw a decrease in market share compared to 2022, essentially reflecting the reinforcement of the cautious risk underwriting policy, with a greater focus on the profitability of these lines of business.

**Market share - Non-Life segment**



Unit: %; Source: ASF

**POSITION OF THE FIDELIDADE GROUP IN THE INTERNATIONAL MARKET**

**Latin America**

In 2023, the Fidelidade Group consolidated its position in the insurance market in Latin America<sup>11</sup>:

- **Peru:** 4th place, with the La Positiva Group achieving a market share of 13.2%<sup>12</sup>, which is higher than the previous year. In the Non-Life segment, La Positiva Seguros also holds the 4th place, with a market share of 14.5%. In the Life segment, La Positiva Vida holds the 3rd place, with a market share of 12.1%.
- **Bolivia:** 1st place, with a market share of 19.2%, in the Non-Life segment and 2nd place in the Life segment, with a market share of 18.7%.
- **Chile:** 13th place with a market share of 2.4%.
- **Paraguay:** 8th place with a market share of 4.1%.

**Africa**

The Fidelidade Group also consolidated its position in **Africa**. In Mozambique, Fidelidade holds the 3rd place in the insurance market ranking, with a market share of 15.1%<sup>13</sup>. In Angola, Fidelidade reached a market share of 12.4%, thus holding the 3rd place in the ranking<sup>14</sup>.

<sup>11</sup> Source: Peru: SBS November 2023; Bolivia: APS December 2023; Chile: CMF September 2023; Paraguay: BCP, Central Bank of Paraguay, September 2023

<sup>12</sup> Including La Positiva Seguros and La Positiva Vida.

<sup>13</sup> Source: Main Quarterly Indicators Report (II Quarter 2023) - ISSM (Mozambique Insurance Supervision Institute)

<sup>14</sup> Source: Association of Angolan Insurers, November 2023.

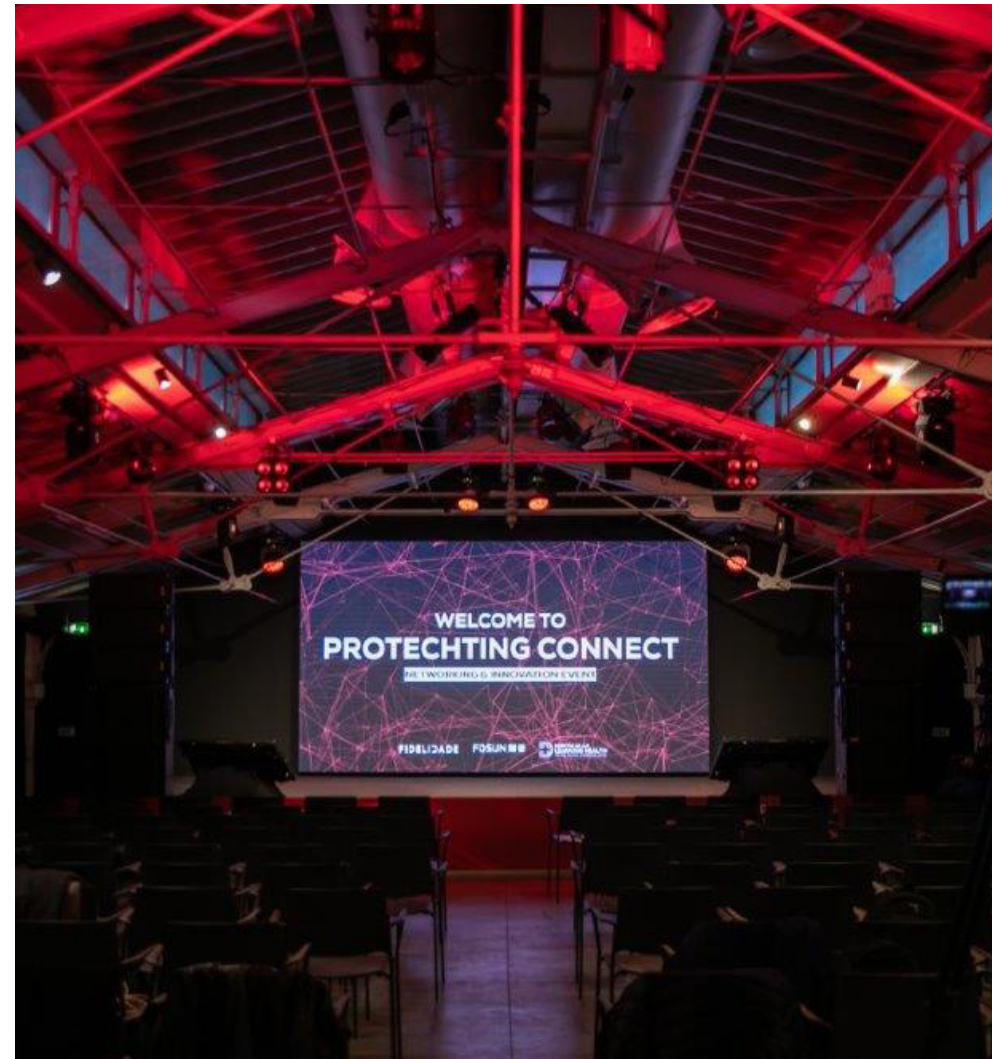
### 3.2.4. Innovation and technological development

**Technology and innovation, as enablers of operational efficiency and risk mapping, can make a significant contribution to the mitigation of negative impacts.**

2023 was marked by the development of various Artificial Intelligence tools. New possibilities that involve not only important benefits, but also major concerns that require a structured and concerted approach by legislators, companies, and society in general. These tools make it possible to boost efficiency and productivity through new defence and security models, innovation in health and the fight against climate change, by optimising resources. However, these tools also involve intrinsic ethical, data protection and cybersecurity issues, and a significant risk that they will contribute to increased social and economic disparities, especially in contexts where access to technology is unequal.

Artificial Intelligence is used in insurance organisations in information security management processes, real-time data processing and the creation of digital avatars in customer service, among other uses. As digital platforms are direct customer contact channels, the digitalisation of operations facilitates greater transparency of the different products and services, their adaptation to customer needs and encourages healthier lifestyles at lower costs.

New ways of working and collaborating have therefore emerged, which make it possible to improve the efficiency of internal management processes and customer relations, and the way organisations deal with the risks and maximise opportunities.



### 3.2.5. Aging, health and financial literacy

**Population ageing is a reality in developed societies that is characterised by increased average life expectancy and a low birth rate, which brings major challenges in terms of health systems, pensions, housing, and urban planning. The World Health Organisation (WHO) estimates that the number of over-65s in Europe will exceed the number of under-15s, by 2024. This is a scenario that requires approaches based on combating age discrimination, the development of adapted public policies, innovation applied to health, the creation of robust ecosystems to support the social integration of the elderly, and the promotion of a positive ageing experience with quality of life.**

In this context, insurance companies have a role to play in promoting healthier and more sustainable lifestyles among customers, with a view to mitigating the risks associated with an ageing population, by preventing illness and promoting health, and by adapting their offer to the expectations of an elderly population. The definition of protection and cover must take the specific needs of this stage of life into consideration, and also provide capital adjusted to an affordable level.

In this context, it is also important to promote financial literacy and a savings culture, so that decision-making in these matters is informed and responsible. In this way, it will be possible to promote the creation of protective conditions in health and retirement, according to the principle of long-term personal sustainability.



### 3.2.6. Climate Change

**The increased frequency and intensity of extreme events such as heatwaves, forest fires, hurricanes, floods, and droughts, which highlight the harmful consequences of climate change, is a trend that is causing great concern worldwide. Despite widespread awareness of the urgency of climate mitigation - aided by a historic agreement at COP-28, which, for the first time, includes a commitment to transition away from fossil fuels - the truth is that the fulfilment of the objectives set out in the Paris Agreement is still far short of what is needed, which causes serious losses and damage for society across the board.**

As the insurance sector is particularly susceptible to losses resulting from events related to climate change, i.e. physical risks, it has shown great concern regarding the prevention and mitigation of negative impacts in the short, medium, and long terms, namely via the development of new insurance solutions and covers, and in the corresponding risk assessment and claims management processes, via recourse to various scenarios.

In this way, the insurance industry is able to respond proactively to the risks associated with the transition of the economy - transition risks - which are related to the demands of the market (customers, investors and analysts), the legal and regulatory framework (as in the case in Europe with the Climate Law and Taxonomy) as well as the pressing priority of the resilience of the insurance business itself in the face of existing and expected future impacts. There is therefore a greater predisposition and competition in the market for products and services that take into environmental, social, and economic/governance concerns into consideration, which will involve significant changes in insurers' business models, failing which they will incur potentially negative reputational, market, legal and financial impacts.

If properly implemented, climate change management could also boost a number of important opportunities for companies in the sector. The development of products and services - including investments, aligned with ESG principles, adapted to each situation, and with comprehensive levels of protection from the risks presented - can be decisive for the prosperity of insurance companies.



### 3.2.7. Talent management

**In a context of accelerated economic, environmental, and technological transition, talent management in insurance companies faces a number of challenges. In order to attract and retain qualified professionals, especially those with knowledge and experience in technology and data analysis, it is essential to offer an attractive and inclusive working environment, in which opportunities for mobility and effective growth are promoted for all people, in a fair and equal way, and in which flexibility and well-being are favoured, including the reconciliation of private and professional life.**

Demographic challenges within organisations are also increasingly common. The hiring of young talent will have to be complemented by a strategy of knowledge transfer by older people, with a view to the development of future leaders and the long-term sustainability of the business.



### 3.3. Resources and Financial Results

#### 3.3.1. Consolidated accounts

##### Gains and Losses - Key indicators

	2023	2022	Var. 23/22
<b>Summary of Results</b>			
Written Premiums	5,206.9	5,118.1	1.7%
Life	2,305.4	2,492.0	-7.5%
Non-Life	2,901.5	2,626.1	10.5%
Combined Non-Life ratio	93.8%	98.8%	-5.0 p.p.
Investment yield <sup>1</sup>	2.7%	2.0%	0.7 p.p.
Insurance contracts earnings	261.6	181.3	44.3%
Commissions from investment contracts	143.7	114.4	25.6%
Investment earnings <sup>2</sup>	217.7	218.0	-0.1%
Non-operating earnings	-344.8	-235.8	46.2%
<b>Income before taxes and minority interests</b>	<b>278.2</b>	<b>277.9</b>	<b>0.1%</b>
Taxes and minority interests	-97.9	-102.1	-4.2%
<b>NET PROFIT</b>	<b>180.3</b>	<b>175.8</b>	<b>2.6%</b>

Unit: million euros

1. Excludes unit-linked products and properties for own use;

2. Includes earnings from the financial component of insurance contracts.

Despite a challenging context, the Fidelidade Group achieved a consolidated volume of written premiums totalling 5,206.9 million Euros, in 2023, an increase of 1.7% on the previous year.

The combined ratio in 2023 was 93.8%, a decrease of -5.0 p.p. compared to the previous year, reflecting reduced claims in some Non-Life business lines, namely in Workmen's Compensation and Fire and Other Damage, and increased efficiency levels, as reflected in the costs allocated to the various segments.

Insurance contract results grew to 261.6 million Euros, an increase of 44% compared to 2022, because of increased insurance contract revenues and a reduction in the combined ratio.

Investment contract management commissions totalled 143.7 million Euros, an increase of 26% compared to 2022, in line with the strategy defined for Financial Life products.

Investment income totalled 217.7 million Euros, similar to the level in the previous year as the effect of the increase in guaranteed rates for Life product customers, in line with interest rate trends, was offset by increased investment income.

Non-operating results and non-attributable expenses worsened to -344.8 million Euros, which reflects the fact that the corresponding 2022 result was boosted by non-recurring events.

As a result of the above-mentioned developments, particularly the insurance contract results, the net profit increased by 2.6% compared to 2022, to 180.3 million Euros.

Consolidated premiums

	2023	% Mix	2022	% Mix	Change 23/22
<b>Written Premiums</b>					
<b>Life<sup>1</sup></b>	<b>2,305.4</b>	<b>44.3%</b>	<b>2,492.0</b>	<b>48.7%</b>	<b>-7.5%</b>
Risk and Annuities	527.6	22.9%	522.8	21.0%	0.9%
Financial - Life	1,777.8	77.1%	1,969.1	79.0%	-9.7%
<b>Non-Life</b>	<b>2,901.5</b>	<b>55.7%</b>	<b>2,626.1</b>	<b>51.3%</b>	<b>10.5%</b>
Car	812.9	28.0%	747.7	28.5%	8.7%
Health	609.2	21.0%	541.7	20.6%	12.5%
Fire and Other Damage	632.5	21.8%	560.2	21.3%	12.9%
Workers' Compensation	441.9	15.2%	375.5	14.3%	17.7%
Others - Non-Life	405.1	14.0%	401.0	15.3%	1.0%
<b>TOTAL</b>	<b>5,206.9</b>	<b>100.0%</b>	<b>5,118.1</b>	<b>100.0%</b>	<b>1.7%</b>

Unit: million euros

	2023	% Mix	2022	% Mix	Change 23/22
<b>Geographic breakdown</b>					
<b>Life<sup>1</sup></b>	<b>2,305.4</b>	<b>100.0%</b>	<b>2,492.0</b>	<b>100.0%</b>	<b>-7.5%</b>
Portugal	1,567.8	68.0%	1,831.5	73.5%	-14.4%
International	737.6	32.0%	660.5	26.5%	11.7%
<b>Non-Life</b>	<b>2,901.5</b>	<b>100.0%</b>	<b>2,626.1</b>	<b>100.0%</b>	<b>10.5%</b>
Portugal	1,936.4	66.7%	1,746.4	66.5%	10.9%
International	965.2	33.3%	879.7	33.5%	9.7%
<b>TOTAL</b>	<b>5,206.9</b>	<b>100.0%</b>	<b>5,118.1</b>	<b>100.0%</b>	<b>1.7%</b>
Portugal	3,504.2	67.3%	3,577.9	69.9%	-2.1%
International	1,702.8	32.7%	1,540.2	30.1%	10.6%

Unit: million euros

1. Includes sums related to investment contracts

Life business fell by 7.5% on the previous year to 2,305.4 million Euros, reflecting the evolution of Financial Life premiums in Portugal, which was negatively impacted by the new interest rate environment, which made lower risk products (such as bank deposits or savings certificates) more appealing as an alternative to insurance-related financial products.

In contrast, the Life business at an international level recorded a growth of 11.7% compared to the previous year, benefiting from the performance of international operations, in particular from The Prosperity Company group, which performs its activity in several European markets.

In the Non-Life segment, the Fidelidade Group grew 10.5% in 2023 to 2,901.5 million euros, with a positive performance in all business lines and in most geographies. It should also be noted that in 2023, the international business represented about a third (33.3%) of the total volume of Non-Life written premiums.

**Premiums in Portugal**

	2023	% Mix	2022	% Mix	Change 23/22
<b>Life</b>	<b>1,567.8</b>	<b>44.7%</b>	<b>1,831.5</b>	<b>51.2%</b>	<b>-14.4%</b>
Risk and Annuities	195.6	12.5%	197.6	10.8%	-1.0%
Financial - Life	1,372.2	87.5%	1,633.9	89.2%	-16.0%
<b>Non-Life</b>	<b>1,936.4</b>	<b>55.3%</b>	<b>1,746.4</b>	<b>48.8%</b>	<b>10.9%</b>
Car	597.6	30.9%	549.1	31.4%	8.8%
Health	479.1	24.7%	417.9	23.9%	14.6%
Fire and Other Damage	324.1	16.7%	298.1	17.1%	8.7%
Workers' Compensation	333.2	17.2%	286.6	16.4%	16.3%
Others - Non-Life	202.2	10.4%	194.6	11.1%	3.9%
<b>TOTAL</b>	<b>3,504.2</b>	<b>100.0%</b>	<b>3,577.9</b>	<b>100.0%</b>	<b>-2.1%</b>

Unit: million euros

In Portugal, the Fidelidade Group performed well in Non-Life segment premiums, growing 10.9% compared to the previous year and above the market average (10.1%), growth to which most business lines contributed. This evolution allowed its Non-Life market share to increase by 0.2 p.p. to 29.0%.

In terms of Non-Life activity, the Workers' Compensation and Health lines of business recorded the highest growth, with total premiums reaching 333.2 and 479.1 million euros, respectively. It should also be noted that Fidelidade's market share in Portugal for Workers' Compensation increased to 1.3 p.p. to 29.2%.

In the Life business in Portugal, Fidelidade registered a premiums' decrease of 14.4%, compared to the previous year, influenced by the unfavourable evolution of Life Financial products.

**International business premiums**

	2023	% Mix	2022	% Mix	Change 23/22
<b>Life Premiums</b>	<b>737.6</b>	<b>43.3%</b>	<b>660.5</b>	<b>42.9%</b>	<b>11.7%</b>
Risk and Annuities	332.0	45.0%	325.2	49.2%	2.1%
Financial - Life	405.6	55.0%	335.3	50.8%	21.0%
<b>Non-Life</b>	<b>965.2</b>	<b>56.7%</b>	<b>879.7</b>	<b>57.1%</b>	<b>9.7%</b>
Car	215.2	22.3%	198.6	22.6%	8.4%
Health	130.1	13.5%	123.8	14.1%	5.1%
Fire and Other Damage	308.4	31.9%	262.1	29.8%	17.6%
Workers' Compensation	108.6	11.3%	88.8	10.1%	22.3%
Others	202.9	21.0%	206.4	23.5%	-1.7%
<b>TOTAL</b>	<b>1,702.8</b>	<b>100.0%</b>	<b>1,540.2</b>	<b>100.0%</b>	<b>10.6%</b>

Unit: million euros

The amount of premiums from the international business reached 1,702.8 million euros in 2023, recording a growth of 10.6% compared to the previous year, reflecting the contribution of Life and Non-Life segments.



Non-Life activity grew 9.7%, with Peru, Chile and Spain being the geographies that contributed most to the increase of 85.4 million euros in international Non-Life premiums.

The Workers' Compensation business line grew very positively (22.3%), driven by the Fidelidade Group's business in Peru, Cape Verde, and Macao. On the other hand, the Fire and Other Damage line grew by 17.6%, influenced by the Group's business in Peru and Chile.

The Life Risk and Annuities line, which holds a significant weight in the Latin American business, recorded a growth of 2.1%, reflecting mainly an increase in operations in Bolivia and Peru.

For its part, the Financial Life branch grew by 21.0%, largely driven by the activity of The Prosperity Company group.

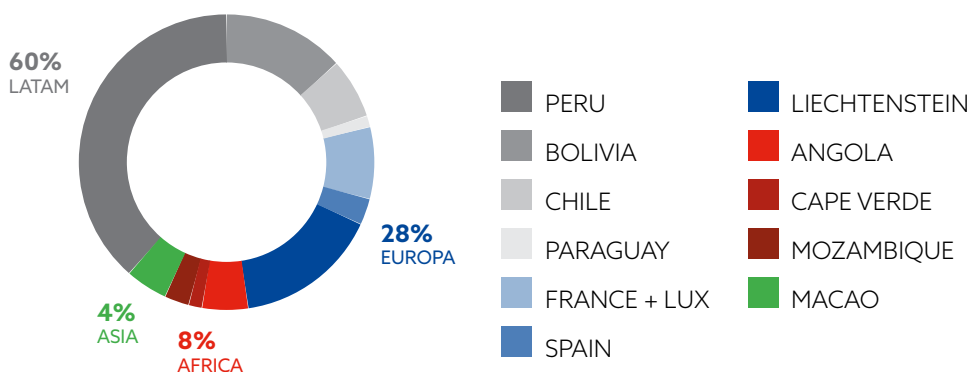
**International business premiums**

	2023			2022		Change 23/22	
	%Life	%Non-Life	Total	%Life	%Non-Life	Total	%
Peru	35%	65%	691.8	34%	66%	597.6	15.8%
Liechtenstein	100%	0%	319.6	100%	0%	237.6	34.5%
Bolivia	46%	54%	181.7	49%	51%	214.1	-15.1%
Chile	0%	100%	130.4	0%	100%	101.6	28.4%
France + Luxembourg	25%	75%	102.8	39%	61%	121.0	-15.1%
Macao	71%	29%	76.5	73%	27%	66.1	15.7%
Angola	5%	95%	61.4	6%	94%	77.2	-20.5%
Spain	6%	94%	49.4	7%	93%	45.5	8.6%
Mozambique	10%	90%	47.9	12%	88%	44.3	8.1%
Cape Verde	16%	84%	22.0	15%	85%	19.8	11.4%
Paraguay	3%	97%	19.2	4%	96%	15.5	23.7%
<b>TOTAL</b>	<b>43%</b>	<b>57%</b>	<b>1,702.8</b>	<b>43%</b>	<b>57%</b>	<b>1,540.2</b>	<b>10.6%</b>

Unit: million euros

In 2023, Latin America accounted for 60% of the Fidelidade Group's international business, with the remainder being distributed between Europe (28%), Africa (8%) and Asia (4%).

**International Business: Geographic Distribution**



**Balance Sheet - Key Indicators**

	2023	2022 Change 23/22	
<b>Balance Sheet Summary</b>			
Total assets	20,282.2	19,992.3	1.5%
Assets under management	17,364.6	17,081.0	1.7%
Insurance contract liabilities and investment contracts <sup>2</sup>	14,247.5	14,262.9	-0.1%
Margin of contractual services	428.6	442.1	-3.1%
Equity <sup>3</sup>	2,672.8	2,543.6	5.1%
ROE	6.9%	6.7%	0.2 p.p.

Unit: million euros

1. Includes properties for own use; 2. It includes financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts; 3. Does not include minority interests

At the end of 2023 Fidelidade had assets under management amounting to 17.4 billion euros, an increase of 1.7% compared to 2022, 22% of which related to unit-linked contracts. The investment portfolio not connected to unit-linked products amounted to 13.6 billion euros, generating an average annual return of 2.7%.

Still in this context, in 2023, we continued the policy of diversification by asset class and geography as a way of maximising profitability with an adequate level of risk in view of the environment of rising interest rates, taking into account the optimisation of the capital structure under the Solvency II regime.

In turn, liabilities from insurance contracts and investment contracts amounted to 14.2 billion euros in 2023, showing a reduction of 0.1% compared to 2022, reflecting the evolution of the Life insurance.

In addition, the contractual services margin reached 428.6 million euros in 2023, a decrease of 3.1% compared to the previous year.

Equity, excluding minority interests, totalled 2.7 billion Euros, up on the previous year, mainly reflecting the effect of the increased value of financial assets, as reflected in the revaluation reserve and the net annual profit, which more than offset the effect of the 219.2 million Euro dividend distribution. The average return on shareholder equity ("ROE") was 6.9%.

It should also be noted that in 2021, Fidelidade issued for the first time subordinated debt in the financial markets, allowing the optimisation of its capital structure. At the end of 2023, subordinated debt totalled 503.3 million euros and the debt to total assets ratio was 2.5%.

### 3.3.2. Individual accounts

**Fidelidade's individual accounts include the insurance business of Fidelidade - Companhia de Seguros, S.A. in Portugal and its branches in France, Luxembourg, and Spain.**

#### Gains and Losses - Key indicators

	2023	2022 Change 23/22	
<b>Summary of Results</b>			
Written Premiums	3,619.6	3,682.1	-1.7%
Life	1,604.7	1,882.1	-14.7%
Non-Life	2,014.9	1,800.0	11.9%
Net Profit	83.6	68.1	22.7%

Unit: million euros

In individual terms, Fidelidade reached a total in premiums of 3,619.6 million euros in 2023, recording a decrease of 1.7% compared to the previous year, originating in the Life segment.

In fact, the Life business recorded premiums totalling 1,604,7 million euros, decreasing by 14.7% compared to 2022, in line with the national market trend.

In the Non-Life segment, Fidelidade individual grew by 11.9% in 2023, reflecting the positive performance of all business lines.

In 2023, Fidelidade recorded an individual net profit of 83.6 million Euros, an increase of 22.7% on the previous year, as a result of improved insurance contract and investment results.

#### Balance Sheet - Key Indicators

	2023	2022 Change 23/22	
<b>Balance Sheet Summary</b>			
Total Assets	15,202.6	15,424.6	-1.4%
Insurance contract liabilities and investment contracts <sup>1</sup>	11,405.2	11,773.6	-3.1%
Equity	2,197.1	2,214.5	-0.8%

Unit: million euros

1. It includes financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts

At the end of 2023, Fidelidade had total assets of 15.2 billion euros and liabilities from insurance and investment contracts of 11.4 billion euros, the latter having decreased by 3.1% in line with evolution seen in Life Finance products.

Equity totalled 2.2 billion Euros, a decrease of 0.8% on the previous year, mainly reflecting the distribution of dividends in the 2023 financial year.

### 3.3.3. European Taxonomy

The European Commission adopted Regulation EU 2020/852, of 18 June 2020, on the establishment of a framework to facilitate sustainable investment ("Taxonomy Regulation"), which establishes transparency and comparability requirements for sustainable economic activities from an environmental point of view. Delegated Regulation 2021/2139 of 6 July 2021, which supplements the Taxonomy Regulation, determines the criteria to be met by insurance companies when considering economic activities to be aligned with the Taxonomy. An economic activity is considered aligned with the Taxonomy when its contribution to at least one of the environmental objectives is confirmed, based on technical criteria specified through the delegated acts.

As part of its sustainability strategy, the Fidelidade Group is developing various actions to be implemented in a more comprehensive and integrated way, in its different areas of activity. This strategy significantly encompasses its investments and its products, with reference to the European regulations on this matter, namely Regulation (EU) 2019/2088 (SFDR) and Regulation (EU) 2020/852 (EU Taxonomy), as well as other legal provisions in this regard that have been approved.

In this regard, and in addition to the results obtained during the last year, the Group intends to continue to work on the evolution of its strategic positioning by defining a work plan that incorporates the conclusions of the alignment analysis for Taxonomy, a process that requires the structural integration of information related to the sustainability of its portfolio of assets and products and services. After this phase, and without prejudice to the fact that investment products have already been

developed to meet the ESG criteria, the Group intends to reinforce its strategy in terms of the conception and design of new products and the consolidation of the strategic lines already defined in terms of sustainable investment, as materialised in its Sustainable Investment Policy, which allow for the pursuit of a positive contribution to sustainability and include the aspects associated with the Taxonomy.<sup>15</sup>

For insurance companies, the reporting requirements of the Taxonomy are based on the disclosure of the proportion of eligible and aligned assets, as well as the proportion of economic non-life insurance activities (direct insurance and reinsurance accepted) eligible and aligned with the Taxonomy.

#### **Asset portfolio alignment**

The alignment of the Fidelidade Group's investment portfolio is reflected in the Green Investment Ratio ("GIR"), which is the proportion of the Group's investments earmarked for financing of, or associated with, environmentally sustainable economic activities. GIR is measured according to the turnover or capex of the counterparties in which the Fidelidade Group invests.

The proportion of alignment with the Taxonomy published by the financial and non-financial companies in the asset portfolio was taken into account in the conduct of this exercise, and the data was obtained from the Sustainalytics<sup>16</sup> platform and supplemented with public information.

<sup>15</sup> According to Regulation (EU) 2019/2088 (SFDR).

<sup>16</sup> Sustainalytics is a MorningStar company.

The asset portfolio considers the consolidated assets of the Fidelidade Group, with reference to December 2023. Thus, assets covered by the GIR include all assets under management that are consolidated in the Group, with the exception of assets excluded from the calculation of the indicator, which are exposures to central banks, supranational issuers, and central governments. In the below table, it is possible to see that approximately 73% of the Group's assets are covered by the GIR.

Assets	Book value (thousands €)	Proportion of total assets
<b>Total assets</b>	<b>20,282,221</b>	<b>100.00%</b>
<b>Total of assets under management</b>	<b>17,364,574</b>	<b>85.60%</b>
- Total assets under management of which covered (i.e. Excluding investments in sovereign entities)	14,806,780	73.00%
- Total unhedged assets under management (investments in sovereign entities)	2,557,794	12.61%

Table 1 - Proportion of total covered assets and uncovered assets (i.e., assets with exposures to central banks, supranational issuers, and central governments) of the Fidelidade Group, in monetary units and percentage value.

Hedged assets - i.e. those that make up the GIR - are stratified as follows:

Assets	Book value (thousands €)	Proportion	Of which, (thousands €) were eligible for the Taxonomy <sup>17</sup>	Proportion of eligible assets
<b>Assets covered in both denominator and numerator</b>	<b>6,862,392</b>	<b>46.35%</b>	<b>5,105,993</b>	<b>34.48%</b>
Exposure to companies subject to NFRD	3,048,163	20.59%	2,116,692	14.30%
Of which financial	2,891,725	19.53%	2,891,725	19.53%
Of which non-financial	158,407	1.07%	97,289	0.66%
Exposure to real estate assets	764,096	5.16%	287	0.00%
Assets of non-financial companies of the Group	6,862,392	46.35%	5,105,993	34.48%
<b>Assets excluded from the numerator for the purposes of calculating the key performance indicator</b>	<b>7,944,388</b>	<b>53.65%</b>		
Derivatives	328,383	2.22%		
Exposure to European companies				
not required to report NFRD	966,092	6.52%		
Exposure to foreign companies				
not required to report NFRD	6,087,830	41.12%		
Cash and cash equivalents and sight deposits	403,915	2.73%		
Other assets	158,167	1.07%		
<b>Total assets covered by the indicator</b>	<b>14,806,780</b>	<b>100.0%</b>		

Table 2 - Total proportion in monetary units and percentage value of the covered asset portfolio

<sup>17</sup> The amount reported takes into account eligibility based on turnover.

According to the requirements, and subsequent clarifications by the European Commission<sup>18</sup>, some exposures are excluded from the numerator, such as derivatives and counterparties not subject to non-financial reporting (NFRD), and 'Cash and cash equivalents and demand deposits' and 'Other assets' positions due to the difficulty in assessing their eligibility.

Real estate assets and counterparties subject to NFRD were considered in order to identify positions eligible for the Taxonomy, such as companies listed on European regulated markets, credit institutions and insurance companies with an average of at least 500 employees, and assets of the Group's non-financial companies, whose sector of activity is eligible for Taxonomy<sup>19</sup>. Additionally, exposures to other counterparties and assets that reported eligibility were also taken into account.

Based on the alignment information reported by counterparties, the result of assets aligned with the Taxonomy (Green Investment Ratio - GIR) is presented as follows:

GIR	Proportion of total assets covered by the GIR	Book value (thousands €)
Based on turnover	1.02%	150,985
Based on capital expenditure (CapEx)	1.92%	284,366
Based on the value of real estate assets	0.00%	-

Table 3 - Weighted average value of all Taxonomy-aligned investments, based on turnover and capital expenditure - GIR

The Group has a Taxonomy alignment ratio of 1.02% based on turnover and 1.92% based on counterparties' capital expenditure. This is partly due to: i) the low proportion of potentially eligible exposures (~34%); ii) significant exposure to financial institutions, for which there is as yet no information on their degree of alignment with the Taxonomy, because the reporting requirement for these companies will be in force for the first time in 2024 and iii) the lack of a report that assesses the natural risks of the property portfolio, resulting in an alignment value of 0%.

The disclosures of the denominator and numerator breakdowns, as required by Delegated Regulation (EU) 2021/2178, and respective corrections presented in Delegated Regulation (EU) 2023/2486, are presented below:

Additional and complementary disclosures: Breakdown of the GIR denominator, of which:	Proportion of total assets covered by the GIR	Book value (thousands €)
<b>Derivative instruments</b>	<b>2.22%</b>	<b>328,383</b>
<b>The proportion of exposures to financial and non-financial undertakings not subject to Articles 19-A and 29-A of Directive 2013/34/EU:</b>	<b>53.87%</b>	<b>7,976,426</b>
Regarding non-financial companies:	26.90%	3,983,132
Regarding financial companies:	26.97%	3,993,294
<b>The proportion of exposures to third-country financial and non-financial undertakings not subject to Articles 19-A and 29-A of Directive 2013/34/EU</b>	<b>45.84%</b>	<b>6,786,943</b>
Regarding non-financial companies:	24.39%	3,611,514

<sup>18</sup> Commission Notice of 6 October 2022 (2022/C 385/01) on the interpretation of certain legal provisions of the Disclosures Delegated Regulation under Article 8 of EU Taxonomy Regulation on the reporting of eligible economic activities and assets.  
<sup>19</sup> Commission Notice of 6 October 2022 (2022/C 385/01) on the interpretation of certain legal provisions of the Disclosures Delegated Regulation under Article 8 of the EU Taxonomy Regulation on the reporting of eligible economic activities and assets.

(continuation)

Additional and complementary disclosures: Breakdown of the GIR denominator, of which:	Proportion of total assets covered by the GIR	Book value (thousands €)
Regarding financial companies:	21.45%	3,175,429
<b>The proportion of exposures to financial and non-financial undertakings subject to Articles 19-A and 29-A of Directive 2013/34/EU</b>	<b>20.59%</b>	<b>3,048,163</b>
Regarding non-financial companies:	6.15%	911,239
Regarding financial companies:	14.43%	2,136,925
<b>Proportion of exposures to other counterparties and assets</b>	<b>23.33%</b>	<b>3,453,807</b>
<b>The proportion of insurance or reinsurance company investments, other than investments in life insurance contracts where the investment risk is borne by the policyholders, which are intended to finance, or are associated with, economic activities aligned with the taxonomy<sup>20</sup></b>	<b>0.61%</b>	<b>90,338</b>
<b>The amount of all investments that finance economic activities that are not eligible for taxonomy<sup>21</sup></b>	<b>65.52%</b>	<b>9,700,787</b>
<b>The value of all investments that finance economic activities eligible for taxonomy but not aligned with the taxonomy<sup>22</sup></b>		
Based on turnover	14.95%	2,213,904
Based on capital expenditure	14.63%	2,166,372
Based on book value (when real estate assets)	19.53%	2,891,725

Table 4 - Breakdown of the GIR denominator

Although Delegated Regulation 2021/2178 indicates a breakdown of the ICD denominator, the disclosures requested are not mutually exclusive, so that it cannot be assumed that they coincide with the total value of the denominator when added together.

Additional and complementary disclosures: Breakdown of the GIR numerator, of which:	Proportion of total assets covered by the GIR	Book value (thousands €)
<b>The proportion of taxonomy-aligned exposures to financial and non-financial undertakings subject to the provisions of Articles 19-A and 29-A of Directive 2013/34/EU</b>		
<b>Regarding non-financial companies:</b>		
Based on turnover	0.74%	109,390
Based on capital expenditure	1.32%	195,198
<b>Regarding financial companies<sup>23</sup>:</b>		
Based on turnover	0.21%	31,758
Based on capital expenditure	0.41%	60,327
<b>The proportion of the insurance or reinsurance company investments, other than investments held in respect of life insurance contracts, where the investment risk is borne by policyholders, which are intended to finance or are associated with activities aligned with the taxonomy</b>		
Based on turnover	0.61%	90,338
Based on capital expenditure	1.02%	150,766

<sup>20</sup> The amount reported takes into account alignment based on turnover.

<sup>21</sup> The amount reported takes into account eligibility based on turnover.

<sup>22</sup> These figures took the eligibility indicators reported into account.

<sup>23</sup> Financial companies belonging to economic groups whose parent company is non-financial, and the Group has already reported alignment with the Taxonomy.

(continuation)

Additional and complementary disclosures:  
Breakdown of the GIR numerator, of which:

	Proportion of total assets covered by the GIR	Book value (thousands €)
<b>The proportion of Taxonomy-aligned exposures to other counterparties and assets</b>		
Based on turnover	0.07%	9,837
Based on capital expenditure	0.19%	28,842
<b>The proportion of exposures to real estate risks and assets aligned with the Taxonomy<sup>24</sup></b>		
Based on book value	0.00%	-

Table 5 - Breakdown of the GIR numerator

A breakdown of the proportion of alignment with the Taxonomy, by environmental objective, under the reporting model defined in Delegated Regulation (EU) 2021/2178 and the corresponding corrections made in Delegated Regulation (EU) 2023/2486, is presented below.

It was only possible to collect data on the climate change mitigation objective via the Sustainalytics platform. As such, it is important to emphasise that the total number of underlined items does not correspond to the total value of alignment with all taxonomy objectives, as it takes information collected manually into account. It should also be noted that there is no information regarding the remaining objectives as they will only be reported as from the 2024 fiscal year and are therefore not shown in the table below.

Taxonomy's environmental objectives	Proportion
<b>Climate change mitigation</b>	
<b>Based on turnover</b>	<b>1.02%</b>
Empowering activities:	0.49%
<b>Based on capital expenditure</b>	<b>1.92%</b>
Empowering activities:	0.68%

Table 6 - Breakdown of the GIR numerator by environmental objective

<sup>24</sup> It should be noted that this line does not exist in the template of Delegated Regulation (EU) 2021/2178 and its amendments but was added by the Company to clarify the information on the real estate assets aligned with the Taxonomy, since they are part of the GIR numerator.



### Non-Life Business Portfolio Alignment

The measurement of the proportion of non-life insurance business considered environmentally sustainable ("ICD") was based on the list of covers eligible for the Taxonomy in accordance with Delegated Regulation (EU) 2021/2139<sup>25</sup> and which cover climatic events, such as cover for events arising from the occurrence of heat waves/wind, fire, storms, floods, heavy precipitation (rain, hail, snow/ice) and landslides.

For each of the aforementioned business lines, we identified those that covered the aforementioned climate events in order to assess the proportion of direct insurance and accepted reinsurance premiums eligible for the Taxonomy. Of the business considered eligible (~42%), the Fidelidade Group believes that there are no activities or business lines that comply fully with the technical criteria required by the Regulation, so that the level of alignment with the Taxonomy is 0%.

In order to be able to change this result, the Group is developing the following initiatives:

- Robustness of its database, with a direct impact on the collection of data needed to respond to matters regarding supply of aligned products that permit the implementation of measures to increase their degree of alignment;
- Strengthening of communication and information transparency on how climate risks are taken into account in the activities of companies operating in Portugal, particularly during the underwriting phase and in dealing with natural disasters that arise from these events.

In view of the above, the disclosure of the proportion of gross written premiums, which are aligned with the Taxonomy under the model defined for the key performance indicator (KPI) of insurance and reinsurance companies, in accordance with Delegated Regulation (EU) 2021/2178 and the corresponding corrections in Delegated Regulation (EU) 2023/2486, is presented below:

<sup>25</sup> The solvency II business lines eligible for Taxonomy are i) medical expenses insurance; ii) income protection insurance, iii) workers' compensation insurance; iv) car insurance – third party liability; v) car insurance – others; vi) marine, aviation and transport insurance; vii) fire and other property damage insurance and viii) assistance.

**Annex X template for the Key Performance Indicator for insurance and reinsurance companies**

Economic activities	Substantial contribution to climate change adaptation			Do not cause significant harm <sup>26</sup>					
	Absolute premiums, 2023	Proportion of premiums 2023	Proportion of premiums 2022 <sup>27</sup>	Climate change mitigation <sup>28</sup>	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards
	(euros)	%	%	S/N	S/N	S/N	S/N	S/N	S/N
<b>A.1. Non-Life insurance and reinsurance underwriting activities aligned with the Taxonomy (environmentally sustainable)</b>	-	0%	-	Y	Y	Y	Y	Y	N
A.1.1 Of which, reinsured	-	0%	-	Y	Y	Y	Y	Y	N
A.1.2 Of which, resulting from reinsurance activities	-	0%	-	Y	Y	Y	Y	Y	N
A.1.2.1 Of which, reinsured (retrocession)	-	0%	-	Y	Y	Y	Y	Y	N
<b>A.2. Non-Life insurance and reinsurance underwriting activities eligible for taxonomy, but not environmentally sustainable (activities not aligned with taxonomy)</b>	1,228,904	42%	-						
<b>B. Non-Life insurance and reinsurance underwriting activities not eligible for taxonomy</b>	1,672,619	58%	-						
<b>Total (A.1 + A.2 + B)</b>	<b>2,901,523</b>	<b>100%</b>	<b>-</b>						

<sup>26</sup> According to the clarifications provided by the European Commission in draft COMMISSION NOTICE of 21 December 2023, it is stated that the Companies must report "Y" in the columns in which the "Do No Significant Harm" analysis is not applied. Since there are currently only requirements for the climate change mitigation objective, all the other four objectives are not applicable and have been completed with a "Y".

<sup>27</sup> It should be noted that the information in this column will only be published in the disclosures for 2024 and subsequent years, as provided for in Delegated Regulation (EU) 2021/2178.

<sup>28</sup> According to existing requirements, the company only analyses "Do no significant harm" for the purpose of mitigation, and only applies it to customers in the business segment, since it is necessary to understand, by consulting the activity code, which customers are linked to the extraction, storage, transport, or production of fossil fuels. Although the entire Non-Life business is non-aligned, the company analyses this criterion for mitigation purposes. The column has been filled in with an "Y".

### 3.4. Resources and Non-Financial Results

#### 3.4.1. Customers

The Fidelidade Group works every day to meet the needs and expectations of its customers through strong and lasting relationships of trust.

Present at every moment of its customers' lives, it meets its ambitions by continuing to invest in innovative products and services that are increasingly responsible and sustainable. In this way, it plays an important role as an active promoter of healthier lifestyles that favour a dignified, quality, and long life.

**"Our purpose as an organization is to protect people and property. This is our greatest creation of value and contribution to a balanced society."**

**António de Sousa Noronha**  
Fidelidade Executive Committee Member



**KEY FIGURES**

NUMBER OF CUSTOMERS

**9,1 M**

PORTUGAL	INTERNATIONAL
<b>26%</b>	<b>74%</b>

AGENCIES IN PORTUGAL

**48**

AGENTS IN PORTUGAL

**2,999**

"From the moment I started to be accompanied by the WeCare team following my accident, I have always felt both support and concern for my well-being. The team have asked me what help I need in my day-to-day life in order to make it easier for me to cope with the difficulties of my rehabilitation. WeCare and Fidelidade have always met my needs and requests.

I'm currently part of an adapted basketball team thanks to an invitation from WeCare to take part in the adapted sports day organised by the Salvador Association, where, after trying out the sport, I was invited to join the team. The fact that WeCare is currently trying to help me buy a chair adapted for me to in order to play the sport shows that they go beyond what is strictly necessary and that they care about their users having all the conditions they need to live life to the full."

**Filipe Nogueira**

Fidelidade customer followed-up by the WeCare team

**Customer satisfaction**

It is important to understand the contextual reality, in order to fulfil our commitment to protect each person properly, with products that meet the real needs and expectations of families and companies. In this way, Fidelidade provides an increasingly appropriate and consistent response to the various demands of the market.

To do this, it has a set of policies that define the basic guidelines for the product design and evaluation process and for interaction with customers.

PRODUCT DESIGN AND APPROVAL POLICY

COMPLAINT MANAGEMENT POLICY AND REGULATION

PROCESSING POLICY

Continuous analyse of the level of customer satisfaction is particularly important for developing a better experience. Fidelidade constantly monitors its portfolio and the associated tariffs, via market research and digital channels which, due to the ease and speed

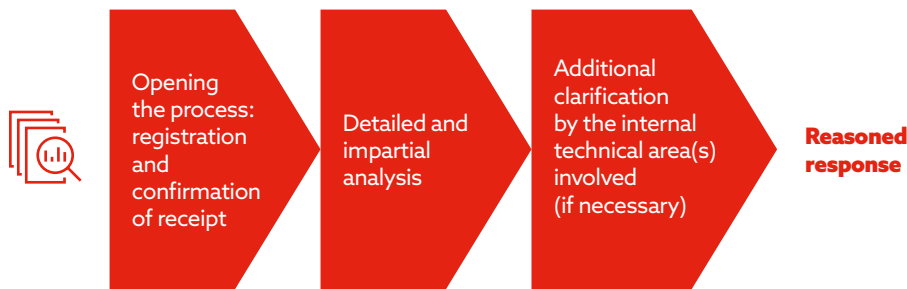
with which responses can be obtained, have been widely used to test pilot solutions before going ahead with the commercial launch of products or services.

The collected data has been extremely important for building a 360° view of the customer, which permits a substantial evolution of the entire experience of using services and products, including the alignment of reality, the risk level of the customers targeted, and the prices charged. The commitment to customer satisfaction is not restricted to the design phase of products and services. Now more than ever, the Fidelidade Group is working to improve the agility and proximity of its service, always providing each customer with a customised and positive experience, regardless of the context or channel of interaction used. The entire experience at the various stages of the journey with Fidelidade is therefore monitored in real time via questionnaires that can be completed via SMS or email.

RESULTS OF THE CUSTOMER SATISFACTION ASSESSMENT 2023:

**8.6/10**

The Group provides its customers with complaint mechanisms through which policyholders, insured persons, beneficiaries or injured third parties can submit complaints<sup>29</sup> regarding Fidelidade. In Portugal, the Fidelidade Group insurance companies manage their complaints processes quickly and efficiently via a specific unit, the Complaints Management Centre (CGR), which acts as a centralised reception and response point, and is duly identified internally and externally, and follows a specific management process:



Complaints can be submitted directly to insurance companies in the Fidelidade Group, or via other entities, namely to the Insurance and Pension Funds Supervisory Authority (ASF), either in writing, or by any other means that creates a written or recorded record, to the reception points publicly available on the websites of each of the Group's insurance companies. Complaints can also be submitted via any Fidelidade establishment, agency, or broker, and be made in the physical or electronic Complaints Book or be addressed to the Customers Ombudsman.



<sup>29</sup> According to the laws and regulations in force, a "complaint" is any expression of disagreement with the position taken by the insurance company, or of dissatisfaction with the services it provides, and any allegation of possible misconduct, submitted by policyholders, insured persons, beneficiaries, or injured third parties.

**Business solutions that create value for customers**

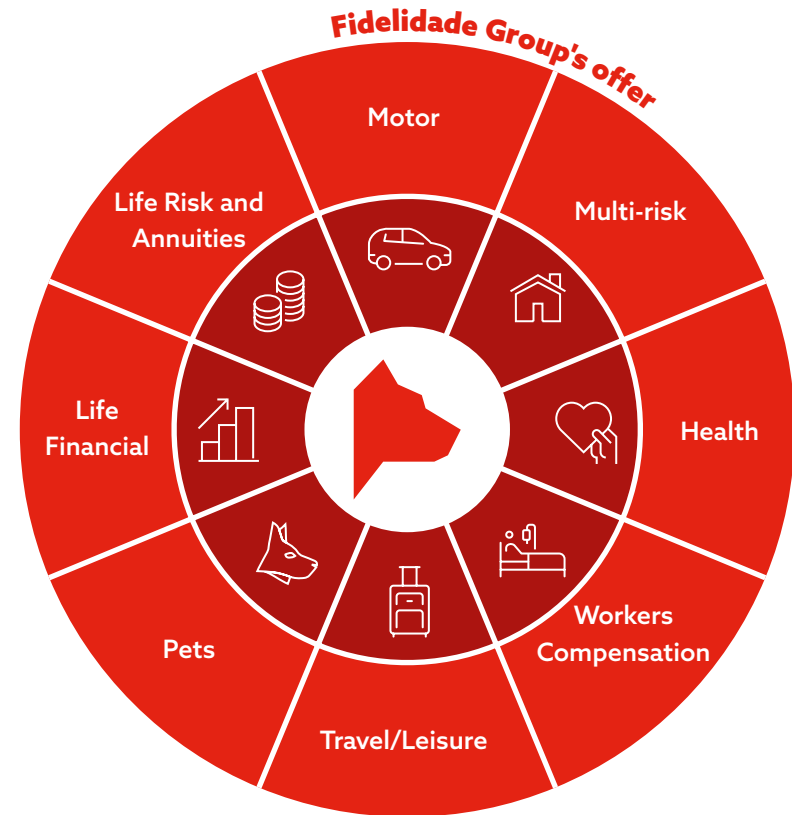
The Fidelidade Group's products and services are designed to create value for customers, ensuring their well-being and protection, as well as protecting their assets. Fidelidade therefore sought to contribute actively and closely to the reduction of risks and the creation of innovative and sustainable solutions, based on boosting positive impacts at all stages of the customer's life.

The Product Design and Approval Policy aims to ensure responsibility, quality and transparency in the design, communication, and sale of products. In addition to reinforcing the need to provide accurate, detailed, and complete information on products, this policy also includes the integration of a sustainable approach in the design and reformulation of the offer, consistently promoting the competitiveness of the Fidelidade Group in a fast-developing market segment.

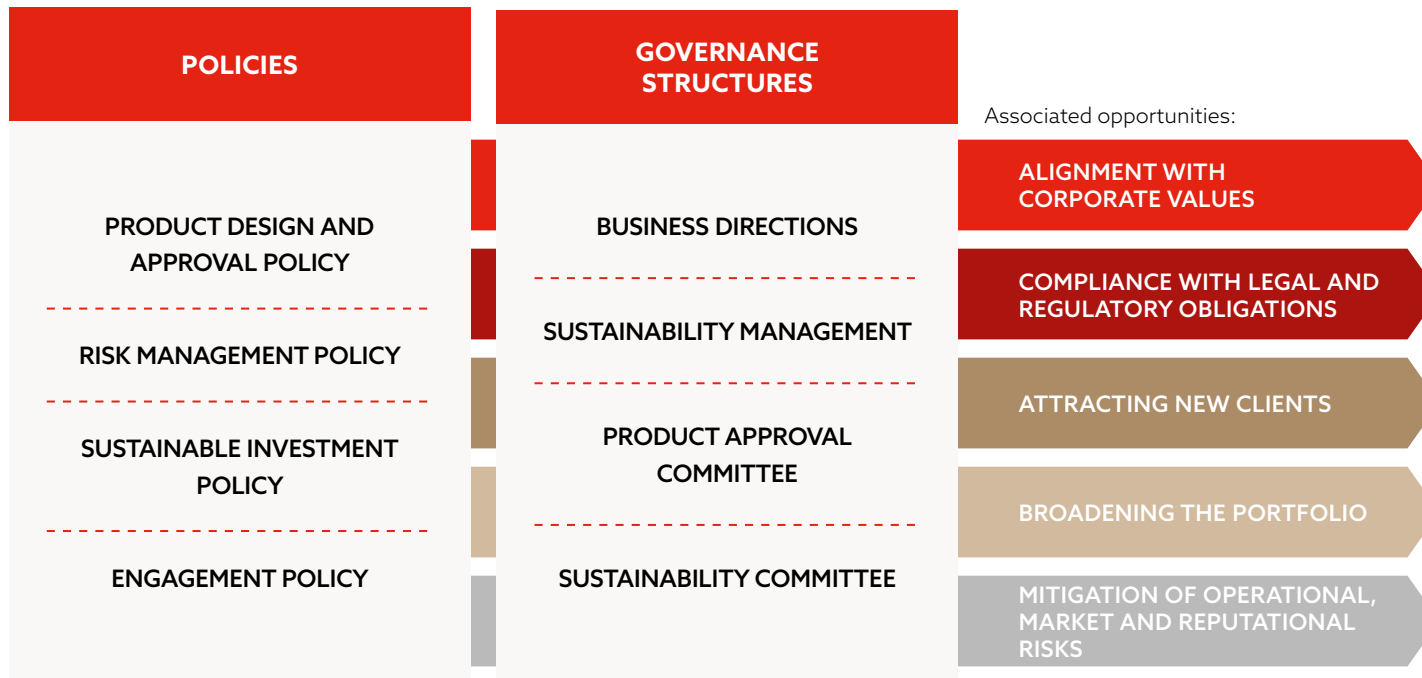
Global trends, and the processes for the management of customer satisfaction, needs and expectations, have highlighted the exponential importance of ESG issues in the market, and involve the creation of new business opportunities that must be exploited, otherwise the Group will be affected by financial, regulatory, and reputational damage with serious repercussions on its competitiveness.

To address this trend, Fidelidade has implemented a set of strategies, policies and processes based on specific governance structures aimed at ensuring the inclusion of ESG criteria in the design and approval of products, in a structured and transparent manner, making the most of the associated opportunities and mitigating potential damage.

Fidelidade also relies on the involvement of the Sustainability Department during the different phases of the product life cycle and has started to measure impact during the development phase. There is also a training plan, which includes subjects such as responsible supply and marketing, aimed at key players in the product life cycle, including product managers.



**Guidelines for product design**



**The integration of the sustainable approach in the design and reformulation of the offer has resulted in a set of products and/or coverages in different segments.**

The growing and accelerated aging of the population is a reality. Aware of global trends, and particularly the challenges faced by today's society, the Fidelidade Group has applied great focus to the issue of longevity. In this context, Fidelidade invests in products that play an important role in enhancing the value of each client, in dignifying life and in the quality of current and future projects and ambitions.

Also, within the Personal Accident offer, the Fidelidade Group invested in activating and monitoring the AP1 Mobility Personal Accident offer for customers who use soft mobility.



**PERSONAL ACCIDENTS 65+**

At the end of 2023, the Fidelidade Group launched a Personal Accident product aimed at people aged 65 and over. In the event of an accident resulting in bodily injury (fractures, burns, dislocations or other injuries), this product guarantees the payment of a pre-established capital (according to an injury and compensation table). It also offers a range of medical and domestic assistance services to support the insured senior during the recovery period.



**MULTICARE VITALITY**

In 2023, the dynamism of the Multicare Vitality programme was reinforced by the launch of its 2.0 version - Weekly Lifestyle Goals - which included a media campaign offering FidCoins to new Multicare customers, improved communication with customers and the 3rd Multicare Vitality Race, among other initiatives.

For example, Multicare has a range of health options for all ages and seeks to make an active contribution to changing the way people behave. Its focus is on the prevention of physical and mental illnesses, via programmes that promote and reward healthy lifestyle habits, such as Multicare Vitality, as well as

events, awareness-raising activities and regular check-ups that permit early diagnosis. Multicare Vitality is focused on being a partner that accompanies customers through their different life stages.

Mental health is a priority for Multicare. Multicare Vitality is a pioneer in the launch of comprehensive mental health cover, which includes psychiatric hospitalisation, outpatient care and online medicine services, the latter at no additional cost to customers. In 2023, Multicare continued to value the intervention of specialist psychologists and the co-payment of digital solutions that play an important role in stress and anxiety management and cognitive development. Throughout this journey, Multicare has worked closely with the Portuguese Psychologists Association (OPP) to promote awareness of all Portuguese regarding these matters.

**PROTEÇÃO GARANTIA**

In Cape Verde, Garantia Seguros is repositioning its "Proteção Garantida" life insurance as an inclusive micro-insurance, which is primarily taken out by female heads of household.



**Auto**

The Fidelidade Group has a diversified claims payments model, which differentiates it in the market, and which, in keeping with the WeCare spirit, permits the payment of claims as an annuity, or as a mixture of capital and annuity. This means that victims and their families have greater control over the amounts to be received, in order to ensure that the capital is not dissipated, and that the victim is not deprived of the income that will allow them to continue the treatment and assistance plan agreed with the insurance company.

In addition, the Auto offer includes a set of specific coverages for electric and hybrid vehicles. As this is an offer with growing demand, the Group intends to strengthen the products and coverages offered in 2024.

In the AutoEstima offer, which allows the insurer to choose the repairer, the vehicle is predominantly repaired with eco-friendly or aftermarket parts of equivalent quality to original parts.

**~ 60.000**  
insured vehicles



**Approx. 75.000**  
electric and hybrid vehicles were insured

**Over 40M€**  
in annualised premiums

**Multi-risk**

Similarly, Fidelidade wants to be closer to families in terms of Multi-risk Home insurance. To achieve this goal, Fidelidade has focused on innovating and adapting its products. In 2023, that long journey has culminated in the launch of products aligned with the specific protection needs of each client.

The Multi-risk segment (companies and home insurance) currently allows micro-generation systems to be insured.

**3.983**  
Customers with a micro-generation system coverage

Multi-risk Home insurance is based on a diverse range of new coverages, which cover both landlords and tenants.

Coverages for landlords:

- Legal protection (regarding the lease agreement)
- Property damage caused by the tenant
- Non-payment of rent due to involuntary loss of income

Coverages for tenants:

- Non-payment of rent due to involuntary loss of income

## Ok! casa

### NEW OK! CASA INSURANCE

Via Directa has launched the new Ok! casa insurance, which follows the values of simplicity, proximity and freedom of choice. This is a simple, modular and customisable Multi-risk Home insurance that allows each customer to take out only the coverage they really need.



### FIDELIDADE MYPETS

It's an app developed by veterinarians to help Fidelidade customers look after their pets.

Its features include recording the animals' health history, managing their diet and weight and easy access to veterinary clinics. The app also incorporates a rewards programme - Pet-a-Pontos.

Recognising pets as part of families is a trend in more-advanced societies. Concerns about their health, nutrition and well-being are growing, which is reflected in a greater willingness to invest in products and services aimed at them. It is in this context that Fidelidade Pets - an innovative, digital animal health insurance - was launched four years ago. It positions itself as an ecosystem that offers a solid plan for both accidents and illnesses, adapted to the reality of each animal. It stand out for its commitment to preventive healthcare, free choice of vet and digitalisation. It also

incorporates a wide range of services in multiple areas complementary to protection.

Fidelidade also offers the Telepet coverage, which includes telephone advice from a veterinary nurse on issues related to the well-being and improvement of the quality of life of pets (behavioural, nutrition, among others) and veterinary telemedicine consultations.

### FIDELIDADE PETS IN SPAIN

In 2023, Fidelidade Pets was launched in Spain, consisting of a digital pet insurance solution with plans that cover accidents and illness.

**PROTEÇÃO VITAL EMPRESAS**

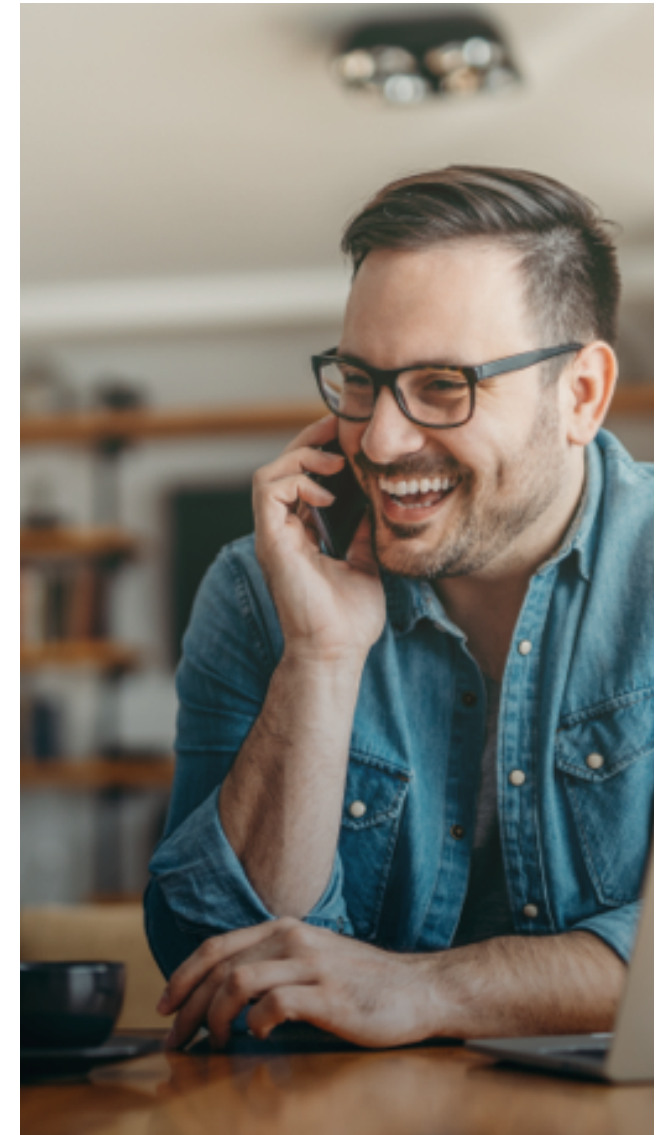
**In 2023, Fidelidade launched a new product within the Proteção Vital family - Proteção Vital Empresas (PVE) - aimed at SMEs.**

**With no risk analysis and an automatic acceptance process, PVE provides greater protection for employees, both at work and away from work, and adapts to the specific needs of each company.**

In the business customer segment, the Fidelidade Group's product portfolio offers a wide range of covers, that include a wide range of actors and business structures, entrepreneurs, employees, equipment and damage to third parties, regardless of the size of the company in question. The versatility of the offer is also reflected in the multiplicity of products dedicated to specific strategic sectors (for example: catering and food retail, specialised offices, beauty, freight transport, non-food retail and distribution, car dealerships and workshops, education and tourism).

The main purpose of the Fidelidade Group's savings and investment products is to provide positive returns, meet liquidity needs and strengthen the capital position of its customers. It therefore offers a diversified range of products that can be adapted to different investor profiles, making it possible to save for different time horizons, i.e. the short, medium, and long terms, in order to fulfil specific objectives, or simply to ensure greater quality and well-being later in life.

The Fidelidade Group's primary products in this context are "Investimento Objetivo Seguro 2028", "Fidelidade Poupança Segura 5 anos 2ª Série", "PPR Garantido 52+", "Investimento Global 5 anos Julho 2023" and "Fidelidade Poupança Garantida 5 Anos".



The Group's product offer is managed in each geography, by taking the particularities of the corresponding socio-economic, demographic and climatic reality into consideration. Fidelidade therefore ensures that its products are suited to the real risks and opportunities that arise from that reality.

#### **AGRICULTURAL INSURANCE IN PERU**

La Positiva is a leading agricultural insurance provider, and covers 1,493,062 hectares, which is about 80% of the total insured area in Peru.

Agricultural catastrophe insurance is a Peruvian government programme that covers small farmers against damage caused by climatic and natural events such as frost, drought, floods, and pests.

#### **TYPHOON PROTECTION**

In Macau, for the third year running, a campaign dedicated to the typhoon period - Typhoon Protection - was held. This campaign involves the offer of more attractive capital levels in Home-Contents Protection insurance and Personal Accident Protection insurance.

Macau has always been plagued by typhoons. However, this phenomenon and its intensity have been getting worse. In the last 10 years there have been two of the biggest typhoons in terms of accidents and loss of human life since records began.

**"Estamos muy satisfechos con el servicio de La Positiva Seguros. Ha sido nuestro proveedor de confianza para casi todas las coberturas en el proyecto COSCO Shipping Ports Chancay Perú, incluyendo las pólizas CAR para la construcción del Túnel y la Zona Operativa Portuaria. Durante el último año, como evidencia de su excelencia, renovamos con éxito las pólizas de Riesgos Humanos y extendimos la cobertura CAR. La atención personalizada y profesionalismo de La Positiva han sido excelentes."**

**In the name of COSCO Shipping Port Chancay Perú S.A.**

**PREVENTION ACADEMY**

The Prevention Academy is an integral part of the Fidelidade Group's prevention ecosystem and was conceived to contribute to a more sustainable society by promoting a culture of risk prevention among employees, partners and customers.

In this context, a number of training sessions are held regarding risk awareness and mitigation in the fields of employment, property and environmental insurance.

**Fidelidade's responsibility regarding Financial Life products goes beyond the selection of its asset portfolio, and includes growing transparency and care in advising customers, in order to ensure that investment and/or savings are better suited to the customer's risk profile, and improved awareness in decision-making.**

**Customer's financial literacy**

The Group is aware that Fidelidade's potential to create sustainable value goes beyond the offering products and services, and has therefore sought, through a variety of actions and initiatives, to make its customers aware of the need to minimise risky social, environmental, economic, and financial behaviour and to adopt practices with a potentially positive impact.

The Group has also concluded, following an in-depth study of the reasons for the low savings rate among the Portuguese population that a low level of financial literacy is one of the reasons for this phenomenon.

Fidelidade is aware that the correction of this weakness in society is a broader goal and has therefore established partnerships to enable it to expand its efforts to include financial education in school curriculums, and for the development of training programmes and workshops, and the provision of mentoring, financial support, and the development of online resources and mobile applications.

These initiatives are part of a common plan, with messages tailored to each target audience. This chapter deals with initiatives aimed at customers and the general public.

**THE “HÁ UMA POUPANÇA FIDELIDADE PARA TODAS AS IDADES” (THERE'S A FIDELITY SAVINGS PRODUCT FOR ALL AGES) CAMPAIGN.**

Fidelidade launched the “Há uma Poupança Fidelidade para todas as idades” campaign in 2023 to strengthen its positioning strategy in the area of savings and longevity. With this campaign, Fidelidade sought to promote financial literacy, in order to encourage aware saving and investment habits that will enable everyone to enjoy their Longevity with greater autonomy and quality.

**APP MYSAVINGS**

The MySavings app is a 100% mobile tool that offers the savings and investment solutions of Fidelidade Savings individual life insurance. The app includes an academy, which explains the main economic and financial concepts in simple terms. This helps customers to be more able to define savings objectives suited to the different stages of their life, and to make investments, and monitor and manage them in real time.

The vigorous growth of the platform, in terms of number of users and volume of assets under management, is an indicator of the relevance of the app to customers’ interests and lives.



**APP MYSAVINGS**

Digital offer of savings/investment, management and an appeal to financial literacy, which has been recognised as an important driver of small savings and has registered a 70% increase in the number of users.

**€345**

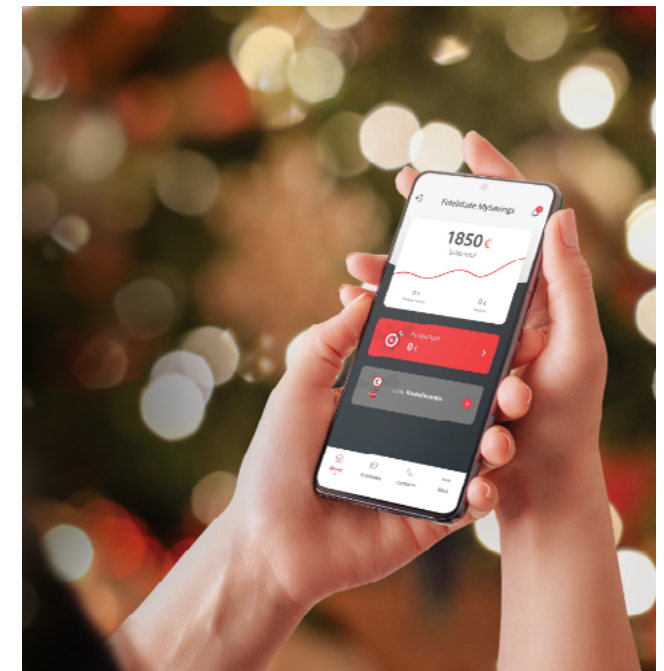
is the median amount invested per policy

**Over 78 K**

customers

**MICROSITE AND BLOG - "POUPAR E INVESTIR" (SAVE AND INVEST)**

The "Poupar e Investir" (Save and Invest) microsite and blog were launched last year, and are targeted at customers and the general public, and their aim is to promote financial literacy and increase transparency and facilitate access to information about the Group's products.



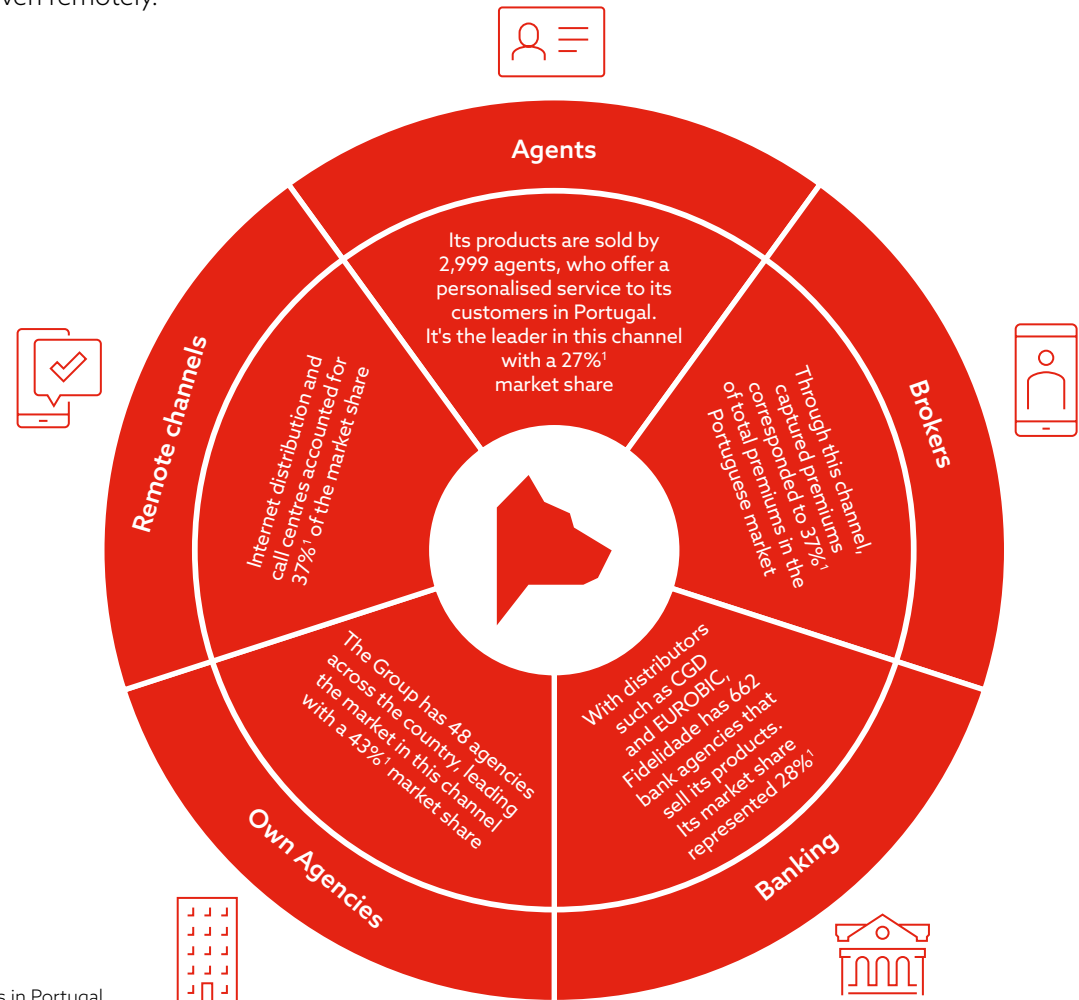
**OMNICHANNEL APPROACH**

The Fidelidade Group is attentive and promotes innovative solutions that differentiate it in the market and optimise its processes and create value for the Group and its customers. The digital transformation effected via multiple investments facilitate the improvement and development of new applications for customers, and the evolution of the resources and tools provided to its agents. The digitisation and automation of internal processes throughout the value chain, have streamlined many administrative tasks, which has given agents more time invest in their greatest added value: the relationship with each customer.

An omnichannel approach is used to distribute the Group's products and services, which is characterised by cross-channel coordination and collaboration. In this way, Fidelidade endeavours to significantly improve its customers' experience by establishing closer and more efficient relationships with them.

Face-to-face channels have a greater focus on the advice-driven sale of complex products, on supporting customers throughout their lives, and on proactive contacts to activate references and/or points of interest via the use of propensity models, to boost cross-selling. Digital channels and the Contact Centre,

on the other hand, are focused on convenience and speed of service, making it possible to provide a proximity service, even remotely.



<sup>1</sup> 2022 shares in Portugal

**"PERTO DE MIM" (NEAR ME)**

Versatile and multifaceted spaces created by Fidelidade Angola to strengthen relations with health insurance policyholders. In these spaces, which can be easily relocated geographically, hybrid medical care is provided (in person or by teleconsultation) and the management of administrative processes is facilitated for customers who subscribe online. Sales teams located nearby are also supported at these spaces.

The first "Perto de Mim" opened at the end of 2023 in the Miramar area (Rua de Timor) in Luanda. There are currently two more spaces being implemented, which are scheduled to open in the first half of 2024.

In order to reach each person, to anticipate their needs and respond immediately, Fidelidade uses the wide range of resources offered by technological evolution and the growth of Artificial Intelligence.

**SIMPLIFIED AUTOMATED RISK ASSESSMENT: SARA SURVEY**

For individual products, both in Multicare and Life Risk, the dynamic SARA clinical questionnaire, which is administered during the initial subscription process, is now completed and submitted via the MyFidelidade customer area. This questionnaire uses Artificial Intelligence and autonomously assesses the customer's risk for the profiles and products defined by the insurer. In this way, customers with a low clinical risk are automatically accepted.

Multicare has also implemented automated internal communication with medical providers for the scheduling tests, which generates efficiency and improves the SLA (Service-Level Agreement).

**TELEMEDICINE**

Investment in the telemedicine platform continues. In 2023 the focus was on developing the new website and creating a portfolio of services for women's health (both to be launched in early 2024). Multicare also offered the physical medicine and rehabilitation speciality and reinforced the marketing for the Online Family Doctor, the psychology consultation and the "Get in Shape" programme.

**180,000**

medical consultations carried out (+5% compared to 2022)



**SPEECHBOT**

In 2023, major efforts were made to automate the car assistance process, in particular the improvement of the effectiveness of the speech-bot and the updating the settings of the Fidelidade Assistance app, to make it accessible from all mobile phones.

The Fidelidade Group accordingly intends to fully automate its car assistance, invoicing, and service provider payments, in order to optimise time and resources.

**58.9%**

effectiveness of speechbot

**55.6%**

of all processes opened via telephone (excludes app) were executed via speechbot

**40%**

of car assistance process openings were carried out through the app and speechbot

**APP AUTODIGITAL**

The Ok! AutoDigital app Insurance is widely recognised because of its technological innovation and the added value it brings to customers, as a service.

The most important features include digital inspection rather than inspection at a recommended garage, when taking out motor insurance with own damage cover.

The company has therefore invested in the continuous development of the AutoDigital app and its expansion to new geographies, such as Mozambique and Cape Verde.

**74%**

of ok! seguros customers opt for digital inspection



### OK! REBRANDING INSURANCE

In 2023, the Ok! brand underwent rebranding, which was primarily to strengthen the brand's leadership in the direct insurance segment. It has adopted a simpler, more digital positioning, which is closer to its customers, by presenting a new name and a new visual identity that honours its chromatic past and has evolved into a more eclectic, modern, and digital visual identity.

As a result of this process, its digital platforms have also been revamped. The new website focuses on the convenience of the best and closest self-service, in a simpler, more transparent, and immediate way, which responds immediately to customer queries and needs. The image and user experience of the Ok! Seguros app customer area and online simulators have also been renewed.



### 3.4.2. Employees

At Fidelidade, we look at the world through the humanistic and creative lens of people. They are the ones who put the values into practice with colleagues, customers, and partners. They have the empathy, and the will to act and do good. Above all, it is in people that we find the maximum potential for innovation and the agile talent that enables us to continue working collaboratively.

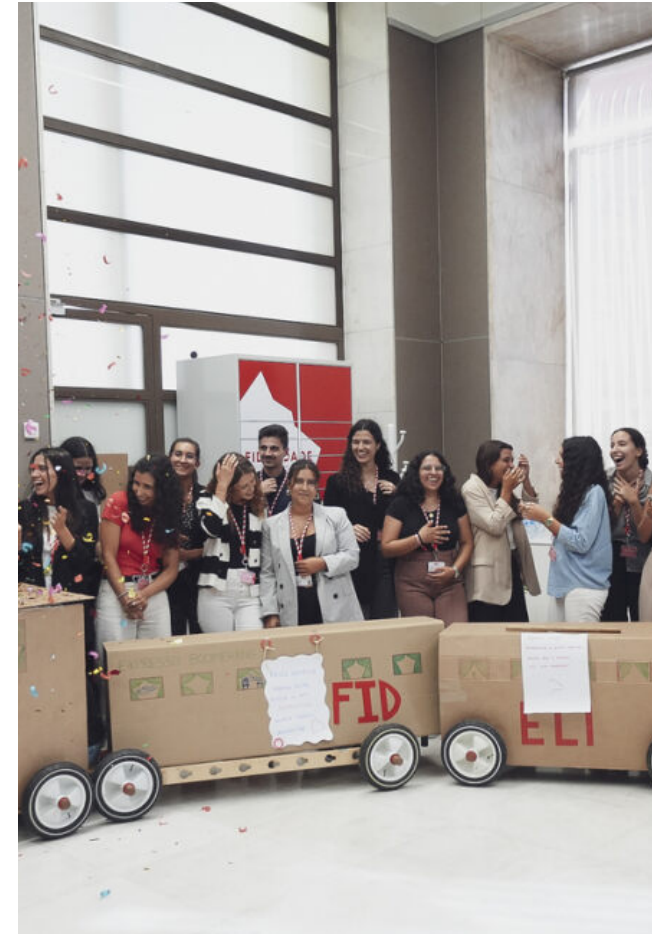
At the Fidelidade Group, people have space to do things, to make mistakes, to try out, and to make decisions. They have the opportunity to watch and participate in the ongoing process of adaptation to change. For us, change starts with each person. It is people, who unhesitatingly implement new ways of working on a daily basis, who take the initiative to redefine career objectives, to change their point of arrival, to engage in internal mobility. It is the people, who make Fidelidade a great place to work, and who give the Group the strength to continue improving all aspects of its operations. They are, in essence, our "driving force".

For all these reasons, Fidelidade wants to continue to promote lifelong learning, to invest in more hours of training, knowledge acquisition, and to strengthen skills

**At the Fidelidade Group, people have space to do things, to make mistakes, to try out, and to make decisions. They have the opportunity to watch and participate in the ongoing process of adaptation to change. For us, change starts with each person.**

and collaboration between everyone. To do this, our people can rely on mechanisms such as a knowledge centre, made of people for people. The Group has tailor-made programmes focused on our people's well-being, to ensure they feel good, valued, and continue to distinguish themselves and fascinate Fidelidade with their work and commitment.

Fidelidade stands by its people so that their lives and the lives of our customers do not stop and integrates the essence of WeCare into daily interactions and behaviour.



The Group is committed to closely monitoring its people's growth, by jointly building a pathway of professional and personal development, from onboarding to offboarding. For Fidelidade, talent management begins right from the attraction and selection stages. They will be the people who move the business forward, who fulfil innovative objectives and who can reflect what it means to be Fidelidade.

Throughout this journey, there is the opportunity to see them grow, achieve targets, and share knowledge. The Group supports their career decisions so that they can courageously take another step forward.

**"In a company where we ALL work "to make sure life doesn't stop" ...the attention we give to our People is crucial.**

**We want Good People to join us, who are capable of going above and beyond to do good. Throughout our journey at Fidelidade, it is our responsibility to look after the future of our people by investing in their growth and development, with a clear commitment to internal mobility and learning and a culture of feedback that continually contributes to ensuring that no one is left behind and that we prepare successors, by contributing to the sustainability of our Fidelidade."**

**Joana Queiroz Ribeiro**  
People and Organisation



KEY FIGURES<sup>30</sup>

8,713

EMPLOYEES  
(+9% compared to 2022)<sup>31</sup>



8,357

FULL-TIME EMPLOYEES<sup>32</sup>  
(+9% compared to 2022)

16.4%

TURNOVER RATE  
(+17% compared to 2022)<sup>33</sup>

296,200

HOURS OF TRAINING GIVEN  
(+34% compared to 2022)<sup>34</sup>

93%

EMPLOYEES WITH PERFORMANCE  
AND CAREER DEVELOPMENT  
ANALYSIS  
(+5% compared to 2022)<sup>35</sup>

6,821

EMPLOYEES ON PERMANENT  
CONTRACTS  
(+5% compared to 2022)<sup>36</sup>

Management of Fidelidade  
Group companies



Board of Directors of the  
Fidelidade Group



Attraction, recruitment, and onboarding

This is where the process of monitoring people begins. Talent management is a priority for Fidelidade, which identifies the skills of both its new candidates, and its internal talent, from an early stage. Two alternative procedures can be followed in talent management: the development and/or reallocation of internal talent and the recruitment of external talent.

Attraction of new talents

Regarding external talent, in Portugal, Fidelidade has multiple programs aimed at attracting and including **young talent**, such as partnerships with universities, the Boomerang program, and the Fidelidade Summer Internship. There is also the possibility of joining the Group through referrals from current employees, who suggest candidates they consider compatible with the organization's values and roles. In 2023, the Fidelidade Group welcomed more than 1,260 employees.<sup>37</sup>

<sup>30</sup> Companies included in the non-financial information report: see subchapter 8.1. Fidelidade Group | Our Indicators. The rates of change for 2022 include the companies that included that indicator in the 2022 non-financial information report, except for total employees. See chapter 7. About the Report.

<sup>31</sup> The comparison with 2022 includes all the companies included in the 2023 report, with the exception of the Luz Saúde Group.

<sup>32</sup> Does not include Alianza Paraguay.

<sup>33</sup> Does not include Fidelidade Angola, Garantia, Tenax and the Fidelidade branches in Beijing and France.

<sup>34</sup> Does not include VET, Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax, TPC and the Fidelidade branches in Beijing and France.

<sup>35</sup> Does not include Cares, CCR, CFA, FID I&D, Fidelidade Assistance, FSA, SGOIC, VET, Alianza Paraguay, Fidelidade Angola, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branch in Beijing.

<sup>36</sup> Does not include Alianza Paraguay.

<sup>37</sup> The new hires do not include Garantia, Fidelidade Angola, Tenax and the Fidelidade branch in Beijing.

**Partnerships with universities**

A programme that aims to create active partnerships and encourage participation in initiatives close to the academic community, such as job fairs, business breakfasts, lectures, workshops, speed interviews, hackathons and business cases.



**Boomerang**

A 10-month trainee programme aimed at young talent, recent graduates, or those with up to two years' professional experience.

Through this programme, boomerangs have the opportunity to get to know other areas that they are interested in.

The development of the boomerangs' soft skills is also encouraged, as they are invited to take part in the company's innovation and/or transformation projects.



**Fidelidade Summer internship**

A two-month programme to attract young talent, which aims to support students in their career development and learning, allowing them to stay on the company's radar for future opportunities within the Group.



**Be a scout**

A programme through which employees can refer people to work for the Fidelidade Group. Employees who have referred hired candidates are financially rewarded at the end of their probationary period.



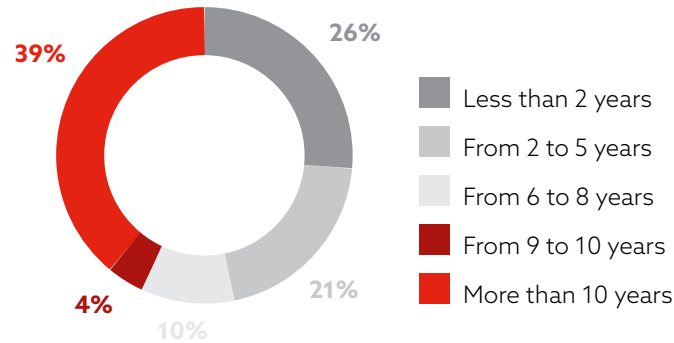
**Learning, development, and performance**

**Managing in-house talent**

The talent management model includes the application of mechanisms to identify, retain, differentiate, and develop people within the organisation. Fidelidade wants to continue to invest in its in-house talent and to promote continuous lifelong learning and new experiences.

The Group has adopted a holistic approach based on a cycle of initiatives that comprise the Talent Identification, Management and Development Programme, in order to improve its capacity to attract and develop talent. The implementation of this approach requires the intervention of employees, leaders and the Personnel and Organisation Department, and seeks to ensure both equal opportunities for growth, and non-discrimination. Employees play an active role in various people management processes and mechanisms through moments of self-reflection and self-assessment, as well as in building career development plans. In 2023, a total of 296,200 hours of training were provided to the Group's employees, averaging 36.9 hours of training per employee.<sup>38</sup>

**Seniority**



**FYOUTURE model**

The **FYOUTURE** integrated talent management model promotes the active involvement of each person in the definition of their ambition and development pathway, according to a culture of individual accountability, in order to guarantee cross-convergence of efforts and alignment with the business cycle, objectives and values of the Fidelidade Group. The FYOUTURE model is made up of three pillars - development, performance and potential.

At Fidelidade in Portugal, individual development takes place according to a biannual cycle of analysis and monitoring of behavioural skills that apply to everyone, and is based on the Group's culture and values, and the identification of individual development

needs. The main objectives of this stage of the Talent Identification, Management, and Development Programme are:

- Encouraging a culture of **individual accountability**, making employees owners of their own development.
- Fostering a culture of **feedback** and feedforward for personal and professional development;
- Investing in the **individual development** of employees in line with the business model and the organization's objectives.

Within the Group, everyone is invited to build their own individual development plan - the FIDME Commitment (development pillar) - which should be aligned and validated with the team leader, according to development priorities as well as their respective career goals. Nevertheless, individuals are encouraged to take the initiative for regular conversations about expectations and career ambitions with their leadership.

As for the performance pillar, based on the performance review process, the aim is to promote and recognize overall performance by improving individual performance and results. Ultimately, it defines the success of individuals in their current roles.

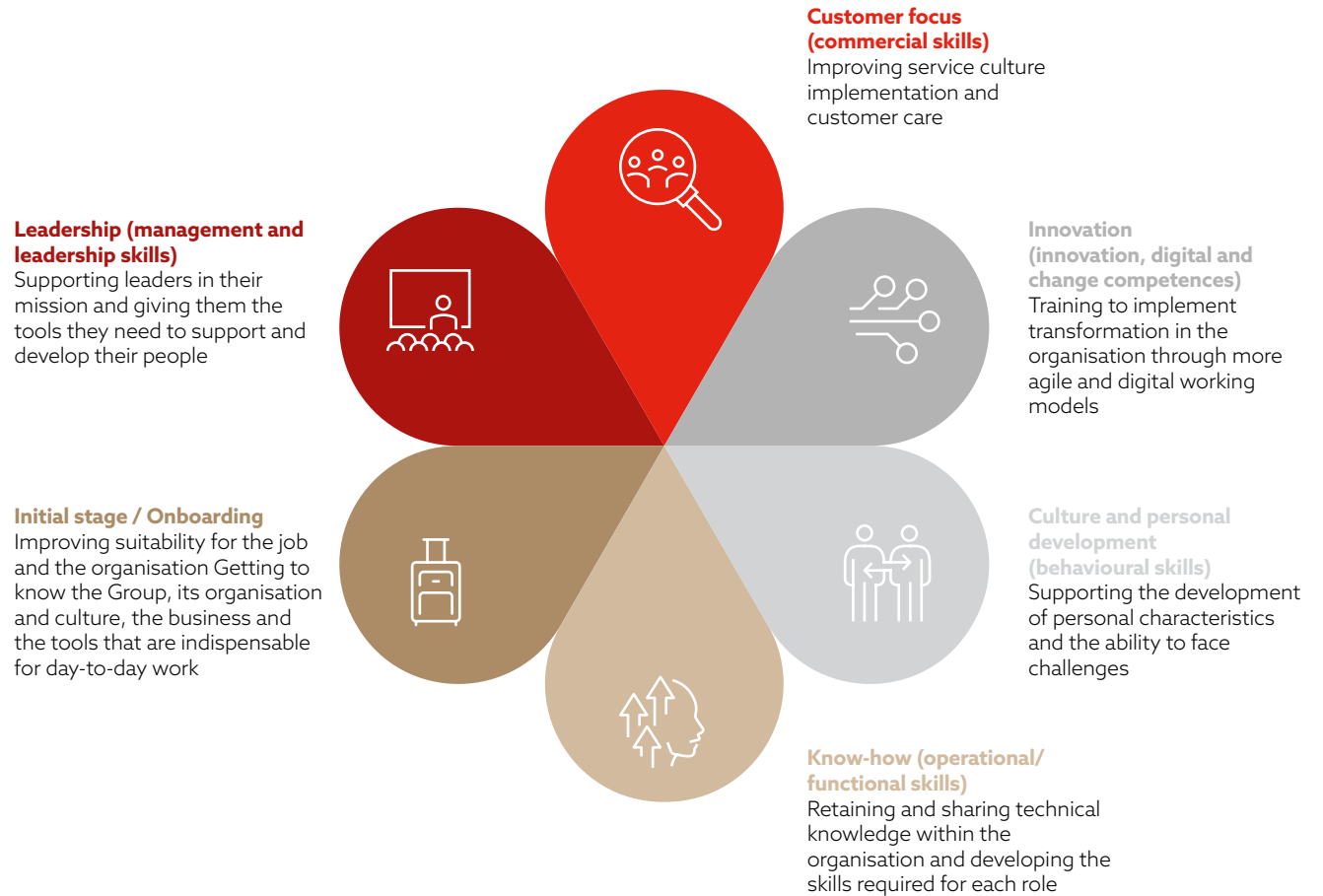
<sup>38</sup> Seniority | Does not include VET, Fidelidade Angola, Garantia, Tenax, TPC and the Fidelidade branch in Beijing.  
Hours of training | Does not include VET, Garantia, Fidelidade Moçambique, Alianza Paraguay, Tenax, TPC and the Fidelidade branches in Beijing and France.

With regard to the potential pillar, it undertakes the commitment to analyse and identify the potential and key people in the Group and to ensure closer proximity and knowledge sharing among teams. This pillar is based on the talent review process and defines the success of individuals in future roles, providing support in career management (promotion, progression, and mobility).

**WEVOLUTION Academy**

At the Fidelidade Group in Portugal, opportunities for personal and professional development are worked on through **training and development** mechanisms at the **WEVOLUTION Academy**. The Academy offers an ecosystem of platforms with multiple learning formats, the aim of which is to promote the continuous development of employees in order to respond to the emerging challenges and the needs of each role. It is therefore a way to expose employees to a constantly updated learning offer that adopts new approaches and trends, and trains them using the most up-to-date methodologies.

With this in mind, the academy offers programmes and training courses in the following areas and skills:



As well as enriching people's knowledge and skills, the training plan enhances the process of **innovation and professional development** and contributes to increased employee alignment with the Group's values, and includes content on ethical conduct, diversity, and

inclusion and other relevant ESG issues. It therefore fulfils the strategic needs and ambitions of the Fidelidade Group and its people, across the board.



**PRODUCT MANAGER SKILLS DEVELOPMENT ACADEMY**

In 2023, the Fidelidade Group's first product manager skills development academy was set up in Portugal. The program included around 20 training modules, delivered by internal resources of Fidelidade, which encompassed theoretical modules, practical content, individual coaching, and mentoring.

**50**

product managers involved

**More than 10**

areas participated in the product manager skills development academy

**AGILITY AND DYNAMISATION TRAINING PROGRAMME**

The multidisciplinary training programme regarding tools and frameworks was held to promote the development of employees' behavioural and technical skills, and to facilitate the implementation of new ways of working with an impact on communication, internal visibility of work and team productivity.

**250**

Facilitators until 2023

**30**

Departments involved



**"The expansion of the agility mindset at Fidelidade has contributed to the promotion of a culture of collaboration, autonomy and continuous learning, which has not only strengthened the bonds between employees, but has also increased motivation and productivity on the company's continuous path of development."**

**João Pedro Machado**  
Office for Business Agility

**WEVOLUTION Academy Schools**

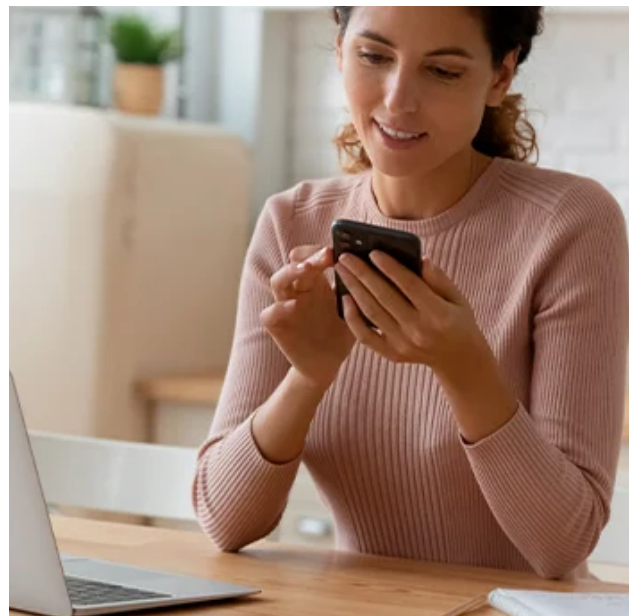
In a context increasingly characterised by disruption, a greater capacity to adapt is both imperative and urgent. In order to face the challenges that the world presents, it is essential to make a greater commitment to learning, development and evolution. As a result, the Fidelidade Group has rethought its approach to the design and offer of development opportunities, in order to drive the necessary adaptation and transformation, by launching the first WEVOLUTION Academy schools, i.e. the Leadership School and the Digital School. Both involve a more disruptive approach, greater visibility, and access to learning for all employees, greater stakeholder involvement in the design of solutions, and the development of upskilling and reskilling programmes.

**FID SCHOLARSHIPS**

Launch of the "FID Scholarships", scholarships aimed at postgraduate students studying in the business field.

**Engagement and support**

In addition to its commitment to training, the Group implements multiple **personal and professional well-being** initiatives, with a single goal in mind, i.e.: to contribute to the development, well-being, and integration of its people. These are always based on data that helps support each decision, using **studies and programmes** to gauge people's perceptions of Fidelidade.



**Organizational climate**

Since 2021, Fidelidade in Portugal has been committed to measuring its organisational climate using the **Great Place to Work (GPTW)** methodology. The aim is to make itself the number one choice for talent, an example of the creation of a sense of belonging, in which people feel committed and fulfilled, and to improve well-being levels across the Group.

This analysis is strategic and vital to understanding people's perceptions regarding various topics. It is a very powerful analytical tool for the making of data-based decisions that meet both the expectations of those who work at Fidelidade, and the Organisation's challenges. In 2023, the scope of the study was extended to **all countries** where the Group is present.

Consultation of employees regarding topics such as trust, pride, communication, leadership, salaries and benefits, diversity and inclusion, collaboration, and fairness, resulted in the design of personalised action plans for each area, to which the teams from different departments have committed themselves. The main aim of these plans is to improve perceptions regarding the organisational climate and to boost well-being.

According to the study, the main indicators have been improving, while the Organisation's challenges relate to issues of employee salaries and recognition, leadership, transparency, and coordination in task allocation. The pride felt by people because they work for the Fidelidade Group, as reflected in the results of the various climate surveys conducted, is noteworthy.

All these efforts have been reflected in employee satisfaction and sense of belonging. In Portugal, Fidelidade annually measures the level of satisfaction with its people's physical, mental, emotional, and financial well-being, i.e. the **wellbeing index**, using the Great Place to Work methodology. Since 2021, the Group has seen growth in this area.

**88%**

employee participation worldwide

**Over 5.700**

comments

**73%**

in the wellbeing index

(+4 p.p. compared to 2022)

**Wellbeing**

People's well-being is a top priority. It is essential that employees feel good about their lives and that they view the Group as a safe space in which they can express themselves, be themselves and achieve high levels of performance and fulfilment. Fidelidade endeavours to continue promoting good habits, particularly with regard to the **balance between the personal and professional life**, and to never override individual responsibility regarding such matters. Thus, the improvement and maintenance of each person's well-being is based on four pillars:

- Corporate: So that they feel good throughout their professional experience, based on an organisational culture of trust.
- Lifestyle: So that they feel good and supported whenever necessary, encouraged to make the most of their free time and inspired to make a difference.
- Financial: So that they can achieve financial stability by understanding the concepts of retribution and can manage their budget more efficiently to achieve their goals.

- Health: So that they feel good physically and mentally by promoting the adoption of healthy lifestyle habits in their daily lives with our support, whenever they request it.

These pillars are put into practice in various well-being initiatives.

**Psychosocial Risk Mitigation Plan**

Between 2022 and 2023, Fidelidade conducted a study in Portugal, the main aim of which is to identify priority psychosocial factors and develop action plans for **intervention, mitigation, and prevention**. Management of psychosocial risks is central to the Group's strategy, because the overall well-being of personnel is fundamental to the sustainability of any organisation.

Work organization and cognitive demands were identified as the main challenges. All other dimensions identified, i.e. emotional demands, work-family conflict, general health, stress, burnout, and sleep quality, have been worked on preventively and across the board at Fidelidade, in partnership with various internal and external stakeholders.

The Group is training all leaders in psychological first aid to enable them to identify risk situations and support people within their teams. It also offers workshops and content on various topics: stress and burnout, psychological safety at work and work-family balance, among others.

907

employees involved in the study of psychosocial risks

**Fidelidade Community**

The internal Fidelidade Comunidade (Fidelidade Community) programme encourages employees to be closer to each other and the organisation, and comprises a series of good practices, initiatives, and actions to improve **personal** quality of life. The programme seeks to give voice to people's concerns and interests, to promote community involvement and support initiatives (i.e. solidarity and volunteer measures) and the adoption of healthier and more sustainable lifestyles.

The programme has a strong didactic component and offers a wide range of up-to-date knowledge from the best experts in each field, through the publication of monthly columns on nutrition, parenting, financial literacy, and happiness.

The Fidelidade Comunidade also includes the Healthy Mindset and Health Coaching Programme, which involves group monitoring by a specialist in the field of well-being, to boost healthy lifestyle habits and more conscious choices.

**Feitas as Contas**

The "Feitas as Contas" financial literacy programme for employees, began in 2023 in the form of a webinar, and seeks to improve people's **financial well-being**. The programme has internal and external synergies, and covers topics related to personal finance management, such as taxes, interest, budget management, subsidies, and preparation for retirement, among others.



**NOS Programme**

The NOS Programme targets all Fidelidade Group employees in Portugal and their families and provides personalised help in the resolution of situations reported. The programme was created with the aim of promoting the social policy of the Insurance Group, and its network includes a wide range of **financial, legal, psychological, social, family and carer support**.

It is an anonymous programme that respects confidentiality and personal privacy and is judgement-free.

**Over 300**

employees accompanied by the NOS programme

**Over 90%**

of the action plans were fulfilled by the employees

### The “A Vida pede Equilíbrio” (Life needs Balance) programme

Fidelidade Angola has implemented an internal psychological counselling service, with an in-house psychology office that provides a safe space for all employees. The company currently supports around 50 employees with regular psychological consultations and helps them to balance the issues in their personal lives with the demands of their work for the company. Also, and as part of this programme, and knowing that a very considerable number of employees leave home for work, at 5 am; breakfast is made available for all those who arrive at the office before 7.45 am, which ensures a balanced diet for those who need it most.

### The WeCare spirit

More than an attitude, WeCare is the **essence**, the way of being in the world and an integral part of the Fidelidade Group's DNA. This spirit should be present in the daily lives of all employees, who should always endeavour to do good, by supporting colleagues and customers, by always **going beyond what is expected** of them, and by proposing solutions that make a difference to people's lives.

This essence extends to all the Group's geographies and reflects Fidelidade's values and underpins its competences in everyday conduct, and always takes account of the holistic concept of well-being. In this spirit, Fidelidade is committed to accompanying, supporting, caring for, educating and, above all, protecting people.

### Diversity, equity, inclusion, and a sense of belonging ("DEIP")

The Group's work with people is guided by principles of equal treatment, promotion, and respect for diversity. Diversity, equity, inclusion, and a sense of belonging are accepted as important drivers of the transformation and success of Fidelidade's business strategy.

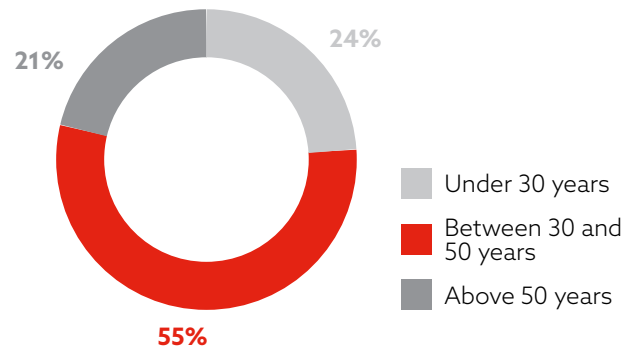
In an increasingly global and diverse context, issues of diversity and inclusion are part of our everyday concerns. Fidelidade supports each person equally, so that everyone has the same opportunities within the Group.

Fidelidade will continue to build the pathway towards a more inclusive, diverse, and equitable organisation to which everyone feels they belong. To this end, it undertakes to:

- Develop existing processes to promote a welcoming environment that respects all people;
- Build a safe and benchmark environment;
- Ensure zero tolerance of prejudice, discrimination and harassment;

- Promote an increasingly inspiring leadership that promotes diversity, equity, inclusion and a sense of belonging;
- Ensure **inclusive recruitment** processes;
- Provide **equal opportunities for growth and development** within the Group;
- Promote **salary equity**;
- Encourage behaviour that, together with a sense of belonging to the organisation, enhances a sense of physical and mental wellbeing;
- Foster **diversity, equity, and inclusion**.

**Age Group<sup>39</sup>**



**IN 2023, 56% OF FIDELIDADE GROUP'S EMPLOYEES ARE WOMEN.**

**Recognition**

**Remuneration Policy**

In Portugal, transversal recognition and remuneration mechanisms have been defined in order to ensure that each person fits into the internal remuneration structures, based on principles and **procedures that promote pay equity**.

The **Employee Remuneration Policy** establishes the metrics and guidelines for salaries and benefits, including the applicable salary bands, the principles and procedures for the construction and constitution of the total remuneration package, and the criteria that ensure the balance of its components.

**Recognition: giving people a voice**

The people's vision, aligned with the business, is valuable to the Fidelidade Group. Through **internal communication** initiatives, it continues to give people a voice so they can inspire those around them and share their knowledge and experiences. People are therefore often invited to participate in internal consultations, by sharing their points of view with the Organisation, which are not just valid, but represent and highlight their multiple competences.

<sup>39</sup> Does not include Alianza Paraguay, Fidelidade Moçambique, Tenax and the Fidelidade branch in Beijing.

## Mobility and growth

### Internal Mobility Programme

Change begins within the Group, with people. Everyone has the opportunity to transform their careers by seeking out **new professional challenges** and by strengthening their skills. The **Internal Mobility Programme** promotes people's growth and training through new opportunities.

When people feel prepared and have the ambition to take the next step in their career, they are encouraged to share their duly substantiated interest in internal mobility vacancies with their superiors, by recording these intentions in their individual development plan.

Fidelidade wants to continue fostering people's professional growth, by broadening their horizons and versatility. In this way, they will also be able to expand their network of contacts, take on more responsibilities within the Group and have the opportunity to apply the principle of agility in new situations.

**When people feel prepared and have the ambition to take the next step in their career, they are encouraged to share their duly substantiated interest in internal mobility vacancies with their superiors, by recording these intentions in their individual development plan.**

In 2023, more than 10% of people will have experienced the challenge of change and growth through internal mobility, by taking on new challenges and experiences that promote their development.

## Offboarding

Employee offboarding is a key issue in the Group's personnel management. This is where the career counselling process ends and, once again, we look back at the path travelled together, step by step.

### Fidleavers

In this context, and in order to make a careful diagnosis and choose the right approach to turnover management, Fidelidade periodically monitors its employee turnover rate through Fidleavers. This programme is characterised by an approach based on people analytics, which includes the collection of relevant information on the offboarding of employees from the Group. In 2023, the Group recorded an exit rate of 15.5% globally, with 7.5% for Portugal and 23.7% internationally.<sup>40</sup>

<sup>40</sup> Does not include Fidelidade Angola, Garantia, Tenax and the Fidelidade branch in Beijing.



### People management in the Group's geographies

The Fidelidade Group's challenging internationalisation scenario, along with increased business diversification, has justified the harmonisation of some people management processes, adapted to the needs of international operations.

Like the practice in Portugal, employees take part in an annual performance appraisal process, with a focus on feedback. This process results in the award of bonuses for the individual performance of each employee.

We are also implementing FYOUTURE with regard to performance and development, in countries such as France, Spain, Angola, Mozambique and Cape Verde. New training practices supported by WEVOLUTION are also being rolled out in Spain, Angola, and Mozambique.

In general terms, the aim is to standardise practice within the Group, which is why attempts have been made to align issues such as the internal communication policy (with the exception of Latin America), the analytical treatment of data in the different operations and best personnel management practices.

One of the current challenges involves the redefinition and implementation of a global leadership development model for international operations. In 2023, a programme was launched to meet this challenge, the aim of which was to consolidate a global leadership development model and optimise the identification and mapping of internal talent, the creation of development programmes, aligned with the personal profile, i.e. with motivations and skills, and the needs of the business in the short, medium, and long terms.

The personnel training plan for the Fidelidade branch in Spain is divided into three parts: a welcome programme; a personnel efficiency programme (which includes actions related to vocational training, internal mobility, and changes to the organisational structure); and a business culture programme (which aims to develop commercial skills and techniques).

In turn, La Positiva's "Despega tu Talento" training programme comprises knowledge, attributes, and regulatory segments, which encompass actions and programmes in various areas of learning. The knowledge segment aims to develop skills related to the company's business areas, procedures, and processes to streamline internal operations. The attributes segment is dedicated to the development of

fundamental soft skills in relationships with all internal and external stakeholders. The regulatory segment consists of 16 compulsory annual training courses on the rules and regulations applicable to each area of La Positiva.

In France, the annual training plan is structured with the support of each manager and approved by the general manager, after which it is presented to the employee committee. The implementation and monitoring of the plan is the responsibility of the human resources department.

As part of its training policy, Garantia, Fidelidade Moçambique and Fidelidade Angola have an annual Skills Development Plan in line with the company's strategic objectives and personnel skills development requirements.

In the field of DEIP, the Fidelidade branch in Spain, La Positiva, and Fidelidade Chile have a set of formal policies and commitments to implement best practices to promote diversity and inclusion. These mechanisms, aligned with the main applicable legal rules and regulations, reflect the commitment made by each company's senior management. These companies have concrete measures in place to ensure the involvement, appreciation, and respect for the

individuality of each person on an equal footing and penalise any act of discrimination or harassment. Against this backdrop, they are increasingly prioritising inspiring leadership and the training and raising of awareness among employees, as the driving force to mobilise them to meet their commitments.

### **Fidelidade Group: a group of people for people**

The Fidelidade Group is committed to people throughout their career. In order to continue supporting them, as it always has, it will dedicate itself even more to their well-being and inclusion, so that it can continue along the joint path of continuous learning and growth in an ever more ambitious way. The Group wants to move forward, with a commitment to be increasingly people-centred, so that they seek the best for customers.

**"After 20 years with the company, I can confirm that I have, during that time, seen Fidelidade grow, evolve and get closer and closer to its employees. Fidelidade provides protection and constant support of, and commitment to, its people and I am proud to be part of it. This sense of belonging and well-being is fundamental to the balance of our professional and personal lives and, in my current role in branch management, it has a very significant impact because we are the face of the company and play an essential role in creating value with our customers "so that life doesn't stop".**

**Catarina Santos Marques**  
Fidelidade employee



### 3.4.3. Community

Social responsibility is increasingly a priority for companies, and investment in a close relationship with the community is, for the Fidelidade Group, an opportunity to contribute to the social and economic fabric and to strengthen the resilience of the various communities in which it operates. This support is therefore an important contribution to building a sustainable development model, which identifies local needs and defines intervention strategies that are increasingly more focussed and effective.

The Fidelidade Group's Social Responsibility Programme is based on involvement with the community and a commitment to strengthen the social sector by investing in and supporting the empowerment of organisations in the social economy. Fidelidade's priority areas of action are not only aligned with the issues of ageing and longevity, but also involve the promotion of health, through a commitment to well-being and disease prevention, and the inclusion of people with disabilities, through partnerships and special projects with various organisations.

#### POSITIVE IMPACT ON THE COMMUNITY IN NUMBERS<sup>41</sup>

**€475,000**

Donations to the community

**€463,000**

Amount in insurances offered to the community

**€635,500**

Donations to universities

**9,710**

Hours of volunteering

**€214,518**

Amount in donated goods

**10,258**

Number of visitors to the Fidelidade Arte gallery (free of charge)

**9,608**

Items of donated goods

<sup>41</sup> Indicators referring only to Fidelidade in Portugal.

**"Fidelidade Comunidade" Programme**

The Fidelidade Comunidade Social Responsibility Programme marks the Group's social responsibility identity.

In line with its business and sustainability strategy, Semear is based on involvement with the community and is committed to strengthening the social sector by investing in, supporting and training social economy organisations. It is also committed to well-being, Health Prevention and Longevity through partnerships that support special projects and entities such as universities, to help the creation and dissemination of knowledge for a longer and better life.

The priority areas of action of the Fidelidade Comunidade Social Responsibility Programme, in close proximity to the community, focus on Longevity, including literacy and ageing, Preventive Healthcare and the inclusion of people with disabilities and the promotion of culture as a fundamental pillar for people's well-being and creativity.

**SEMEAR ASSOCIATION**

In 2023, Via Directa continued to support Semear's work by purchasing hampers, which it gave to employees on their birthdays and at Christmas. Semear is an NGO that empowers, trains and socio-professionally includes people with intellectual disabilities, to combat social isolation and an unemployment rate, which is six times higher than the national rate.

**"At Fidelidade we believe that social responsibility is part of our DNA. We have a clear idea of our role in the community, as an insurance company and a business with a strong social conscience."**

**Teresa Ramalho**  
**Institutional Relations and Social Responsibility Management**



**"Fidelidade Comunidade" Award**

The Prémio Fidelidade Comunidade (Fidelidade Community Award), which is a fundamental part of the Fidelidade Social Responsibility Programme, aims to help and strengthen social organisations dedicated to promoting the social inclusion of people with disabilities, and the elderly, and preventive healthcare. The prize was launched in 2017 and has already supported more than 70 non-profit charities with almost 2.25 million Euros.

The award is not just a monetary award but distinguishes Fidelidade because of its ongoing partnership with the institutions that it supports on a day-to-day basis in a broad variety of ways. The award, which is just the beginning of an important relationship, has also enabled the expansion, diversification, and improvement of its initiatives, in order to reach increasingly significant number of beneficiaries.

The applications stage of 5th edition of the award started in 2023 and ran from 3 to 31 October 2023.

As a way of spreading the word more intensely and encouraging applications, this year's edition saw the launch of an ambitious communications plan featuring three organisations that had won previous editions of the "Fidelidade Comunidade" Award: **CAPITI, KOKUA and the SOUTELO SOCIAL CENTRE.**

In this way, organisations that are members of the Fidelidade Comunidade encouraged their peers to submit an application.

This campaign made it possible to reach a large number of social organisations. 304 applications were received from all across the country's districts and autonomous regions.

To publicise the award, the Group increased its media presence, by establishing a partnership with the Medialivre Group (Cofina), which ensured continuous visibility, in the Correio da Manhã newspaper, on CMTV's morning show, in C-Studio sections of the Correio da Manhã website and on the Fidelidade Comunidade Award/Cofina aggregator website. During the application phase, which ran until October 31st, highlights include four television appearances, four press features with subsequent digital placement, 111 television advertisements, and advertising space in print media of the Medialivre Group (Cofina).

	Ageing	Social inclusion of people with disabilities	Preventive healthcare
<b>No. of applications</b>	121	102	81



"The real partners are those who not only embrace the projects, but also grow with the partnerships. This is how Fidelidade and Medialivre have built their relationship, adding social values that go beyond the role of insurer and media group. In the CM Heroes initiative and the Fidelidade Community Award, together we distinguish and praise those who make a difference in our society. We look at society and intervene so that there is always room to do more and better in our community. It's a privilege to count on Fidelidade in this mission."

**Joana Santana**  
Medialivre Commercial Director (Cofina)



"The Fidelidade Comunidade Award is a widely recognized and impactful corporate initiative that since 2017 has brought together some of the main ingredients of modern strategic philanthropy: alignment with the Group's objectives and key competencies; proximity selection process; strengthening the skills of the award-winning organizations; promoting collaborative networks; monitoring projects and evaluating their impact. A pioneer in Portugal, this Award has inspired a new paradigm of social investment and consolidated the Fidelidade Group as an active partner of the community in the development of innovative and continuous solutions to some of its greatest challenges."

**Filipe Almeida**  
Chairman of the Portugal Inovação Social initiative

#### **GARANTIA - COMPANHIA DE SEGUROS (CAPE VERDE)**

In Cape Verde, Garantia Comunidade Award was distinguished with the Social Responsibility Prize at the 10th Gala of the Sotavento Chamber of Commerce and Services (CSS), for positioning the company as a development partner in the country. In its third edition, it provided financial support to 14 civil society organizations working in the field of social inclusion for people with disabilities, for a total of 10,500,000 CVE (95,225 EUR).

**Donations, insurance offered and special support**

Fidelidade is aware of the importance of providing ongoing support to the community, by addressing urgent needs, or specific projects that intersect in a relevant way with the Group's areas of activity.

In 2023, the Group made donations to various initiatives of cultural entities and social organisations, totalling 475,000 Euros.

Excluding support for World Youth Day, which is highlighted below as a unique and special event, the Group supported 71 institutions by providing them with insurance. These organisations include the Food Bank, which has been supported by Fidelidade for 10 years, as well as Ajuda de Berço, Entrajuda, Café Joyeux, Manicómio and Escolinha de Rugby da Galiza (Estoril).

In 2023, the Group also continued to support the Jesuit Refugee Service in its work to support people displaced by the war in Ukraine.

Furthermore, support for the promotion and enhancement of mental health in communities is noteworthy through patronage of three mental health programs and conferences, namely the "Fundamental" sessions organized by the Estoril Parish Centre, the "Mais Social" Congress co-organized by the Municipal Council of Câmara de Lobos and Casa São José, and the Recovery Summit promoted by the Recovery IPSS in Barcelos.

2023 marked the return of the "Aldeia de Inovação Social" (Social Innovation Village initiative), promoted by Portugal Inovação Social, of which Fidelidade was a supporter and participant. This event showcases good examples from the social sector, as well as trends and topics of interest to the whole community.

Fidelidade invests heavily in the promotion of the circular economy, by donating the goods that it recovers from customers to social organisations, whenever they are in a suitable condition, once again contributing to the sustainability of organisations, society, and the planet.

DETAILS OF DONATIONS - TYPE AND NUMBER OF GOODS DONATED	
<b>Footwear, clothing, and accessories</b>	<b>1,263</b> (estimated value: €8,765)
<b>IT equipment</b>	<b>Obsolete - 104</b> (estimated value: €104) <b>Donation - 1,194</b> (estimated value: €178,310)
<b>Hospital furniture</b>	<b>5</b> (estimated value: €500)
<b>Books</b>	<b>621</b> (estimated value: €1,863)
<b>Office furniture</b>	<b>31</b> (estimated value: €1,550)
<b>Home appliances</b>	<b>229</b> (estimated value: €4,740)
<b>Home furniture</b>	<b>94</b> (estimated value: €4,700)
<b>Hospital equipment</b>	<b>480</b> (estimated value: €2,400)
<b>Recycling</b>	<b>187</b>
<b>Other</b>	<b>5,400</b> (estimated value: €11,399)

**Also noteworthy is Multicare's support for the community via various institutions**, including the Liga Portuguesa contra o Cancro, Alzheimer Portugal, the Portuguese Society of Orthopaedics and Traumatology and the Global Health Forum, among other initiatives.

The Fidelidade Group has also invested in actions to promote health literacy with initiatives such as "Tenho cancro. E depois?" (I have cancer. So what?) and contributes to the promotion of healthy habits within companies through the Wellbeing Awards.

This support totalled an investment of 100,000 Euros.

**DONATED GOODS IN PERU**

**In collaboration with the NGO Juguete Pendiente, food products were donated to more than 300 families who were victims of cyclone Yaku in the north of the country. These donations were collected through a charity event in Trujillo and contributions from employees in Lima and Trujillo.**

**In addition, La Positiva helped supply water to more than 1,000 families in the affected areas of Punta Hermosa and Santa Rosa de Quives (Lima).**





**Volunteering**

Volunteering is encouraged as a way of stimulating the spirit of solidarity and promoting another pillar of engagement with the community. In this way, all the Group's employees are invited to take part in various social programmes, creating synergies.

In 2023, the Group's volunteering programme involved 493 employees, who did 9,710 hours of volunteering, in a total of 25 initiatives.

**Partnership and Volunteering with the Ronald McDonald House**

La Positiva has joined the Ronald McDonald House Foundation's "Adopt a Room" programme in Peru, with the aim of providing financial support to the families accommodated there, in order to cover the cost of food and of the upkeep of the room. This alliance ensures the availability of more rooms for thousands of families from different provinces, who need accommodation in Lima during their children's complex medical treatments. Employees also visit the house to help improve the facilities, carry out daily tasks and interact with the children.

**"Programa Bairro Positivo" (Positive Neighbourhood Programme)**

In Trujillo, acting together with Techo Peru, La Positiva volunteers brought the culture of prevention to the El Mirador II community. They offered training workshops to 23 community leaders and installed 15 safety signs that will help minimise the risks associated with natural phenomena, benefiting more than 1,200 residents of this community.



**Academy and knowledge**

It is not possible to contribute to building a stronger and more resilient society, in line with global sustainability policy, without a strategy of constant and transformative support from Academy and knowledge production centres. At Fidelidade we have a profound conviction that without knowledge there can be no future. That's why the Group, has over the years, supported schools and universities that contribute to the transformation of the country.



**Main initiatives**

**Instituto Superior Técnico**

**Member of the IST partner network;  
patronage of TIC Powered by Fidelidade**

A 10-year collaboration protocol involving Fidelidade's support for the LUMILIS laboratory, scientific research grants for master's and doctoral students, and merit awards for the best IST students.

**Protocol in force from 2022 to 2032**

The creation of the Técnico Innovation Centre Powered by Fidelidade, which will provide the largest study facility in the country, open 24 hours a day and with capacity for 500 students, via the refurbishment of the old Arco do Cego station in Lisbon.

**Protocol in force from 2023 to 2033**

**NOVA SBE**

**"Finance for All - Financial Literacy Programme"**

Training and capacity-building for students from the master's programme in Finance to provide free support to residents of the municipality of Cascais on issues related to financial products, retirement plans and resolving over-indebtedness.

**Annual, launched in 2023 with a new edition currently underway (2023-2024)**

**Faculty of Medicine of the Universidade Católica Portuguesa**

An eight-year collaboration protocol that supports research projects in the healthcare sector, currently centred on three main themes: cancer, long covid and neurodegenerative diseases.

**Protocol in force from 2022 to 2030**



"Being part of a community means understanding its problems and helping it to find solutions. At Fidelidade we understand this sense of mission, as a trusted partner of our media literacy programme in higher education, PSuperior, which seeks to tackle the serious problem of disinformation that undermines our society. It's everyone's business and it's crucial to realise that there are companies willing to share this effort, especially with the younger generations."

**David Pontes**

Director of Jornal Público



"The strategic partnership with Fidelidade is one of the best examples of long-term commitment that NOVA SBE has witnessed in recent years, whether in education or in knowledge production. Student involvement in Fidelidade's strategic projects, the provision of spaces for the development of video content, the provision of free training programmes focused on critical issues such as financial literacy, are just a few examples of our many joint initiatives, which ensure that this positive impact never stops."

**Pedro Brito**

Associate Dean & Executive Education, Corporate Engagement & Fundraising of NOVA SBE



"2023 was a year of affirmation for the Técnico-Fidelidade partnership, which culminated in the inauguration of the Técnico Innovation Centre powered by Fidelidade on 18 October. An innovation reference site that will certainly have a major impact on both the Técnico community and society in general. In 2024, we expect to go even further in our synergy with Fidelidade and involve more students and teachers, with more initiatives and many challenges ahead, which, together, and with the resilience that characterises us, we will certainly overcome."

**Rogério Colaço**

President of the Instituto Superior Técnico - Universidade de Lisboa

**Fidelidade Arte**

Fidelidade Arte is a contemporary art exhibition space, and part of the Group's Social Responsibility Programme. It is located in Largo do Chiado in the centre of Lisbon and is an emblematic space that affords free access to Portuguese and international art projects, and strengthens Fidelidade's commitment to education, literacy, and culture.

The "Ciclo Território" (Territory Cycle), which runs from 2023 to 2025, is the fourth collaboration between Fidelidade Arte and Culturgest. It comprises a cycle of nine exhibitions, first at Fidelidade Arte spaces, and then at Culturgest (Porto). This new project brings several group exhibitions to the public in Lisbon and Porto, each conceived by a guest Portuguese curator. The curators between January and December 2023 were Natxo Checa, Ana Anacleto, David Revés, Frederico Duarte and Vera Sacchetti.

In 2023, the Ciclo Território included four exhibitions at the Fidelidade Arte Gallery, which had 10,258 visitors.

Also noteworthy is the patronage support for Casa da Arquitetura, the Serralves Foundation and MACE - Elvas Museum of Contemporary Art.



**FIDELIDADE ARTE VISITORS**

**Territory #1: Mistifório (muddle)**  
Curated by: Natxo Checa  
707 visitors

**Territory #2: #slow #stop... #think #move**  
Curated by: Ana Anacleto  
2,156 visitors

**Territory #3: Profanações (desecrations)**  
Curated by: David Revés  
3,891 visitors

**Territory #4: Fazer (make)**  
Curated by: Frederico Duarte and Vera Sacchetti  
3,504 visitors

**Other significant ventures**

In 2023, the Fidelidade Group promoted ventures in various areas that strengthened its commitment to the promotion of health and social equity.



**Programa Heróis CM**

The Heróis CM programme is a Correio da Manhã editorial initiative that aims to pay tribute to all those who put their own lives at risk to save other lives. As part of its WeCare culture, Fidelidade has joined this initiative to boost the corporate culture that distinguishes it, namely by supporting the social, work, and family reintegration of victims of serious accidents.



**"I have cancer. So what?"**

The "I have cancer. So what?" project developed by Multicare, SIC Notícias and Novartis, aims to place all the cancer-related issues in the public arena, e.g. risk factors, diagnosis, prevention, clinical trials, and the discovery of new treatments.



**Longevity - A new challenge**

The Expresso newspaper's Longevity project, developed in partnership with Novartis, is a vehicle for the promotion of Longevity and ageing literacy, and is already a benchmark project, because of the various awareness-raising initiatives it has undertaken.



**World Youth Day Lisbon 2023**

Fidelidade was a founding partner of WYD, one of the biggest events of the year, which took place in the Lisbon region with 1.5 million participants, in the first week of August. Ninety-seven volunteers from the Group took part, certain that corporate volunteering improves teamwork between employees and departments and facilitates the learning of new skills.



**PSuperior - Media Literacy**

PSuperior is a media literacy programme that is the result of a partnership between Fidelidade and the Público newspaper. Its aim is to provide students at Portuguese universities with a free subscription that gives them unrestricted access to all the news, opinion pieces and reports in the Público newspaper. Students can also access conferences at universities, share job offers for members and newsletters.

"WYD LISBON 2023 was written with all the letters of FIDELITY. The Volunteers and the support provided by some companies and families were two reasons why WYD was a success achieved by Portugal and the Portuguese. The volunteering generated by and within FIDELIDADE, the selfless work of the volunteers, and their dedication, commitment and endeavour were exemplary... THANK YOU everyone, everyone, everyone. Their loyalty was and is "bulletproof".

I want to express my great gratitude and THANKS for the support provided by WYD's insurance company partner, which made that courageous decision. I also thank all professionals who helped us to prepare WYD and who shared the unique experience of those days with us. To say THANK YOU with the commitment of what I heard and witnessed from the families helped by FIDELIDADE and who had a unique experience... THANK YOU."

**D. Américo Aguiar**  
President of the World Youth Day Foundation



## Social Responsibility around the world

### Fidelidade Angola

- Awareness-raising actions regarding Preventive Healthcare that provide people with important knowledge that can improve their quality of life
- Blood donation campaign in conjunction with the National Blood Institute
- Sponsorship of a child in an orphanage and of two teachers, and medical care for the child
- Recovery of a family home: Support program for workers with minimum income, guaranteeing minimum housing conditions

### FID Chile

- Participation in Teletón, a fundraising initiative to help children with disabilities
- Initiatives to recycle obsolete material and turn it into gifts
- Social responsibility initiatives to support local associations promoting women's development, education, and various social problems
- Partnership with PRM to resume road safety campaigns

### La Positiva

- awareness-raising actions on preventive health measures, by providing people with important knowledge to improve their quality of life
- Blood donation campaign in conjunction with the National Blood Institute
- Sponsorship of the "Corre Comigo 5k" (Run 5K with me) race, organised by the Peruvian Down Syndrome Association, which aims to promote equality and a world full of opportunities for members of that community.
- The "Fight for Them" Campaign - Breast Cancer Awareness Month. For the second year running, La Positiva participated as a partner company in the Peruvian Cancer Foundation's "Fight for Them" campaign, which aims to spread the message of prevention and to promote and teach the steps for proper breast self-examination.

### Fidelidade Moçambique

- Initiatives to recycle obsolete material and turn it into gifts
- Social Responsibility initiatives to support local associations promoting women's development, education and various social problems
- Partnership with PRM to resume road safety campaigns

**“Desde Teletón, buscamos la rehabilitación integral de personas en situación de discapacidad, con el objeto de que vivan una inclusión efectiva en la sociedad chilena y mejoren su calidad de vida.**

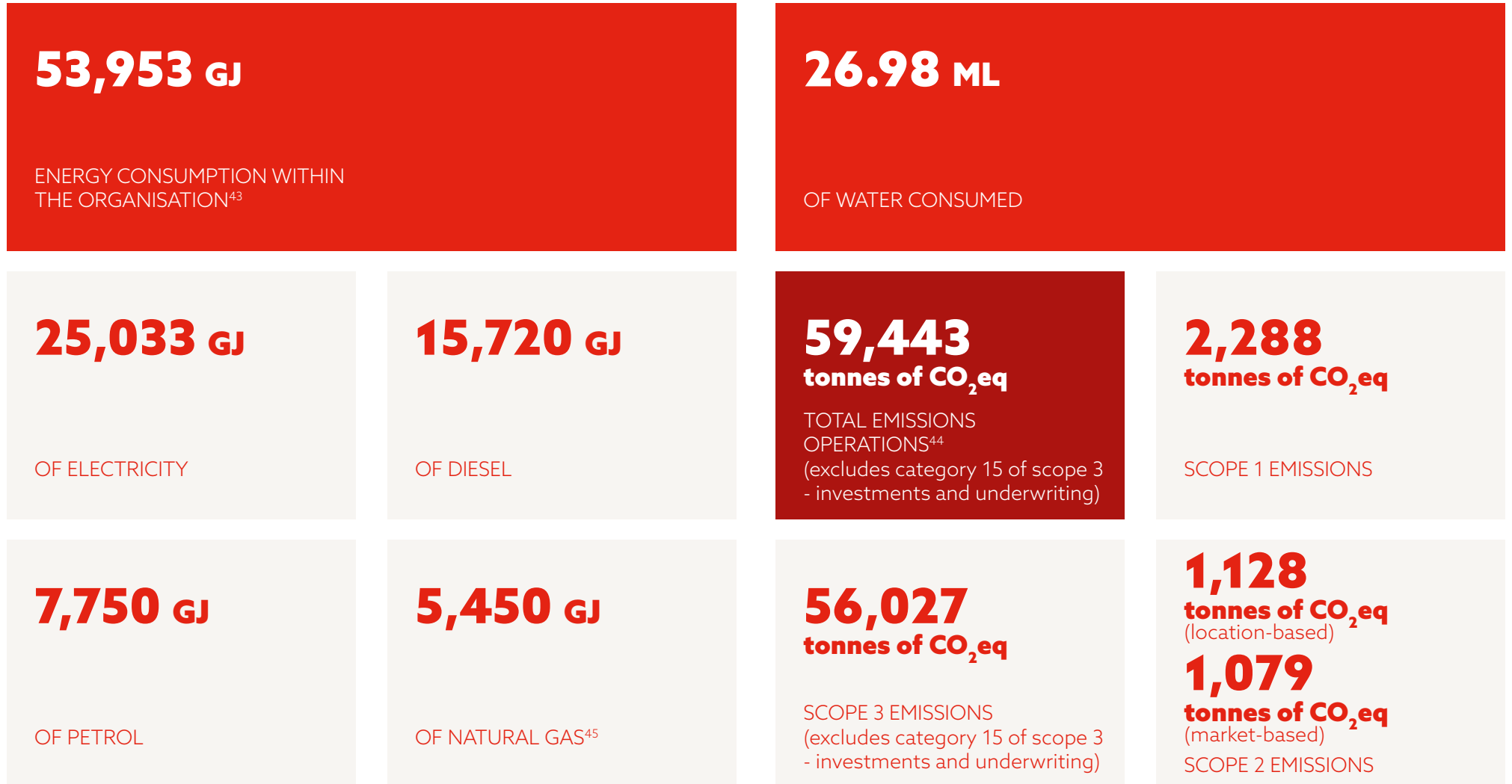
**En este marco, el compromiso solidario de FID Seguros Generales Chile y todos sus colaboradores ha quedado demostrado con su activa participación en nuestra campaña anual, con el interés permanente por colaborar de distintas formas, tales como: El apoyo y potenciamiento de nuestros charlistas -transmitiendo estas sesiones en todas sus sedes-, en la amplificación de los valores de nuestra institución, a través de sus colaboradores que los llevan desde su lugar de trabajo a sus hogares y al gran aporte que entregan, que va creciendo año a año. Esto permite a Teletón rehabilitar a más de 32 mil niños, niñas, jóvenes y sus familias en los 14 institutos a lo largo de todo Chile (pronto serán 16 centros de rehabilitación integral). Agradecemos profundamente el apoyo de FID y sus colaboradores, y esperamos seguir contando con su indispensable apoyo.”**

### Patricio Talep

**National Business Channel Coordinator, Fundación Teletón, Chile**

3.4.4. Environment

PORTUGAL<sup>42</sup>



<sup>42</sup> Details of each indicator can be found in the attached GRI tables.

<sup>43</sup> Includes consumption of electricity, diesel, petrol and natural gas by companies located in Portugal

<sup>44</sup> Does not include VET.

<sup>45</sup> Includes Car Service, Cares, CCR, CFA, FID I&D, Fidelidade, Fidelidade Assistance, FPE, GEP, Multicare, ok! seguros and Safemode.



INTERNATIONAL<sup>42</sup>

**18,053 GJ**

ENERGY CONSUMPTION WITHIN THE ORGANISATION<sup>46</sup>

**20.00 ML**

OF WATER CONSUMED<sup>47</sup>

**11,501 GJ**

OF ELECTRICITY<sup>48</sup>

**2,577 GJ**

OF DIESEL<sup>49</sup>

**27,139 tonnes of CO<sub>2</sub>eq**

TOTAL EMISSIONS OPERATIONS (excludes category 15 of scope 3 - investments and underwriting)

**686 tonnes of CO<sub>2</sub>eq**

SCOPE 1 EMISSIONS

**3,653 GJ**

OF PETROL<sup>50</sup>

**25,148 tonnes of CO<sub>2</sub>eq**

SCOPE 3 EMISSIONS (excludes category 15 of scope 3 - investments and underwriting)

**1,305 tonnes of CO<sub>2</sub>eq** (location-based)

SCOPE 2 EMISSIONS

<sup>46</sup> Includes consumption of electricity, diesel, petrol and natural gas by international companies.

<sup>47</sup> Does not include Alianza Paraguay, Fidelidade Angola, Fidelidade Macau, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France.

<sup>48</sup> Does not include Alianza Bolivia, Alianza Paraguay and Fidelidade Angola.

<sup>49</sup> Does not include Alianza Bolivia, Alianza Paraguay, FID Chile, Tenax, TPC and the Fidelidade branch in France and Beijing.

<sup>50</sup> Does not include Alianza Bolivia, Alianza Paraguay, FID Chile, Tenax, TPC and the Fidelidade branch in Beijing.

**Mitigating impacts**

**The worsening of climate change poses a threat to the planet, to health, and to the future of the population.**

The insurance industry plays a key role in responding to climate change, increasing the resilience of society and the economy to climate-related risks. Aware of its responsibility and recognizing the global importance of sustainability and its crucial role in building a robust and long-lasting business, the Fidelidade Group has embarked, in recent years, on a transformative journey towards sustainability. In this regard, and aware of the climate priority and environmental challenges, it acts not only as a responsible economic agent, seeking to reduce its carbon emissions, but also as an exemplary agent of change, standing alongside its stakeholders on this path. It is thus proactively supporting the ecological transition towards an increasingly sustainable world.

On this journey, Fidelidade was present at the **28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28)**, where leaders from all over the world came together to discuss the necessary global climate action. As part of the programme dedicated to Health, Assistance, Recovery and Peace, the Group presented the path it has taken towards decarbonisation, addressing policies and investments that contribute to the resilience, wellbeing, and stability of communities, and presented solutions for adaptation, prevention and action in situations of loss and damage, such as the effects of climate change or conflict situations.

Fidelidade's participation in COP28 was marked by the presentation of the **Net-Zero Transition Plan**, which establishes actions and targets for the reduction of emissions, based on science and aligned with the Net-Zero commitment, for its investment and subscription portfolios and operations.

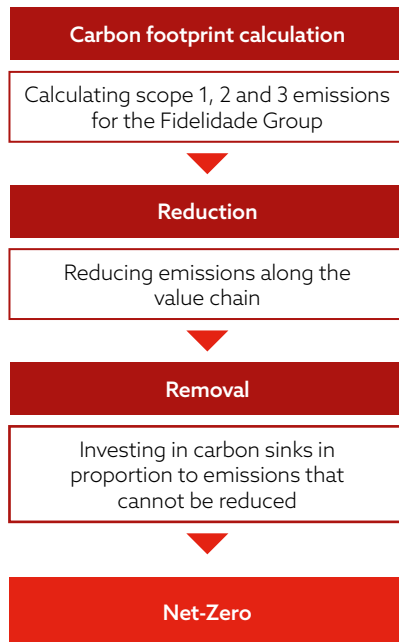
**The Group's approach to sustainability is thus comprehensive and integrated into its global strategy, governance structure and decision-making processes with the ultimate aim of driving forward the Paris Agreement.**



**Reducing the carbon footprint**

**Reducing emissions**

In line with the Paris Agreement, the Fidelidade Group is committed to monitoring and significantly reducing its GHG emissions throughout the value chain, going beyond its operations, as it is aware that the most significant part of its carbon footprint comes from its insurance and investment portfolios.



As such, the Group embarks on its Net-Zero journey, implementing a Net-Zero Transition Plan and making clear commitments to reduce its footprint in the medium and long term.

**Net-Zero Transition Plan**

In 2023, the Fidelidade Group unveiled its **Net-Zero Transition Plan**, demonstrating its commitment to significantly reduce its GHG emissions, not only to minimise its climate impact, but also to actively participate in the global effort to combat climate change. The plan is structured in three main areas: Investments, Underwriting and Operations, covering the Group's entire value chain (scopes 1, 2 and 3).

For each of the areas, science-based, intermediate, and long-term targets have been defined, along with a set of monitoring metrics and actions for their implementation.

The plan followed a three-step methodology, guided by standards and global guidelines and market initiatives. In the case of the insurance and investment, the business lines and asset classes for which internationally accepted methodologies already exist were considered, and Fidelidade made a commitment to complement the plan as soon as there are methodologies for the matters not yet considered.

**> Definition of baseline**

Analysis and definition of a baseline for reducing emissions from our operations, aligned with the IPCC (Intergovernmental Panel on Climate Change) 1.5 - Degree Scenario and the Greenhouse Gas Protocol (GHG), in addition to the Partnership for Carbon Accounting Financials (PCAF) to reduce emissions from investment and insurance portfolios.

**> Definition of targets**

Defining our path towards Net-Zero, setting emission reduction targets in line with science in our insurance and investment portfolios, as well as in our operations. Specifically, for our insurance and investment portfolios, we have set the ambition to achieve Net-Zero by 2050, with interim targets set for 2030. Meanwhile, for our operations, we aim to achieve Net-Zero by 2040, with interim targets defined for 2025.

**> Definition of actions**

Establishing corporate actions to achieve the defined targets.

FOCUS	CONSOLIDATION PERIMETER	EMISSIONS REDUCTION TARGETS				POLICIES AND INITIATIVES
		INTERMEDIATE TARGET	LONG-TERM TARGET	BASELINE	METRICS	PLANNED OR UNDERWAY
Investments	Listed shares and corporate bonds <sup>51</sup>	<b>-40% by 2030</b> in the intensity of scope 1 and 2 emissions on the portfolio of listed shares and corporate bonds	<b>Net-Zero by 2050</b>	0,13 ktCO <sub>2</sub> e/Mn€ in 2022	Emission intensity on AuM	Reduction of investments in fossil fuels and gas, so that they do not represent more than 5% of the total investment portfolio  Reduction of investments contributing to environmental problems, so that they do not account for more than 5% of the total investment portfolio
	Real Estate <sup>52</sup>	<b>-45% by 2030</b> in the intensity of scope 1 and 2 emissions on the direct real estate investment portfolio		35 kg CO <sub>2</sub> e/m <sup>2</sup> in 2022		Intensity of emissions per m <sup>2</sup>  Issuing Green bonds  Investing in sustainable real estate
Underwriting	Commercial <sup>53</sup>	<b>-30% by 2030</b> in the intensity of scope 1 and 2 emissions on insurance premiums	<b>Net-Zero by 2050</b>	0,34 ktCO <sub>2</sub> e/M€ in 2022	Intensity of emissions on insurance premiums	Engagement with more relevant clients, promoting greater transparency about their decarbonisation plans  Changing the portfolio through clients with more responsible driving, with fewer emissions
	Private Cars <sup>54</sup>	<b>-26% by 2030</b> in the intensity of scope 1 emissions on the number of vehicles		0,19 ktCO <sub>2</sub> e/no. of vehicles in 2022		Intensity of emissions on the number of vehicles  Transitioning the private car portfolio to less polluting vehicles and promoting sustainable driving habits  Introduction of an app-based telematics solution to track and reward more environmentally friendly driving behaviours  Launch of new eco-friendly products and services

<sup>51</sup> Companies with reported emissions data, also covering international companies.

<sup>52</sup> Scope 1 issues in the real estate sector are insignificant, given the type and usefulness of the investments made by the Fidelidade Group.

<sup>53</sup> Companies with reported emissions data and/or turnover > 50 M€. Includes the commercial property and liability lines of business, encompassing worker's compensation and car insurance.

<sup>54</sup> All the individual lines in Portugal. Currently, the allocation factor is 18% (within the PCAF range, with a potential for reduction).

FOCUS	CONSOLIDATION PERIMETER	EMISSIONS REDUCTION TARGETS				POLICIES AND INITIATIVES
		INTERMEDIATE TARGET	LONG-TERM TARGET	BASELINE	METRICS	PLANNED OR UNDERWAY
Operations	Own controlled operations <sup>55</sup>	<b>-50% by 2025</b> in the intensity of scope 1 and 2 emissions and business trips (scope 3) per FTE	<b>Net-Zero by 2040</b>	2.10 tCO <sub>2</sub> e/ FTE in 2019	Intensidade de emissões por FTE	<p>Energy consumption from renewable sources, with the aim of reaching 100% by the beginning of 2024.<sup>56</sup></p> <p>Changing the fleet to hybrid and/or electric vehicles.</p> <p>Adoption of a Smart Working model,<sup>57</sup> with the aim of applying hybrid working arrangements to 50% of employees.</p> <p>Route optimisation for business trips.</p> <p>Transition to more sustainable procurement, integrating ESG criteria into processes.</p> <p>New headquarters in Lisbon with a Gold LEED (Leadership in Energy and Environmental Design) certification, resulting in the optimisation of resource use (e.g. energy) and the associated carbon footprint.</p>

<sup>55</sup> Controlled operations in Portugal, excluding the Luz Saúde Group.

<sup>56</sup> Excluding Clínica Fisiátrica das Antas and Veterinários Sobre Rodas.

<sup>57</sup> With the implementation of the Smart Working - New Working Models project, the Fidelidade Group adopted different types of work (in-person, hybrid and remote).

## Evolution of emissions in 2023

### Real Estate Investments

In 2023, the emissions intensity of the real estate portfolio decreased from 31.11 KgCO<sub>2</sub>e/m<sup>2</sup> to 27.12 KgCO<sub>2</sub>e/m<sup>2</sup> in scope 2 and from 35.40 kg CO<sub>2</sub>e/m<sup>2</sup> to 30.13 kg CO<sub>2</sub>e/m<sup>2</sup> in scope 1 and 2, thus representing a reduction of 13.9% compared to the baseline of 2022, thus contributing to achieving the defined medium and long-term targets.

The reduction in emissions was mainly due to the sale of 165 assets in Portugal and lower energy consumption in the Pegasus project buildings. The main reason for the reduction at Pegasus was the upgrade of the BMS systems (Building Management System).

### Investments in listed shares and corporate bonds

During 2023, efforts were made to reduce the carbon intensity of investments, in line with the targets set for this asset class, and it will only be possible to quantify and disclose the figures for 2023 once they have been disclosed by the issuing entities. We will therefore disclose the issues relating to this asset class in the Net-Zero Transition Plan Monitoring Report to be made public in 2024.

### Underwriting

The emissions from the Group's Commercial portfolio fell from 0.34 ktCO<sub>2</sub>e/M€ in 2022 to 0.30 ktCO<sub>2</sub>eq/M€ in 2023, a reduction of 11%.

With regard to the Private Motor portfolio, efforts were made in 2023 to reduce the intensity of scope 1 emissions on the number of vehicles, in line with the targets set for the intensity of emissions on insurance premiums in 2023. However, it has not yet been possible to include the 2023 figures in this report, which are expected to be disclosed in the Net-Zero Transition Plan Report to be made public in 2024.

### Carbon footprint of operations

During 2023, the Fidelidade Group carried out a careful review of its carbon emissions calculation methodology. The first focus was to extend the perimeter of the data collected to include new companies in the Fidelidade group (in Portugal and in International Operations) in order to ensure a more comprehensive view, and greater granularity and precision of the data obtained.

We then adjusted the emission factors to suit the national and international markets where we operate, in line with the GHG Protocol and with a view to submitting our reduction targets for validation by SBTi.

We also chose to present the data on energy consumption (scope 2) not only on a Location-based but also on Market-based<sup>58</sup>. The Group therefore undertakes to publish a monitoring report in 2024, with revised figures for its carbon footprint in line with the Net-Zero Transition Plan published in September 2023, making the necessary adjustments to the baseline figures to ensure full comparability, being aware that this new vision is indispensable in order to ensure that the commitments made cover the Group's entire operations, and increasingly using more reliable data, without neglecting the need to regularly limit the impact of our activities on climate change.

Accordingly, and in addition to the major effort made to improve the calculation methodology and strengthen the analysis perimeter considered, efforts have been made to reduce emissions, the effects of which have, to date, been reflected in scope 2 emissions, regarding which we highlight the 9% reduction in electricity consumption compared to 2022 via the optimisation of the office space used in the Fidelidade Group's operations in Portugal. During 2024, the Group will strengthen its efforts to reduce emissions in Portugal in order to achieve the medium and long-term targets set.

<sup>58</sup> Method applied only to Portugal.

In international operations, and after the effort made in 2023 to include more of the Group's international operations in the calculation of our operations' carbon footprint, 2024 will be marked by the reinforcement of the emissions reduction plan, taking into account the reality and specificities of the various countries where we operate.

The Group is also committed to involving its customers, suppliers, and other stakeholders, across the board, to raise awareness of the need to contribute to a reduction of emissions which must, of course, be a joint effort towards a common objective in response to climate change.

These objectives reflect the Fidelidade Group's dedication to the implementation of the Net-Zero Transition Plan, which is publicly available on the Group's website, along with the continuous improvement of its mitigation strategy to combat climate change.

For more information on the Net-Zero Transition Plan, see [here](#).

**Reduccion of the carbon footprint in Spain**  
**The Fidelidade branch in Spain is committed to reducing the Group's carbon footprint. By 2022, emissions had fallen by 89% compared to 2016. In support of its commitment, the Spanish Ministry for the Ecological Transition has awarded the branch the Calculo - Reduzco seal, which certifies the branch for calculating its emissions.**

**The Fidelidade Group's commitment goes beyond reducing its carbon footprint. It's about leading by example, actively contributing to a fairer, more sustainable, and future-proof planet.**

In order to materialize this ambition, in 2023, in addition to presenting the Net-Zero Transition Plan, the Group also set up the Forestry Fund.

### **Setting up the Forestry Fund**

Reflecting its commitment to the environment and the strategic objective of contributing to carbon removal, the Group created the "Fundo de Florestas de Portugal", a **Forestry Fund with an investment commitment of 12 million Euros**, classified as article 9 SFDR by the regulator CMVM, aimed at enhancing invested capital through the management of forestry and agricultural resources. This fund is therefore a fundamental instrument in promoting a more sustainable forestry policy in Portugal.

Initially, and in terms of carbon credits, the fund will promote and store quality natural credits and guarantee carbon certification, after which participants will benefit from the carbon credits generated by the fund's forestry portfolio.

In the future, when the voluntary carbon credit markets become more consolidated and less volatile, the possibility is envisaged that the properties of the carbon credits may be recognised in the fund's balance sheet and may be traded on voluntary markets.

Throughout 2023, other measures were introduced nationally and internationally, to give continuity to the Group's ESG strategy, which are embodied in commitments made to initiatives and organisations at a global level and participation in various working groups.<sup>59</sup> Also noteworthy is the strategic planning of a roadmap which describes the Group's involvement with the main sustainability organizations and initiatives, including NZAOA (UN-convened Net-Zero Asset Owner Alliance), CDP (Carbon Disclosure Project), SBTi (Science-Based Targets Initiative), among others.

### **Sustainability strategy in assets management and real estate**

**In 2023, Fidelidade - Property Europe started a project to define its three-year sustainability strategy and establish guidelines in the ESG areas, within the scope of the management of the Fidelidade Group's real estate assets. Throughout the year, an analysis of risks and opportunities for intervention was carried out in each of the real estate projects in the portfolio. For 2024, monitoring and follow-up of real estate assets targeted for intervention/ implementation of actions to achieve the strategy are planned.**

### **Efficient management of resources**

The efforts implemented to continually reduce the consumption of water, energy, and other resources, along with improving energy efficiency, are key measures for mitigating the impacts of the Fidelidade Group's operations, which is why they are considered material issues. Measures such as the installation of LED lighting, the adoption of a hybrid working model and the reduction of use of printed documents were carried out across the Group's various national and international companies.

In 2023, we highlight the project to build the new headquarters in Lisbon, an innovative initiative and a milestone at European level, which will enable the Group to fulfil the measures it has taken with the Lisbon European Green Capital Commitment to make the city of Lisbon carbon neutral by 2050.

<sup>59</sup> For more information, see chapter 2.3 Engagement with initiatives and entities.



### **NEW FIDELIDADE GROUP HEADQUARTERS IN LISBON**

This environmentally sustainable building was designed in accordance with globally recognised sustainability system certifications, namely LEED Gold level, WELL Building Standard Gold level and Near Zero Energy Building (NZEB), which ensure healthier interior spaces and reduced consumption of energy, water, and other resources. Nevertheless, efforts are being made to obtain the highest LEED level (platinum).

The new headquarters will include:

- Innovative exterior shading system, a shading design that will passively reduce annual solar gains by approximately 66% on each floor;
- Prioritisation of natural light and use of efficient LED lighting, reducing light output by 40% compared to the reference values;
- Implementation of renewable energy sources, namely photovoltaic solar panels and a geothermal energy system, the latter of which will enable savings of 936 MWh/year and 192 tonnes of CO<sub>2</sub>/year compared to conventional solutions;
- Water efficiency technologies, such as wastewater recovery and rainwater harvesting.



**Sustainability in International Real Estate**  
Also, and in terms of sustainable investment in the property sector, the buildings of the Fidelidade branch in Spain have obtained energy certifications - the Madrid building has LEED Gold EB O+M certification and the Barcelona building has a Triple AAA licence. The Medelan Project (Italy) is also another example, under which the Milan building underwent a comprehensive refurbishment in 2022, obtaining LEED platinum pre-certification, WELL silver level certification and Wired Score Certified.

### Resource management and circular economy

Applying the principles of circular economy, the Fidelidade Group implements best practices for efficient waste management, focusing on minimizing material consumption and seeking to prioritize their reuse and/or valorisation at the end of life. With a view to reducing generated waste, the Group is committed to purchasing sustainable and certified materials and products, raising employee awareness, and eliminating single-use plastic, for example by replacing all plastic cups with glass ones and plastic coffee stirrers with wooden stirrers.

### Green Parts Project

The project provides for the use of green parts (used parts) in vehicle repairs within the Fidelidade Group's own workshop network - Fidelidade Car Service. By using used parts (which are original, factory parts) in car repairs, not only are repair times optimized, but also circular economy and reduction of environmental footprint are promoted.

### Scrap Salvage Project

With the implementation of this project, the Group aims to ensure the proper disposal of salvaged items in order to promote their reuse (sale or donation) or correct disposal (recycling). To do this, it analyses the entire life cycle of salvage arising from property claims, encouraging reuse, whenever possible, of equipment and parts. If any material cannot be reused, it is donated to charities with which the Group has been developing initiatives as part of other social and community support projects.

### FID Chile

FID Chile has delivered all its policy and insurance-related documents in digital format, reducing the amount of paper consumed.

### Fidelidade Ímpar

Fidelidade Ímpar has drawn up and publicised a policy for the treatment of salvage in order to promote the circular economy and reduce waste and has revised its automobile policy by suspending the purchase of diesel vehicles.

### Water and effluent management

The Fidelidade Group aims to minimize the impact of its activity on water resources. As such, some entities, mostly in Portugal, are committed to monthly monitoring of water consumption in different buildings, control of internal operational processes, implementation of efficient water consumption measures and raising employee awareness. Nevertheless, the remaining entities are moving towards more robust control and monitoring.

Domestic wastewater from the Group's buildings is channelled into the public sewage system and is then treated appropriately and monitored by the authorities. This year, the Group consumed 46.97 ML of water.

### More sustainable mobility

The Fidelidade Group's commitment to sustainable mobility has two fundamental objectives:

#### Transition towards a greener fleet

The Group has begun its journey of transforming its internal vehicle fleet, replacing combustion engine vehicles with electric or hybrid ones. This measure has been extended to all companies nationwide.

#### Fleet reduction

With the aim of reducing business travel, the Group reviewed its travel routines in providing customer services, taking steps to reduce them, such as replacing face-to-face meetings with online ones.

It has also managed to increase fuel efficiency and reduce the use of resources and the carbon footprint through the continued use of **Novatronica** fleet management software for route optimisation and the expansion of the network of external providers throughout the country for Group companies with assistance services.

### Environmental responsibility and awareness

Aware that the fulfilment of its environmental commitments and targets is only possible through the efforts of all those who make up and interact with its business, the Fidelidade Group includes environmental awareness and training of its employees in its strategy. Its actions include the development of executive ESG training programmes, the promotion of corporate volunteering programmes and the raising of awareness through internal communication. The Group is also committed to engaging with other stakeholders, to promote and finance global initiatives that stimulate awareness of sustainability among the various economic agents.

#### **CONTINUOUS PROFESSIONAL DEVELOPMENT PROGRAM IN MACAU**

**Developed a Continuous Professional Development programme to raise the ESG awareness of all Fidelidade Macau insurance intermediaries.**

**FIRST INTERNATIONAL SUSTAINABILITY EVENT**

Sustainability Week was held in Portugal from 25 to 29 September, with following the main objectives:

- **Relationship:** creation of a community of sustainability focal points in all countries where the Group is present
- **Knowledge:** promotion of formal training in sustainability (in an academic context, at NOVA SBE) and holding of a boot-camp to ensure that sustainability issues are reinforced in the strategy of each geography (with the support of the "Sair da Casca" consultancy).
- **Sense of Group:** fostering of interaction with key departments on the subject of sustainability in Fidelidade's business and support for the design of the paper on commitment to sustainable development in the strategy of each geography.

Sustainability Week was attended by 19 sustainability and human resources focal points from the different countries where the Group operates, including two people from the Fosun Group. 10 people from key Fidelidade departments in Portugal took part in the training in an academic context.

Throughout the week, there were plenty of networking opportunities, which included members of Fidelidade's Executive Committee, as well as opportunities to share testimonies of people working in companies such as the CGD Group and organisations with a social and environmental impact.



### Climate Risk Assessment

The Group continues to strengthen the assessment of its portfolio's exposure to climate risks. This rigorous assessment process underpinned the establishment of emission reduction targets in line with global commitments such as the Paris Agreement.

In 2022, the Fidelidade Group started a gap analysis and roadmap project focused on reducing its carbon footprint and assessing the risk of dependence on fossil fuels, in order to manage activity and resources with more efficiency and circularity and to ensure compliance with all related targets. That same year, it incorporated climate risk analysis into the regulatory submission of its Own Risk Solvency Assessment (ORSA). This analysis involved a qualitative assessment of the importance of the risks arising from climate change that could influence the insurance business, including physical risks, resulting from the increased frequency and severity of extreme phenomena, and transition risks for the development of a global low-carbon economy, in line with the recommendations of the European Insurance Occupational Pensions Authority (EIOPA), which include assets and exposure to transition risks, underwriting risks and adaptation to climate change and social risks and objectives.

### In 2022, the Fidelidade Group started a gap analysis and roadmap project focused on reducing its carbon footprint and assessing the risk of dependence on fossil fuels, in order to manage activity and resources with more efficiency and circularity and to ensure compliance with all related targets.

The quantitative assessment of the Group's exposure to transition risks was carried out by mapping the investment portfolio in relation to climate-relevant sectors, such as those related to fossil fuels and intensive energy use, which enabled the identification of the part of the portfolio that falls within this sensitive perimeter. In the future, the Group intends to deepen its analysis of climate risks, in order to also evolve towards the assessment of potential losses resulting from the impacts of climate change, in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).



**PHYSICAL RISKS** **TRANSITION RISKS**

**Climate risks**

Heatwaves, rural fires, droughts, strong winds, floods and river floods, coastal floods and overflows, blizzards, cold waves

**Political and legal**

Increase in the price of GHG emissions, obligation to report emissions, existing and future regulation

**Technological**

Replacement of existing products and services with low-carbon options

**OPPORTUNITIES**

**Operational**

Savings on operating costs (energy efficiency);

Increase in production capacity.

**Regulatory**

Access to government subsidies;

Greater transparency, resulting in greater investment opportunities.

**Investment**

Increase in responsible investors seeking to invest in companies that consider the risks of climate change in their policies;

Effective management of climate risks can be seen as a proxy indicator for good governance.

**Consumers**

Access to new and emerging markets;

Increased revenue from green products and services;

Competitive advantage of adapting business models to reflect changes in consumer preferences.

### Adapting the business

The sixth report published by the Intergovernmental Panel on Climate Change (IPCC) in February 2022, "Climate Change 2022: Impacts, Adaptation and Vulnerability", warned of the worsening of climate change as a result of human action and the interdependence between climate, ecosystems, biodiversity and society, and drew attention to the need to develop efforts to assess climate impacts and risks. An in-depth understanding of the risks is a key tool for companies to identify the often-irreversible impacts of climate change to which they are vulnerable and to devise strategies that allow them to adapt and reduce their exposure risk.

**The mitigation of the impacts of activities and the adaptation of the business are strategies that must be implemented together. It is necessary to effect a drastic reduction of emissions and their consequent impact on the environment in order to prevent imbalance of the climate and ecosystems from reaching a point of no return.**

The Fidelidade Group's strategy incorporates both mitigation and adaptation and adopts a holistic view of the business from a perspective of continuous improvement. The incorporation of climate risks into the risk analysis has a fundamental role and has been one of the Group's milestones in recent years. The process of analysing climate impacts, in line with the TCFD recommendations, and the creation of a strategy for adaptation to climate consequences is already under way with a view to ensuring that concrete measures are identified to guarantee the Group's resilience in the face of climate change.<sup>60</sup>

To strengthen this analysis and its strategy definition process, the Group created the Centre for Climate Change.

The Group also endeavours to adapt its business in order to fulfil its environmental commitments and targets, focusing above all on innovation, technology and the sustainability of its operations, procurement and investments, promoting engagement with all its stakeholders across the board.

<sup>60</sup> See chapter 3.4.4 Protecting the planet - Mitigating our impact.

### CENTRE FOR CLIMATE CHANGE

The Centre for Climate Change is a study and research centre whose aim is to coordinate and integrate actions and initiatives related to climate change and Net-Zero targets between the Fidelidade Group and external scientific researchers and centres of expertise. Its action plan covers five dimensions: risks, exposure, vulnerability, resistance, and recovery.

Specifically, the centre will propose the priorities, the activity plan, the milestones for the Net-Zero targets and a resilient portfolio to the Executive Committee, while also monitoring and coordinating activities.

In this way, the Centre for Climate Change stimulates internal and societal literacy on these issues, promotes the Group as an ESG leader in the sector and facilitates compliance with Net-Zero commitments.

In 2024, the centre will be mainly focused on mapping the gaps in protection related to climate change, defining a strategy for reducing them in the countries where the Group occupies a relevant position in the market and sponsoring scientific research into fire risk and adaptation in Portugal.



**"With the Centre for Climate Change we also intend to lead the way in understanding the impact of climate change, incorporating that knowledge into the management of our business and sharing it with our clients and society at large, so that together we can mitigate the consequences of climate change and guarantee better protection from it."**

**Rui Esteves**

**Non-Life Statistics and Technical Studies  
Management**



### 3.4.5. Suppliers and partners

As Fidelidade's supply chain is made up of a vast number of suppliers, the Group's impact is also gauged by the way it manages its supplier network, both in the product and service acquisition phase and in the ongoing monitoring and assessment phase. These processes are essential to the fulfilment of the goals set for the transition to a more sustainable economy.

**KEY FIGURES<sup>61</sup>**

**313.2 M€**  
SPENDING WITH SUPPLIERS

**88.1%**  
SPENDING WITH LOCAL SUPPLIERS

The activities carried out by an insurance group like Fidelidade require the complementarity of a range of products and services provided by external partners from other sectors of activity, such as health, car repair and real estate. Most of the Group's partners are small companies that provide frequent services, operate in different sectors and are often based in countries with very different levels of well-being, business development and socio-political context.

Alongside its efforts to consolidate the resilience and quality of its supply chain, and in order to ensure that potential negative impacts are minimized, the Fidelidade Group is fully committed to a supportive approach and continuous monitoring of its partners, as well as the incorporation of procurement criteria consistent with ESG best practices.

**SUBCONTRACTING POLICY**

**SUSTAINABLE PROCUREMENT POLICY**

In Portugal, the Group manages relations with its partners on the basis of a set of qualification, selection and contracting principles that are materialised in different policies, including the Sustainable Procurement Policy. This policy entails conducting a due diligence process through a sustainability qualification questionnaire, tailored to the specific risks of each country, sector, and type of supply, assessing the skills and practices of partners.

<sup>61</sup> It does not include Alianza Bolivia, Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branch in Beijing.

<sup>62</sup> Applicable to all companies within the Fidelidade Group in Portugal, with the exception of those integrated into the Luz Saúde Group.

**Criteria for selecting suppliers**

Respect and compliance with the personal data protection law	Existence of implemented cybersecurity rules	Adoption of integrity conduct and moral and ethical principles	Acting transparently, ensuring dialog and respect for commitments	Compliance with national and international legislation
Obtaining and maintaining the licenses and certifications necessary for conducting their respective activities	Professional and organizational qualifications	Respect for workers' well-being and working conditions	Environmental and/or occupational health and safety certification	Checking the origin and type of materials and equipment used
Waste treatment and management	Efficient management of energy and resources	CO <sup>2</sup> emissions	Performance of good sustainability practices	

Partners are required to meet high standards of quality, legal and regulatory compliance, integrity, ethics, respect for human rights and environmental responsibility, in accordance with the Supplier Code of Conduct. Furthermore, the contracts concluded provide for risk mitigation and the implementation of good sustainability practices.

This includes the setting of environmental and social performance targets, the obligation to implement measures and/or continuous improvement actions, training, and skills development, as well as conducting audits and performance assessment and monitoring procedures.

For partners who are not yet prepared to meet Fidelidade's targets, these requirements should be seen as an opportunity to accelerate the adoption of a more sustainable mode of operation.

The Operations Department and Procurement are responsible for implementing the Procurement Sustainable Policy and monitoring performance in relation to the targets set.

Thus, the Group ensures priority for partners aligned with the best sustainability practices and supports smaller suppliers with specific training in these areas.

### 3.4.6. Investors

Value creation occupies a key position in the strategic management of the Fidelidade Group. The Investor Relations Office (IRO) plays a central role in Fidelidade's efforts to create value for investors.



**"We create value by generating a long-term two-way relationship with investors and providing timely and reliable information on Fidelidade's performance. At the same time, we receive important feedback on the company's strategic decisions and performance from a wide range of market participants."**

**Andrés Montoya**  
Investor Relations Office

### Investor Relations

Fidelidade has created the Investor Relations Office (IRO), the main point of contact with investors and responsible for providing them with all relevant information on the Group's activity. In addition, the IRO supports efforts to optimise the Group's capital structure, promoting the reduction of the cost of capital and supporting the development of strategic opportunities related to the capital markets.

In an effort to consolidate its relationship with investors and ensure their ongoing involvement, Fidelidade manages communication with investors, by actively interacting with capital market participants to provide them with relevant information on the Group's activities. This process depends to a large extent on the generation of relevant information for the market, in collaboration with the Company's business areas and the Executive Committee, and the implementation of efficient information disclosure mechanisms that reaches fund managers, bondholders, financial analysts, rating agencies and other market participants.



The Group is therefore committed to supervising the entire disclosure process, in order to ensure that information is made public in the most efficient way (using various communication channels), and is well-founded, relevant and accurate. The Group also centralises communication regarding specific information requests from investors, by obtaining responses from Fidelidade's business areas, and ensuring that they are accurate, consistent, and made available promptly. This communication process allows Fidelidade to incorporate the perspectives and feedback from the financial markets regarding the Company, the insurance industry, and the capital markets, into its operations.

The Group also holds roadshows, during which the structure and profile of the Fidelidade Group and its financial results, strategy and growth prospects are presented to investors and potential investors.

In order to provide a more direct dialogue with its investors, video calls are also used to respond to specific questions to allow investors to have a more in-depth understanding of the Group's activities and performance.

## RATINGS

### FITCH

#### FIDELIDADE

The financial rating agency Fitch has reaffirmed the Rating at Insurer Financial Strength (IFS) and A- at Long-Term Issuer Default Rating (IDR) of Fidelidade, maintaining the outlook stable, which confirms the Company's ability to honour its financial commitments.

#### FIDELIDADE MACAU

Fidelidade Macau upgraded from an A- rating to an A rating in Insurer Financial Strength (IFS). This upgrade reflects Fitch's reassessment of the strategic importance of Fidelidade Macau to the parent company, as well as its strong capital adequacy, favourable profitability, "moderate" profile, and low investment and liquidity risk.

### MOODY'S

#### LA POSITIVA

Both La Positiva Seguros y Reaseguros S.A. and La Positiva Vida Seguros y Reaseguros S.A. are rated A by Moody's Local, both with a stable outlook, consolidating its position in the Peruvian insurance market.

### FELLER RATE

#### FID CHILE

Feller Rate has assigned an A+ rating with a positive outlook, based on the competitive strength of the business plan, the broad experience of its management and the solid support provided by the controlling group.

### SUSTAINALYTICS

#### FIDELIDADE

Morningstar Sustainalytics assigned Fidelidade a rating of 11.7 (low risk), placing it among the best insurers worldwide. It is the best in the banking and insurance sector in Portugal and the second highest rated Portuguese company.

### 3.5. Innovation and Digitalisation

Innovation plays a key role in the growth and resilience capability of organizations, enabling them to respond swiftly, transformationally, and sometimes disruptively to current market challenges. This is an important competitiveness factor to which Fidelidade has given special relevance, increasingly investing in research and development of new value propositions, products and services, new ways of working and addressing not only challenges, but also new market spaces. Innovation has also played a key role in improving internal processes, allowing for greater resource efficiency, reducing costs, and increasing productivity.

For Fidelidade, innovation is synonymous with value creation. To this end, it supports its operational and business model on a digital structure made up of various platforms and business solutions, aligned with the best market practices and based on hybrid infrastructure models with continuous technological modernisation cycles, in order to guarantee constant efficiency and market relevance. The last few years have seen a growing commitment to combining automation and intelligence models, to optimise operational and business processes, with improvements in internal management and customer service across the different channels, which improves customer experience in accessing products, services, and requests.

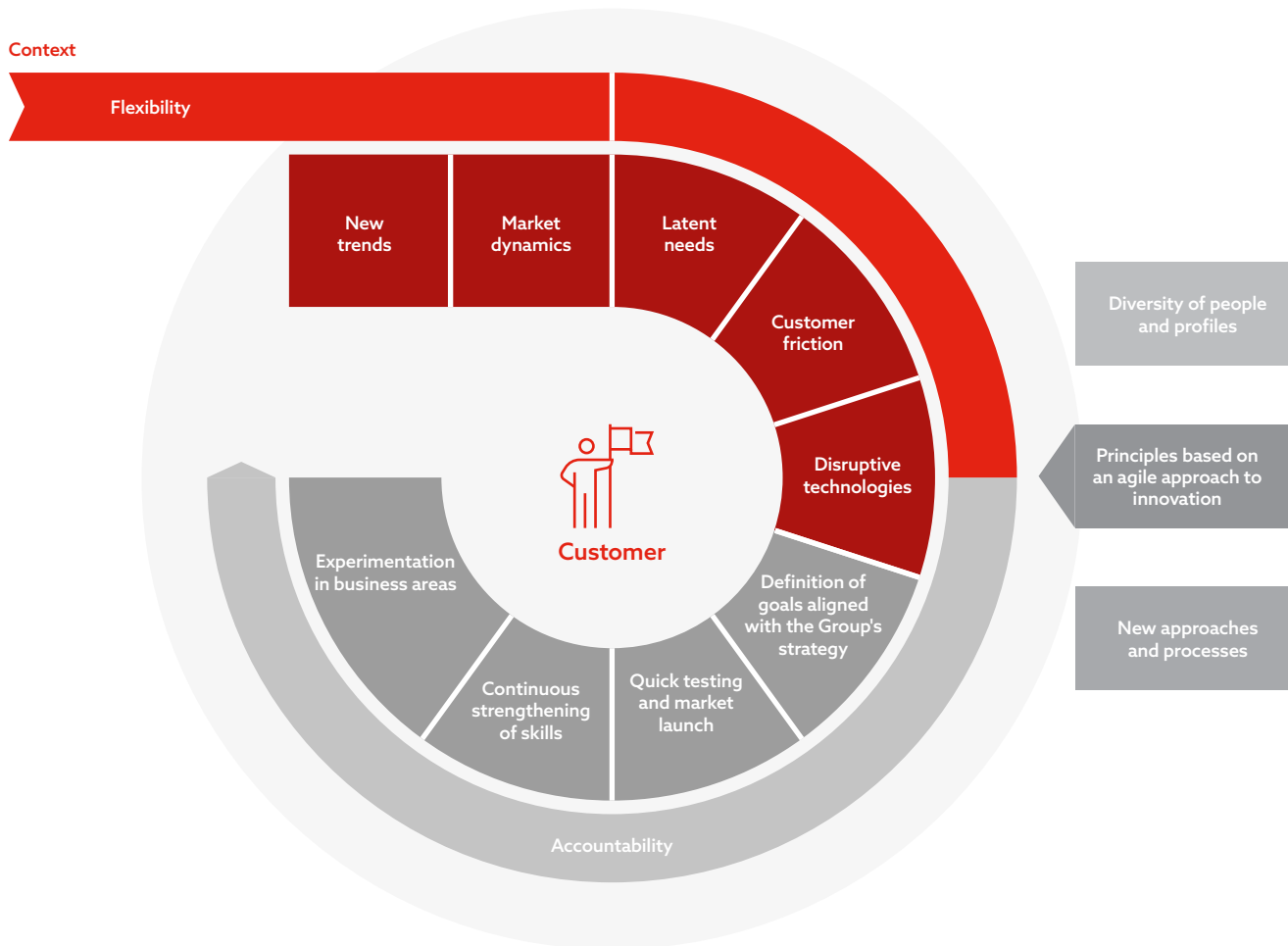


**“In recent years we have become more sophisticated in the way we innovate and transform, both in the 'core' insurance business and in the development of solutions that address new market spaces, typically adjacent to insurance and based on services.”**

**Miguel Abecasis**

Fidelidade Executive Committee Member

### 3.5.1. Innovation model



Over the course of 2023, a number of actions were undertaken and/or augmented to implement and develop models and new value propositions, focused on improving the experience of customers and partners, by heavy leveraging of digitalisation in order to ensure the digital integration of the various channels with front, middle and back-office processes.

**MyFidelidade** – Em 2023, a Fidelidade apostou na extensão da área de cliente com acesso a seguros, documentação digital e outras funcionalidades

• **FIDELIDADE BRANCH IN FRANCE**

Work began on the development of the MyFidelidade app customer area, which will allow customers to see information relating to their contracts.

• **FIDELIDADE ÍMPAR**

The MyFidelidadeMoz platform for insurance management and claims reporting was finalised.

• **GARANTIA**

The MyGarantia app for companies was developed as part of the digital transformation strategy.

**RADAR** – Model for identifying and analysing innovative trends in six strategic areas (Health & Well-being, Mobility, Home, Finance & Wealth, Longevity and Insurance): 146 trends identified and over 1,000 enquiries.

**Protechtig** – Open innovation and start-up acceleration programme aimed at encouraging entrepreneurs to work in the Insurtech and Healthtech sectors: 259 applications (a 70% increase compared to 2022).

**XLab** – Internal programme that promotes a culture of innovation and encourages change and entrepreneurial spirit: more than 100 applications, participation from 25 areas, several innovative ideas of which three are in the implementation phase.



### 3.5.2. Innovation in resources

For Fidelidade, investment in research and development, the promotion of an internal culture of creativity and the optimisation of existing solutions are key to achieving greater resource efficiency in the Group's various areas.

With this in mind and considering the growing complexity of technological resources and rising costs in the market, a division dedicated to contract management and FinOps was created. In line with the technical areas, this division focuses on the improvement of existing procedures for the requesting, approval, and control of resources in three main areas: communications, cloud and contracts managed by baselines.

Workstation virtualisation solutions have been introduced, which eliminate the need to provide additional devices to third parties (outsourcing) and intermediaries and allows the use of their existing equipment (BYOD). Energy efficiency in data centre management was one of the main criteria for the selection of the new Disaster Recovery Centre (DR), for which the candidate with a Power Usage Effectiveness (PUE) of 1.25, the most efficient in Portugal, was selected.



**"Business transformation and technological transformation are not two different things. Technology is business, and business thrives on technology, in every operation, in every service and in every product."**

**Teresa Rosas**

**Technology and Business Support General Management**

These measures have been integrated into a broader action plan that includes:

- › **Review of conditions and tariffs for fixed communications and SMS, as well as the discontinuation of value-added numbers, in line with the respective business areas;**
- › **Review of technical and financial conditions in data communications contracts;**
- › **Review of allocation policies and management of the life cycle of workplace equipment and accessories;**
- › **Control of cloud consumption growth, aligned with real business needs, through a process of cost estimation, approval, and consumption monitoring.**

If, on the one hand, alignment of the opportunities for improvement identified, with the needs of the business and people management, poses some challenges, on the other hand, it allows processes to be worked on in such a way as to guarantee agility and productivity, via the addition of appropriate controls and monitoring.

### Cloud

In 2023, the development of a cloud technology adoption strategy began with very positive impacts, such as the simplification of technological architectures, the availability of computing resources, the automation and acceleration of processes, and the ability to develop and integrate new models based on cloud components and services.

The reformulation of solutions during the transition to the cloud presents opportunities for optimisation, which involves a thorough analysis of all resources, assessment of their continuity and scope of application (application catalogue), as well as improvement of computing characteristics.

This journey comes with some risks, such as lock-in by cloud providers, which could mean increased costs and some loss of flexibility in the adoption of services and data sovereignty, which could make it necessary to ensure the independence of the cloud provider's independence regarding data localisation and access. For Fidelidade, the definition and implementation of mechanisms and processes to mitigate these risks is therefore of great importance and requires thorough management of the process of adopting cloud models.

### DevSecOps

The DevSecOps initiative, focused on development, security, and operations, was expanded and strengthened throughout 2023 to streamline the entire development cycle, by ensuring automatic code promotion processes until production, which involved the conduct of automatic validations and tests to ensure the quality and resilience of the code developed. The extension of these mechanisms to the new multi-company development infrastructure using OutSystems technology was a good example of this.

### 3.5.3. New ventures and venture capital

**Mindful of the need to anticipate future trends and develop solutions that respond to current and future consumer expectations, Fidelidade created the Centre for Transformation (CfT) with the aim of identifying, developing, and implementing new, even more disruptive ideas with a strong associated value proposition. The CfT has followed an approach based on three fundamental pillars - open innovation, creation of corporate ventures (new businesses) and support for the entrepreneurial ecosystem through venture capital.**

#### **NEW VENTURES**

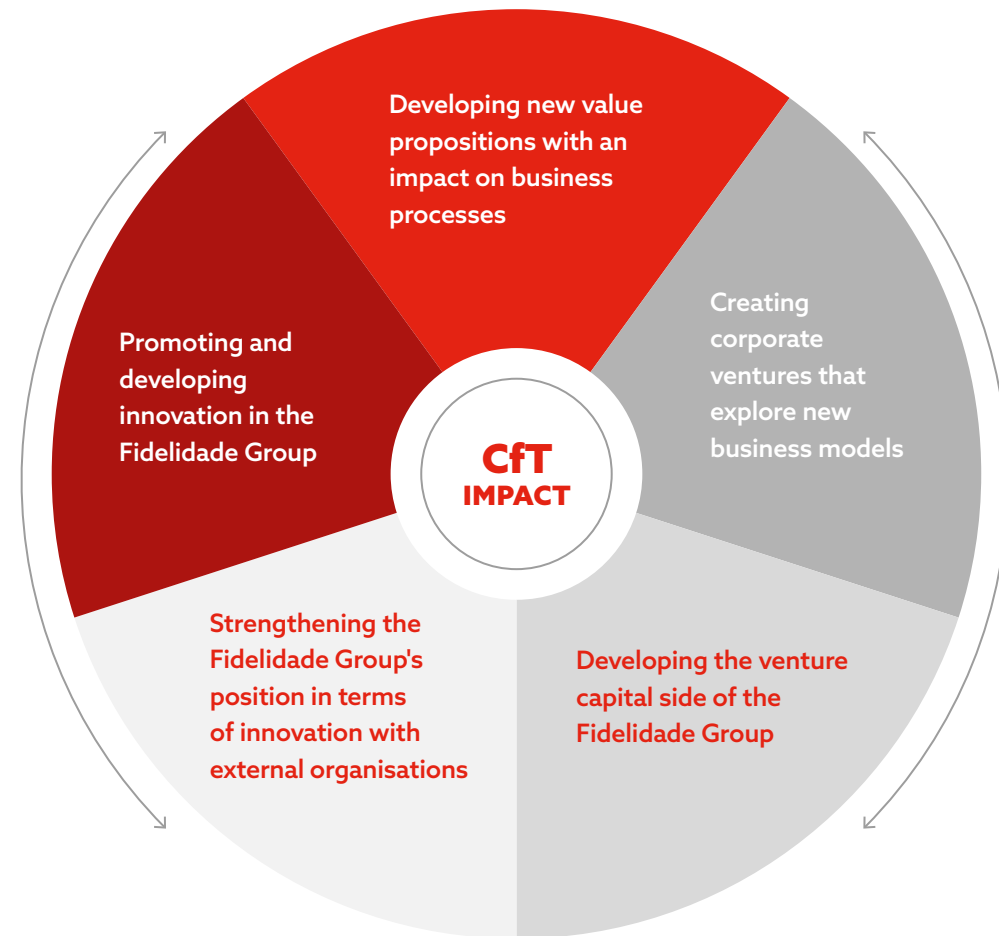
A mission associated with a value chain that commences with trend analysis, identification, and the selection of opportunities to be exploited by the Group within insurance (e.g. embedded insurance) and in the space beyond insurance (e.g. relationship, community and consumption model in Web 3), involving the creation of value propositions, prototyping, pilots in real market conditions to the creation, launch and scaling of new ventures in the market. The entire development cycle involves key players, such as business areas and employees (e.g. in internal innovation programmes), start-ups (e.g. in the Protechtig open innovation programme) and the entire relevant ecosystem (e.g. leveraging the strategic venture capital initiative with access to investors, experts, entrepreneurs, new solutions and go-to-market approaches).

#### **CAPITAL VENTURES**

The Group has since 2022 decided to make a strategic focus on Venture Capital (VC), having adopted the anchor LP (relevant investor) model in two VC funds managed by Shilling and Big Start Ventures. Both focus their investment thesis primarily on B2B start-ups, at embryonic stages of maturity, in terms of pre-seed to series A investment rounds, with a high potential for scalability, focusing on start-ups with both Portuguese and international DNA. In terms of sectors, Shilling is agnostic and Big Start Ventures focuses mainly on Insurtech.

The Group's strategic focus has been successful for both parties since its inception: on the one hand, the Group has gained easier access to new business models, solutions, market approaches, innovations, talent and experts, and obtained a great deal of knowledge in the various dimensions; on the other hand, it has gained access to validations, business opportunities, access to sector experts, etc., for its VC funds and its portfolios.

This approach has always endeavoured to involve the Group's various business and support areas, which have been called upon to participate from the outset. It's a focus that will continue to evolve and expand in the future.



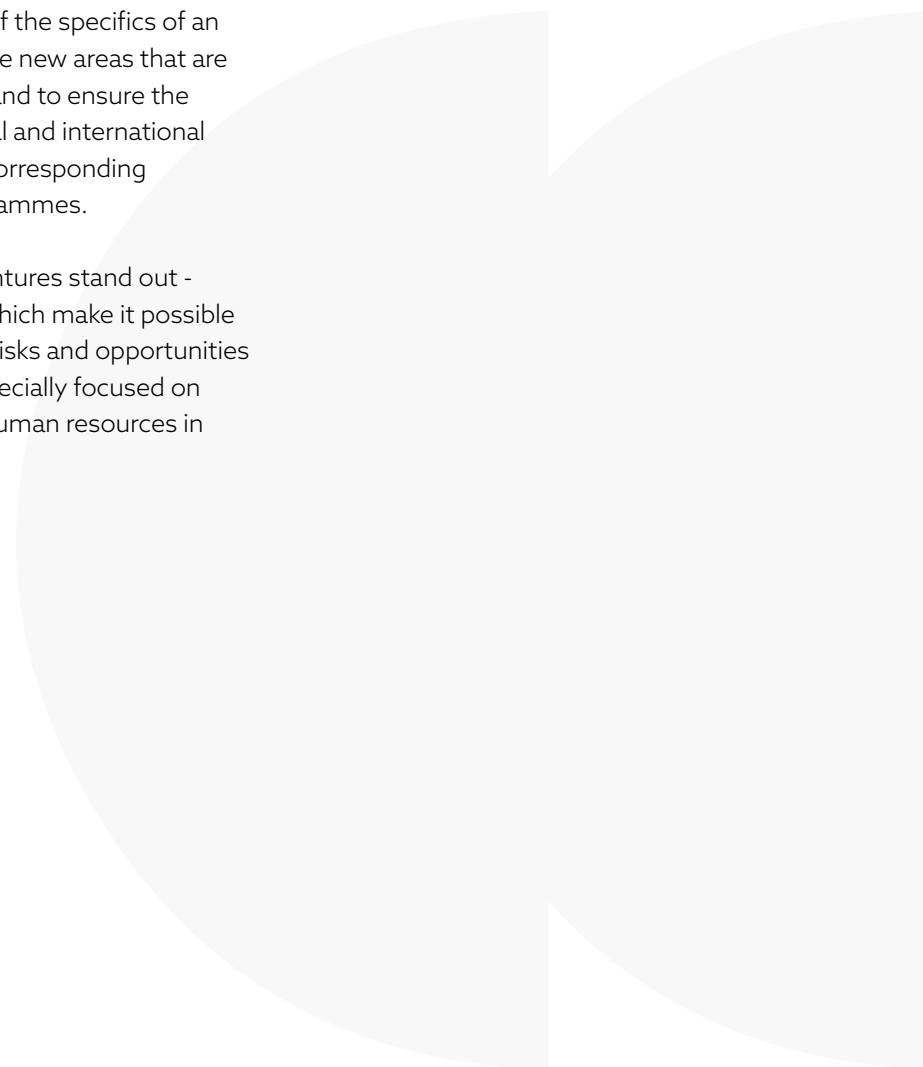
"Fidelidade is one of Shilling's reference partners in terms of its involvement with the entrepreneurial ecosystem in Portugal and has participated actively in the entire investment process of the Shilling Founders Fund, from sharing know-how on innovative solutions analysed, to pilots with start-ups, and the creation of its own in-house start-ups. This strategy with its 360º approach to innovation programmes is undoubtedly a benchmark to follow in terms of best market practices."

**Hugo Gonçalves Pereira**  
 Managing Partner Shilling

This innovation model presents important risks and opportunities in three central areas:

- Resources and organizational structure: balance the differing approaches of the Group's various units to meet the specific needs of innovation initiatives (training geared to innovation and entrepreneurship, venture legal frameworks, agility in the adoption of solutions, flexibility in the creation of brands, dedicated operational processes, speed and flexibility in the development of solutions).
  - Project management: to accompany initiatives in a corporate model that is more orientated to the Group's core business, which requires alignment and adaptability to ensure, on the one hand, that less traditional opportunities are exploited and, on the other, that initiatives without market traction are not perpetuated.
- Statutory and fiscal: alignment of the specifics of an insurance EAC perimeter with the new areas that are to be exploited and developed, and to ensure the capacity to participate in national and international innovation consortiums under corresponding Portuguese and European programmes.

Within the scope of CfT, three ventures stand out - **FIXO, Just in Case** and **SOFIA** - which make it possible to identify and manage impacts, risks and opportunities related to resource efficiency, especially focused on the optimising of time spent by human resources in providing services.





**Digital platform with more than 75 domestic services that offers price estimates, service scheduling, payment options and assessments. It is supported by a network of qualified professionals and an operational team that ensure quality and a continuous customer support**

#### **Impact**

Excellence in customer management and follow-up, achieved by digitising the booking process and contracting services online in less than two minutes.

Improved management and monitoring of providers, achieved by centralising and digitising interactions with an impact throughout the process.

Efficiency in the activities of the operational team, achieved through the centralisation and digitalisation of information and alarm systems related to services, enabling monitoring, and ensuring quality at all times.

#### **Risks and opportunities**

Ability to develop the product at the pace of consumer and market demands, and of the Fidelidade Group's ambition, in a highly competitive and constantly evolving sector.

Evolution of the value proposition for providers, with a greater focus on strengthening the relationship, increasing efficiency, and improving service provision.

Continuous improvement of processes that ensure business scalability.

# Just in Case

INSURED BY FIDELI<sup>DA</sup>DE

**On-demand insurance platform that ensures an integrated experience, through a single fully digital channel, aimed at emerging offers, segments and experiences**

## **Impact**

Platform for testing the on-demand concept and positioning the Group in disruptive market contexts for the insurance sector.

Addressing new and emerging customer segments and strengthening relevant segments (e.g., young people, digital nomads).

Ability to digitise the end-to-end offer and online subscription.

Adding value to the traditional insurance offer by exploiting contextual features and experiences.

Improving the ability to integrate into partner journeys, increasing presence and minimising acquisition costs.

Developing and streamlining the modularisation capabilities of the Group's offer.

## **Risks and opportunities**

Positioning in sophisticated markets undergoing constant and accelerated transformation/adaptation.

High competitiveness in occupying new supply chain orchestration positions in the insurance sector's value chain.

Ability to adapt and evolve the insurance product in order to maximise the potential of the market approach through the existing context (e.g., international segments, multi-product).

Ability to approach partners with truly modular and customisable solutions.

# Sofia.pt

Serviços para 60+  
numa plataforma

**Digital platform aimed at the senior segment and its network, offering a holistic portfolio of services based on a relationship of proximity and constant monitoring by relationship managers**

## Impact

Curatorship and development of an holistic offer for the life cycle from retirement onwards.

In-depth knowledge of the senior market segment and its entire associated network.

Digitalisation of the entire process involved in providing services.

Improvement of operational efficiency, through a Target Operating Model ("TOM") suited to the value proposition and specificities of the segment.

Customised customer service that combines customer and operational management tools with an assistant dedicated to each situation.

## Risks and opportunities

Positioning in a market where there is growing pressure from demand in a context where supply is still fragmented, specialised and unsophisticated.

Orchestration of partners with an outstanding approach and delivery to provide a broad portfolio of services.

Complexity arising from the legal framework, considering all the sectors of activity that are included in the portfolio of services, in a scenario where the aim is to standardise customer experience and support processes.

Evolution of agility, autonomy, decision-making capacity, and effective allocation of critical resources to ensure venture.



### 3.6. Recognitions and Awards

In 2023, the Fidelidade Group continued to be recognised by consumers, partners, and entities in the sector, which demonstrates the relevance of its work in a wide range of areas. A commitment to excellence, which is a distinctive factor in a global market, in which the awards and recognitions achieved demonstrate the Group's focal alignment with the needs and expectations of its stakeholders in each geography.

#### REPUTATION



##### Trusted brand

For the 22nd year running, Fidelidade was voted a Trusted Brand in the "Motor Insurance" and "Life and Property Insurance" categories. This award demonstrates Fidelidade's responsibility and commitment to consumers, through continuous evolution of services and products, which follow the main trends and respond to customer needs. Multicare was also recognised for the seventh consecutive year in the "Health Insurance" category.



##### Consumer Choice

Among the 11 insurance brands evaluated, Fidelidade won the Consumer Choice award for the ninth consecutive year in the "Insurance" category. Rapid response services in the event of an accident, customer support and clear information were the characteristics most valued by consumers. Multicare was distinguished as the Consumer's Choice for the fourth consecutive year in the "Health Systems" category, with the clarity of the information provided, trust in the brand and the breadth of coverage being the most recognised features.

Fidelidade also received the Excellentia Consumer Choice 2023 award and was recognised as the company that follows the best customer-centric organisational practices.



### Prémio Cinco Estrelas (Five Star Award)

Fidelidade received the Cinco Estrelas 2023 award, which is an evaluation system that measures the degree of user satisfaction with products, services, and brands, according to criteria such as satisfaction through experimentation, value for money, intention to purchase or recommendation, brand trust and innovation.

### Superbrands

Fidelidade and Multicare were once again distinguished as "Top of Mind" brands of excellence, highlighted by their proximity, trust, affinity, satisfaction, and notoriety.

### Prémios Eficácia (Effectiveness Awards)

The Effectiveness Awards recognize the joint work of advertisers and their agencies, based on the measured and proven effectiveness of communication campaigns.

In the ninth edition, the "Fidelity Pets Ecosystem" project was awarded the gold prize in the following

categories: "Connected Ecosystems & Marketplaces", "Financial Services and Insurance", "Low Budget, Commerce & Shopper" and "Activation and Sponsorships".

The "Fidelidade a Todas as Idades" (Loyalty at All Ages) communication campaign won three awards: gold in the "Financial Services and Insurance" category, silver in "Institutional Communication" and bronze in "Creative Media Use". This campaign reinforced the Group's positioning in the prioritising of people and its intention to be present in the various challenges that arise throughout their lives, focusing on issues such as savings, health, assets and assistance, and actively collaborating to sustainable longevity in the community.

### APCC Best Awards

Fidelidade and Multicare were honoured by the APCC Best Awards for the sixth consecutive year in the "Insurance and Assistance" (silver) and "Health" (gold) categories. This initiative rewards organisations that stand out most because of their implementation and adoption of good organisational practices in **contact centre** activity in Portugal, in terms of strategic, operational, and technological management and human capital, and that contribute to the recognition and appreciation of the sector in general.

### Marketeer Award

Fidelidade won the Marketeer award in the "Insurance" category, which honours the work done by the Group in creating a coherent image and clear communication of the services and products offered and the support provided to customers.

### Human Resources Awards

In the 12th edition of the Human Resources awards, Joana Queiroz Ribeiro, Director of People and Organisation at Fidelidade, was once again named "Best Human Resources Director". Fidelidade won in the categories "Senior Management/Active Ageing & Preparation for Retirement" and "Best Company-Personal Life Balance, Flexibility, Well-being and Happiness".

### Randstad Employer Brand Research

A representative study of employer branding based on the perceptions of the general public resulting from an independent survey of almost 163,000 participants and 6,022 companies from all over the world. Professionals value five essential factors when choosing an employer: attractive salary package, work-life balance, pleasant work environment, career progression and professional stability.

## **Fidelidade was recognised in 2023 as the most attractive company to work for in the insurance sector in Portugal.**

### **Best Reputation in Industry**

Fidelidade and Multicare were distinguished as Best Reputation in Industry 2023 brands. This award is given by OnStrategy as part of a study carried out among a group of more than 50,000 people. For the second year running, Multicare was highlighted among a group of 2,000 brands for its positioning, emotional value, and reputation.

### **Best Workplaces**

Fidelidade was recognised as one of the best companies to work for in Portugal, coming fifth in the Great Place to Work ranking for 2023, while Multicare came sixth.

This is the first time that the two companies have been considered "Best Workplace". According to Great Place to Work, this distinction is given to all the people in an organisation who inspire others to create and maintain excellent work environments.

In addition to Fidelidade and Multicare, Great Place to Work has also certified Via Directa, GEP, FPE, EAPS, CETRA and CARES.

### **Best Non-Life Insurer and Best Insurer for Brokers**

In 2023, Fidelidade was recognised by National Association of Insurance Brokers and Mediators (APROSE) as "Best Non-Life Insurer" and "Best Insurer for Brokers", for the excellence of its services and products.

## **EVENTS**

### **Eventex Awards**

The "Think Bigger" event won gold and silver in the "B2B Event" and "Corporate Event" categories, respectively. The Eventex Awards are considered a symbol of excellence and are among the most recognised in the events industry worldwide.

### **APPM Marketing Awards**

These awards are an initiative of the Portuguese Association of Marketing Professionals (APPM) and are awarded taking into account the following criteria: "Creative Idea and Insights" (30%), "Innovation and Originality" (20%), "Execution" (20%) and "Results" (30%). The "Think Bigger" event won silver in the "Events" category.

## **INNOVATION**

### **Qorus-Accenture Innovation in Insurance**

When it comes to services, Fidelidade won the Qorus-Accenture Innovation in Insurance 2023 awards, which

identify and recognise the most innovative projects in financial services at an international level.

### **Portugal Digital Awards**

The MyPets Ecosystem won the Best Insurance Project award. More than a source of pride, this award reflects the dedication of all the teams that make Fidelidade Pets insurance truly innovative and a differentiating factor in the market.

Teresa Rosas, Head of IT at Fidelidade, was honoured as Best Digital Leader at the Portugal Digital Awards. This award recognises her prestigious career at the digital forefront.

### **World Summit Awards**

The Multicare Vitality programme was honoured at the World Summit Awards, an initiative promoted in Portugal by the Portuguese Association for the Development of Communications (APDC), which selects and promotes the best projects in terms of digital content and innovative applications in various business sectors.

### **Prémios Lusófonos da Criatividade (Lusophone Creativity Awards)**

The Lusophone Creativity Awards are an international creativity festival based in Portugal, dedicated to rewarding, honouring, and debating the advertising and communications markets in Portuguese-speaking countries. Ok! seguros won bronze in the "Mobile/App Design" category.

Global recognition

Latin America

Seven companies certified by GPTW in Latin America: Alianza Vida e Alianza Seguros (Bolivia), FID Seguros (Chile), La Positiva Entidad Prestadora de Salud, La Positiva Seguros Y Reaseguros, La Positiva Vida Seguros Y Reaseguros (Peru) and Alianza Garantia (Paraguay)

FID Seguros achieved a score of 92% in the GPTW survey of the Fidelidade Group and was considered the Group's second-best location to work in, according to the weighted criteria.

In the First Job's Survey, FID Seguros was considered the third best company to do internships.

La Positiva has been recognised with the ABE certification from the Association of Best Employers, distinguishing it as a company that follows the best work standards.

It also received the Global Brand Magazine Award for the third time in a row, which highlights the company's excellent performance in terms of trajectory, innovation, strategy and projection.



Africa

Two companies certified by GPTW in Africa: Garantia Seguros (Cape Verde) and Fidelidade Ímpar (Mozambique).

Fidelidade Angola has been recognised for the fourth time by the Superbrand initiative and is the second most popular insurance brand in Angola, according to MIRA 2023 and KeyResearch 2023.



Europe

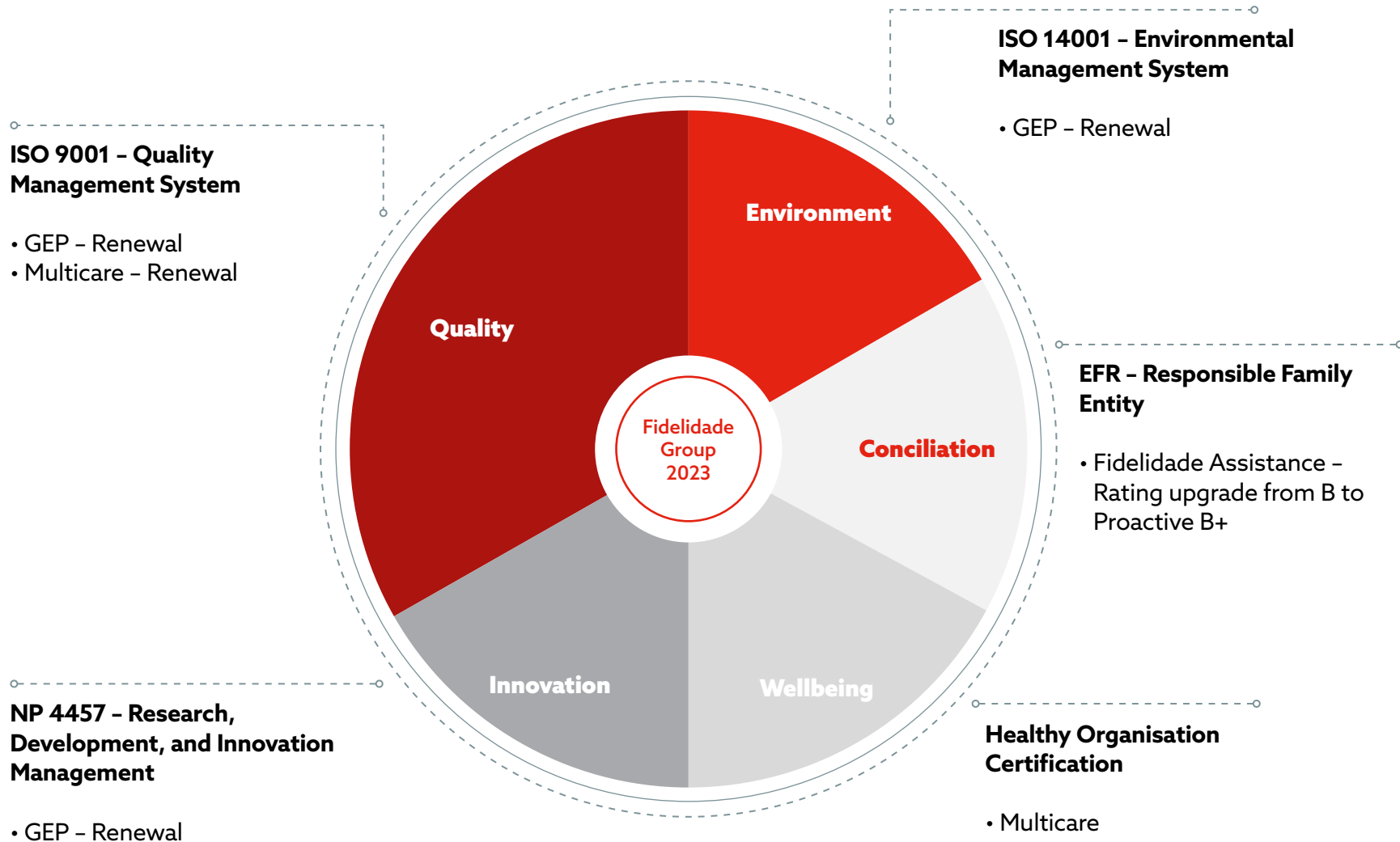
Five companies certified in Europe: Prosperity Solutions GmbH (Germany), Fidelidade France (France), The Prosperity Company AG, Prosperity Solutions AG and Liechtenstein Life Assurance AG (Liechtenstein).

Fidelidade's branch in Spain was awarded the Calculo - Reduzco Seal by the Ministry for Ecological Transition, which certifies the branch's calculation of emissions, indicating an 89% reduction in 2022 compared to the first year of calculation (2016).



The representative office in Beijing was honoured with the Top 10 Influential Projects in Servicing the Belt and Road Initiative award by CPPIC - China Pacific Property Insurance Company.

Certifications



### 3.7. Outlook for 2024

A period of economic slowdown is expected in 2024, although a reduction in interest rates - which rose significantly in 2023 - is anticipated. A slowdown in national economic activity is expected, due to a number of factors, from less dynamism in primary trading partners to the impact of inflation. The Portuguese economy is also expected to show growth based mostly on investments and exports.

Economic projections for 2024 point to a slowdown in growth levels. The world economy is expected to grow at a rate of 2.8% . Portugal and Latin America are expected to grow by around 1.2%<sup>63</sup> and 2.3% , respectively. As for inflation, the trend towards increased prices is expected to slow down, with an inflation estimate of 5.8%<sup>64</sup> for the world economy and 2.9%<sup>63</sup> in Portugal.

Insurance premiums, in particular in the Non-Life segment, are expected to follow a moderate growth trend, in line with previous years. With regard to the Life segment, the current context of interest rates will create a number of opportunities, but also challenges for the competitiveness of the Group's financial product offer.

The Fidelidade Group will maintain its strategic commitment to accelerating digital transformation as a fundamental pillar of its operations. The focus will be

on consolidating online channels and strengthening the various distribution channels by giving them the necessary tools for distance selling.

The Group will continue to strengthen its commitment to Sustainability, seeking to develop initiatives that make it a benchmark in the sector. The alignment of our activity and mission with ESG values is something we have invested a lot in and we shall continue to deepen our commitment.

Although uncertainty about the future continues to mark the agenda, the Fidelidade Group should remain focused on its strategic initiatives, driving the ongoing transformation of the Life business and continuing to promote innovative solutions for the benefit of customers in the various ecosystems in which it operates.

In this context, Fidelidade will continue to launch, through its banking partner and other distribution channels, innovative savings and investment solutions that give customers not only an attractive risk/return binomial in the current macroeconomic context, but also differentiated investment options with a focus on sustainability. To this end, it shall continue to leverage the internal asset management skills acquired over several decades managing customer savings, as well as the partnerships in place with globally important asset management institutions.

In addition, the set of innovative solutions available in the Fidelidade ecosystem will continue to be strongly promoted in 2024. Naturally, we highlight the Vitality programme, which promotes healthy habits, the Fidelidade Drive app, encouraging safe driving, and the Fixo platform, for domestic services and repairs, which reinforced the Fidelidade Group's proximity to its customers. We shall also expand our offer of innovative products like Fidelidade Pets, an insurance for domestic animals with health coverage.

Finally, developing our international activity will continue to have a key place on our agenda, as the Fidelidade Group intends to position itself as a benchmark player in the international markets in which it is present and build a path to growth outside its domestic market. Maintaining this ambition, in 2024, the Group will continue to consolidate and enhance existing operations, but also to analyse potential opportunities to enter complementary markets where it could have a competitive advantage.

<sup>63</sup> Economic Bulletin - Boletim Económico - December 2023 (bportugal.pt)

<sup>64</sup> IMF - World Economic Outlook, October 2023: Navigating Global Divergences (imf.org)

# Governance



## 4.1. Shareholder and Governance Structure

### Shareholder Structure

Fidelidade - Companhia de Seguros, S.A. is the company that heads the Fidelidade Group. It has two reference shareholders who, due to their size and complementarity, guarantee the stability and dynamism of the Group's operations.

### FIDELIDADE

SEGUROS DESDE 1808

#### Fosun Group (through Longrun Portugal, SGPS, S.A.): **84.9892%**

One of the largest Chinese private conglomerates with an international presence and listed (Fosun International Limited) on the Hong Kong stock exchange. It has interests in various sectors such as insurance, banking, pharmaceutical industry, and tourism.

#### Caixa Geral de Depósitos: **15%**

Founded in 1876, this bank owned by the Portuguese State is currently one of the largest financial institutions in Portugal, with about 4 million customers.

#### Restantes acionistas:

Employees and former employees of Fidelidade - Companhia de Seguros, S.A.:

**0.0026%**

Own shares: **0.0082%**

### Governance structure

Fidelidade's governance structure plays a fundamental role in the strategic and operational management of the Fidelidade Group, and ensures, on the one hand, the necessary resilience in relation to the growing challenges of the sector and, on the other, sustained performance based on ethical values and internal compliance and risk management mechanisms that promote transparency and trust in relation to its stakeholders.

Fidelidade therefore relies on the General Meeting to elect the members of the Board of Directors (BoD), which in turn delegates the day-to-day management of the company to the Executive Committee (EC).

Fidelidade also has:

- Supervisory Body, made up of the Supervisory Board and Statutory Auditor;
- Remuneration Committee and Investment Committee;
- Product Committee | Risk Committee | Assets and Liabilities Management Committee | Sustainability Committee.



In 2023, the new governing bodies of Fidelidade – Companhia de Seguros, S.A. were elected, with a mandate for the 2023-2025 three-year period.

The appointment of Fidelidade Group directors is governed by the provisions of the Commercial Companies Code, along with the legal and regulatory rules in force. Fidelidade also endeavours to ensure that the composition of its governing bodies reflects a diversity of perspectives, expertise, nationalities, and academic and professional backgrounds that contribute to the company's continuous progress.

## **BOARD OF DIRECTORS (BD)**

### **Chairman**

Jorge Manuel Baptista Magalhães Correia

### **Vice-Chairman**

Rogério Miguel Antunes Campos Henriques

### **Members**

André Simões Cardoso

Andrew John Zeissink

António José Alves Valente

António Manuel Marques de Sousa Noronha

Carlos António Torroaes Albuquerque

Eduardo José Stock da Cunha

Hui CHEN

Jiefei WANG

Juan Ignacio Arsuaga Serrats

Lingjiang XU

Maria João Vellez Carçoço Honório Paulino de Sales Luís

Miguel Barbosa Namorado Rosa

Miguel Barroso Abecasis

Tao LI

Wai Lam William MAK

## **SUPERVISORY BOARD**

### **Chairman**

Jorge Manuel de Sousa Marrão

### **Members**

Pedro Antunes de Almeida

Teófilo César Ferreira da Fonseca

### **Substitute**

Carla Alexandra de Almeida Viana Gomes

## **STATUTORY AUDITOR**

Ernst & Young Audit & Associados - SROC, S.A., represented by Ricardo Nuno Lopes Pinto, Statutory Auditor

## **BOARD OF THE GENERAL MEETING**

### **Chairman**

Nuno Azevedo Neves

### **Secretary**

Paula Cristina Rodrigues Morais

## **COMPANY SECRETARY**

### **Effective**

Maria Isabel Toucedo Lage

### **Substitute**

Carla Cristina Curto Coelho

EXECUTIVE COMMITTEE (EC)



**Chairman**  
Rogério Campos Henriques

**Areas of Responsibility**

People and Organisation | Technology and Business Support | Sustainability | Marketing | Business Agility | Market Conduct | Health Insurance - Multicare

With a degree in Economics from Universidade Católica Portuguesa (Católica Lisbon) and an MBA from INSEAD, he worked at the Boston Consulting Group from 1994 to 2002 and then at the Portugal Telecom Group from 2003 to 2008, where he was Marketing Director at PT Investimentos Internacionais and Africatel Holdings BV.

He joined Fidelidade in 2008, taking charge of the Information Systems department and holding the position of director of Multicare. In 2020, he took over the role of Chief Operating Officer in 2020.



**Member**  
António de Sousa Noronha

**Areas of Responsibility**

Commercial Managements | Life Business | Distribution

With a degree in Business Organisation and Management from Universidade Livre de Lisboa and a post-graduate degree in management from Universidade Nova de Lisboa, he has held several positions at organisations such as Chase Manhattan Bank and PwC. He was a member of the Board of Directors of Fundo de Investimentos Grupo Totta/Valores Ibéricos and Fundo de Pensões Totta Pensões.

He joined Fidelidade in 1997 as head of the commercial area. In 2014, he joined the EC and is a member of the BD.



**Member**  
William MAK

**Areas of Responsibility**

Financial and Real Estate Investments

He holds a master's degree in accounting from the Hong Kong Polytechnic University, was IT Director at Sun Life Financial Ltd. in Hong Kong (2001 to 2003) and was a consultant at New York Life International LLC (2003 to 2005), responsible for project management in the finance, reinsurance and actuarial areas. Between 2005 and 2014, he was Financial Administrator at Ping An Insurance (Group) Company of China, Ltd. and at Ping An Life Company Ltd.

He joined Fidelidade in 2014 as member of the BD and EC.



**Member**  
André Simões Cardoso

**Areas of Responsibility**

International Operations | Strategic Planning and Business Development | Investor Relations Office

With a master's degree in Industrial Engineering and Management from Instituto Superior Técnico and an MBA from INSEAD, he worked at the Boston Consulting Group, managing projects mainly in the financial area in Portugal, Spain, France, Italy, the United Kingdom and Angola.

He joined Fidelidade in 2014 and currently holds management positions in various geographies, including Africa, Asia and Latin America.



**Member**  
Thomas CHEN

**Areas of Responsibility**

Risk Management | Capital Planning and Financial Optimization | Accounting and Financial Information

With a professional career centred mainly on banking and insurance, he served as CFO and director of the Belgian insurance company Fidea until September 2019.

He joined Fidelidade in 2019, the year in which he was appointed advisor to Fidelidade's Board of Directors. Currently, as well as being a member of the EC, he is a member of Fidelidade's BD.



**Member**  
Juan Arsuaga Serrats

**Areas of Responsibility**

Private and Corporate Businesses | Reinsurance | Operations and Procurement | Workers' Compensation | Risk and Prevention

With a degree in Economics and Business Management from the Complutense University of Madrid, he has held various positions in Spain and Portugal at Lloyd's and previously held the position of President and CEO of the Portuguese subsidiary of Willis.

He joined Fidelidade in 2020 as member of the BD and EC.



**Member**  
**Miguel Abecasis**

**Areas of Responsibility**

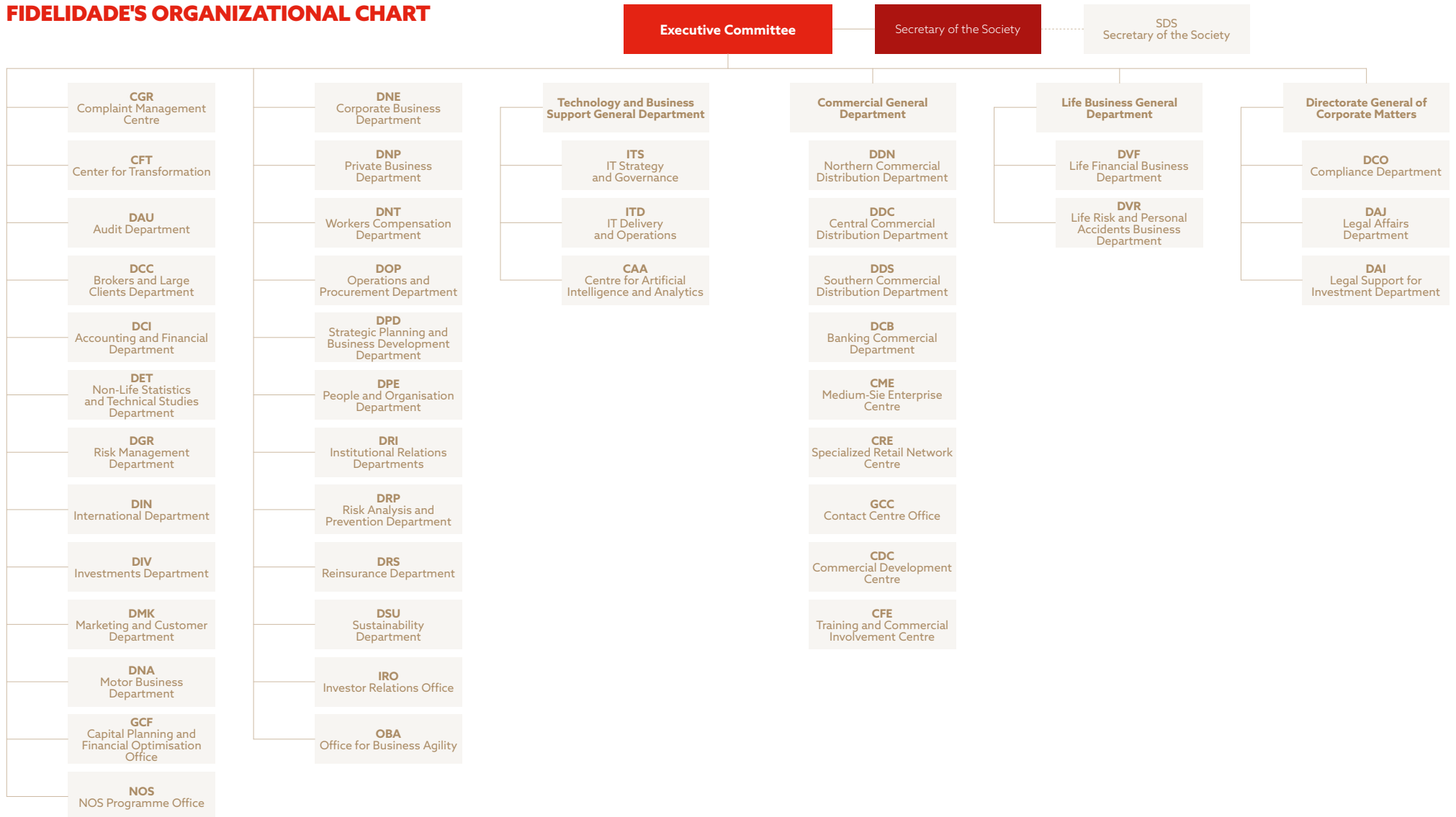
Motor Business | Innovation | Actuarial | Assistance

With an MBA (Masters in Business Administration) with honours from Harvard Business School, he graduated magna cum laude in Management from the Universidade Católica Portuguesa. Until 2021, he held the position of Senior Partner and Managing Director of the Boston Consulting Group (BCG), where, among other responsibilities, he led the branch in Portugal and the insurance sector in Iberia.

He joined Fidelidade in 2022 as a member of Fidelidade's Board of Directors. He is responsible for the motor ecosystem (insurance, assistance, car service, etc.), the Non-Life technical area, innovation and transformation, the direct insurance business (Via Directa) and TPC (the prosperity company), Fidelidade's subsidiary operating in Germany, Switzerland and Liechtenstein.



FIDELIDADE'S ORGANIZATIONAL CHART



## PLANS, POLICIES, CODES AND REGULATIONS

Over the past few years, the governance mechanisms of Fidelidade Group have been evolving, driven by increasing legal and regulatory demands, as well as their effective relevance to strategic and operational management.

- Compliance Plan
- Internal Audit Plan
- Strategic Plan
- Business Continuity Plan
- Corruption Risk Prevention and Related Offenses Plan
- Code of Conduct
- Supplier Code of Conduct
- Ombudsman's Rules of Procedure
- Anti-Bribery and Anti-Corruption Policy
- Policy and Manual on Preventing Money Laundering and Combating Terrorist Financing
- Policy for the Prevention, Detection and Reporting of Fraud Situations in Insurance
- Fit & Proper Policy for the Insurance and Reinsurance Distribution Activity
- Internal Control Policy
- Risk Management Policy
- Asset-Liability and Liquidity Risk Management Policy
- Operational Risk Management Policy
- Risk and Solvency Self-Assessment Policy
- Compliance Policy
- Engagement Policy
- Communication of Irregularities Policy
- Sustainability Policy
- Environment and Climate Policy
- Sustainable Investment Policy
- Sustainable Procurement Policy
- Management and Business Continuity Policy
- Investment Policy
- Capital Management Policy
- Dividend Policy
- Deferred Tax Policy
- Internal Audit Policy
- Reinsurance Policy
- Provisioning Policy
- Subcontracting Policy
- Internal Selection and Evaluation Policy (Fit & Proper)
- Corporate Body Compensation Policy
- Employee Compensation Policy
- Diversity, Equity, Inclusion and Sense of Belonging Policy
- Product Design and Approval Policy and Related Changes
- Insurance-Based Investment Product Conflicts of Interest Policy
- Complaint Management Policy and Regulations
- General Information Security Policy
- Privacy and Data Protection Policy
- Processing Policy
- Cookies Policy

Policies regarding the value chain have been drawn up and reviewed with a view to strengthening the Fidelidade Group's internal system in the light of the applicable legal and regulatory framework, and its international growth and expansion. 2023 was marked by the approval and amendment of several policies to align them with the strategic objective of sustainability. A more formal and robust policy review process was implemented, as most policies are subject to annual review.

After the implementation of the Autonomous Market Conduct Function, in 2022, which aims to ensure that the Group's insurance companies comply with market conduct rules, there was a consolidation of the function with other activities, such as the design of the market conduct strategy, the development of surveys to assess compliance with rules or guidelines, intervention in improvements to procedures and controls (for example, in product design and monitoring), the preparation of a new report for behavioural supervision purposes, and intervention in response to requests made by the supervisory authority, and training. These activities are also carried out with a view to the adoption by the Fidelidade Group of good practices with an impact on the relationship with policyholders, insured persons, beneficiaries and injured third parties, in the insurance business.

Also noteworthy is the revision of the Fit & Proper Policy, in light of the approval of the new ASF Regulatory Standard no. 9/2023, of 3 October, on prior registration for the exercise of regulated functions.

The plans, policies, codes, and regulations approved by the EC and, in specific cases, by the Board of Directors, are accessible to employees in order to ensure awareness and application of them. In 2023, the entire organisation was informed of the publication of the various policies in the new tab, which now brings together the Group's various policies and regulations. Over the course of the year, some subtabs regarding the prevention of corruption were added. Cybersecurity regulations were also integrated. Externally, these mechanisms are publicised on the website [www.fidelidade.pt](http://www.fidelidade.pt), although not exhaustively.

### Remuneration Policy

The remuneration of the executive directors and employees consists of a fixed component, adjusted to individual roles and responsibilities, and a variable component, conditional upon individual and organisational performance, according to the fulfilment of concrete, quantifiable objectives and aligned with the Group's strategy. Contractual and non-contractual benefits are also made available to employees, and their assignment is made based on internal policies defined by the Fidelidade Group.

In 2023, Fidelidade reinforced its commitment to sustainability by incorporating ESG performance criteria into the remuneration model for the EC and employees.

### 4.1.1. Ethics and Compliance

#### **ETHICAL CONDUCT AND LEGAL COMPLIANCE**

Based on the principles and values that guide its operations, the Fidelidade Group works every day to ensure, the fulfilment of a dual commitment, through the application of its plans, policies, codes, and regulations:

- An ethical commitment, based on transparency and integrity, to fight corruption and other irregular behaviour;
- Commitment to compliance, based on strict compliance with the legal and regulatory framework.

#### **Code of Conduct**

The Fidelidade Group is governed by a Code of Conduct that reflects 10 principles, embodied in four standards of behaviour, which define the Group's stance and seek to ensure a solid, long-term presence in the market in which it operates:

**ACTING WITH RESPECT**

**ACTING WITH INTEGRITY**

**ACTING TRANSPARENTLY**

**ACTING RESPONSIBLY**

At the same time, it indicates the General Duties - Duty of Compliance, Duty of Diligence, Loyalty and Trust, Duty of Transparency, Duty of Secrecy and Duty to Protect Resources - and the Rules of Conduct - Prohibition of Discrimination and Harassment; Environment, Health and Safety; Conflicts of interest; Prevention of Corruption and Related Offences; Gifts and offers; Contributions to Political Parties; Prevention of Money Laundering and Combating the Financing of Terrorism; Prevention of Insider Trading; Prevention of Anti-competitive practices; Treating Customers with Loyalty and Professionalism; Fair and transparent products and services; External communication; Protection and Responsible Use of Personal Data from Customers, Employees and Partners; Protection and Responsible Use of New Technologies; and Change for a Responsible Future.

#### **ANTI-CORRUPTION**

The Fidelidade Group is committed to fighting corruption in all its forms, including extortion and bribery. To that end, Fidelidade has been implementing anti-corruption mechanisms, such as the Anti-Bribery and Anti-Corruption Policy, published in 2023, which defines the standards of behaviour expected of the Group's employees and the principles governing the processes to prevent such practices, including the roles and responsibilities of the various players involved in the prevention of bribery and corruption.

In order to prevent and detect corruption and related offences committed by or against Fidelidade Group companies, a Regulatory Compliance Programme has been adopted and implemented, which includes the Code of Conduct, the Whistleblowing Channel, a Training and Communication Programme, and the Plan for the Prevention of Risks of Corruption and Related Offences, which is part of the Compliance Risk Management framework: Risk Identification, Assessment, Mitigation and Reporting.



Internal regulations to prevent the risks of bribery and corruption:

- Code of Conduct
- Anti-Bribery and Anti-Corruption Policy
- Corruption Risk Prevention and Related Offences Plan
- Compliance Policy
- Communication of Irregularities Policy

In October 2023, the Fidelidade Group published its Interim Assessment Report of the Plan for the Prevention of Risks of Corruption and Related Offences.

### Human Rights

The Fidelidade Group conducts its activity with a healthy respect for human rights. A public commitment, made with the United Nations Global Compact, a special initiative of the United Nations Secretary-General dedicated to sustainability and based on ten principles, which emanate from the Universal Declaration of Human Rights, the International Labour Organisation Declaration on Principles and Fundamental Rights at Work, the Rio Declaration on the Environment, and the United Nations (UN) Convention.

By subscribing to these principles, the Fidelidade Group undertakes, to support and respect the protection of human rights and to not commit any human rights abuses; to support freedom of association and the recognition of collective bargaining; to support the abolition of all forms of forced labour, including child labour; and to eliminate discrimination in employment. These commitments are integrated into the strategic and operational management of the Fidelidade Group, in line with the UN's 2030 Agenda and all legal obligations in this domain, and are also reflected in its Diversity, Equity, Inclusion and Sense of Belonging Policy.

### Compliance Culture

Compliance with applicable laws and regulations is not just a legal imperative but is also an essential factor in the sustainability of Fidelidade's business. Fidelidade's compliance culture facilitates the identification and mitigation of legal and regulatory risks, the avoidance of sanctions and potential reputational crises, and also pushes the definition of important governance mechanisms that support ethical and transparent conduct and generate trust among its stakeholders. The path chosen by Fidelidade involves a major commitment to communication and the training of its personnel, in order to build a compliance culture, based on the adoption of ethical behaviour and compliance with the regulatory framework, at all times.

### ANTI-COMPETITIVE PRACTICES

Fidelidade Group has developed a compliance programme in competition practices, with the aim of implementing a continuous process of mitigating the risk of anti-competitive practices through:

- employee awareness-raising and training;
- clarification of responsibilities for competition-related matters;
- encourage the early detection of any potential violations, avoiding penalties.

Target audience: all employees, and particularly those who belong to areas that were considered to be high-risk due to their exposure.

## PRODUCT COMPLIANCE

The Fidelidade Group has been further implementing the methodology for monitoring the product management life cycle - Compliance by Design - through:

- assessment of compliance risks at relevant moments in the product's life cycle, focusing on the creation/design phase;
- Training session on the onboarding of new Product Managers, within the scope of the redesign of the respective function;
- Extended training sessions on the Product Design and Approval Policy and corresponding amendments, including the legal framework and measures to document the different stages leading up to the approval or relevant change of a product.

Target audience: employees in Marketing and Communication and Product Management positions.

## INTERNATIONAL GOVERNANCE AND COMPLIANCE MODEL

In the context of developing the Group's International Governance Model, a process for monitoring compliance risks in international operations was implemented, which outlines the need to support them to improve the operating model and achieve higher levels of maturity. The Compliance Department, in conjunction with the information systems area, has sought to improve control of the money laundering risk and to implement automatic online filtering and transaction monitoring processes at Garantia Cabo Verde, Fidelidade Moçambique, Fidelidade Angola and the Fidelidade branch in France.

## COMPLAINTS AND WHISTLEBLOWING CHANNEL

The Fidelidade Group has implemented whistleblowing channels and whistleblower protection mechanisms, to facilitate faster detection and investigation of illicit or irregular practices that require swift intervention and resolution. The whistleblowing channels make it possible to receive and follow up on complaints. Procedures and policies, such as the Whistleblowing Policy, have been developed to ensure aspects such as the integrity and confidentiality of the identity of whistleblowers.

Whistleblowing channels: platform (Fidelidade Group intranet, to inform all Group employees, and the various company websites) | e-mail address | postal address.  
Reply to whistleblower: once the investigation process has been completed and its report on the complaint is ready, the whistleblower receives a reply within the legal time limit, stating whether the complaint has been found to be well-founded and the conclusions regarding the complaint made.

## 4.1.2. Sustainability Governance

Sustainability is central to the Fidelidade Group and influences its strategic decisions and affects the extent of their impact on the environment and society. In 2022 Fidelidade therefore created a governance model to deal exclusively with these matters, which comprises a Sustainability Committee, which includes members of the Board of Directors and the Executive Committee, and a Sustainability Department. These two governance structures embody the relevance of the issue for Fidelidade, and enable it to identify, systematise, analyse, and accommodate sustainability risks and opportunities in the Group's decision-making matrix, as viewed from a holistic perspective, in order to mitigate negative impacts and boost positive ones.

The Board of Directors, as Fidelidade's governing body, has the broadest management powers regarding the company, and has the final word regarding the Group's strategic approach. The Board monitors the impacts of the Group strategy and reports on its performance, particularly regarding material issues. The Board delegates the strategic and operational management of Fidelidade's approach to sustainability to the Executive Committee. The Executive Committee reports to the Board of Directors regarding the sustainability issues considered by the Sustainability Committee.



### Sustainability Committees: Strategic Operational

The Strategic Sustainability Committee is responsible for informing, recommending, and supporting senior management in their sustainability decisions, particularly in defining strategic pillars, monitoring performance and reviewing procedures and policies, taking into account the analysis and incorporation of stakeholder expectations.

The Committee include, with voting rights, the Chairman of the Board of Directors, members of the Executive Committee, namely its Chairman in charge of sustainability, and the head of the Sustainability Department. It also enjoys participation of representatives from different departments for a holistic and transversal approach to the theme of sustainability. The Committee, which meets at least twice a year, seeks to create value through the sharing of best corporate sustainability management practices in the field of ESG and in making strategic decisions in the various areas of the Fidelidade Group.

The Operational Sustainability Committee aims to provide a rapid response to more urgent issues, meeting more frequently and comprising several members of the Board of Directors and the Executive Committee, including both Presidents.

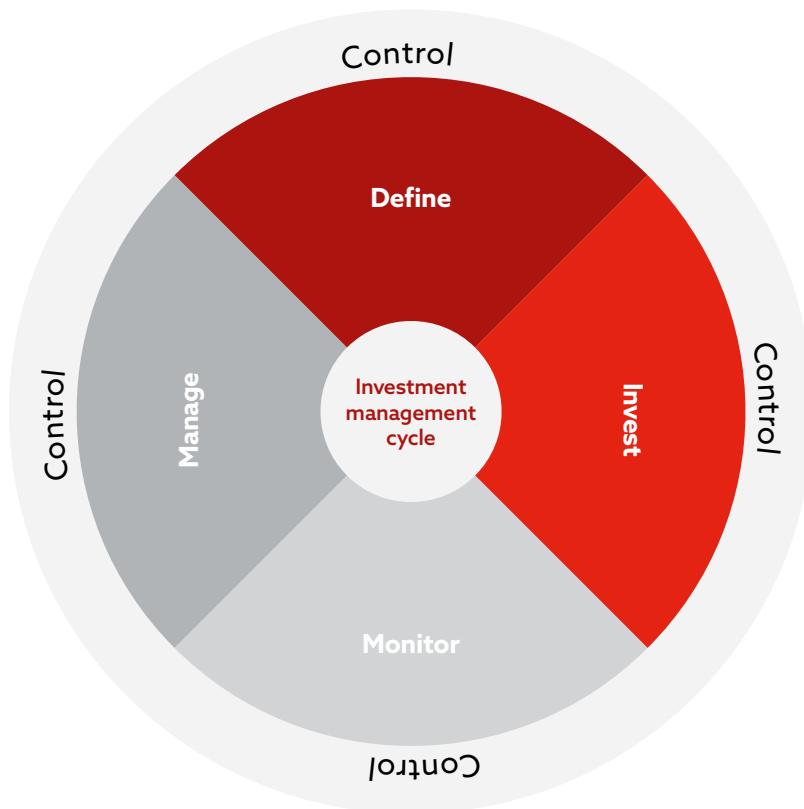
### Sustainability Management

Is responsible for integrating sustainability into the Group's business model and processes, as well as for monitoring the adequacy and effectiveness of the implementation of the sustainability strategy and ensuring compliance with commitments and objectives.

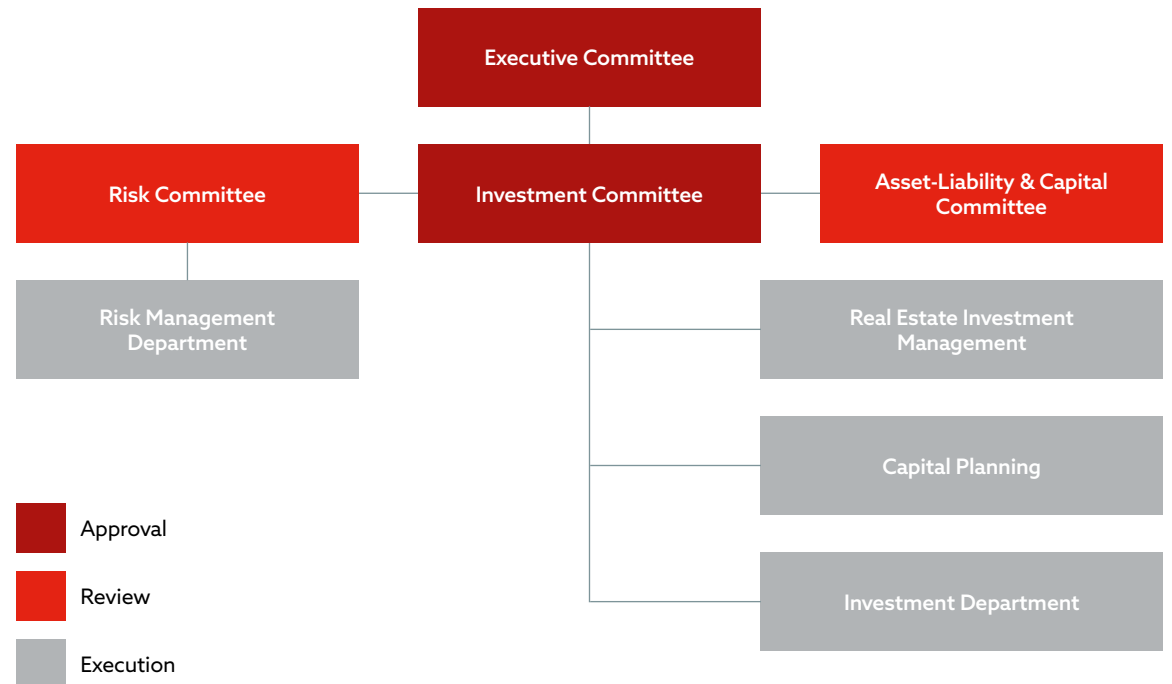
The Sustainability Department reports directly to the CEO, who is also the Vice President of the Board of Directors. The approach to sustainability, reviewed annually, or whenever significant changes so justify, is reflected not only in the commitments, targets and mechanisms implemented, but also in the due diligence processes defined to identify and manage the impacts of the Group in the environment and society. The Sustainability Department is responsible for all operational execution, with a team of interlocutors in the various companies and Group operations to ensure the permanent monitoring of sustainability issues and their compliance at local level, with the necessary adaptations to their specific features.

### 4.1.3. Investments Governance

In order to meet liquidity requirements and strengthen its customers' capital position, Fidelidade adopts a structured, prudent and transparent investment portfolio management model, which ensures diversification, but includes focused risk control, which includes ESG concerns. For this purpose, it has a clearly defined investment management model:

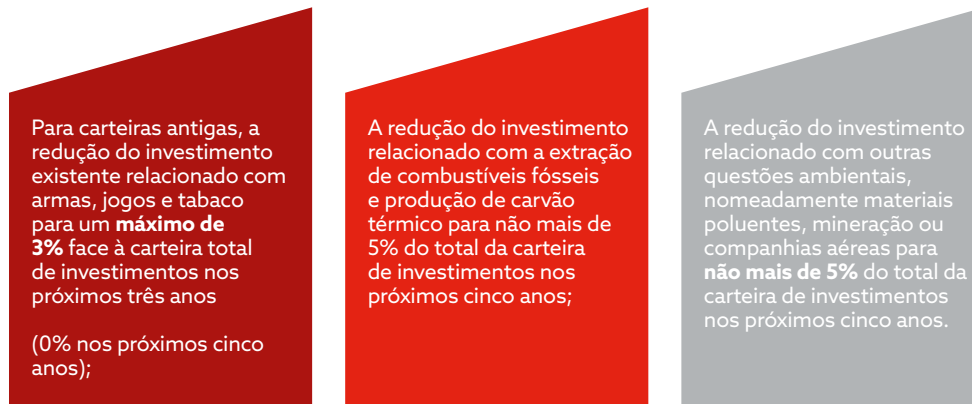


The investment management cycle involves the participation of different areas, according to the following governance model:



The Fidelidade Group's investment decisions seek to align its portfolio with assets that demonstrate good ESG practices and discriminates in favour of ESG-compliant investments and against investments with less favourable ESG ratings.

The Fidelidade Group is therefore governed by its Sustainable Investment Policy, which provides for:



Definition of the general principles of the Sustainable Investment Policy and implementation of it, is the responsibility of the Investment Department and the property investment area. The Operational Sustainability Committee, which analyses and verifies compliance with the strategy and policies established in terms of socially responsible investment in managed assets, includes members of the Executive Committee (namely the CEO and CIO) as permanent members, and meets regularly with the participation of the Investment and Sustainability Departments.

The Group companies outside of Portugal define their own responsibilities for the investments they manage, in accordance with the strategic guidelines set at the Group level.



## 4.2. Risk Management

**For the Fidelidade Group, risk management is an essential component of business development, enabling it to anticipate, assess and address challenges that, if neglected, could jeopardize its performance, both financially and in terms of sustainability.**

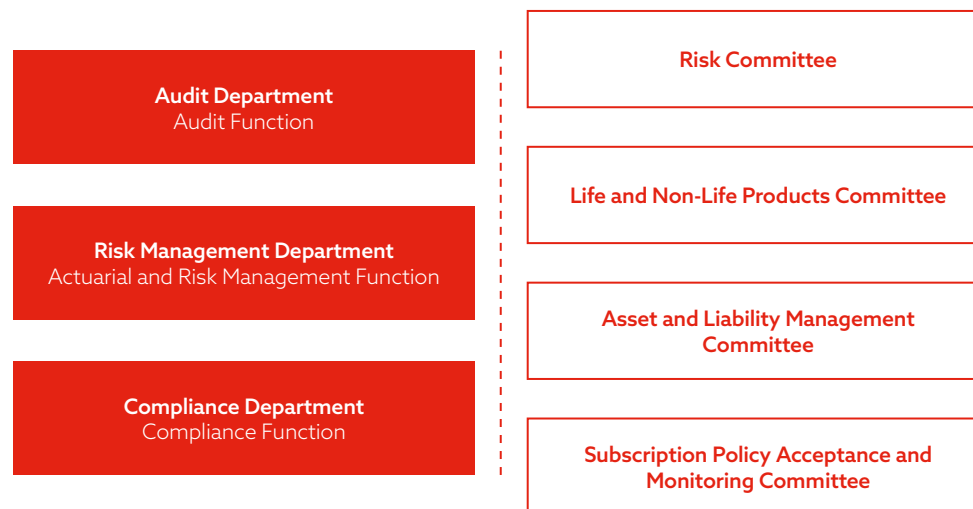
Effective and systematic risk management corresponds to informed decision-making for the Fidelidade Group, which weighs up different factors to ensure organizational stability and the pursuit of its strategic objectives.

To this end, a risk management model has been defined in line with the requirements of the Solvency II regime, which allows the Group's risk profile to be defined and immediate measures to be taken whenever necessary in response to material changes.

Risk and Solvency Self-Assessment Exercise ("ORSA"), which means a qualitative and quantitative assessment of all the risks to which Fidelidade is, or may be, exposed, and a projection of its solvency position in the short to medium term, allows us to relate, in a prospective vision, both the Group's risk profile and the adequacy of capital to regulatory requirements and internal capital needs.

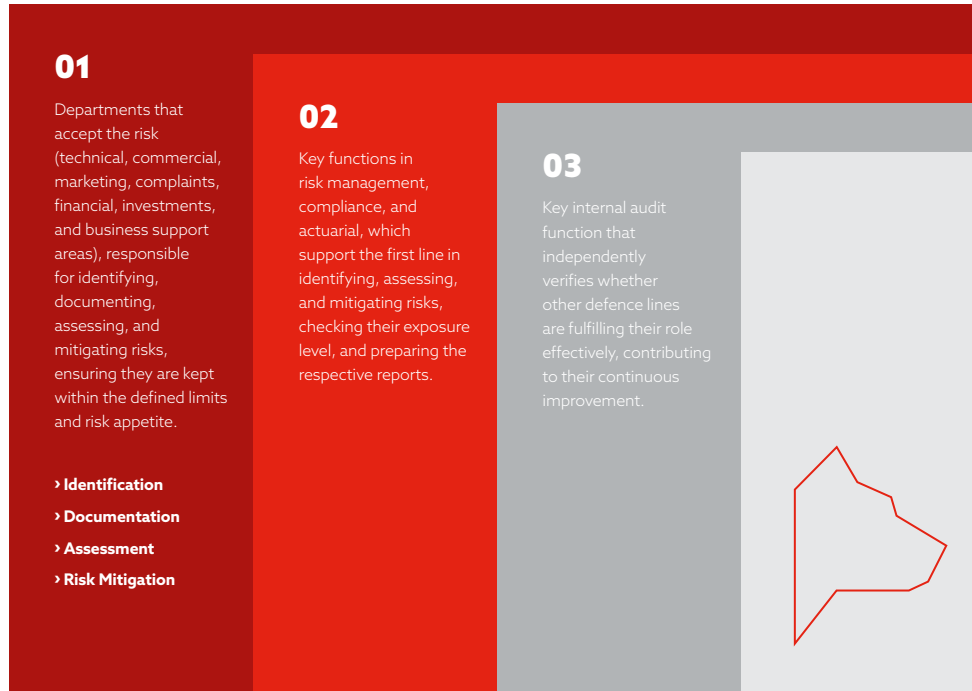
### Risk assessment process

The Fidelidade Group has policies, processes, and procedures suitable to its operations and business strategies, in order to ensure prudent management practices. The Audit, Risk Management and Compliance Departments, along with four committees, are responsible for ensuring compliance with these mechanisms via the performance of key functions that ensure the management and internal control of risk assessment.



The effectiveness of the risk management process is ensured by the Executive Committee, which establishes Fidelidade's appetite for risk, as well as the overall limits of tolerance for it. The model adopted by the Group has three defence lines, which report to the Executive Committee and aim to adequately measure, monitor, and control risks.

**Executive Committee**



**Specific insurance risk**

Risk of loss, or unfavourable evolution of the company's financial situation, resulting from unexpected growth in claims or adverse changes in the value of liabilities related to insurance contracts.

**Market risk**

Risk of loss, or unfavourable evolution of the company's financial situation, due to market price volatility of investments, including exposure to currency fluctuations and interest rates.

**Credit risk**

Risk of loss, or unfavourable evolution of the company's financial situation, resulting from fluctuations in the credit quality of securities issuers, counterparties, and debtors to which it is exposed.

**Liquidity risk**

Reflects the possibility of not holding assets with sufficient liquidity to meet the cash flow requirements necessary to fulfil obligations to policyholders or creditors.

**Concentration risk**

High exposure to certain sources of risk, such as asset categories, business lines or customers.

**Strategic risk**

The potential current and future impact on revenues or capital resulting from inadequate business decisions, improper implementation of decisions, or failure to respond to market changes.

**Business continuity risk**

It reflects the potential impacts that threaten the operations, resilience, and effective response capacity to the value chain by the Group.

**Operational risk**

Translates into losses resulting from failures or inadequacy of internal procedures of people or systems.

**Sustainability risk**

An environmental, social, or governance event or condition that, if it occurs, may cause or enhance a material negative impact on the value of the investment.



The Fidelidade Group has been strengthening the process of identifying, assessing, and mitigating the risks associated with its activity, increasingly incorporating sustainability criteria to mitigate negative impacts and improve its environmental, social and governance performance.

In this context, mechanisms such as policies are crucial to minimizing risks and improving the Group's financial performance from a long-term perspective. The use of ESG-compliant factors in investments is a clear example of this, allowing for a qualitative assessment of sustainability risks in investments, prioritizing those that may generate positive impacts on society and the environment, in line with the Sustainable Development Goals. In this regard, the Fidelidade Group is attentive to issues such as human rights violations or encouragement of armed conflicts, sectors of activity with negative impacts and without mitigation plans, and entities consider ESG factors in their scrutiny process for potential investments.

The Group also monitors its subsidiaries through the monitoring and analysis of information related to strategy, capital structure, risk, corporate governance, financial and non-financial performance, and their social and environmental impact. Taking into account the risk factors of each investee company, the analysis is carried out considering the Group's risk profile, the expected return on investment and the ESG principles weighted in this investment decision.

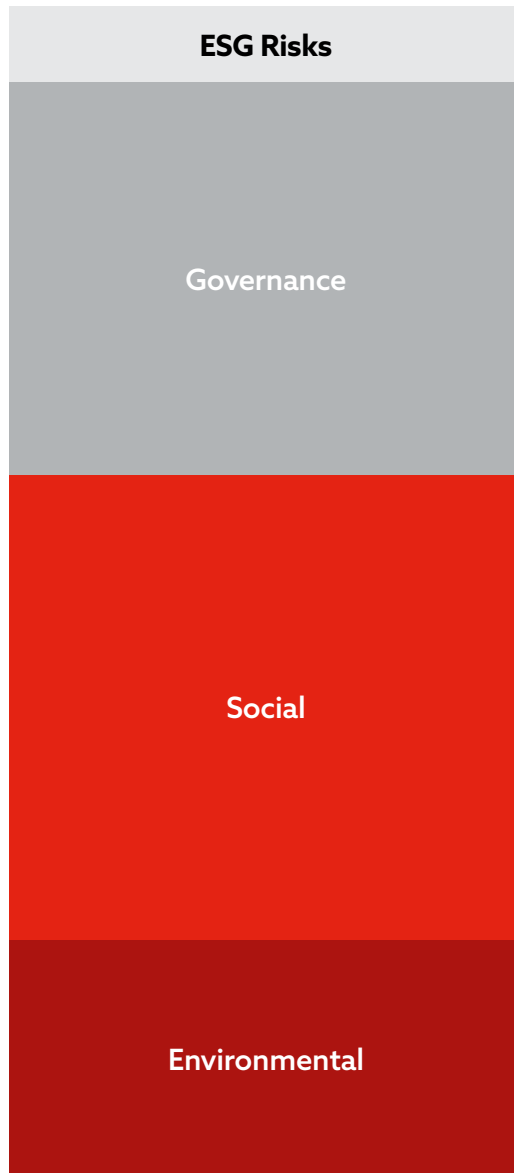


In turn, verification of compliance with the ESG principles by the investment portfolio in externally managed funds (third-party managed investments) is carried out by the respective management entities, with the Fidelidade Group previously checking whether they have adequate ESG policies for this purpose. This verification also occurs in the most liquid funds (ETFs) through the classification carried out by entities such as Sustainalytics, MSCI, and S&P. The process of using ESG policies is quite advanced at an international level, with almost all asset managers used by the Fidelidade Group presenting their reports and policies according to ESG factors and the UN PRI - Principles for Responsible Investment.

While it is certain that the impacts of climate change on the insurance sector will be considerable, translated into physical and transition risks in regulatory terms, particularly in terms of calculating capital requirement, the potential risks are not yet fully explicit. To address this gap, the European Supervisory Authority (EIOPA - European Insurance and Occupational Pensions Authority) issued an opinion regarding the use of scenarios related to climate change within the scope of the Own Risk and Solvency Assessment (ORSA) exercise conducted by insurance companies from 2023 onwards.

The Fidelidade Group, as part of its ORSA exercise, has begun to incorporate the analysis of the potential impacts of climate change. An analysis that includes a qualitative assessment of the materiality of the various risks to which the Group may be exposed as a result of climate change - physical risks and transition risks (reputational, legal [litigation] and related, among others, to the asset portfolio).

The Group remains attentive to the evolution of prudential treatment in this area, intensifying its work in response to different needs.

**Compliance**

An unclear definition of roles and operational and management responsibilities may give rise to situations of legal and regulatory non-compliance at the environmental, social and governance levels.

**Reputational**

An inadequate governance model can lead to damaging situations for the organization's credibility and reputation.

**Loss of sensitive information**

The inappropriate use of data can harm the organisation and its stakeholders.

**Weak stakeholder engagement**

The lack of a trust relationship between the organization and its stakeholders may lead to an inadequate response to their needs and expectations, hindering partnerships, investments, and consequently, profitability.

**Psychosocial**

Inadequate work factors can affect the physical and mental well-being of employees, with direct implications for productivity and value creation.

**Organizational climate**

A negative perception of the work environment by employees has implications for productivity and talent retention.

**Financial, physical and transition**

Issues such as climate change can generate financial risks, due to carbon trading and potentially unsuccessful investments; physical risks arising from extreme weather events with direct implications for business results and people's lives; and transition risks, given the necessary transition to a low-carbon economy with compliance challenges, given an increasingly demanding legal and regulatory framework and the need to adapt products and services to a market increasingly aligned with the decarbonization of the economy.

## Derivatives and hedge accounting

The Company carries out operations with derivative products within the scope of its activity, with the objective of reducing its exposure to exchange rate fluctuations and interest rates.

Derivative financial instruments are measured at fair value through profit or loss on the date of their contracting. They are also recognised in off-balance sheet accounts at their notional value.

Subsequently, derivatives are measured at their fair value. Fair value is calculated:

- On the basis of quotes obtained in active markets (for example, regarding futures trading in organised markets);
- On the basis of models which incorporate valuation techniques accepted in the market, including discounted cash flows and option valuation models.

## EMBEDDED DERIVATIVES

Embedded derivatives in non-derivative contracts or in contracts based on financial liabilities are separated and treated as stand-alone derivatives whenever:

- The embedded derivative's economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract;
- A separate instrument with the same terms as the embedded derivative would satisfy the definition of a derivative; and
- The hybrid contract is not measured at fair value with changes recognised in profit or loss.

## HEDGE ACCOUNTING

The Company invests in derivatives with the aim of hedging its exposure to risks inherent to its activity, namely hedging the fair value of assets in foreign currency (exchange rate fluctuation risk), which it applies to cover equity instruments for which the Company has chosen to present changes in fair value in other comprehensive income.

At the beginning of all hedging operations, the Company prepares formal documentation, which includes the following minimum items:

- Risk management objectives and strategy associated with carrying out the hedging operation, in accordance with the defined hedging policies;
- Description of the hedged risk(s);
- Identification and description of hedged and hedging financial instruments;
- Method for assessing the hedge's effectiveness and the frequency of assessment.

Hedge derivatives of fair value in equity instruments are recorded at fair value, and the resulting gains or losses are recognized daily in other comprehensive income, provided that it is demonstrated that the hedge is effective. In this case, the ineffectiveness of the hedge recognized is shown in other comprehensive income.

In the case of fair value hedging derivatives on equity instruments, provided that the hedge is determined to be effective, they are recorded at fair value, with the results recognized in equity.

Positive and negative revaluations of hedging derivatives are recorded in assets and liabilities, respectively, in specific headings.

Appreciations of hedged items are recognised in the balance sheet heading where the related instruments are recognised.

**CYBERSECURITY: STRATEGIC PRIORITY**

For the Fidelidade Group, cybersecurity is a strategic priority. Employee, customer, and partner data is one of your most important assets. It is therefore essential to ensure their protection and privacy. In addition, the management of internal operations and commercial interaction, based on digital platforms and structures, requires cybersecurity to be a strategic priority.

As such, the Group has been intensifying the identification, assessment, and mitigation of cyber risks, taking into account its critical assets and vulnerability factors, the type of threats and the impact of potential attacks in order to develop mitigation strategies, policies and procedures and incident response planning.

The definition and development of preparedness mechanisms, such as the implementation of technologies, testing reaction scenarios, or studying attacks carried out on other entities, have been complemented by asset protection both within and outside the organization (buildings, data centres, and cloud). Concepts such as zero trust, based on the identity and verification of all traffic flows and access to services and information, have been strengthened. For the Fidelidade Group, the observation of large volumes of information, the analysis of behavioural models, the correlation of events and the automation of actions, which integrate Artificial Intelligence in the detection and management of risk, are areas in which it is important to invest, prioritizing prevention over reaction.

In terms of personal data protection and security, the Group adheres to the General Data Protection Regulation and the legislation that implements it, which establishes rules for the processing of personal data in the European Union. A Personal Data Protection and Privacy Policy has been adopted, published on the websites of the Fidelidade Group companies, which sets out and guides the correct collection, processing and communication of data.

At Fidelidade, cybersecurity follows a cross-functional approach, from ideation to implementation, with a focus on continuous improvement of operations, business, and IT.

# Proposed Distribution of Profits



Fidelidade ended the financial year 2023 with a net profit of €83,588,918.47, calculated on an individual basis in accordance with the applicable accounting standards.

The Board of Directors, in compliance with the provisions of the Commercial Companies Code, proposes the following distribution:

Legal reserve	€ 8,358,892.00
Remaining at the disposal of the General Meeting	€ 75,230,026.47

Lisbon, April 2nd, 2024

# Subsequent Events



Luz Saúde, S.A. shareholders approved the following deliberations during the General Assembly held on the 22nd of December of 2023:

- a share capital increase up to a maximum nominal amount of 23,885,563 euros through the issue of 23,885,563 new common shares with a nominal value of 1 euro to be paid for in cash through an offer of shares for private subscription;
- the approval to the trading on the regulated market managed by Euronext Lisbon of all the shares representing the company's share capital, including the shares to be issued.

Following the capital increase of Luz Saúde, S.A., Fidelidade – Companhia de Seguros, S.A. will dilute its current shareholder position, maintaining a majority stake in the company upon the conclusion of these operations, which are expected to take place during 2024.



# About the Report



The Fidelidade Group publishes its second Integrated Management Report, disclosing financial and non-financial information for an integrated view of the business and its environmental, social and governance (ESG) performance.

### **REPORTING PERIOD**

This Report covers the activity of the Fidelidade Group between January 1 and December 31, 2023.

Whenever possible and relevant, information relating to previous years is presented, providing an insight into the evolution of performance.



## REPORTING SCOPE

### TABLE I - NON-FINANCIAL INFORMATION

- CARES - Assistência e Reparações, S.A. (referred to as Cares)
- CETRA - Centro Técnico de Reparação Automóvel, S.A. (referred to as Car Service)
- CETRA - Car Remarketing, S.A. (referred to as CCR)
- Clínica Fisiátrica das Antas, Unipessoal, Lda. (referred to as CFA)
- EAPS - Empresa de Análise, Prevenção e Segurança, S.A (referred to as Safemode)
- FID I&D, S.A. (referred to as FID I&D)
- Fidelidade - Companhia de Seguros, S.A. (referred to as Fidelidade)
- Fidelidade Assistência - Companhia de Seguros, S.A. (referred to as Fidelidade Assistance)
- Fidelidade - Serviços de Assistência, S.A. (referred to as FSA)
- Fidelidade Property Europe, S.A. (referred to as FPE)
- Fidelidade - Sociedade Gestora de Organismos de Investimento Coletivo, S.A. (referred to as SGOIC)
- GEP - Gestão de Peritagens, S.A. (referred to as GEP)
- Multicare - Seguros de Saúde, S.A. (referred to as Multicare)
- Veterinários Sobre Rodas, Lda. (referred to as VET)
- Via Directa - Companhia de Seguros, S.A. (referred to as ok! seguros)
- Alianza Compañía de Seguros y Reaseguros, S.A. (referred to as Alianza Bolivia)
- Alianza Garantía Seguros y Reaseguros, S.A. (referred to as Alianza Paraguay)
- Fidelidade Angola – Companhia de Seguros, S.A. (referred to as Fidelidade Angola)
- FID Chile Seguros Generales, S.A. (referred to as FID Chile)
- Fidelidade Macau – Companhia de Seguros, S.A. (referred to as Fidelidade Macau)
- Fidelidade Moçambique - Companhia de Seguros, S.A. (Fidelidade Moçambique)
- Fidelidade Spanish Branch
- Fidelidade French Branch
- Beijing Representation Office
- Garantia – Companhia de Seguros de Cabo Verde, S.A. (referred to as Garantia)
- La Positiva Seguros y Reaseguros, S.A. (referred to as La Positiva)
- Tenax Capital Limited (referred to as Tenax)
- the prosperity company (referred to as TPC)

The non-financial information presented in this Report has been prepared accordance with the Global Reporting Initiative Standards.

In 2023, the Fidelidade Group expanded the scope of its sustainability reporting by including new companies, compared to 2022, both nationally and internationally. In addition, there has been a greater maturity in the monitoring process of non-financial performance by the companies within the Group that were already included in last year's reporting. Given this increase in the information reported in 2023, performance variations compared to 2022 presented throughout the Report focus only on the companies that were included in the scope of Fidelidade Group's sustainability reporting in 2022, to ensure the adequacy of comparative analysis.

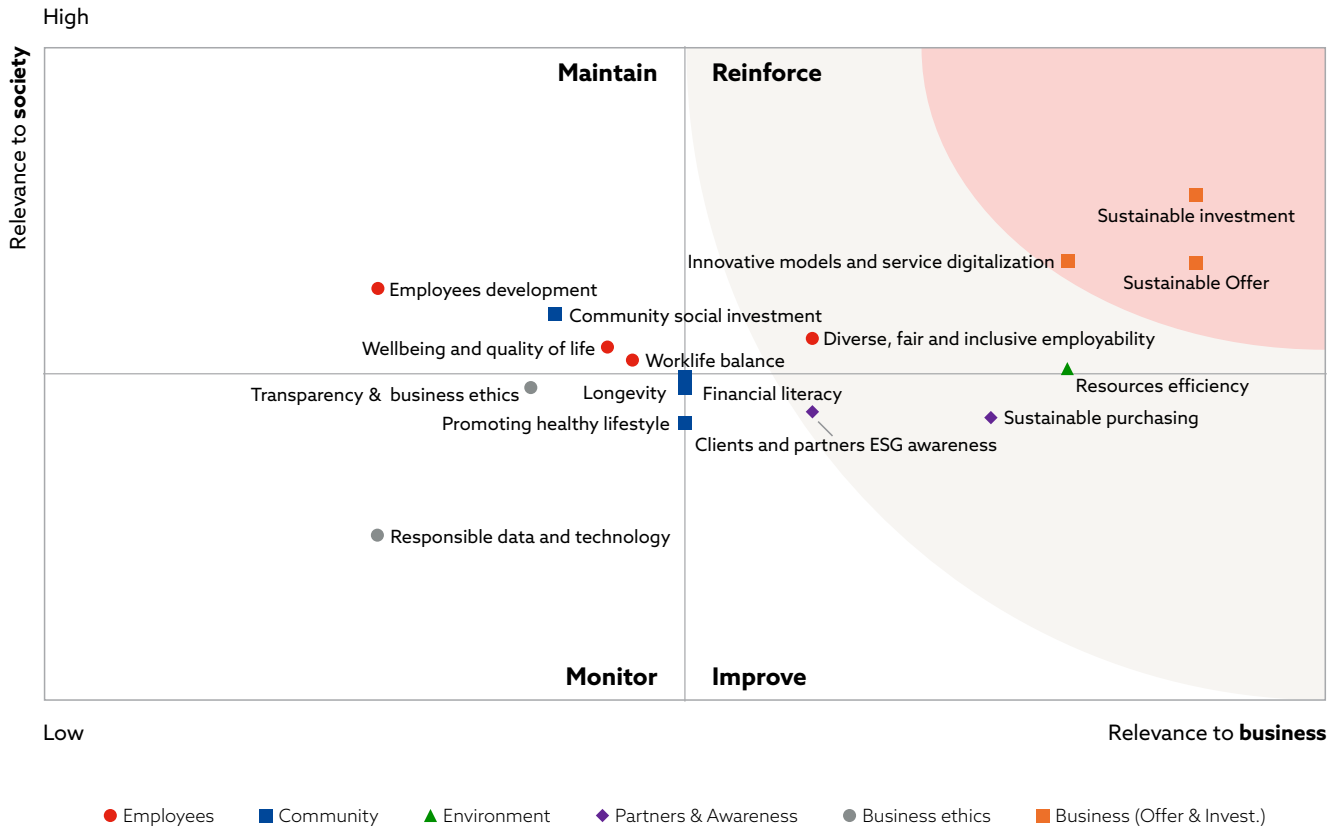
Whenever one of the entities is excluded from the scope of a given indicator, this information will be made available by including a clarification note next to it.

**TABLE II - REPORTING OF FINANCIAL INFORMATION:**

- Alianza Compañía de Seguros y Reaseguros E.M.A. S.A.
- Alianza Garantía Seguros Y Reaseguros S.A.
- Alianza SAFI, S.A.
- Alianza Vida Seguros y Reaseguros S.A.
- Audatex
- Broggi Retail S.r.l.
- CARES - Assistência e Reparações, S.A.
- Cetra - Car Remarketing, S.A.
- Cetra - Centro Técnico de Reparação Automóvel, S.A.
- Clínica Fisiátrica das Antas, Unipessoal, Lda
- Companhia Portuguesa de Resseguro, S.A.
- EA One Holding, Inc.
- EAPS - Empresa de Análise, Prevenção e Segurança, S.A.
- Fid Chile & MT JV SpA
- FID Chile Seguros Generales, S.A.
- Fid Chile SpA
- FID I&D, S.A.
- FID III (HK) LIMITED
- FID LatAm SGPS, S.A.
- FID Loans 1 (Ireland) Limited
- FID Perú, S.A.
- Fid Real Assets SGPS, S.A.
- Fid Real Assets Spain, S.L.
- Fidelidade - Companhia de Seguros, S.A.
- Fidelidade - Property Europe, S.A.
- Fidelidade - Property International, S.A.
- Fidelidade - Serviços de Assistência, S.A.
- Fidelidade Angola - Companhia de Seguros, S.A.
- Fidelidade Assistência - Companhia de Seguros, S.A.
- Fidelidade Macau - Companhia de Seguros S.A.
- Fidelidade Macau Vida - Companhia de Seguros, S.A.
- Fidelidade Moçambique - Companhia de Seguros, S.A.
- Fidelidade -Sociedade Gestora de Org. de Invest. Coletivo, S.A.
- Florestas de Portugal – Fundo Especial de Investimento Imobiliário Fechado
- FPE (BE) Holding
- FPE (HU) Kft.
- FPE (IT) Societá per Azioni
- FPE (Lux) 1
- FPE (Lux) Holding Sarl
- FPE (PT) 2 OFFICE B, S.A.
- FPE (PT) 3 RESIDENTIAL, S.A.
- FPE (PT) 4 RET, S.A.
- FPE (PT) 5 PARK, S.A.
- FPE (PT) OFFICE A, S.A.
- FPE (PT), S.A.
- FPE (PT), SGPS, S.A.
- FPE (UK) 1 LIMITED
- FPI UK I (Thomas Cook)
- FSG-Saúde-Fundo Investimento Imobiliário Fechado
- Full Assistance S.R.L.
- Fundo Broggi
- Fundo de Investimento Imobiliário Aberto IMOFID
- Garantia - Companhia de Seguros de Cabo Verde, S.A.
- GEP - Gestão de Peritagens Automóveis, S.A.
- GEP Cabo Verde Gestão de Peritagens, Limitada
- GEP Moçambique – Gestão de Peritagens, Lda.
- GK Lisbon
- La Positiva S.A. – Entidad Prestadora de Salud
- La Positiva Seguros y Reaseguros, S.A.
- La Positiva Servicios de Salud S.A.C.
- La Positiva Vida Seguros Y Reaseguros S.A.
- Liechtenstein Life Assurance AG
- LLA Office Anstalt
- Luz Saúde, S.A.
- Multi Health, S.A.
- Multicare - Companhia de Seguros, S.A.
- Obedientbenefit - Lda (Pet Academy)
- Prosperity brokershome AG
- Prosperity brokershome GmbH
- Prosperity cashtech AG
- Prosperity funds SICAV
- Prosperity solutions (Switzerland) AG
- Prosperity solutions AG
- Prosperity solutions GmbH
- Serfun Portugal, S.A.
- Tenax Capital Limited
- The prosperity company AG
- TMK Lisbon
- TMS (Lux) Holdings Sarl
- TMS (Lux) Sarl
- Universal - Assistência e Serviços, Lda.
- Veterinários Sobre Rodas, Lda.
- Via Directa - Companhia de Seguros, S.A.
- Worldwide Security Corporation S.A.

**MATERIALITY MATRIX**

In 2022, the Fidelidade Group developed its Materiality Matrix with the identification of the most relevant sustainability topics (material topics).



### Material Topics:

- **Sustainable Procurement**
- **Resource efficiency**
- **Diverse, Fair and Inclusive Employment**
- **Sustainable Investment**
- **Innovation models and service digitalisation**
- **Sustainable Products and Services**
- **ESG awareness for customers and partners**

### EXTERNAL ASSURANCE

This Report has been independently audited by Ernst & Young Audit & Associados, SROC, S.A.

### QUERIES AND CLARIFICATIONS

Any requests for further information, additional clarifications or suggestions about this document can be sent to [apoiocliente@fidelidade.pt](mailto:apoiocliente@fidelidade.pt).



# Annexes Relating to the Non-Financial Information Report



## 8.1. Fidelidade Group | Indicators 2023<sup>65</sup>

### 8.1.1. General Disclosures

#### 2-7 Employees

	Type of employment <sup>66</sup>		Type of Contract		Total
	Full-time	Part-time	Permanent	Temporary	
Male	3,683	110	2,903	889	<b>3,826</b>
Female	4,674	181	3,918	938	<b>4,887</b>
<b>Total</b>	<b>8,357</b>	<b>291</b>	<b>6,821</b>	<b>1,827</b>	<b>8,713</b>

#### 2-8 Workers who are not employees<sup>67</sup>

Workers who are not employees	<b>1,177</b>
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#### 2-16 Communication of critical concerns<sup>68</sup>

Number of registered critical concerns	<b>1</b>
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#### Type of registered critical concerns

Critical concerns are recorded and communicated through the respective channels. In 2023, GEP registered 1 concern regarding the level of customer satisfaction. The remaining companies Cares, CCR, FID R&D, Fidelidade Assistance, Safemode, FSA, SGOIC, VET, Fidelidade Angola, Fidelidade Macau, Garantia, La Positiva, Tenax, TPC and the Fidelidade branch in Spain did not identify any critical concerns. Car Service, CFA and Alianza Bolivia state that it is not applicable. The companies FPE, Multicare, ok! seguros, Fidelidade, Alianza Paraguay, Fidelidade Moçambique and the Fidelidade branches in Beijing and France did not report this indicator.

<sup>65</sup> Companies included in the non-financial information report, see chapter 7. About the Report (reporting scope | table 1 - Non-financial information).

<sup>66</sup> Alianza Paraguay does not report by type of job or type of contract.

<sup>67</sup> Alianza Paraguay does not report.

<sup>68</sup> It only includes the companies mentioned. Car Service, CFA and Alianza Bolivia state that it is not applicable.



**2-21 Annual total compensation ratio**

Ratio of annual total compensation of the organisation's highest paid individual to median annual total compensation of employees <sup>69</sup>	<b>12.87</b>
Ratio of the percentage increase in total annual compensation of the highest paid individual in the organisation to the median percentage increase in total annual compensation of all employees <sup>70</sup>	<b>2.02</b>

**2-27 Compliance with laws and regulations<sup>71</sup>**

<b>Number of significant cases of non-compliance with laws and regulations</b>	<b>45</b>
Number of significant cases of non-compliance in which fines were applied	<b>45</b>
Number of significant cases of non-compliance in which non-monetary sanctions were applied	<b>0</b>
<b>Total amount of fines for significant cases of non-compliance</b>	<b>582,147 €</b>
Amount of fines for significant cases of non-compliance that occurred during the reporting period (€)	<b>460,176 €</b>
Amount of fines for significant cases of non-compliance that were paid during the reporting period (€)	<b>121,970 €</b>
Number of fines for significant cases of environmental and ecological non-compliances (€)	<b>0 €</b>

**2-30 Collective bargaining agreements<sup>72</sup>**

<b>Number of employees covered by collective bargaining agreements (%)</b>	<b>42.90%</b>
Number of employees covered by collective bargaining agreements	<b>3,738</b>

<sup>69</sup> Alianza Paraguay, Fidelidade Angola, Fidelidade Moçambique and the Fidelidade branches in Beijing, Spain and France do not report this indicator. Ratios were calculated by applying a weighting, based on the number of employees of the companies reporting the indicator.

<sup>70</sup> Includes CCR, CFA, FID Chile, Fidelidade Macau, Garantia, Tenax and TPC. Ratios were calculated by applying a weighting, based on the number of employees of the companies reporting the indicator.

<sup>71</sup> La Positiva registered 45 complaints, mainly about breaches of contract and charges. Alianza Paraguay, Fidelidade Angola and the Fidelidade branch in Beijing do not report this indicator. The remaining companies report zero fines.

<sup>72</sup> Alianza Paraguay, and the Fidelidade branch in Beijing do not report this indicator.

## 8.1.2. Economic Indicators

<b>201-1 Direct economic value generated and distributed</b>	
Direct economic value generated (€)	<b>3,379,020,295</b>
Direct economic value distributed (€)	<b>3,394,372,076</b>
Claims costs	<b>1,963,084,760</b>
Provisions	<b>-127,947,968</b>
Suppliers (FSE)	<b>302,705,513</b>
Mediators (commissions)	<b>587,524,215</b>
Employees (workers' compensations)	<b>331,038,023</b>
State (taxes)	<b>44,285,482</b>
Financial institutions (interest on loans)	<b>37,334,844</b>
Shareholders (dividends)	<b>219,207,787</b>
Community (donations, sponsorship)	<b>1,374,221</b>
Minority Interests	<b>35,765,199</b>
<b>Economic value retained (€)</b>	<b>-15,351,781</b>

**201-2 Financial implications and other risks and opportunities arising from climate change<sup>73</sup>**

For **Cares**, climate change impacts the organization in terms of abnormal workflow (resulting from storms or other severe weather events), leading to significant financial costs in terms of personnel due to the need for additional staff during certain periods of the year.

For **FID R&D**, climate change can create opportunities in terms of new incentive systems (financial and fiscal) aimed at projects that seek to research and develop solutions to mitigate climate impacts. FID R&D has been incorporating new methodologies for monitoring and analysing national and international incentive systems into its activities to identify and leverage relevant opportunities in this area.

**Fidelidade Assistance** and **FSA** do not carry out an analysis of the financial implications and other risks and opportunities for its activities due to climate change.

For **GEP**, **Safemode** and **Fidelidade Macau**, climate change is an opportunity for business growth and development, for example due to the increase in claims.

**TPC** reports that it has not registered any major influence related to climate change. For 2024, there are plans for relocating to a new "green" building and a focus on raising awareness about sustainability in investments and among employees, promoting social responsibility, ensuring good working conditions and employee training, and implementing mandatory regulatory standards regarding sustainability (such as the PAI Statement, SFCR)

**CCR**, **VET**, and **Fidelidade's branch in Spain** report zero financial implications and other risks and opportunities for the organization's activities due to climate change. The companies CFA, Multicare, ok! seguros, SGOIC and La Positiva state that the indicator is not applicable. The remaining companies Car Service, Fidelidade, FPE, Alianza Bolivia, Alianza Paraguay, FID Chile, Fidelidade Angola, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France do not report an indicator.

<sup>73</sup> It only includes the companies mentioned. CFA, Multicare, ok! seguros, SGOIC and La Positiva state that it is not applicable.

**201-3 Defined benefit plan obligations and other retirement plans<sup>74</sup>**

At **La Positiva**, the allowance is equivalent to 1.5 salaries for length of service with a limit of 12 salaries. Additional salaries are awarded according to the matrix approved by the management. Private health insurance coverage is provided. A laptop and a mobile phone are provided to frontline employees.

At **Fidelidade Macau**, employees are entitled to join the company's Pension Fund once they complete the 90-day internship. By adhering to this regime, workers undertake to contribute 5% of the base salary and the Company will contribute monthly with an additional 10% of the worker's base salary. In the event of termination at the initiative of either party, the employee will be entitled to their full contribution during the working period; however, the Employer's contribution will be conditional on the years of service provided to the Company. Around 89% of current employees have joined the company's Pension Fund.

As part of the statutory pension scheme, employees of **TPC** receive a salary dependent pension plan. In addition, they can purchase the company's pension products with their own employee discount. The obligations are fully covered by external funds. The employer/employee ratio is 2/3 to 1/3, with the employer contributing around 8% and the employee around 4% of the monthly salary.

**Fidelidade Moçambique** awards seniority bonuses covered by Fidelidade Moçambique's resources. 20,184,870 MZN in the Balance Sheet as at 31.12.2023. Pension Fund liability SIM:

113,214,797 MZN in the SIM PF accounts as at 31.12.2023. SIM's benefit plan aims to pay the following guaranteed benefits: Guaranteed Capital in the event of Retirement due to Old Age, Guaranteed Capital in the event of Retirement due to Disability, Guaranteed Capital in the event of Survival in Service, Seniority Bonus Plan.

The **branch of Fidelidade in France** has a Pension Fund Management Service.

The companies CCR, CFA, and Tenax state that the indicator is not applicable. The remaining companies Car Service, Cares, FID I&D, Fidelidade, Fidelidade Assistance, FPE, GEP, Multicare, ok! seguros, Safemode, FSA, SGOIC, Alianza Bolivia, Alianza Paraguay, FID Chile, Fidelidade Angola, Garantia and the Fidelidade branches in Beijing and Spain do not report the indicator.

<sup>74</sup> It only includes the companies mentioned. CCR, CFA and Tenax state that it is not applicable.

**202-1 Ratio between the lowest wage and the local minimum wage, broken down by gender<sup>75</sup>**

	Men	Women
Ratio between the lowest wage and the local minimum wage	1.06	1.43

**202-2 Proportion of top management positions held by individuals from the local community<sup>76</sup>**

Proportion of top management positions held by individuals from the local community (%)	75%
Number of locally hired senior managers	51
Total number of senior managers	68

<sup>75</sup> It includes CCR, VET, FID Chile, Fidelidade Macau, La Positiva and the Fidelidade branch in Spain. Tenax and TPC state that it is not applicable. Ratios were calculated by applying a weighting, based on the number of employees of the companies reporting the indicator.

<sup>76</sup> Car Service, Cares, CCR, FSA, FID I&D, Fidelidade, Fidelidade Assistance, FPE, GEP, Multicare, ok! seguros, Safemode, FSA, SGOIC, VET, Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia, Fidelidade Moçambique and the Fidelidade branches in Spain and Beijing do not report this indicator. Tenax states that it is not applicable.

**203-1 Investments in infrastructure and services offered**

<b>Investments in infrastructure and services offered (€)<sup>77</sup></b>	<b>618,064.55 €</b>
Insurance offer (€) <sup>78</sup>	538,401.24 €
<b>Ex-gratia payments (€)<sup>79</sup></b>	<b>76,750.19 €</b>

<sup>77</sup> Does not include companies that do not report the items below. However, it does include Fidelidade Assistance.

<sup>78</sup> Car Service, Cares, CCR, FID I&D, SAFEMODE, La Positiva, Tenax and TPC state that it is not applicable. Fidelidade Assistance, FPE, SGOIC, Alianza Bolivia, Alianza Paraguay, Fidelidade Moçambique and the Fidelidade branches in France, Spain and Beijing do not report.

<sup>79</sup> Car Service, Cares, CCR, FID I&D, Fidelidade Assistance, SGOIC, VET, FID Chile, La Positiva, Tenax and TPC state that it is not applicable. FPE, Alianza Bolivia, Alianza Paraguay, Garantia, Fidelidade Moçambique and the Fidelidade branches in Spain, France and Beijing do not report.

**203-2 Significant indirect economic impacts<sup>80</sup>**

**Car Service** identifies as impacts the increase in the cost of energy (electricity and gas) and raw materials (parts and paints) and the FCS social benefits harmonization programme.

Cares has not identified any significant indirect economic impacts.

At **Fidelidade**, the MySavings Sustainable option and AP1 Mobility are products that, by their nature, are aligned with the Principles of Investment and Responsible Use since they are dedicated to the conscious creation of a positive social and environmental impact. Fidelidade Auto is equipped with coverage designed for drivers of 100% electric or plug-in hybrid vehicles. In general, all the products that Fidelidade currently makes available for this group of people with low-income, such as Activcare 60+, and some financial products such as Poupança Auto, PPR Evoluir and Savings, whose minimum monthly payment is just €25, will make a real difference with regard to products and services for low-income people. Due to their characteristics, they may address some need for health care and, moreover, allow more people to have savings. In general, all the products and services we offer have a very positive economic impact given the nature of the insurance concept: assuming the expenses attributed to insured entities (individuals or companies) following a claim covered by the insurance they contracted.

For **GEP**, the increase in digital assessments implies fewer travels for the experts, positively impacting the environment. The high number of expert reports per year increases the need for employees, indirectly stimulating employment.

**Multicare** offers a policy to the institution "Operação Nariz Vermelho" (Operation Red Nose) and has maintained its support for JRS in 2023 related to a policy for Ukrainian refugees.

At Fidelidade Angola, products and services are available for people on low-income individuals, such as temporary car insurance and popular health insurance.

**Fidelidade Macau** maintains its commitment to local communities and the environment in which it operates. In 2023, support was maintained for customers during the COVID-19 pandemic, by providing insurance coverage for possible adverse reactions/side effects of COVID-19 vaccines under the "COVID-19 Vaccination Programme" selected by the Macau SAR Government. There is a collaboration with local sports academies, associations, and related events to promote healthier habits and lifestyles among younger generations. Fidelidade Macau sponsored and participated in the CARITAS Charity Run 2023, with thousands of participants striving towards more sustainable behaviours. In 2023, for its entire network of Agents and Colleagues, the Annual Continuous Professional Development Programme 2023 was created under the theme "Leadership Challenges for a Sustainable Future," featuring 10 hours of training on ESG and its impact on the Insurance Industry and society in general.

**TPC** heavily invests in digitization and online support, focusing on the efficiency and productivity of the company, partners, and clients. This provides the company, employees, partners, and customers with more flexibility, transparency, structure, and focus on core activities and qualifications. TPC also promotes the qualification of its employees and, whenever possible, the local recruitment of specialized personnel. Its range of products is designed to encourage customers to prepare professionally and adequately for their future, so that they can avoid future financial bottlenecks at an early stage and address the pensions gap independently.

<sup>80</sup> It only includes the companies mentioned. CCR, CFA, SGOIC, VET and FID Chile state that it is not applicable.

(continuation)

**203-2 Significant indirect economic impacts<sup>80</sup>**

The companies CCR, CFA, SGOIC, VET and FID Chile state that the indicator is not applicable. The remaining companies FID R&D, Fidelidade Assistance, ok! seguros, Safemode, FSA, Alianza Bolivia, Alianza Paraguay, Garantia, La Positiva, Fidelidade Moçambique, Tenax and the Fidelidade branches in France and Spain do not report this indicator.

**204-1 Proportion of spending with local suppliers<sup>81</sup>**

	Total	Local	Proportion
Spending with suppliers (€)	313,239,209 €	275,793,607 €	88%

**Definition of local suppliers**

For **companies in Portugal**, the definition of local suppliers corresponds to suppliers in Portugal.

For **international companies**, the definition corresponds to suppliers in the respective countries, with the following exceptions: for the Fidelidade branch in Spain, local suppliers are those who physically and legally reside in Spain; for La Positiva, correspond to suppliers with tax management and invoicing in Peru; for TPC, correspond to suppliers within a 50 km distance from its facilities in Liechtenstein.

Tenax states that the indicator is not applicable. The remaining companies Alianza Bolivia, Alianza Paraguay, Garantia and Fidelidade Moçambique do not report the indicator.

<sup>81</sup> Alianza Bolivia, Alianza Paraguay, Garantia, Fidelidade Moçambique, and the Fidelidade branch in Beijing do not report. Tenax states that it is not applicable.



**205-1 Operations assessed for risks related to corruption<sup>82</sup>****Assessments of operations for corruption risks**

The **companies in Portugal** have implemented a Bribery and Corruption Risk Prevention Plan and carried out an assessment of all their operations.

With regard to the **international companies**, Fidelidade Macau has not assessed operations for the risk of corruption, and TPC carries out periodic guidance and internal auditing by the compliance officer and the risk committee. La Positiva has identified 5 significant risks related to corruption.

Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia and the Fidelidade branches in Beijing, Spain and France do not report this indicator. Fidelidade Moçambique does not report the number of significant risks related to corruption. Tenax states that the total number of operations subject to corruption risk assessments is not applicable.

Total number of operations submitted to corruption risk assessments	84
<b>Percentage of operations submitted to corruption risk assessments (%)</b>	<b>86%</b>
Number of significant risks related to corruption	5

<sup>82</sup> VET, Alianza Bolivia, Alianza Paraguay, La Positiva, Fidelidade Angola, Garantia and the Fidelidade branches in Spain, France and Beijing do not report. Fidelidade Moçambique does not report the number of significant risks related to corruption. TPC states that the total number of operations subject to corruption risk assessments is not applicable.

**205-2 Communication and training on anti-corruption policies and procedures<sup>83</sup>****Communication and training on anti-corruption policies and procedures**

For the **companies in Portugal**, as part of the project to implement the anti-bribery and corruption risk prevention program, policies and prevention plans were created, and the Code of Conduct was reviewed. All pieces were duly communicated to the organization through established channels and are available in a specific area of the intranet. The topic of corruption prevention has also become part of employee onboarding.

Regarding **international companies**: Fidelidade's branch in Spain provides communication and training on anti-corruption policies and procedures; Fidelidade Macau does not provide communication and training in this area; at Tenax, all employees complete anti-corruption training; and TPC carries out mandatory annual training and awareness-raising for all managers and executive and professional managers, informs all employees about anti-corruption issues, data protection and cyber risks, the Code of Conduct is included in the contracts of employees and partners, and is communicated on the wip 2024 homepage.

VET, Alianza Bolivia, Alianza Paraguay, FID Chile, Fidelidade Angola, Garantia, La Positiva, Fidelidade Moçambique and the Fidelidade branches in Beijing and France do not report.

	The anti-corruption policies and procedures adopted by the organization have been communicated			They have received anti-corruption training	
	Management bodies <sup>84</sup>	Employees <sup>85</sup>	Suppliers and partners <sup>86</sup>	Management bodies <sup>87</sup>	Employees <sup>88</sup>
Total number	77	2,727	2,123	46	2 335
<b>Percentage</b>	<b>77%</b>	<b>88%</b>	<b>21%</b>	<b>46%</b>	<b>75%</b>

<sup>83</sup> VET, Alianza Bolivia, Alianza Paraguay, FID Chile, Fidelidade Angola, Garantia, La Positiva, Fidelidade Moçambique and the Fidelidade branches in France and Beijing do not report.

<sup>84</sup> Fidelidade, FID R&D, Cares, Multicare, Safemode, VET, Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia and the Fidelidade branch in Beijing do not report.

<sup>85</sup> Fidelidade, FID R&D, Cares, Multicare, Safemode, VET, Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia and the Fidelidade branch in Beijing do not report.

<sup>86</sup> Fidelidade, Cares, Multicare, VET, Alianza Bolivia, Alianza Paraguay, La Positiva, Fidelidade Angola, Garantia, Tenax and the Fidelidade branches in Spain, France and Beijing do not report. CCR, CFA, FID Chile and TPC state that it is not applicable.

<sup>87</sup> Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia and the Fidelidade branches in Spain, France and Beijing do not report.

<sup>88</sup> Fidelidade, Cares, Multicare, Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia and the Fidelidade branch in Beijing do not report. CCR states that it is not applicable.

**205-3 Confirmed cases of corruption and measures taken<sup>89</sup>**

Total number of confirmed corruption cases	0
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**Nature of confirmed corruption cases**

Car Service, Cares, CCR, CFA, FID I&D, Fidelidade, Fidelidade Assistance, FPE, GEP, Multicare, ok! seguros, Safemode, FSA, SGOIC, VET, FID Chile, Fidelidade Macau, La Positiva, Fidelidade Moçambique, Tenax, TPC and the Fidelidade branches in Spain and France have not identified any confirmed cases of corruption. The remaining companies do not report.

Total number of confirmed cases in which employees were dismissed or punished for corruption	0
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Total number of confirmed cases in which contracts with business partners were terminated or not renewed as a result of corruption-related violations	0
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Number of public lawsuits related to corruption filed against the organization or its employees during the reporting period, and the outcome of those lawsuits.	0
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**206-1 Lawsuits for unfair competition, trust and monopoly practices<sup>90</sup>**

Number of lawsuits for unfair competition, anti-trust, and monopoly practices.	0
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<sup>89</sup> Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia and the Fidelidade branch in Beijing do not report.

<sup>90</sup> Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, and the Fidelidade branch in Beijing do not report.

**207-1 Tax approach<sup>91</sup>**

At the level of **companies in Portugal**, the Executive Committee, as the main decision-making body, approved the Company's tax strategy. The tax strategy is transparent and requires full compliance with tax rules, based on the following assumptions:

- Analyse the evolution of the main accounting aggregates, including the congruence of registered operations as well as the analysis of performance and financial position;
- Develop a proactive management model for tax obligations to ensure compliance with tax rules;
- Ensure and control tax obligations, namely the tax information reporting system and management of tax litigation;
- Interpretation and dissemination of the legal and regulatory rules of the activity, of tax incidence, promoting their application in relation to the Taxes and Fees for where they fall due;
- Accompany the Tax Inspections, proceeding with the control and delivery of the requested documentation;
- Provide the necessary tax support to investment and disinvestment operations, in Portugal or abroad, both in the entry and exit phases, or during the stay in the project, ensuring the identification of tax impacts resulting from the implementation of the defined structure;
- Cooperate with the Group in monitoring situations that, within its scope of action, are likely to have any fiscal impact on the Company's position.

The Company has a Taxation Department, fully dedicated to complying with the fiscal strategy. The Company favours total transparency with its information, providing its parent company with the necessary information to be included in the Country-by-Country Report for subsequent submission to the Tax Authorities.

In Portugal, operations with entities of the same group are subject to detailed documentation requirements, including transfer pricing documentation (which includes the master file and local files), demonstrating that the prices charged comply with the arm's length principle, ensuring that taxes on profits are paid where value is created.

For **Fidelidade Macau**, the company's approach is in regulatory compliance with Macau. Tenax emphasizes that all taxes are paid on time. TPC bases its tax management on regional regulations and observes them for each individual company. In doing so, it uses any losses carried forward to the extent permitted by law. Its approach is reviewed annually by its auditors. TPC has created a VAT Group for companies in Liechtenstein in order to optimize it.

Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia, Fidelidade Moçambique and the Fidelidade branches in Beijing, Spain and France do not report this indicator. La Positiva states that it is not applicable.

<sup>91</sup> Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia, Fidelidade Moçambique and the Fidelidade branches in Spain, France and Beijing do not report. La Positiva states that it is not applicable.

**207-2 Governance, control and fiscal risk management<sup>92</sup>**

At the level of **companies in Portugal**, governance, control, and management of tax risk are the responsibility of the Executive Committee and the CFO. In order to ensure compliance with the tax strategy, the Company has a report called Tax FootPrint that allows the identification and quantification of all taxes, surcharges and contributions paid. This report, prepared by external contractors, provides relevant information for decision-making and management, enabling comparisons and analyses at different levels of taxes and fees charged/borne by the Company. Tax FootPrint can also help identify potential tax contingencies. Corporate income tax returns are reviewed by external contractors with the aim of reducing tax risk. In addition, as the Company is a Large Taxpayer, it is permanently monitored by the Large Taxpayers Unit at the Tax and Customs Authority through periodic tax inspections.

On 15 December 2022, the Directive was approved that transposed into European law the operating rules of one of the Pillars of the Base Erosion and Profit Shifting ("BEPS") programme, whose main objective is to combat tax avoidance, embodied in the international reform achieved in October 2021 within the framework of the G20 and the Organisation for Economic Co-operation and Development (OECD) - The so-called Pillar 2. Pillar 2 aims to ensure a minimum level of taxation worldwide of 15%, through one purely internal mechanism and another multilateral one, applicable to all multinational groups. The transposition into the internal legislation of the Member States had to be carried out by December 31, 2023, however, the transposition into Portuguese legislation did not take place within that period. In this context, considering the special complexity of these new rules, despite the fact that it has not been approved in Portugal yet, the Company is currently analysing the relevant regulations and preparing for timely compliance with the expected legal deadlines. As the Management Company is a Large Taxpayer, it is permanently monitored by the Large Taxpayers Unit of the Tax and Customs Authority.

**VET** also states that the responsibility for the correct application of tax matters, across different taxes affecting the organization's activities, lies with the External Certified Accountant, who reports to the organization's executive management.

Fidelidade Macau is required to submit an annual tax return to the government regulator.

**Tenax** works with an external tax consultant to ensure that all applicable taxes are paid on time.

At **TPC**, as part of the annual audit process, the regular management of tax calculations is audited. This is audited by EY and prepared by the finance departments. The final responsibility lies with the administration. Any tax risks would be discussed and reported to the Risk Committee, which meets monthly under the responsibility of the finance and risk management departments. There is close cooperation with shareholders in relation to BEP 2.0. Tax returns are supported by external experts.

<sup>92</sup> Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia, FID Chile, Fidelidade Moçambique and the Fidelidade branches in Spain, France and Beijing do not report. La Positiva states that it is not applicable.

**207-3 Engaging stakeholders and managing their tax concerns<sup>93</sup>**

At the level of **companies in Portugal**, the Company participates and actively contributes to work meetings with the Large Taxpayers Unit and the Large Taxpayers Forum, where tax issues are discussed and consensus is promoted in the application of tax law and the resolution of operational constraints that hinder the efficient application of tax regulations. In addition, the Company is also represented on the accounting and tax matters subcommittee at the Portuguese Association of Insurers, in which the best solutions and consensus are sought with a view to complying with the applicable legislation with an impact on the insurance industry.

**Fidelidade Macau** complies with Macau's Commercial Law and all government regulations to provide tax returns on a regular basis.

**Tenax** works with an external tax consultant to ensure that all applicable taxes are paid on time.

At **TPC**, all topics relevant to stakeholders are included in the AVBs. Mandatory taxes are duly calculated and paid; the corresponding processes are defined in the LLA and are audited, maintaining a professional relationship with the tax authorities, ensuring correct and timely processing without any complaints. External experts are available for any optimizations and queries.

**207-4 Geography-to-geography report<sup>94</sup>****Name of resident entities**

CARES – Assistência e Reparações, S.A.

CETRA – Centro Técnico de Reparação Automóvel, S.A.

CETRA - Car Remarketing, S.A.

Clínica Fisiátrica das Antas, Unipessoal, Lda.

Via Directa - Companhia de Seguros, S.A.

Alianza Compañía de Seguros y Reaseguros, S.A.

Alianza Garantia Seguros y Reaseguros, S.A.

Fidelidade Angola – Companhia de Seguros, S.A.

<sup>93</sup> Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia, FID Chile, Fidelidade Moçambique and the Fidelidade branches in Spain, France and Beijing do not report. La Positiva and SGOIC state that it is not applicable.

<sup>94</sup> VET does not report.

(continuation)

**207-4 Geography-to-geography report<sup>94</sup>**

EAPS – Empresa de Análise, Prevenção e Segurança, S.A.

FID I&amp;D, S.A.

Fidelidade – Companhia de Seguros, S.A.

Fidelidade Assistência – Companhia de Seguros, S.A.

Fidelidade - Serviços de Assistência, S.A.

Fidelidade Property Europe, S.A.

Fidelidade - Sociedade Gestora de Organismos de Investimento Coletivo, S.A.

GEP – Gestão de Peritagens, S.A.

Multicare – Seguros de Saúde, S.A.

Veterinários Sobre Rodas, Lda.

FID Chile Seguros Generales, S.A.

Fidelidade Macau – Companhia de Seguros, S.A.

Fidelidade Moçambique – Companhia de Seguros, S.A.

Fidelidade Spanish Branch

Fidelidade French Branch

Beijing Representation Office

Garantia – Companhia de Seguros de Cabo Verde, S.A.

La Positiva Seguros y Reaseguros, S.A.

Tenax Capital Limited

the prosperity company

**Main activities of the organisation**

Insurance - Life and Non-Life

Real estate investment management

Fund management

Car forensics and accident investigation

Risk analysis and occupational health and safety services

Vehicle reconditioning

Car assistance

Physical Medicine and Rehabilitation

Veterinary medicine

Financial services and others, including digitalization

Consulting and development of digital solutions and platforms

<sup>94</sup> VET does not report.

(continuation)

**207-4 Geography-to-geography report<sup>94</sup>**

Number of employees	8 713
Revenue from sales by third parties	N/R
Income from intra-group operations with other tax jurisdictions	38,661,826 €
Profit/loss before tax payment	N/R
Tangible assets other than cash and cash equivalents	37,020,327 €
Corporate income tax paid on a cash basis	N/R
Corporate income tax on profits/losses	N/R

**Reasons for the difference between corporate income tax levied on profits/losses and the tax due if the statutory rate is applied to profits/losses before tax payments**

N/R

<sup>94</sup> VET does not report.



## 8.1.3. Environmental Indicators

**301-1 Materials used, broken down by weight or volume<sup>95</sup>**

	Printing paper	FSC certified paper	Total
Materials used to produce and package the organization's main products and services (tons)	137.84	3.74	141.57

**301-2 Raw materials or recycled materials used**

Percentage of raw materials or recycled materials used in the manufacture of its main products and services (%)	N/R
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<sup>95</sup> It includes Car Service, Fidelidade, FPE, ok! seguros, Alianza Bolivia, FID Chile, Fidelidade Angola, Garantia, Tenax, and the Fidelidade branches in France and Spain.

**302-1 Energy consumption within the organisation**

<b>Non-renewable electricity consumption (GJ)<sup>96</sup></b>	<b>36,534.49</b>
	Diesel consumption (GJ) <sup>97</sup> 18,297.15
	Petrol consumption (GJ) <sup>98</sup> 11,403.13
	Natural Gas (GJ) <sup>99</sup> 5,449.67
<b>Direct energy consumption - Total fuel consumption (GJ)</b>	<b>Total (GJ) 35,149.95</b>
<b>Renewable energy consumption (GJ)</b>	<b>321.00</b>
<b>Total</b>	<b>72,005.45</b>

**303-1 Interactions with water as a shared resource**

For the **companies in Portugal**, the water consumed in the Fidelidade Group's operations comes from the public supply network, complying with all the legal requirements for collection, quality control and distribution. The Fidelidade Group monitors the water consumption of its activity in the different buildings on a monthly basis and seeks to manage the impact of its activity by controlling internal operational processes, implementing efficient water consumption measures and raising employee awareness.

At **TPC**, water is consumed during normal office activities.

<sup>96</sup> FFID R&D, Alianza Bolivia, Alianza Paraguay and Fidelidade Angola do not report.

<sup>97</sup> FID I&D, Alianza Bolivia, Alianza Paraguay, FID Chile, Tenax, TPC and the Fidelidade branch in Beijing. The Fidelidade branch in France states that it is not applicable.

<sup>98</sup> Alianza Bolivia, Alianza Paraguay, FID Chile, Tenax, TPC and the Fidelidade branch in Beijing do not report.

<sup>99</sup> SGOIC, VET, Alianza Bolivia, Alianza Paraguay, FID Chile, Fidelidade Angola, La Positiva, TPC and the Fidelidade branch in Beijing do not report. Garantia, Fidelidade Moçambique and the Fidelidade branches in France and Spain state that it is not applicable.

**303-2 Management of impacts related to water discharge<sup>100</sup>**

For the **companies in Portugal**, domestic wastewater from activities in the various buildings of the Fidelidade Group is directed to the public sewage system where it undergoes appropriate treatment, monitored by the responsible entities, that comply with all legal requirements for collection and treatment of wastewater.

At **TPC**, water is consumed as part of normal office activities for sanitary facilities and for employees' own consumption. The offices are rented, and the choice of water resource cannot be influenced.

**303-3 Water withdrawal<sup>101</sup>**

**Water withdrawal (ML)**

**46.97**

The Fidelidade Group does not identify areas of water stress in its direct operations for this Report.

<sup>100</sup> Alianza Bolivia, Alianza Paraguay, FID Chile, Fidelidade Angola, Fidelidade Macau, Garantia, La Positiva, Fidelidade Moçambique and the Fidelidade branches in Spain, France and Beijing do not report. Tenax states that it is not applicable.

<sup>101</sup> FID I&D, Alianza Paraguay, Fidelidade Angola, Fidelidade Macau, Fidelidade Moçambique, Tenax and Fidelidade branches in Beijing and France do not report.

**305-1 to 305-3 Emissions**

	Portugal	International
<b>305-1   Direct emissions (Scope 1)</b>	<b>2,288</b>	<b>686</b>
Fleet	1 849	496
Diesel (generators)	1	9
Natural Gas	309	0
GHG leaks	129	181
<b>305-2   Indirect emissions (Scope 2)</b>	<b>1,128</b>	<b>1,305</b>
<b>305-3   Other relevant indirect greenhouse gas emissions, by weight. (Scope)</b>	<b>56,027</b>	<b>25,148</b>
Goods and services purchased	32,980	18,449
Capital Assets	14,898	-
Fuel and energy-related activities (not included in scope 1 and 2)	903	536
Waste	86	60
Business Travel	4,456	1,112
Employee mobility	862	4,991
Transportation and Distribution - Customer travel	1,842	1
<b>Total Emissions</b>	<b>59,443</b>	<b>27,139</b>

### 306-1 Waste generation and significant impacts related to waste

Waste management and its impact is a concern for **Grupo Fidelidade** in all its activities. For companies in Portugal, the waste produced is mainly a mixture of similar municipal waste, paper and cardboard, metals, and plastic. The nature of the Fidelidade Group's business requires legal communication and documentation for customers and paper consumption is a material use of natural resources. The Fidelidade Group has been implementing processes to reduce paper consumption, sustaining this shift to digital communication, and reducing paper consumption in the office. The Group's objective is to minimise the waste produced and continuously improve its approach to the efficient and responsible use of resources, namely the reduction of plastic and paper consumption and the adoption of more efficient waste management measures. Employees were made aware of the global problem of waste pollution.

Currently, **La Positiva** only measures waste at its head office in Lima, where more than 80% of its employees are based. Therefore, it mainly measures organic waste and paper, having generated around 4.6 T of non-hazardous waste in 2023. In what concerns recycling, there is no exact measure. The company is improving its process for monitoring the waste generated.

**Tenax** reports that it does not produce a significant amount of waste.

**TPC**, as a service company, only generates waste to the extent of its daily needs, with hardly any advertising items in stock or perishable products, having almost no advertising items in stock, nor perishable products. The employees are instructed to separate the waste into plastic, paper, glass and so on, and this is done in Berlin. However, it is not possible to carry out this management in the rented premises in Ruggell.

**306-2 Management of significant impacts associated with waste**

In the companies in **Portugal**, the Fidelidade Group manages the impacts of waste production, mainly by minimising its consumption of materials and prioritising their reuse and/or recovery at the end of their life. Based on the principles of circular economy, Fidelidade has invested in the implementation of measures to reduce waste production, namely the elimination of single-use plastic (for example, replacing all plastic cups with glass, plastic spatulas for coffee with wooden swizzle sticks), and by promoting the acquisition of sustainable and certified materials and products. The management of waste and its impacts also involves the implementation of awareness-raising measures for employees, in order to contribute to this effort, as was the example of the disposal of waste bins at all desks.

Currently, **La Positiva**, does not have a segregation and recycling plan, but it is already working on a project that will be implemented, in an initial phase, in Lima during 2024.

**Tenax** reports that it does not produce a significant amount of waste.

**306-3 Generated waste<sup>102</sup>**

	Hazardous waste	Non-hazardous waste	Undifferentiated	Total
<b>Weight of waste produced (ton)</b>	0.001	259.770	26.520	<b>286.291</b>

<sup>102</sup> Includes Cares, Fidelidade, Fidelidade Assistance, GEP, ok! seguros, Safemode, Garantia and La Positiva.

**306-4 Waste not intended for final disposal<sup>103</sup>**

	Preparation for reuse	Recycled	Other recovery operations	Total
Hazardous (ton)	0.000	0.001	0.000	0.001
Non-hazardous (ton)	0.000	94.690	0.000	94.690
Undifferentiated (ton)	0.000	0.120	0.000	0.12
<b>Total (ton)</b>	<b>0.000</b>	<b>94.811</b>	<b>0.000</b>	<b>94.811</b>

**306-5 Waste intended for final disposal<sup>104</sup>**

	Incineration	Landfill	Other disposal operations	Total
Hazardous (ton)	0.0	0.0	0.0	0.0
Non-hazardous (ton)	0.0	62.1	103.0	165.1
<b>Total (ton)</b>	<b>0.0</b>	<b>62.1</b>	<b>103.0</b>	<b>165.1</b>

<sup>103</sup> Includes Cares, Fidelidade, Fidelidade Assistance, GEP, ok! seguros, Safemode, Garantia and La Positiva. This figure is higher than the sum of waste destined and not destined for final disposal, because Safemode only reported the total amount of recycled waste, 0.12 tons (without breakdown).

<sup>104</sup> The companies Car Service, CFA, FID I&D, Fidelidade, Fidelidade Assistance, FPE, GEP, Multicare, ok! seguros, Safemode, SGOIC, VET, Alianza Bolivia, Alianza Paraguay, FID Chile, Fidelidade Angola, Fidelidade Macau, Fidelidade Moçambique, Tenax, TPC and the Fidelidade branches in Beijing, Spain and France did not report this indicator.

**308-1 New suppliers assessed based on environmental criteria****Percentage of new suppliers assessed based on social criteria (%)****0**

The Fidelidade Group, through the Sustainability Department, is finalising the process of acquiring a tool that will facilitate the management of ESG data, namely those relating to the assessment of suppliers.

In 2023, no new suppliers were evaluated based on environmental criteria. Alianza Bolivia, Alianza Paraguay, FID Chile, Fidelidade Macau, Garantia, Fidelidade Moçambique, TPC and the Fidelidade branches in Beijing, Spain and France do not report this indicator.



## 8.1.4. Social Indicators

<b>401-1 New hires and employee turnover<sup>105</sup></b>							
		By age group			By gender		Total
		<30	>=30 and	>=50	Men	Women	
Received	Total	496	687	82	560	705	1.265
	Rate (%)	7.09	9.83	1.17	8.01	10.08	18.09
Employee exits	Total	355	547	171	530	543	1.073
	Rate (%)	5.13	7.90	2.47	7.66	7.85	15.51
Turnover Rate (%)		6.02	8.64	1.71	7.64	8.74	16.37

<sup>105</sup> The companies Garantia, Fidelidade Angola, Tenax and the Fidelidade branch in Beijing did not report this indicator. The Fidelidade branch in France states that it is not applicable.

**403-1 Occupational health and safety management system<sup>106</sup>**

For companies in Portugal, in terms of safety, there is a management system based on the obligations arising from the national legal framework and on good quality practices, which the internal OHS services apply to safety activities in the Fidelidade Group.

**Car Service** is certified by the Zaragoza Centre, which includes in the certification process, a set of mandatory Occupational Safety requirements to be met by the organization, namely:

- Compliance with the applicable legal requirements;
- Carrying out risk assessments;
- Existence of an emergency plan and intervention team;
- Information/training for employees in this area.

**CCR** is based on the same obligations.

**Fidelidade Assistance** has been certified since 2015 by the EFR 100 standard (Family-Responsible Entity), promoted by the Más Familia Foundation.

The objective of this certification is to create a management model that provides answers in terms of responsibility with regard to reconciling personal, family and work life, supporting equal opportunities and quality in employment. Although this system is not a benchmark focused only on health and safety at work, it touches on many points that are reflected in working conditions. Fidelidade Assistance complies with 122 requirements of this standard, which can be categorised in 5 different groups, namely:

- Quality at work: Integration of workers with permanent employment contracts; Work gymnastics programme; Health insurance for workers and co-participation for family members; Meal subsidy payment in the 12 months of the year.
- Spatial and temporal flexibility: Abandonment of the job due to urgent situation in worker's family; Increase in workload for part-time workers in seasonal periods.
- Family support: Reserved parking space for pregnant women; Maternity incentive and offer of a baby basket;
- Justified and paid absence to accompany the children on the 1st day of school.
- Personal and professional development: Volunteer scholarship; Language and computer training; Monthly workshops and pastimes.
- Equal opportunities: Respect for different religions according to the requests made by workers; Facilities made accessible to workers with physical disabilities.
- Leadership and management styles: Code of Conduct and Professional Ethics; Anti-mobbing policy.

<sup>106</sup> CFA, Alianza Paraguay, Garantia, Tenax and the Fidelidade branches in Beijing and France do not report. Fidelidade Moçambique states that it is not applicable.

(continuation)

### 403-1 Occupational health and safety management system<sup>106</sup>

**EAPS** (Safemode) EAPS (Safemode) has been certified in accordance with the NP EN ISO 9001:2015 - Quality Management Systems (QMS) standard since June 2018. The provision of external occupational health and safety services is one of the activities included in the QMS. EAPS is authorised for:

- The provision of external services in the area of health and safety at work, granted by joint order of the Minister of Labour and Social Solidarity and the Minister of Health of 28 November 2006.
- Provision of external Occupational Medicine services, pursuant to decision 471/2014 of DGS – Directorate-General of Health of 18 August 2014.

EAPS is a training entity, certified by GDEIR – General Directorate for Employment and Industrial Relations, in the areas of education and training: 861 - protection of people and goods and 862 - safety and hygiene at work.

**Alianza Bolivia** has developed an occupational health and safety management system. i. It meets the legal requirements. II. The rules and guidelines are followed. III. It is 100% covered at national level, but there are difficulties in achieving coverage at regional level.

The **Fidelidade branch in Spain** has implemented a prevention system with Cualtis. The reason for the existence of this prevention service is to respond to legal requirements (Article 30.1 of Law 31/1995, of November 8, on Occupational Risk Prevention) The workplace covered is the only work centre that the Company currently has and covers the entire Company workforce and personnel linked to a temporary employment agency. The agreement with Cualtis covers the following areas: occupational safety, industrial hygiene, and ergonomics and applied psychosociology; and occupational medicine. There are no workers not covered by the outsourced prevention service.

**La Positiva** has implemented an Occupational Health and Safety Management System (OHSMS) considering all the regulatory requirements of Peru's current legal framework and good practices proposed in the experience of related companies and international standards such as OHSAS 18001 or ISO 45001. The scope of the OHSMS covers all the company's employees and all the physical spaces it manages. 100% of employees are represented on the Health and Safety Committee and have received virtual training as part of the ongoing training programme.

**FID Chile** relies on the external assistance of a specialist company in Occupational Health and Safety, which works together with the People Management area to ensure compliance with the health and safety measures required by law in all FID workplaces and for all employees.

**Fidelidade Angola** has an occupational health and safety management System.

At **Fidelidade Macau** Workman's Compensation Insurance is compulsory for all employees and there is no other legal obligation.

**TPC** has a Health and Safety Management system in place, with 10 people trained.

CFA, Alianza Paraguay, Garantia, Tenax and the Fidelidade branches in Beijing and France do not report this indicator. Fidelidade Moçambique states that it is not applicable.

<sup>106</sup> CFA, Alianza Paraguay, Garantia, Tenax and the Fidelidade branches in Beijing and France do not report. Fidelidade Moçambique states that it is not applicable.

**403-2 Hazard identification, risk assessment and incident investigation<sup>107</sup>**

The activity developed in the field of Occupational Health and Safety, at the level of **companies in Portugal**, aims at preventing occupational risks and promoting the safety and well-being of individuals.

Fidelidade carries out the identification of hazards and risk assessment, during which it makes the most appropriate recommendations, prioritizing them in order to plan their implementation based on relevance and urgency.

The assessments are carried out by superior occupational safety technicians, who have valid professional aptitude certificates, issued by the act. The “know-how” of these technicians is complemented with specialist training in the field of Safety at work, and subject to regular technical and scientific updates. These elements are part of the Fidelidade Group's internal work safety services team.

The scope of the work carried out includes the risk assessment of workspaces and the risks to which employees are exposed, in particular:

- Risks related to carrying out administrative tasks using computers, screens, and other peripherals (visual fatigue, musculoskeletal injuries, etc).
- Physical risks (noise, vibrations, lighting, thermal environment and exposure to dust, gases, vapours, radiation).
- Chemical risks (handling substances or products that are dangerous to human health and likely to be absorbed through the mucous membranes of the respiratory and dermatological pathways).
- Mechanical risks (falling; cut; hit; crushing; drilling; shrapnel; collision)
- Electrical risks (shock, electrocution, explosions, burns)
- Fire and explosions
- Manual and mechanical handling of loads
- Use and handling of inappropriate tools, in poor condition or without adequate protection.
- Ergonomic risks associated with extreme working positions due to the nature of the task.
- Indoor air quality, thermal environment, and illuminance.
- Inappropriate postures (due to the stances adopted to carry out repairs/restorations);
- Fall from a height or at the same level or from a height;
- Falling objects.

Risk assessments are carried out in all spaces where workers perform their professional activities, on an annual basis, with the aim of eliminating the risk at source or minimising it. Priority is given to the implementation of measures that have an impact on collective protection.

<sup>107</sup> CFA, Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France did not report. Fidelidade Macau states that it is not applicable.

(continuation)

### 403-2 Hazard identification, risk assessment and incident investigation<sup>107</sup>

Following the risk assessments, action plans are drawn up, which define priorities for action, those responsible for implementing the defined recommendations and implementation deadlines, resorting to specialist technicians in certain areas, namely lighting and the HVAC system, whenever necessary.

In addition to regular assessments, occasional and follow-up assessments are carried out whenever there are changes in workspaces/equipment/working conditions, as indicated by occupational medicine and/or complaints made by workers.

Cares, FID R&D, Fidelidade, Fidelidade Assistance, FPE, GEP, Multicare, ok! seguros, Safemode, FSA, SGOIC, VET include assessments of indoor air quality, thermal environment, illuminance and, where applicable, assessments of exposure to microbiological agents and radon gas concentration levels.

The Fidelidade Group analyses occupational accidents that occur within its premises, and in teleworking in the case of CCR, GEP, Multicare, ok! seguros. After receiving and analysing the report of an accident at work, it is investigated through personal and/or telephone contact with the injured person and any witnesses (if any/if deemed necessary). Whenever justified, a visit is made to the site of the accident.

Following the analysis of the participation of the testimonies obtained and the analysis of the location/surroundings of the accident reported, the work accident analysis report is prepared, which includes the identification of the dangers, the analysis of the risks that are at the basis of the occurrence and the recommendations aimed at preventing recurrences. The activity carried out in the field of Occupational Health and Safety aims at preventing occupational risks and promoting the safety and well-being of individuals.

The IPERC Matrix is used at **Alianza Bolivia**. i. Through an annual audit with the Bolivian Ministry of Labour. ii. Corrective and preventive actions are identified and planned. iii. Through the Accidents at Work protocol. iv. The process of investigating accidents at work is carried out, and an incident report is drawn up with corrective and preventive actions.

**FID Chile** has defined a risk matrix for each job, which is in the process of being validated by management. If any risks are detected that have not been considered, they will be included, and actions will be taken to reduce them.

There is a Joint Committee comprising employees and representatives from the company's management, where health and safety issues reported by employees and/or identified by committee members are addressed, and action plans are defined. This committee, supported by the company, advises on occupational health and safety issues. It also includes employees identified as Emergency Managers who will take the lead on actions to be implemented in case of an emergency on the company's premises.

<sup>107</sup> CFA, Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France did not report. Fidelidade Macau states that it is not applicable.

(continuation)

### 403-2 Identificação de periculosidade, avaliação de riscos e investigação de incidentes<sup>107</sup>

At the **Fidelidade branch in Spain**, the prevention technician from its external prevention service, Cualtis, conducts annual visits to the building to identify occupational risks for the workers. Carrying out occupational risk assessments, preventive planning, and measures to reduce or eliminate the risks that currently exist. Once this documentation has been completed by the prevention technician, the company works to comply with the preventive measures, informing each worker of the risks inherent in the workplace. If there is an imminent risk that endangers workers' health, prudent decisions are taken to mitigate or eliminate the risk. The People Management Department monitors compliance with preventive measures. In addition, a Health and Safety Committee has been set up to identify aspects that could cause occupational risks at work.

At **La Positiva**, the IPERC process is participatory, as all employees take part in identifying hazards in their work. Based on the baseline risk analysis, controls are determined according to the prioritization of Peruvian standards and maintenance is implemented or supervised through the responsible areas. The IPERC matrices are specific to each position, prepared by competent and specialist personnel in the subject and reviewed and approved by the OHS Committee. IPERC serves to plan corrective actions through the implementation of controls. The Incident Report is a form available on the desktop of all employees through which they can quickly notify any event of OHS. The OHS Internal Regulation clearly specifies an employee's power and obligation to interrupt their activities and leave the area when faced with a situation that puts their safety and health at risk until the situation is corrected.

**TPC** has a monthly risk committee with a general (anonymous) e-mail address; Activities: Responsibility management and HR; annual internal review/audit of dedicated risk management processes; Guidelines and monthly Risk Reports; instructions in the event of illness, emergencies, and other emergency situations. All accidents, occupational illnesses and incidents are registered, presented to the Committee, investigated, and followed up until the cause is corrected. All records are kept. Monthly and annual statistics are compiled containing this information.

**Fidelidade Angola** identifies hazards, assesses risks and investigates incidents.

The companies CFA, Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in France and Beijing do not report this indicator. Fidelidade Macau states that it is not applicable.

<sup>107</sup> CFA, Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France did not report. Fidelidade Macau states that it is not applicable.

**403-3 Occupational health services<sup>108</sup>**

The activity carried out by the **companies in Portugal**, in the field of Health and Safety at Work, aims to prevent professional risks and promote the health of all workers, integrating professionals with adequate training, namely doctors who specialise in occupational medicine, senior technicians in occupational safety and professionals of nursing.

In this context, the activity incorporates an integrated and sequential involvement of the following aspects: 1) Identification of professional risks; 2) Planning and organisation of occupational risk prevention; 3) Elimination of risk factors and accidents; 4) Assessment and control of professional risks; 5) Information, training, consultation and participation of workers and their representatives; 6) Carrying out periodic clinical assessments, which go far beyond the legislation in force and ensure the professional's necessary aptitude to perform their functions, complemented by regular visits to workplaces and by continuous interaction between health professionals and safety technicians. This activity means transversal and vertical intervention, ranging from the technical processes to the organisation of work and the conditions in which it is carried out, passing through the hierarchical component of the company and including all levels of it, implying that those responsible at each hierarchical level assume the obligation to include risk prevention in any activity they carry out or have carried out and in all the decisions they adopt.

Access to personal information relating to the health of workers is restricted to the occupational physician secured through the clinical profile on the occupational medicine services platform. The clinical information provided by occupational medicine to the occupational safety team and/or to the people and organisation department is always in aggregated and anonymised, guaranteeing the confidentiality of workers, and always with the aim of promoting health in the organisation and worker well-being.

<sup>108</sup> Alianza Paraguay, FID Chile, Garantia, Tenax and the Fidelidade branches in Beijing and France do not report. The Fidelidade branch in Spain and the Fidelidade Macau company state that this is not applicable.

(continuation)

### 403-3 Occupational health services<sup>108</sup>

At **Alianza Bolivia**, the occupational physician keeps the results of medical examinations and the worker's state of health confidential, based on the law on professional medical practice No. 3131.

Fidelidade Angola has an occupational health service.

At **La Positiva**, the OHS service consists of the disciplines of Occupational Health and Safety and is carried out by professionals specialized in the subject (occupational physician, safety engineer, and occupational nurse). They are responsible for implementing and administering the company's OHSMS through the implementation of the Annual OHS Work Plan, which contains all the activities to be carried out during the year and that fulfil the company's obligations in this area.

Confidential information of each employee is kept only by the responsible position with the corresponding legal powers. The confidentiality of these matters and the preservation mechanisms are periodically checked in internal and external auditing processes and in risk management reviews regarding the treatment of information assets, without finding any observations or deviations in the processes that guarantee their proper management.

**TPC** has set up an employee first aid team, emergency plan training and conducting drills in the buildings. It applies strict authorization concepts for employee data protection and continuous data protection training.

Alianza Paraguay, FID Chile, Garantia, Tenax and the Fidelidade branches in Beijing and France do not report this indicator. Fidelidade Macau and the Fidelidade branch in Spain state that this is not applicable.

<sup>108</sup> Alianza Paraguay, FID Chile, Garantia, Tenax and the Fidelidade branches in Beijing and France do not report. The Fidelidade branch in Spain and the Fidelidade Macau company state that this is not applicable.



**403-4 Participation of workers, consultation, and communication to workers regarding health and safety at work<sup>109</sup>****Participation of workers, consultation, and communication to workers regarding health and safety at work<sup>110</sup>**

For the **Fidelidade Group** in Portugal, the health and well-being of employees is a "Greater Good", and everything is done to promote and facilitate it. With regard to OHS, we can mention that the Group's employees were consulted in 2023 on matters related to occupational health and safety through questionnaires such as Great Place to Work and SmartWorking. As far as communication is concerned, the Health and Safety Prevention Portal is used as the preferred means of information and communication on the various occupational safety and health issues. Also in 2023, as part of the Wellbeing week, the DPS cooperated in the production of 2 videos on OHS topics such as: the organization of the teleworking workstation and the adjustment of the work chair.

**CCR** reports that, as far as OHS is concerned, employees have not been consulted on matters related to health and safety issues.

**FID Chile** has a joint committee made up of employees and representatives of the company's management which meets monthly to discuss health and safety issues and is supported by external consultancy. The committee's definitions are posted on a board in a visible place in the workplace.

**Fidelidade Angola** consults and communicates with employees about occupational safety and health.

**Fidelidade's branch in Spain** informs all employees through "Be Fidelidade" communications about the risks present in the company (e.g., measures to be taken with COVID), as well as the possibility of scheduling a medical examination. Any employee wishing to consult documentation on occupational risk prevention can do so by contacting the People Management Department or the Health and Safety Committee itself, which is made up of 2 members of HR and 2 members of employee representation. The functions of the Health and Safety Committee are: (i) participate in the preparation, implementation and evaluation of the company's occupational risk prevention plans and programs, (ii) promote initiatives for effective risk prevention, proposing the improvement of conditions or the correction of existing deficiencies to the company. The Health and Safety Committee usually meets quarterly.

<sup>109</sup> For the "Number of meetings of the Environment, Health and Safety at Work Committee" the companies Cares, CFA, FID R&D, Fidelidade Assistance, FPE, ok! seguros, Safemode, FSA, SGOIC, VET, Alianza Paraguay, Garantia, Tenax and the Fidelidade branches in Beijing and France did not report the indicator and the companies Multicare, Alianza Bolivia, Fidelidade Moçambique reported that it is not applicable.

<sup>110</sup> CFA, Alianza Paraguay, Garantia, Tenax and the Fidelidade branches in Beijing and France do not report. Alianza Bolivia, Fidelidade Macau and Fidelidade Moçambique state that it is not applicable.

(continuation)

**403-4 Participation of workers, consultation, and communication to workers regarding health and safety at work<sup>109</sup>**

At **La Positiva**, the OHSMS is inherently participatory and consultative, and all employees without exception are involved in it. The main processes in which the employees take part are: preparation of the IPERC, election and maintenance of the OHS Committee, revision of the OHS Policy, notification and investigation of incidents and accidents, OHS exercise system, emergency response simulation. OHS information is disseminated to employees through internal communication (mailing) via Workplace (an organizational social network) and direct emails from the OHS area, depending on the topic and reason. All occupational health and safety issues are covered by the company without any contribution from the employee regarding costs (medical examinations, health campaigns, training programme, accidents at work).

**TPC** regularly trains the group's first responders; makes first aid packs visible in offices; makes reduced prices for fitness studios.

CFA, Alianza Paraguay, Garantia, Tenax and the Fidelidade branches in Beijing and France do not report this indicator. Alianza Bolivia, Fidelidade Macau and Fidelidade Moçambique state that it is not applicable.

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**Number of meetings of the Environment, Occupational Health, and Safety Committee**
**19**

<sup>109</sup> For the "Number of meetings of the Environment, Health and Safety at Work Committee" the companies Cares, CFA, FID R&D, Fidelidade Assistance, FPE, ok! seguros, Safemode, FSA, SGOIC, VET, Alianza Paraguay, Garantia, Tenax and the Fidelidade branches in Beijing and France did not report the indicator and the companies Multicare, Alianza Bolivia, Fidelidade Moçambique reported that it is not applicable.

### 403-5 Training workers in Occupational Health and Safety<sup>111</sup>

For new employees of **companies in Portugal**, new hires receive a welcoming training entitled "Fidelidade Group – Welcoming, Prevention, and Safety" This training aims to inform employees about the basic safety rules in force, as well as imparting other useful information for life within our organization. The communication portal for the Fidelidade Group, called "Health and Safety Prevention", has been updated with various contents relevant to the activities carried out by the Group, such as: electrical risks and work accidents. This portal aims to disseminate topics related to worker's health and safety, making employees aware of the importance of these topics. The initiatives aimed at addressing the issues identified in the latest assessment of psychosocial risks continue to be implemented. This includes conducting workshops on mental health, strengthening referral channels, and supporting initiatives such as NOS and WECARE – and aimed at mitigating the main risks identified.

In 2023, employees of the Agencies and Mediation Areas at **Fidelidade** received fire safety training for buildings via e-learning. This training aimed to provide workers with knowledge and skills to act in the event of an emergency.

At **Alianza Bolivia**, training is provided on hazards and risks at work, first aid, firefighting, and emergency evacuation.

At **FID Chile** there is an evacuation exercise, training on the use of fire extinguishers and an ergonomics course.

**Fidelidade Angola** trains workers in occupational health and safety.

At **Fidelidade's branch in Spain**, workers receive training in occupational risk prevention. For example: new hires receive training on the subject; company executives receive traffic safety training. Training on teleworking was also provided.

<sup>111</sup> CCR, CFA, Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France did not report. Fidelidade Macau states that it is not applicable.

(continuation)

**403-5 Training workers in Occupational Health and Safety<sup>111</sup>**

At **La Positiva**, the OHS training program consists of 3 types of courses:

1. Basic courses are those delivered to employees at the onset of their employment and serve as induction lectures for staff, managers, and commercial areas in all cities where the company operates.
2. Annual regulatory courses in which all employees participate, addressing regulatory requirements and specific preventive aspects of the company concerning key hazards and risks present.
3. Specific courses attended by particular groups of employees who require specialized training to perform their duties (emergency groups, emergency committees, Occupational Health and Safety coordinators) or who are exposed to hazards and risks distinct from those faced by others.

The group's first responders are trained regularly at **TPC**; and first aid packs are made visible in the offices.

The companies CCR, CFA, Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France do not report this indicator. Fidelidade Macau states that it is not applicable.

<b>Number of workers who took part in Environment, Occupational Health, and Safety training courses<sup>112</sup></b>	<b>3,769</b>
<b>Total number of hours of training in Environment, Occupational Safety and Health<sup>113</sup></b>	<b>3,978</b>

<sup>111</sup> CCR, CFA, Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France did not report. Fidelidade Macau states that it is not applicable.

<sup>112</sup> The companies CFA, VET, Alianza Paraguay, Fidelidade Angola, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in France and Beijing do not report the quantitative headings for this indicator.

<sup>113</sup> The companies Alianza Paraguay, Fidelidade Angola, Garantia, Tenax and the Fidelidade branches in France and Beijing do not report the quantitative headings for this indicator. Fidelidade Macau states that it is not applicable.

**403-6 Worker's health promotion<sup>113</sup>**

For the **companies in Portugal**, employees, in addition to periodic and occasional admission exams, are also regularly invited to participate in various studies that aim to provide an accurate and detailed knowledge of their reality, in terms of physical and mental health and the trends that may be taking place. The aim is to develop timely and effective interventions in preventing potential hazards, risks, and any potential health impacts. The annual oncological check-up of the health insurance is also promoted, through the articulation of its simultaneous performance with the occupational medicine exams. Vaccination against seasonal flu is also available free of charge to all employees who so wish, through the national network of pharmacies. As part of the Wellbeing week, this year around 100 health screenings (biometric assessment, blood pressure, blood glucose and cholesterol) were carried out in all of Fidelidade's Central Buildings for all the Group's employees who wished to undergo them.

Simultaneously and in conjunction with the national health plans of the DGS resulting from the periodicals "Health Portraits" of the Portuguese promoted by this department, targeted initiatives are also put on and specific health problems (such as hypertension, diabetes, obesity, smoking, etc.) are covered since, although they do not constitute specific risks of the company's activity, they constitute a general public health problem, and addressing them is essential for promoting the best possible physical and psychological well-being of Fidelidade's working population.

These topics are usually tackled by providing training and awareness-raising materials aimed at specific subjects and by producing and disseminating content on multiple health situations. It has also involved numerous support and outreach initiatives, such as the Multicare online medical service and symptom checker, the psychological support program under the NOS social responsibility program, and the Multicare health insurance.

Access to personal information relating to the health of workers is restricted to the occupational physician secured through the clinical profile on the occupational medicine services platform. The clinical information provided by occupational medicine to the occupational safety team and/or to the People and Organisation Department is always aggregated and anonymised, guaranteeing the confidentiality of workers, and always with the aim of promoting health in the organisation and worker well-being.

**Alianza Bolivia** collaborates with the Health Management Entity to carry out health campaigns in the offices (such as free vaccinations, educational talks, etc.). The Health Management Entity is governed by the Social Security Code, as well as by the doctor's professional legislation, which prohibits the sharing of information about the employee. The company follows the guidelines of the Social Security Code.

<sup>113</sup> The companies Alianza Paraguay, Fidelidade Angola, Garantia, Tenax and the Fidelidade branches in France and Beijing do not report the quantitative headings for this indicator. Fidelidade Macau states that it is not applicable.

(continuation)

#### 403-6 Worker's health promotion<sup>13</sup>

**FID Chile** offers an extraordinary medical insurance benefit that covers contingencies higher than cost covered by their medical insurance. It also has the benefit of psychological and nutritional consultations, encourages the practice of sport and a healthy lifestyle through communication actions and extra-work activities. We keep employees' personal information strictly confidential.

**La Positiva**, through its external prevention service, carries out compulsory medical examinations every year for new hires and people on long-term sick leave, and on a voluntary basis for all staff members. As for the confidentiality of the results of medical examinations, only the People Management area has access to know whether the worker is fit, not fit or fit with restrictions. At no point does the prevention service of Cualtis disclose the worker's pathologies or health issues to safeguard the right to data protection.

At **Fidelidade Moçambique**, employees have EPS and are linked to the national health system (EsSalud). Health aspects not related to work are not quantified or analysed in terms of risk, as they fall outside the scope of the Occupational Health and Safety function. However, understanding unhealthy lifestyles as a common cause of various diseases and public health issues, efforts are made to promote initiatives that encourage a healthy lifestyle. These initiatives may include nutritional consultations, workplace fitness workshops, laughter therapy sessions, and identifying individuals at risk of obesity and implementing a control program for it.

\*Custody and maintenance of confidential information relating to the employee's health, as explained in the previous points.

Medical information is only kept by the company's health personnel (doctor and work nurse) and is not shared for any reason with other areas or jobs, making it impossible to use it for other purposes.

**TPC** contributes to the practice of sport through accident insurance paid for by the company, has daily sickness insurance, runs monthly sports activities organized by employees and contributes to the crèche for employees' children.

Alianza Paraguay, Fidelidade Angola, Garantia, Tenax and the Fidelidade branches in Beijing and France do not report this indicator. Fidelidade Macau states that it is not applicable.

**403-7 Prevention and mitigation of impacts on occupational safety and health directly linked to business relationships<sup>114</sup>**

Companies in Portugal maintained their business relationships with customers and suppliers in 2023, complying with the applicable safety rules.

At **Car Service**, **CCR** and **VET** all their normal occupational safety activities were maintained in close cooperation with occupational medicine. For Car Service, these include technical opinions on changes to layouts, audits, and inspections of Fidelidade premisses, as well as all activities relating to preventive measures to be adopted in situations where interventions have taken place in buildings, such as refurbishment works, maintenance interventions or others.

For **Fidelidade**, during 2023, DPS was part of the Change Management - Future of Work project team, namely in the "Ways of Work", "Mobility" and "Facilities" initiatives.

**La Positiva**, through its prevention service, can see if an employee, in their business relations, may have any risk that affect their health. This is detected through medical examinations. If there is any risk of incompatibility with the worker's health, the company adapts the workplace or even changes the location to avoid any impact on the worker's health.

**La Positiva** plans and determines epidemiological surveillance programmes regarding health aspects that may be impacted by hazards and risks present in the work environment. It takes the IPERC, the results of occupational medical examinations and historical data on accidents/incidents/illnesses, among others, as a reference for determining these programs.

**TPC** is concerned with providing height-adjustable tables and chairs and training to optimize work in the office.

**Fidelidade Angola** engages in the prevention and mitigation of health and safety impacts directly linked to business relationships.

**FID Chile** responds to the indicator by answering indicators 403-1, 403-2, 403-4, 403-5, and 403-6.

The companies, CFA, Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France do not report this indicator. Alianza Bolivia, and Fidelidade Macau state that it is not applicable.

<sup>114</sup> CFA, Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France do not report. Alianza Bolivia, and Fidelidade Macau state that it is not applicable.

**403-8 Workers covered by an occupational health and safety management system<sup>115</sup>**

For **companies in Portugal**, the Internal Occupational Safety services of the Fidelidade Group ensure that workers who, while not being part of Fidelidade's staff, carry out tasks on Fidelidade's premises, benefit from the same safety conditions in terms of occupational health, all workers with an employment contract are covered.

At **CCR** and **CFA**, in terms of occupational health, all workers with an employment contract are covered.

**Fidelidade** analyses all workplace accidents that occur within the premises or at the worker's workplace when the same is working remotely (telework). After receiving and analysing the report of an accident at work, it is investigated through personal and/or telephone contact with the injured person and any witnesses (if any/if deemed necessary). Whenever justified, a visit is made to the site of the accident. Following the analysis of the participation of the testimonies obtained and the analysis of the location/surroundings of the accident reported, the work accident analysis report is prepared, which includes the identification of the dangers, the analysis of the risks that are at the basis of the occurrence and the recommendations aimed at preventing recurrences. In 2023, a significant part of the accidents at work registered occurred in "in itinere" and were mostly caused by falls due to the poor condition of the floor or the slippery surfaces of roads. Accidents that occurred in the workplace or in the context of teleworking had various causes. The most common were falls caused by a prolonged static position (sitting position), which leads to numbness in the lower limbs and consequent loss of strength. The injured workers were made aware of the need to move around (by taking short breaks throughout the workday) and not to remain in the same position for long hours.

**La Positiva** does not conduct a census or control of the number of external workers working in its facilities through the Occupational Health and Safety (OHS) department. Instead, it is managed through the administrative department responsible for services and/or contracts. However, the OHS department, for internal services, carries out the verification of regulatory requirements for suppliers starting from the service bidding process (preparation of an OHS manual for contractors and validation of OHS requirements in proposing contractors), periodic integration of outsourced workers, and verification of the most important documentation of the Occupational Health and Safety Management System (OHSMS) of the supplier. For temporary outsourced services, verification of the regulatory requirements corresponding to their activity is also carried out, through the review of the Safe Work Analysis (SWA) examination of fitness certificates, and documents demonstrating the supplier's compliance with OHS obligations.

At **Fidelidade Angola** and at **Fidelidade's branch in Spain**, workers are covered by an occupational health and safety management system.

Alianza Paraguay, FID Chile, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France do not report this indicator. Alianza Bolivia, Fidelidade Macau and TPC state that it is not applicable.

<sup>115</sup> Alianza Paraguay, FID Chile, Garantia, Fidelidade, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France do not report. Alianza Bolivia, TPC and Fidelidade Macau state that it is not applicable.



(continuation)

**403-8 Workers covered by an occupational health and safety management system<sup>115</sup>**

Number of external workers covered by the occupational health and safety management system <sup>116</sup>	<b>178</b>
Percentage of external workers covered by the occupational health and safety management system (%) <sup>116</sup>	<b>51%</b>
Number of external workers covered by an occupational health and safety management system that has been audited internally (%) <sup>117</sup>	<b>176</b>
Percentage of external workers covered by an occupational health and safety management system that has been audited internally (%) <sup>117</sup>	<b>67%</b>
Number of external workers covered by an occupational health and safety management system that has been audited internally or certified by an external entity <sup>118</sup>	<b>176</b>
Percentage of external workers who are covered by an occupational health and safety management system that has been audited internally or certified by an external entity (%) <sup>118</sup>	<b>67%</b>

<sup>116</sup> It includes FID Chile, Fidelidade Macau, La Positiva and the Fidelidade branch in Spain.<sup>117</sup> Includes FID Chile, Fidelidade Macau, La Positiva.<sup>118</sup> Includes FID Chile, Fidelidade Macau, La Positiva and the Fidelidade branch in France.

**403-9 Workers' compensation<sup>119</sup>**

The **Fidelidade Group** in Portugal conducts analysis of all workplace accidents that occur within the premises or at the worker's remote workplace (teleworking) when applicable.

After receiving and analysing the report of an accident at work, it is investigated through personal and/or telephone contact with the injured person and any witnesses (if any/if deemed necessary). Whenever justified, a visit is made to the site of the accident.

Following the analysis of the participation of the testimonies obtained and the analysis of the location/surroundings of the accident reported, the work accident analysis report is prepared, which includes the identification of the dangers, the analysis of the risks that are at the basis of the occurrence and the recommendations aimed at preventing recurrences.

In 2023, a significant part of the accidents at work registered occurred in "in itinere" and were mostly caused by falls due to the poor condition of the floor or the slippery surfaces of roads.

Accidents that occurred in the workplace or in the context of teleworking had various causes. The most common were falls caused by a prolonged static position (sitting position), which leads to numbness in the lower limbs and consequent loss of strength.

Injured workers were made aware of the need to move (by taking short breaks throughout the working day) and not to remain in the same position for hours at a time.

In 2023 at **Fidelidade Car Service** there was 1 workplace accident, the cause of which was "struck by object". At Fidelidade Assistance, there were two workplace accidents: one originated from a fall, and the other from a strain or awkward movement, both without serious consequences. In FPE there was 1 accident "in itinere". There was 1 accident at Multicare, which was a minor fall. At Ok Seguros, there was 1 workplace accident at Via Directa, caused by a minor strain injury. At Safemode, there was 1 workplace accident, which was a minor fall. In 2023 there were no workplace accidents for CARES, FID R&D, GEP, SGOIC and TPC, and no accidents were reported for CCR and VET. At Fidelidade Angola there have been accidents on public transport.

<sup>119</sup> CFA, Alianza Bolivia, Alianza Paraguay, FID Chile, Fidelidade Beijing, Fidelidade Spain, Fidelidade France, Fidelidade Macau, Garantia, Fidelidade Moçambique and Tenax do not report.

(continuation)

### 403-9 Workers' compensation<sup>119</sup>

At **La Positiva**, 3 workplace accidents were recorded internally, 1 minor without medical rest or sick days (received first aid) and 2 incapacitating with 2 and 5 days of medical rest, respectively. The three accidents were flat and uneven falls. The main hazards identified in the company are ergonomic and localized, with the latter being particularly prone to causing accidents. Hazards are identified through the IPERC, the incidents report and inspection activities carried out by the Committee and the OHS area. None of the hazards/risks identified and analysed resulted in an workplace accident with serious consequences. Following the occurrence of an accident or incident, the company follows the Incident and Accident Investigation Procedure, involving the relevant department and the Occupational Health and Safety Committee. Evidence and witness statements are gathered, and an analysis is conducted to determine the root causes and identify corrective actions to be implemented. The determination of controls is always planned and considers the regulatory hierarchy (elimination, replacement, engineering changes, administrative measures, and personal protective equipment). The scope of the process described (investigation of incidents/accidents, their scope and application of corrective measures) is global, covering all employees, suppliers, customers, or visitors who are on the company's premises.

CFA, Alianza Bolivia, Alianza Paraguay, FID Chile, Fidelidade Macau, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing, Spain and France do not report this indicator.

		Worked hours <sup>120</sup>		Deaths		Workers' Compensation <sup>121</sup>		
		Total	Absenteeism	Total <sup>122</sup>	Total <sup>123</sup>	Lost days <sup>124</sup>	With serious consequences <sup>125</sup>	Deaths <sup>126</sup>
Total number	Men	5,754,167	80,836	0	29	5	1	0
	Women	7,402,833	218,186	0	44	21	0	0
	<b>Total</b>	<b>13,157,000</b>	<b>299,022</b>	<b>0</b>	<b>73</b>	<b>26</b>	<b>1</b>	<b>0</b>
Rate (%)	Men	-	1.40	-	-	-	-	-
	Women	-	2.95	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>2.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Table of Contents	Men	-	-	-	5.04	0.00	0.17	0.00
	Women	-	-	-	5.94	0.00	0.00	0.00
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.54</b>	<b>0.00</b>	<b>0.08</b>	<b>0.00</b>

<sup>120</sup> Alianza Paraguay, Fidelidade Macau, Garantia, Fidelidade Moçambique, Fidelidade Angola, TPC and Tenax and the Fidelidade branches in Beijing and France do not report.

<sup>121</sup> The indices were calculated based on 1,000,000 hours worked.

<sup>122</sup> SGOIC, Alianza Paraguay, Fidelidade Beijing, Garantia, Fidelidade Moçambique and Tenax do not report, Fidelidade Angola states that it is not applicable.

<sup>123</sup> Alianza Paraguay, Fidelidade Beijing, Fidelidade Moçambique and Tenax do not report.

<sup>124</sup> Alianza Paraguay, Fidelidade Beijing, Fidelidade Moçambique and Tenax do not report. Fidelidade Angola states that it is not applicable.

<sup>125</sup> FSA, Alianza Paraguay, Fidelidade Moçambique, Tenax and the Fidelidade branch in Beijing do not report. Fidelidade Angola states that it is not applicable.

<sup>126</sup> Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branch in Beijing do not report. Fidelidade Angola states that it is not applicable.

(continuation)

		Worked hours <sup>120</sup>		Deaths		Workers' Compensation <sup>121</sup>		
		Total	Absenteeism	Total <sup>122</sup>	Total <sup>123</sup>	Lost days <sup>124</sup>	With serious consequences <sup>125</sup>	Deaths <sup>126</sup>
<b>Subcontractors (#)</b>	Men	-	-	-	-	0	-	0
	Women	-	-	-	-	0	-	0
	<b>Total</b>	-	-	-	-	<b>0<sup>127</sup></b>	-	<b>0<sup>128</sup></b>
<b>Subcontractors (Table of Contents)</b>	Men	-	-	-	-	-	-	0
	Women	-	-	-	-	-	-	0
	<b>Total</b>	-	-	-	-	-	-	<b>0</b>

<sup>127</sup> Includes Car Service, CCR, Fidelidade, FPE, ok! Seguros, FSA, VET, Alianza Bolivia, FID Chile, Fidelidade France, Fidelidade Macau, La Positiva and TPC.

<sup>128</sup> Cares, Fidelidade Assistance, ok! seguros, SGOIC, Alianza Paraguay, Fidelidade Beijing, Fidelidade Moçambique and Tenax do not report. Fidelidade Angola states that it is not applicable.

**403-10 Occupational diseases<sup>129</sup>****Occupational diseases**

Professional risks within the **Fidelidade Group** in Portugal essentially involve musculoskeletal pathologies resulting from inappropriate postures and psychosocial risks in the workplace. Intervention in order to safeguard the best ergonomic measures in the workplace and also for work at home (telework) involving principally the supply of laptop computers, furniture screens and headphones has prevented the appearance of professional illnesses. Employees are satisfied at Fidelidade due to the near absence of occupational disease and accidents at work among its workers, whose health problems are restricted to aspects not arising from work activity, but to which the occupational health area is particularly attentive.

**Alianza Bolivia, LA Positiva** and **TPC** monitor occupational illnesses and accidents and have not recorded any occupational illnesses for 2023.

The companies, Alianza Paraguay, FID Chile, Fidelidade Macau, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing, Spain and France do not report this indicator. Fidelidade Angola states that it is not applicable.

	Men	Women	Total
<b>Number of occupational diseases</b>	0	1	<b>1</b>
Number of occupational diseases	0.00	0.14	<b>0.08</b>
Number of deaths resulting from occupational diseases	0	0	<b>0</b>

<sup>129</sup> For the number of illnesses and deaths, the companies Alianza Paraguay, Fidelidade Moçambique, Tenax and the Fidelidade branch in Beijing do not report. Fidelidade Angola states that it is not applicable.

**404-1 Average hours of training per year per employee<sup>130</sup>**

	Men	Women	Total
Administration <sup>131</sup>	12.3	40.6	15.2
Administration <sup>132</sup>	45.3	50.1	46.9
Manager / Expert <sup>133</sup>	35.6	37.9	36.6
Team Leader <sup>134</sup>	34.4	37.4	36.2
Assistant <sup>135</sup>	67.2	51.1	57.5
Not applicable <sup>136</sup>	8.4	9.0	8.80
<b>Total</b>	<b>37.6</b>	<b>36.3</b>	<b>36.9</b>

<sup>130</sup> VET, Alianza Paraguay, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France did not report. TPC states that it is not applicable.

<sup>131</sup> They report on the companies Fidelidade, Car Service, Cares, Fidelidade Assistance, FPE, GEP, Multicare, ok! seguros Safemode and SGOIC.

<sup>132</sup> The companies Fidelidade, Alianza Bolivia, La Positiva, FID Chile, Fidelidade Macau and Fidelidade Angola report.

<sup>133</sup> The companies Car Service, Cares, FID I&D, Fidelidade, Fidelidade Assistance, FPE, GEP, Multicare, ok! seguros, Safemode, Alianza Bolivia, La Positiva, FID Chile, Fidelidade Angola, Fidelidade Macau and the Fidelidade branch in Spain report.

<sup>134</sup> The companies Car Service, FID I&D, Fidelidade, Fidelidade Assistance, FPE, GEP, Multicare, ok! seguros, Safemode, FSA, Alianza Bolivia, La Positiva, FID Chile, Fidelidade Angola, Fidelidade Macau and the Fidelidade branch in Spain report.

<sup>135</sup> The companies Car Service, CCR, Fidelidade, Fidelidade Assistance, FPE, GEP, Multicare, ok! seguros, Safemode, FSA, Alianza Bolivia, La Positiva, FID Chile, Fidelidade Angola, Fidelidade Macau and the Fidelidade branch in Spain report.

<sup>136</sup> The companies Cares, CFA, Fidelidade and SGOIC report.

**404-2 Programs for improving employee skills and career transition assistance<sup>137</sup>**

**Car Service:** Executive Coaching Project - Effective Personal Productivity - LMI Leadership Management Internacional.

**Cares, Fidelidade, FPE, GEP, Multicare, ok! seguros, Safemode:** Fyouture, FIDME.

Fidelidade Macau: Continuous Professional Development 2023 (10 hrs).

**La Positiva:** "Despega tu Talento" Programme (educational scholarships, educational agreements, functional trainings, "Ciudad Positiva" (more than 10 courses), "Suma con Esan" Programme (3 diplomas), Get Underwriting (Fidelidade), Get Bigger (Fidelidade), Attributes Training Programme, Corporate Leadership Programme (Fidelidade), Liderando (leaders t244alentoent) and normative courses.

**TPC:** added an initial personal coaching program for Team leaders.

**Alianza Bolivia** has no programs for skills management and continuous learning.

The companies FID I&D, FSA, SGOIC, VET, Alianza Paraguay, FID Chile, Fidelidade Angola, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing, Spain and France do not report this indicator. The companies CCR and CFA state that this is not applicable.

<sup>137</sup> It only includes the mentioned companies. CCR and CFA state that it is not applicable.



**404-3 Percentage of employees receiving regular performance and career development reviews<sup>138</sup>**

Percentage of employees who receive regular performance and career development reviews, broken down by gender (%)	93.04%
Men	94.47%
Women	91.93%

<sup>138</sup> It includes Car Service, Fidelidade, FPE, GEP, Multicare, ok! Seguros, Safemode, Alianza Bolivia, FID Chile, Fidelidade Macau, La Positiva, TPC and the Fidelidade branches in Spain and France. CCR and CFA state that it is not applicable. Percentages were calculated by applying a weighting, based on the number of employees of the companies reporting the indicator.

**405-1 Diversity in governance bodies and employees<sup>139</sup>**

	By category (%)						Total excluding administration (%)
	Administration	Executive	Manager / Expert	Team Leader	Assistant	Not applicable	
<b>By gender</b>							
Men	91.9	70.9	57.2	42.0	39.9	48.2	<b>43.9</b>
Women	8.1	29.1	42.8	58.0	60.1	51.8	<b>56.1</b>
<b>By age group</b>							
<30	0.0	0.0	3.0	14.8	22.0	61.8	<b>24.1</b>
>=30 e <50	32.4	46.8	53.2	59.5	57.2	36.7	<b>54.5</b>
>=50	67.6	53.2	43.9	25.7	20.8	1.6	<b>21.4</b>

<sup>139</sup> Fidelidade Paraguay, Fidelidade Moçambique, Tenax and the Fidelidade branch in Beijing do not report.

(continuation)

**405-1 Diversity in governance bodies and employees<sup>139</sup>**

	By category (%)						Total excluding administration (%)
	Administration	Executive	Manager / Expert	Team Leader	Assistant	Not applicable	
<b>Education level</b>							
Primary education	0.0	0.0	0.6	2.7	23.1	1.8	<b>8.8</b>
Secondary Education	2.7	8.9	12.7	22.5	30.8	62.5	<b>31.1</b>
Higher Education	97.3	91.1	86.7	74.7	46.1	35.8	<b>60.1</b>
<b>Total number of employees</b>	<b>37</b>	<b>79</b>	<b>472</b>	<b>3,829</b>	<b>2,610</b>	<b>1,404</b>	<b>8,394</b>
People with disabilities (%)	0	1.3	1.5	1.6	1.5	0.1	<b>1.3</b>

**405-2 Ratio of basic salary and remuneration received by women to those received by men**

	Basic salary ratio	Remuneration ratio
Administration	N/R	N/R
Executive	N/R	N/R
Manager / Expert	N/R	N/R
Team Leader	N/R	N/R
Assistant	N/R	N/R
Not applicable	N/R	N/R

• Gender Pay Gap Dec 2023 using the average salary by job position and level: -3.3 %<sup>140</sup>

• Gender Pay Gap Dec 2023 using the median salary by job position and level: -2.1%<sup>140</sup>

<sup>140</sup> Gender pay gap relating to the Group's companies in Portugal and La Positiva. The median gender pay gap was calculated using the ratio of the difference between the median earnings of both genders and the median earnings of the male gender, for each group of employees with the same role and responsibility. To summarize the various populations, the average value of the median gender pay gaps across the different groups was considered as the median gender pay gap of the Fidelidade Group.

**406-1 Incidents of discrimination and the corrective measures taken<sup>141</sup>**

Incidents of discrimination and the corrective measures taken.

0

**413-1 Operations with local community involvement, impact assessments and development programs**

**Car Service:** Delivery of 55 Christmas hampers to associations for distribution to the most vulnerable FCS association with social projects promoted by DSU.

**Cares:** In the process of managing the waste produced in the collection of salvage from electrical risk processes, the Arganil branch asked APPACDM to collect it in 2023. The APPACDM is the Portuguese Association of Parents and Friends of the Citizen with Mental Illness, which supports hundreds of users, not minimizing their condition. Therefore, it actively promotes various activities to value their work, as seen in salvaging efforts and the protocol established with the recycling centre. Specifically, regarding salvaged materials collected by Cares, this arrangement allows the entity to receive compensation based on the tons of materials they deliver to the recycling centre.

In this "partnership," not only has waste management been achieved within all legal environmental frameworks, but indirectly, a benefit has been secured for an entity that is currently expanding its scope of intervention with the construction of the "Casa dos Afetos."

**Fidelidade:** External – Support to the Third Sector of the Fidelidade Community: > Operations with local community engagement programmes: Fidelidade Group - Fidelidade Community Award: The 5th edition, launched in 2023, received 304 applications divided into the following strands:

- Inclusion of people with disabilities or impairments 102 applications;
- Ageing: 121 applications;
- Preventive healthcare: 81 applications. The funds for this edition will only be released in 2024, once the winners have been announced: Fidelidade Group - Donations: EPIS, for salvage of computer rollout equipment and hospital office equipment (in partnership with Hospital da Luz); Fidelidade Group - Offer of insurance for new equipment and Christmas Hampers; Fidelidade Group - Corporate volunteering; Fidelidade Group - Acquisition of social economy products. > Impact assessment Fidelidade Group - NOS: 8 newsletters for Informal Caregivers; 1 nurse to support Informal Caregivers; new partnerships for caregiver rest and psychological support; monthly newsletter for Employee Caregivers and carrying out an impact assessment of the Support for Caregivers service.

<sup>141</sup> Alianza Paraguay, Fidelidade Moçambique, Tenax and the Fidelidade branch in Beijing do not report. Fidelidade Angola states that it is not applicable.

(continuation)

### 413-1 Operations with local community involvement, impact assessments and development programs

**Multicare:** In 2023 Multicare distributed approximately €100,000 between sponsorships and donations. Among the institutions covered were the Liga Portuguesa contra o Cancro (Portuguese League Against Cancer), Alzheimer Portugal, the Sociedade Portuguesa de Ortopedia e Traumatologia (Portuguese Society of Orthopaedics and Traumatology), the Global Health Forum, among others, which supported research and/or scientific dissemination initiatives. Investments were also made in health literacy initiatives for the general public, such as "Tenho Cancro. E depois? ("I have cancer. So what?") and in initiatives to promote healthy habits in companies, such as the Wellbeing Awards.

**Safemode:** The operations carried out fall within the scope of the Fidelidade Comunidade Programme and are reported on by the areas responsible for the Programme.

At **Fidelidade Macau**, there was some indirect involvement with the local community through support and sponsorship of local NGOs with a direct impact on local communities in need (impact not accounted for). On a social level, there is a strong impact, but also indirect, through the "Macau GOV COVID-19 Vaccination Programme", under which the company was selected by the Macau SAR Government to provide insurance coverage for possible adverse reactions/side effects of COVID-19 vaccines.

At **La Positiva**, 6 more Social Responsibility initiatives were carried out in 2023, in line with the 3 pillars of action: health and prevention, community support and environmental care. In terms of community support, the company benefited from the voluntary participation of over 80 employees from our operations in Lima and Trujillo. The 2023 programs and initiatives include: Donación Dammificados Yaku (+1300 people benefited), Barrio Positivo (+1200 people benefited), Alianza Casa Ronald Mcdonald (450 families), Carrera Corre Conmigo 5K (+4000 participants), Navidad Positiva (80 elderly people), among other actions. With these initiatives, La Positiva was able to support more than 3,000 people.

For **GEP, ok! seguros, SGOIC, TPC** and the **Fidelidade branch in Spain** there are no operations with local community involvement programs, impact assessment and development programs. At FID there was one.

The companies CCR, CFA, FID I&D and Alianza Bolivia state that it is not applicable. The companies Fidelidade Assistance, FPE, FSA, VET, Alianza Paraguay, Fidelidade Angola, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing and France do not report this indicator.

**413-2 Operations with significant actual or potential negative impacts on local communities****Operations with potential or negative impacts on local communities.**

The companies GEP, ok! seguros, SGOIC, FID Chile, Fidelidade Macau and TPC and the Fidelidade branch in Spain report zero operations.

The companies Car Service, CCR, CFA, FID I&D, Fidelidade, Multicare and Alianza Bolivia state that it is not applicable.

The remaining Group companies do not report.

**414-1 New suppliers assessed based on social criteria<sup>142</sup>**

<b>Percentage of new suppliers assessed based on social criteria (%)</b>	<b>0%</b>
Total number of new suppliers	0
Total number of new suppliers assessed based on social criteria	0

**415-1 Political contributions<sup>143</sup>**

Political contributions	0 €
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<sup>142</sup> VET, Alianza Paraguay, Fidelidade Moçambique, Tenax and the Fidelidade branches in Beijing, Spain and France do not report. CFA, Fidelidade Angola, La Positiva and TPC state that it is not applicable.

<sup>143</sup> Alianza Paraguay, Fidelidade Angola, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branch in Beijing do not report. CFA, VET, Alianza Bolivia and La Positiva state that it is not applicable.

**417-1 Requirements for product and service information and labelling<sup>144</sup>**

In Portugal, in what concerns **Fidelidade Assistance**, products and services are validated by the DCO and DAJ before they are marketed. Compliance validation registration is done in an app.

The companies **Car Service, Cares, FID R&D, CCR, CFA, Fidelidade, FPE, GEP, Multicare, ok! seguros, Safemode, FSA** and **SGOIC** do not apply requirements for the information and labelling of products and services.

**La Positiva** does not have any physical products, but it is mandatory that the labels communicate the name of the product, description, SBS identification code, risks and coverage, exclusions, collective groups, information and complaints channels, broker designation, right of withdrawal, premium reference, periodicity, and data processing policy. In terms of digital advertising, it is essential to indicate the RUC number, company name and legal information in the case of a campaign.

At **TPC**, local suppliers highly value sustainability, but there is no standard process in place to evaluate these suppliers regarding sustainability. Customer and partner processes are digitalized, significantly reducing distribution transport.

For **Fidelidade Macau**, the indicator is not applicable to the current product portfolio.

**417-2 Cases of non-compliance regarding product and service information and labelling<sup>145</sup>**

Cases of non-compliance related to the information and labelling of products and services

0

<sup>144</sup> VET, Alianza Bolivia, Alianza Paraguay, FID Chile, Fidelidade Angola, Garantia, Fidelidade Macau, Fidelidade Moçambique, Tenax and the Fidelidade branches in Spain, France and Beijing do not report the indicator.

<sup>145</sup> Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Spain and Beijing do not report. VET states that it is not applicable.



**417-3 Cases of non-compliance related to marketing communication<sup>146</sup>**

Cases of non-compliance related to marketing communication	0
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**418-1 Substantiated complaints regarding breach of privacy and loss of customer data<sup>147</sup>**

Proven complaints regarding breach of privacy and loss of customer data.	47
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<sup>146</sup> Alianza Bolivia, Alianza Paraguay, Fidelidade Angola, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Spain and Beijing do not report. VET states that it is not applicable.

<sup>147</sup> Alianza Bolivia, Alianza Paraguay, FID Chile, Fidelidade Angola, Garantia, Fidelidade Moçambique, Tenax and the Fidelidade branches in Spain and Beijing do not report.

8.1.5. Specific Indicators<sup>148</sup>**Ensuring transparency of activity<sup>149</sup>**

<b>TA1</b>	<b>Compliance in Products and Advertising</b>	
TA1.1	Products and services compliance analysis	283
TA1.2	Communication and training on Compliance in the design and marketing of products and services (total number of employees)	15
TA1.3	Advertising media compliance analysis	747
<b>TA2</b>	<b>Compliance in Investments and Relations with Third Parties</b>	
TA2.1	Know Your Counterparty (KYC) analysis	246
TA2.2	Know Your Customer (KYC) analysis	311

<sup>148</sup> They include Car Service, Cares, FID R&D, Fidelidade, FA, GEP, ok! seguros, Safemode and SGOIC.

<sup>149</sup> Includes Car Service, Cares, FID I&D, Fidelidade, Fidelidade Assistance, GEP, ok! seguros, Safemode and SGOIC.

(continuation)

**Ensuring transparency of activity<sup>149</sup>**

<b>TA3</b>	<b>Privacy and Data Protection</b>	
TA3.1	Operations assessed for data protection risk	4
TA3.2	Mitigation measures on the identified data protection risk	127
TA3.3	Data Protection Impact Assessments	3
TA3.4	Projects for the incorporation of good privacy practices in the design specifications of technologies, services, products, or commercial practices (Privacy by Design)	53
TA3.5	Communication and training on data protection procedures and policies (total number of employees)	643
TA3.6	Substantiated complaints regarding data privacy, received from external parties and proven by the organisation	29
TA3.5	Substantiated complaints regarding violation of customer privacy, received from regulatory bodies and substantiated by the organization	4

(continuation)

**Ensuring transparency of activity<sup>149</sup>****TA4 Money Laundering Prevention**

TA4.1	Customer reviews	5,820
TA4.2	Monitored transactions	4,622
TA4.3	Receipts in cash	0
TA4.4	Redemption processing	4,886
TA4.5	Waiver processing	225
TA4.6	Frequent Delivery Processing	7,596
TA4.7	Regulatory Communication of Operations	3,323
TA4.8	Communication and training on money laundering prevention (total number of employees)	101

(continuation)

**Ensuring transparency of activity<sup>149</sup>****CIMPAS**

TA8.1	Number of arbitrations resolved (Department: DNA*/CONT AUT)	288
TA8.2	Number of arbitrations resolved (Department: DNA*/CONT DIV)	1
TA8.3*	Number of new arbitrations (Department: DNA*/CONT AUT)	312
TA8.4*	Number of new arbitrations (Department: DNA*/CONT DIV)	1
TA9.1	Average case time (Department: DNA*/CONT AUT)	147
TA9.2	Average case time (Department: DNA*/CONT DIV)	100

(continuation)

**Ensuring transparency of activity<sup>149</sup>****Courts**

TA10.1	Number of cases resolved (Department: DNA*/CONT AUT)	642
TA10.2	Number of cases solved (Department: DNA*/CONT DIV)	42
TA10.2	Number of new cases (Department: DNA*/CONT AUT)	681
TA10.4*	Number of new cases (Department: DNA*/CONT DIV)	32
TA11.1	Average case time (Department: DNA*/CONT AUT)	574
TA11.2	Average case time (Department: DNA*/CONT DIV)	927

**Specific Indicators (CAUCP + CIMPAS + Courts)**

TA12.1	Legal litigation rate (Department: DNA*/CONT AUT) (%)	0.3%
TA13.1	Legal effectiveness rate (Department: DNA*/CONT AUT) (%)	28.2%
TA13.2	Legal effectiveness rate (Department: DNA*/CONT DIV) (%)	17.3%

**Percentage of disabled employees with a degree of disability equal to or greater than 60%<sup>150</sup>**

Fidelidade	3.15%
Multicare	1.77%
Fidelidade Assistance	3.33%

**The following indicators correspond only to Fidelidade.**

**General Profile**

Number of Customer Agencies	48
Number of Mediation areas	39
Number of brokers	2,999
Exclusive brokers	1,643
Number of trainees participating in the Trainee Programme	25
Number of employees who participated in Tom Fidelidade training	N/R

<sup>150</sup> Not applicable for other companies.

(continuation)

**General Profile**

Participation in My Benefits programme (%)	69%
--	-----

Number of WeCare interventions	894
--------------------------------	-----

<b>Cases involving professional reintegration</b>	<b>289</b>
---	------------

Workplace adaptation	2
----------------------	---

Creating your own job	0
-----------------------	---

In clearance	24
--------------	----

Clarification and forwarding	5
------------------------------	---

Professional training	1
-----------------------	---

University attendance	0
-----------------------	---

New job position	2
------------------	---

Looking for a new job	9
-----------------------	---

Reintegration into the employer	17
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Lack of commitment	188
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(continuation)

**General Profile**

Lack of motivation	4
Psychological support new	241
Social services new	289
Social services new and ongoing	653
Formal home support service	6
Informal caregiver	83
Occupational activities centre	0
Day care centre	0
Home adaptation	10
Purchase of a vehicle	1
Vehicle adaptation	4
Purchase and adaptation of vehicles	0
Face-to-face visits (home visits, hospital visits)	137

**Enhance the growth of business partners**

	Participants	Hours	Sessions
Training the insurance agent network	8,623	42,073	49
Risk analysis training on the Score Risk platform (tool developed by Safemode)	45	473	4
Compliance training courses for insurance agents	37	4,240	6
PDEADS courses	100	7,975	7
Provider: CEGOC- Programas LOVE e EVEREST-203 (LOVE and Everest Programmes - 2023)	91	5,706	2
Training the network of client managers (new agents)	26	3,080	6
Product training / IT / Claims / Behavioural training		2,661	

(continuation)

**Enhance the growth of business partners****Client managers project**

Number of Active Client Managers	49
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Total Premiums Processed (€)	234,688 €
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**Average evaluation of training (Scale: 1- Strongly Disagree; 2- Disagree; 3- Neutral ;4 - Agree; 5 - Strongly Agree)**

Were the objectives of the session clear?	4.5
---	-----

Was the training well organized (logical sequence)?	4.5
---	-----

Were the proposed activities (exercises, group work, case studies and simulations) suitable for learning?	4.5
---	-----

Was the duration of the session adequate?	3.2
---	-----

Were the INSTRUCTOR.NAME e-trainer's explanations clear?	4.5
--	-----

**Process efficiency - Medinet and ADN**

Number of accounts with access to Medinet	4,561
Total number of Medinet users	7,106

**Workshop certification**

	Number	Percentage
Workshops certified 3 stars by Centro Zaragoza	71	36%
Workshops certified 4 stars by Centro Zaragoza	52	26%
Workshops certified 5 stars by Centro Zaragoza	75	38%
<b>Total</b>	<b>198</b>	<b>-</b>

<b>Strengthen service quality</b>					
		<b>Closed</b>	<b>Received</b>	<b>Reopened</b>	<b>Settled in favour of the complainant</b>
<b>Number of complaints</b>		6,019	5,986	907	1,851
		<b>Car insurance</b>	<b>Life insurance</b>	<b>Health</b>	<b>Financial type</b>
<b>Number of complaints</b>		2,925	295	842	121
	<b>Global Answers</b>	<b>Complaint Management Centre;</b>		<b>Technical areas and complaints</b>	
<b>Average response time</b>	5.95	0.40		5.67	

**Structuring investment in the community**

Number of employees involved in volunteering initiatives	493
Total hours of volunteering	9,710
Support for non-profit organisations	45
Home	263
Office furniture	769
Clothes/accessories	2,613
Miscellaneous Material	5,400
Home appliances	234
CSP Sta Catarina Cakes	62
Christmas hampers	2,520
IT Material - Donation/Write-off	222
Hospital Supplies	480
Hospital Furniture	5

(continuation)

**Structuring investment in the community**

Number of visitors	10,258
Number of exhibitions	5
Number of newsletters	12
Number of visits to the internal website	51,382
Number of Workshops	33
Number of participants Workshops	4,867
Number of hobbies	36
Number of columns Experts	96

**Prevention of anti-competitive practices (antitrust)**

Operations assessed for the risk of anti-competitive practices	13
Communication and training on money laundering prevention (total number of employees)	807

## 8.1.6. Supplement<sup>151</sup>

### FS1<sup>152</sup>

**Approach and management:** Policies with specific environmental and social components applied to business lines.

#### Fidelidade

- Política de Sustentabilidade\_19.12.2023.pdf (fidelidade.pt)
- Sustainable Investment Policy\_V4\_clean\_finalV.docx (fidelidade.pt)
- Política do Ambiente e do Clima\_PT.pdf (fidelidade.pt)
- Política Procurement Sustentável\_PT.pdf (fidelidade.pt)

#### Multicare

- Vitality - The program continued to be promoted and boosted in 2023, with the launch of version 2.0 of the app (Weekly Lifestyle Goals), a media campaign to attract new customers and the 3rd edition of the Multicare Vitality Race, all of which contribute to this program continuing to be a case study in terms of health prevention in Portugal.
- Check-up - Carrying out regular screenings is one of the most important tools for disease prevention and early diagnosis. In 2023, we made an in-depth diagnosis of this offer and went ahead with revising the composition of check-ups, expanding the network of providers and proactive customer activation.
- Online Medicine - In 2023 we carried out more than 180,000 medical consultations, which corresponds to a growth of 5%. This year we focused on developing the new website and creating a portfolio of services for Women's Health (both to be launched in early 2024). In addition, we have launched the specialty of Physical Medicine and Rehabilitation, reinforced communication regarding the Online Family Doctor, the Psychology Consultation, and the Get Fit Programme.
- Mental Health - In 2023, Multicare once again took a pioneering stance in preventing neurodegenerative diseases by including, within the scope of Mental Health coverage, the reimbursement of cognitive development apps such as Lumosity and Peak Brain Training. Additionally, we continued our collaboration with the Portuguese Psychologists' Association (OPP) and published several articles promoting Mental Health on Multicare platforms to contribute to greater health literacy among the Portuguese population.

<sup>151</sup> They include Fidelidade, Multicare, ok! seguros, Alianza Bolivia, FID Chile, Fidelidade Macau, TPC and the Fidelidade branch in France. Tenax, Alianza Paraguay La Positiva and the Fidelidade branch in Spain do not report.

<sup>152</sup> Alianza Bolivia and the Fidelidade branch in France do not report.



(continuation)

**FS1<sup>152</sup>****ok! seguros**

A Via Directa is governed by the guidelines of the Fidelidade Group, in which it carries out its activities with absolute respect for the law, business ethics, the dignity of citizens and human rights.

In this context:

We take on business relationships with entities that respect human rights; Our advertising campaigns promote the principle of equality and contribute to an image of cohesion and social inclusion of all ethnic and social groups; We respect the sociocultural aspects of the communities in which we are present and contribute to their sustained development; We are committed to protecting the environment, sponsorship and social support; We seek the development of knowledge and career progression of our employees, with respect for the dignity, diversity and rights of everyone; We promote a good work environment in the most appropriate conditions of occupational health and safety, promoting a spirit of cooperation and mutual help among employees.

**TPC**

A set of rules was developed and implemented to incorporate sustainability considerations into products, investments, and the consulting process. The continuous review is part of the Sustainability Panel on a regular basis.

Fidelidade Macau has no policies and FID Chile says it has yet to address the issue.

**FS2<sup>153</sup>**

**Approach and management:** Procedures for assessing environmental and social risks in different business lines.

**Fidelidade**

- Divulgação\_de\_informações\_sobre\_integração\_dos\_riscos\_em\_materia\_de\_sustentabilidade.pdf (fidelidade.pt)
- Microsoft Word - Declaração relativa aos principais impactos negativos\_v2.docx (fidelidade.pt)

**Multicare**

PREMIUM PAYMENT PROTECTION - Coverage available in MULTICARE 1 and MULTICARE 2 insurance that guarantees the payment of the insurance premium for a period of up to 6 months, in the event of involuntary unemployment of the Policyholder. This coverage is a unique tool for assessing (and mitigating) social risks.

PROACTIVE RETENTION - MULTICARE has a Loyalty Team that monitors the non-payment of insurance policies on a monthly basis. Thus, through prior analysis and following the defined criteria, this team contacts policyholders in default of payment in order to understand the reasons for non-payment and present a solution, thus preventing Customers from being left without protection. In 2023, we conducted a pilot project to compensate customers with FidCoins as an alternative to commercial discounts, and the results were positive.

**ok! seguros** - The risk assessment carried out does not include environmental and social risks.

**TPC** - Tableau reports for investments; mandatory annual reports - PAI declaration and SFCR report.

Fidelidade Macau has no procedures and FID Chile says it has yet to address the issue.

<sup>153</sup> Alianza Bolivia and the Fidelidade branch in France do not report.

**FS3<sup>154</sup>**

**Approach and management:** Processes for monitoring compliance by customers with the different requirements included in agreements/contracts.

**Fidelidade**

CG of some products indicate how requirements are monitored (e.g. health, with QIS and complementary exams); Documentation to ensure legal compliance or subscription requirements where applicable.

**Multicare**

UNDERWRITING - In 2023, we took an important step towards automating the underwriting process by implementing SARA (Simplified Automated Risk Assessment). This tool carries out an individual clinical questionnaire using artificial intelligence and autonomously assesses the customer's risk for the profiles and products defined by the insurer, thus improving and making the customer journey more efficient.

FRAUD PREVENTION OFFICE - MULTICARE has a department within its structure, the Fraud Prevention Office, which analyses the use of MULTICARE insurances to detect abusive situations in insurance usage, regarding both providers and clients. At the same time, the Anti-Fraud Office has developed automatic fraud prevention mechanisms (e.g. definition of incompatible medical acts, prior authorisation requirement for performing certain medical acts).

INSURANCE PREMIUM PAYMENT - The Multicare Retention Team conducts monthly monitoring of policies that fall into non-payment of insurance premiums. In these situations, we contact the Policyholders via telephone in order to understand the reason for non-payment of the insurance and to present alternative solutions, thus avoiding the cancellation of the insurance.

**TPC** - Measures to support and inform the investment decision-making process for the client, implemented in the advisory process.

Fidelidade Macau has no processes and FID Chile says it has yet to address the issue.

<sup>154</sup> Alianza Bolivia and the Fidelidade branch in France do not report. ok! seguros states it is not applicable.

**FS4<sup>155</sup>**

**Approach and management:** Processes to develop employee skills for the implementation of environmental and social policies and procedures, applicable to the lines of business.

**Multicare** - MULTICARE adopts and implements the processes promoted by the Fidelidade Group.

ok! seguros - There are no processes for developing skills in these aspects.

**The Fidelidade branch in France** - The company has appointed an "ESG referent" responsible for these matters. A first document was prepared, entitled "Sustainability Commitments".

Fidelidade Macau - Training on the topic of sustainability was provided as part of our annual CPD program in November 2023.

TPC - A survey was carried out among employees on sustainability - understanding and knowledge. Regular communication on the Group's initiatives regarding ESG issues, formation of working groups and additional training for the Group's managers.

FID Chile mentions that it has yet to address the issue.

Alianza Bolivia - Applies a policy on the use of community goods and spaces

<sup>155</sup> Fidelidade does not report.

FS5

2023

**Approach and management:** Interaction with customers/investors/partners regarding social and environmental risks and opportunities.

### Fidelidade

- Política DEIP\_PT.pdf (fidelidade.pt)
- Política de Sustentabilidade\_19.12.2023.pdf (fidelidade.pt)
- Microsoft Word - Sustainable Investment Policy\_V4\_clean\_finalV.docx (fidelidade.pt)
- Divulgação\_de\_informações\_sobre\_integração\_dos\_riscos\_em\_materia\_de\_sustentabilidade.pdf (fidelidade.pt)
- Microsoft Word - Declaração relativa aos principais impactos negativos\_v2.docx (fidelidade.pt)
- Política do Ambiente e do Clima\_PT.pdf (fidelidade.pt)
- Política Procurement Sustentável\_PT.pdf (fidelidade.pt)

### Multicare

- Communication with Customers - Multicare continued to invest in communication with customers, using different means/supports according to the type of information to be conveyed (SMS, emails, Multicare and Fidelidade websites, newsletters for Customers and Companies).
- Topics disclosed: Topics covered: Launch of new services and promotion of Online Medicine, Promotion of Multicare Vitality: Multicare Vitality events, benefits and advantages and smartwatch purchase campaign, Check-up promotion.
- Teladoc - Multicare continued to promote the Online Medicine service as a means for quick access to medical care, as well as the availability of an "online family doctor," with increasing demand for this service during peak seasons, particularly during flu season and similar periods.
- Fidelidade Assistance - The pandemic also affected the home doctor service, with a decrease in the number of available doctors due to fear of contagion. In 2023, supply capacity was able to adjust to demand and SLAs and complaints stabilized.
- Sponsorship + Donations - In 2023 Multicare distributed approximately €100,000 between sponsorships and donations. Among the institutions covered were the Liga Portuguesa contra o Cancro (Portuguese League Against Cancer), Alzheimer Portugal, the Sociedade Portuguesa de Ortopedia e Traumatologia (Portuguese Society of Orthopaedics and Traumatology), the Global Health Forum, among others, which supported research and/or scientific dissemination initiatives. Investments were also made in health literacy initiatives for the general public, such as "Tenho Cancro. E depois? ("I have cancer. So what?") and in initiatives to promote healthy habits in companies, such as the Wellbeing Awards.

(continuation)

**FS5**

**2023**

**ok! seguros** - The risk assessment carried out does not include environmental and social risks.

**Alianza Bolivia** - Policy on the use of community goods and spaces.

**Fidelidade branch in France** - One of the selection criteria for partners is based on their ESG policies.

**TPC** - Measures to support and inform the investment decision-making process for the client, implemented in the advisory process.

FID Chile says it has yet to address the issue and Fidelidade Macau has no interactions on this topic.

FS6 <sup>156</sup>	2023
<b>Percentage of specific business lines/segments, in total volume, by region and size</b>	<b>10,258</b>
<b>LIFE INSURANCE (%)</b>	<b>44.3%</b>
Insurance contracts (%)	10.1%
Investment contracts (%)	34.1%
<b>NON-LIFE INSURANCE (%)</b>	<b>55.7%</b>
Accidents and Health (%)	21.4%
Workers' compensation (%)	8.5%
Personal Accidents (%)	1.2%
Health (%)	11.7%
Fire and Other Damage (%)	6.5%
Car (%)	17.1%
Transport (%)	1.1%
Third-party liability	2.4%
Other (%)	7.3%
<b>Grand total (€)</b>	<b>5,207 M€</b>

<sup>156</sup> Reporting at Group level

FS7 <sup>157</sup>	Fidelidade	Multicare	ok! seguros
Volume (monetary) of products and services with social benefit, by business line (€)	1,729,237.69 €	Multicare Vital Protection: 8.0% Offer 60+: 7.8%	6,386.83 €

FS8 <sup>158</sup>	Fidelidade	ok! seguros
Volume (monetary) of products and services with environmental benefit, by business line (€)	42,681,505.38 €	1,293,663.57 €
Environmental Liability Insurance - Company Premiums + ENIs (€)	1,493,862.96 €	N/A

FS9 <sup>159</sup>
<b>Approach and management:</b> Scope and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.

#### Fidelidade

Fidelidade complies with all the requirements and regulations issued by the regulatory bodies concerned with designing and marketing goods and services. Additionally, it has a Code of Conduct, Principles of Good Governance and other regulations which aim to ensure that the company's interests are aligned with the expectations of its customers.

<sup>157</sup> Alianza Bolivia, Fidelidade Macau and the Fidelidade branch in France do not report. FID Chile and TPC state that it is not applicable.

<sup>158</sup> Alianza Bolivia, Fidelidade Macau and the Fidelidade branch in France do not report. FID Chile, Multicare and TPC state that it is not applicable.

<sup>159</sup> Alianza Bolivia and TPC do not report. ok! seguros state that it is not applicable.



(continuation)

## FS9<sup>159</sup>

### Multicare

From a proactive risk management standpoint and in the context of quality management system certification (ISO 9001:2015 Standard), Multicare annually identifies risks and opportunities.

This identification of strategic risks and opportunities can be translated into corporate objectives, which are assessed annually within the scope of the Internal Quality Audits as well as the External Certification Audit carried out by Bureau Veritas.

At the same time, Fidelidade's Risk Management team monitors processes involving financial and reputational risks, ensuring the adequacy of measures to monitor and mitigate these risks.

**Fidelidade branch in France** - Included in the Fidelidade Group's risk analysis procedure.

FID Chile says it has yet to address the issue and Fidelidade Macau does not carry out audits in this area.

## FS11<sup>160</sup>

### Percentage of assets subject to environmental and social assessment (%)

At Fidelidade there are no assets subject to environmental and social assessment.

Fidelidade Macau- 0%

<sup>160</sup> Alianza Bolivia, TPC and the Fidelidade branch in France do not report. Multicare, ok! seguros and FID Chile state that it is not applicable.

**FS12<sup>161</sup>**

**Approach and management:** Voting policies on social and environmental aspects applied to actions over which the organisation holds the right to vote or supports in the voting decision.

**Fidelidade**

Under the terms expressed in the Fidelidade Voting Rights Policy and the Fidelidade Involvement Policy, the Fidelidade Group aims to broaden the scope of shareholder voting and deepen interaction with shareholders on ESG issues. The focus will be on issues associated with ESG controversies along with potential violations of key ESG standards and conventions, in particular:

- Local and international legislation.
- Internationally recognized organizations (UN Global Compact, UN Guiding Principles on Business & Human Rights, OECD Guidelines for Multinationals and UN Sustainable Development Goals).

Fidelidade's Voting Rights Policy Guidelines:

Voting rights will be exercised in an informed manner. If not enough information is available for a well-informed decision and there is not enough time to obtain it, "abstention" is considered appropriate.

The management of the investee company is generally in a better position to make long-term strategic decisions and identify material issues. Based on this, we tend to vote in favour of the management proposals: However, we vote against proposals that we believe do not promote the best interests of our stakeholders, in line with the principles set out in our Investment Policy. In addition, our voting intentions reflect ESG considerations and are in line with current investment and ESG policies.

FID Chile mentions that it has yet to address the issue. A FID Chile refere ainda não abordar o tema.

<sup>161</sup> Alianza Bolivia and the Fidelidade branch in France do not report. Multicare, ok! seguros and TPC state that it is not applicable.

**FS14<sup>162</sup>**

Initiatives to improve access to financial services for underprivileged people.

**Fidelidade**

Some financial products, such as PPR Evoluir and Savings, with a minimum monthly payment of just €25, are designed to make a difference when it comes to financial products and services for underprivileged people. Because of their characteristics, they may be able to leverage the possibility of having savings and help prepare for the future.

In addition, the Savings product allows customers to mobilize their money without penalty, without subscription costs and without management fees.

Fidelidade Macau has no initiatives and FID Chile says it has yet to address the issue.

**FS15<sup>163</sup>**

**Approach and management:** Design and marketing policies for financial products and services.

**Fidelidade** - Policy for the Design and Approval of Products and corresponding Changes (available on the Fidelidade Intranet).

**Multicare**

**Product Design:** The launch of new health insurance products or changes to existing ones requires careful analysis of consumer needs, market context, and MULTICARES' experience. Multicare follows the Group's procedures with regard to the design of new products.

<sup>162</sup> Alianza Bolivia and the Fidelidade branch in France do not report. Multicare, ok! seguros and TPC state that it is not applicable.

<sup>163</sup> Alianza Bolivia and the Fidelidade branch in France do not report.

**FS15<sup>163</sup>**

Product design comprises 4 steps:

1. Product Idea: the idea of new products/coverages can come from any area of MULTICARE/FIDELIDADE, the respective sketch being presented by Multicare's GMK in the Fidelidade Products Committee;
2. Product pre-design: after approval by the Product Committee, MULTICARE defines the main requirements of the product and the preliminary cost and develops a summary sheet for Fidelidade IT's opinion regarding the IT feasibility of the product and a product sheet for presentation to the marketing channels;
3. Concept Test: assessment of adequacy to the identified needs of the target market and estimation of the commercial potential of the product based on market research;
4. Product Approval: presentation of the results of the market research as well as any adjustments to the product/coverage in the Product Committee, followed by the development of the go-to-market

Marketing: For the effective marketing of its products, MULTICARE has invested in supporting the Commercial Network, including: Training courses; Development of sales support materials (product sheets, scripts, among others); Competition benchmarking; Continuous improvement of contractual documents in order to simplify and clarify the language; Availability of sales monitoring information and other strategic indicators.

Specifically in terms of training, in addition to active participation in the Commercial Cycles where new launches are published and commercial objectives communicated, throughout the year MULTICARE carries out a set of training actions aimed at the Commercial Network (Mediation, Agencies, Personal Products and Banking Channel).

In addition, Multicare provides personalised follow-up on customer visits to provide a detailed explanation of Multicare insurance and identify the most appropriate protection option.

**ok! seguros** - There is no specific procedure.

**FS15<sup>163</sup>****Fidelidade Macau**

They follow specific policies of the insurance authority (Monetary Authority of Macau) for this. Notice no. 000/2021 AMCM.):

- The global regulatory trend has placed increasing emphasis on the early stages of product life cycle, as well as the product governance of insurers throughout the product life cycle. Good product governance should help insurers achieve effective risks and a fair management and treatment of customers.
- Ensuring that insurance products comply with the principle of fair treatment of customers;
- The product is fairly designed, offers a fair result to customers and reasonably meets the interests, needs, accessibility and expectations of customers;
- Premiums or fees and charges, where applicable, payable by customers must be fair, proportionate to the insurance protection offered by the product in question and reflect the insurer's services/added value;
- The price of the product takes into account its sustainability and fairness to customers.

**TPC** - Within the framework of regulatory and legal requirements (POG policy).

FID Chile mentions that it has yet to address the issue.

**FS16<sup>164</sup>**

**Approach and management:** Initiatives to improve financial literacy, by type of beneficiary.

**Fidelidade**

Dynamisation of the "Vida Financeiros" Microsite, strengthening of the content of the Financial Literacy Academy available on the MySavings application, creation of useful content and tips with amplification across various channels, and sponsorship of Financial Education Programmes in a university setting. We intend to contribute to improving our customers' financial literacy so that they can make an informed choice between the different solutions, through various initiatives and communication channels.

**Multicare**

- 209 training courses
- 150 follow-up meetings
- 222 visits to Customers

**ok! seguros**

In this context, Via Directa adheres to all the initiatives put on by the Fidelidade Insurance Group, namely by Fidelidade Community.

**Fidelidade Macau**

Training: Continuous Professional Development Programme 2023 (10 hours) for all the Company's insurance agents and employees (~100 agents), under the theme Leadership Challenges for a Sustainable Future, with a focus on Sustainability, ESG and other important knowledge for the Insurance industry and local economic activity.

<sup>164</sup> Alianza Bolivia and the Fidelidade branch in France do not report. TPC states that it is not applicable.

## 8.2. GRI Table

<b>Declaration of use</b>	The Fidelidade Group reported in accordance with the GRI Standards for the period 01 January 2023 to 31 December 2023.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable sectoral standard</b>	Not applicable

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
<b>ORGANISATIONAL PROFILE</b>						
<b>GRI 2: General Content</b>	2-1	Organisation details	Fidelidade Group > History of the Fidelidade Group			
	2-2	Entities included in the organisation's sustainability report	About the Report			
	2-3	Reporting period, frequency, and contacts	About the Report			
	2-4	Information reformulations	The Fidelidade Group reports on a consolidated basis in 2023. Reformulations concerning the information reported in 2022 are presented alongside the respective indicators, where applicable, see 8.2 Fidelidade Group   Indicators for indicators 2-21, 202-1, 302-1, 305-1/2/3, 403-9 and 404-3 and 8.6 Criteria for Calculating the Indicators The modifications of assumptions in GRI 2-21 in 2023, compared to 2022 and 2021, regarding the currency conversion factor			
	2-5	External review	About the Report			
<b>ACTIVITIES AND WORKERS</b>						
	2-6	Activities, value chain and other business relationships	Fidelidade Group > History of the Fidelidade Group Building the Future > Business Pillars > International Expansion			



GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
GRI 2: General Content		Creating Value > Value Creation Model > Resources and Non-Financial Results > Customers > Suppliers and Partners				
	2-7	Employees	Creating Value > Resources and Non-Financial Results > Employees Fidelidade Group   Indicators	The Executive Committee, Board of Directors and Management of the companies have not been included in the total number of employees. Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	6
	2-8	Workers who are not employees	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
<b>GOVERNANCE</b>						
	2-9	Governance structure and composition	Governance > Shareholder and company structure Governance > Governance Sustainability > Governance Investments Corporate Governance Report			
	2-10	Appointment and selection to the highest body of governance	Governance > Shareholder and governance structure Governance Corporate Governance Report			

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
GRI 2: General Content	2-11	Chairman of the highest governance body	Governance > Shareholder and governance structure Governance Corporate Governance Report			
	2-12	Role played by the highest governance body in supervising impact management	Governance > Shareholder and company structure Governance > Governance Sustainability > Governance Investments			
	2-13	Delegation of responsibility for impact management	Governance > Shareholder and company structure Governance > Governance Sustainability > Governance Investments			
	2-14	Role played by the highest governance body in sustainability reporting	Governance > Shareholder and company structure Governance > Governance Sustainability			
	2-15	Conflicts of interest	Governance > Shareholder and company structure Governance > Ethics and Compliance			10
	2-16	Communication of critical concerns	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	10
	2-17	Collective knowledge of the highest governance body	Governance > Sustainability Governance Creating Value > Resources and Non-Financial Results > Employees			
	2-18	Performance evaluation of the highest body of governance	Governance > Shareholder and Governance Structure Corporate Governance Report			

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES	
			REQUIREMENTS OMITTED	REASON	EXPLANATION		
GRI 2: General Content	2-19	Remuneration Policies	Governance > Shareholder and Governance Structure Creating Value > Resources and Non-Financial Results > Employees Corporate Governance Report				
	2-20	Process for determining remuneration	Corporate Governance Report				
	2-21	Total annual compensation ratio	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		
	<b>STRATEGY, POLICIES AND PRACTICES</b>						
	2-22	Declaration on the sustainable development strategy	Message from the Board of Directors and the Executive Committee				
	2-23	Policies	Creating Value > Resources and Non-Financial Results > Customers > Employees > Suppliers and Partners Governance > Shareholder and company structure Governance > Ethics and Compliance				2-6 10
	2-24	Incorporating policies	Creating Value > Resources and Non-Financial Results > Customers > Employees > Suppliers and Partners Governance > Shareholder structure and Governance > Ethics and Compliance > Governance Sustainability > Governance Investments > Risk Management				

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES	
			REQUIREMENTS OMITTED	REASON	EXPLANATION		
GRI 2: General Content	2-25	Processes to remedy negative impacts	Building the Future > Sustainability Pillars Creating Value > Resources and Non-Financial Results > Customers Governance > Shareholder and Governance Structure				
	2-26	Mechanisms for seeking advice and raising concerns	Creating Value > Resources and Non-Financial Results > Customers Governance > Shareholder and company structure Governance > Ethics and Compliance				
	2-27	Compliance with laws and regulations	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		
	<b>APPROACH TO STAKEHOLDER ENGAGEMENT</b>						
	2-28	Participation in associations	Building the Future > Sustainability Pillars > Involvement with Initiatives and Entities				
	2-29	Approach to stakeholder engagement	Building the Future > Sustainability Pillars				
2-30	Collective bargaining agreements	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		3	

GRI 3 Key Topics

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
<b>KEY TOPICS</b>						
	3-1	Process for determining Key Topics	Building the Future > Sustainability Pillars About the Report			
	3-2	List of Key Topics	Building the Future > Sustainability Pillars About the Report			
<b>DIVERSE, FAIR AND INCLUSIVE EMPLOYMENT</b>						
<b>GRI 3: Key Topics</b>	3-3	Management of Key Topics	Creating Value > Resources and Non-Financial Results > Employees			
	405-1	Diversity in governance bodies and employees	Creating Value > Resources and Non-Financial Results > Employees Governance > Shareholder and Governance Structure Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	405-2	Base salary and remuneration ratio between men and women	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators. Not reported by professional category	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	406-1	Non-discrimination	Creating Value > Resources and Non-Financial Results > Employees Governance > Ethics and Compliance Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
GRI 3: Key Topics	<b>ESG AWARENESS FOR CUSTOMERS AND PARTNERS</b>					
	3-3	Management of Key Topics	Creating Value > Resources and Non-Financial Results > Customers > Suppliers and Partners			
	<b>SUSTAINABLE PRODUCTS AND SERVICES</b>					
	3-3	Management of Key Topics	Creating Value > Resources and Non-Financial Results > Customers			
	<b>RESOURCE EFFICIENCY</b>					
	3-3	Management of Key Topics	Creating Value > Resources and Non-Financial Results > Environment Creating Value > Innovation and Digitalization > Innovation in Resources			
	301-1	Materials used	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	7 8
302-1	Energy consumption within the organisation	Creating Value > Resources and Non-Financial Results > Environment Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	7 8	
303-1	Interactions with water as a shared resource	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	7 8	

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
GRI 3: Key Topics	303-2	Management of impacts related to water discharge	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	7 8
	303-3	Water withdrawal	Creating Value > Resources and Non-Financial Results > Environment Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	7 8
	<b>INNOVATION AND SERVICE DIGITALISATION MODELS</b>					
	3-3	Management of Key Topics	Create Value > Innovation and Digitalization			
<b>SUSTAINABLE INVESTMENT</b>						
3-3	Management of Key Topics	Governance > Investments Governance				

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
<b>SUSTAINABLE PROCUREMENT</b>						
<b>GRI 3: Key Topics</b>	3-3	Management of Key Topics	Creating Value > Resources and Non-Financial Results > Suppliers and Partners			
	204-1	Proportion of spending with local suppliers	Creating Value > Resources and Non-Financial Results > Suppliers and Partners Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	308-1	New suppliers assessed based on environmental criteria	Creating Value > Resources and Non-Financial Results > Suppliers and Partners Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	8
	414-1	New suppliers assessed based on social criteria	Creating Value > Resources and Non-Financial Results > Suppliers and Partners Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	



GRI 200 Economic Indicators

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES	
			REQUIREMENTS OMITTED	REASON	EXPLANATION		
<b>ECONOMIC PERFORMANCE</b>							
GRI 200: Economic Disclosures	201-1	Direct economic value generated and distributed	Fidelidade Group   Indicators				
	201-2	Financial implications and other risks and opportunities arising from climate change	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		
	201-3	Defined benefits plan obligations and other retirement plans	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		
	<b>MARKET PRESENCE</b>						
	202-1	Ratio between the lowest wage and the local minimum wage, broken down by gender	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		
202-2	Proportion of members of management bodies hired in the local community	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.			

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES	
			REQUIREMENTS OMITTED	REASON	EXPLANATION		
<b>INDIRECT ECONOMIC IMPACTS</b>							
GRI 200: Economic Disclosures	203-1	Investments in infrastructure and services support	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		
	203-2	Significant indirect economic impacts	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		
	<b>PROCUREMENT PRACTICES</b>						
	204-1	Proportion of spending with local suppliers	Creating Value > Resources and Non-Financial Results > Suppliers and Partners Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		
<b>ANTI-CORRUPTION MEASURES</b>							
	205-1	Operations assessed for corruption risk	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	10	

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
GRI 200: Economic Disclosures	205-2	Communication and training on anti-corruption policies and procedures	Governance > Shareholder and company structure Governance > Ethics and Compliance Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	10
	205-3	Confirmed cases of corruption and measures taken	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	10
	<b>UNFAIR COMPETITION</b>					
	206-1	Lawsuits for unfair competition, antitrust and monopoly practices.	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	10
	<b>TAXES</b>					
207-1	Tax approach	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	10	

GRI	DISCLOSURES	LOCATION	OMISSION		UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	
GRI 200: Economic Disclosures	207-2 Tax risk governance, control, and management	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	207-3 Engaging stakeholders and managing their tax concerns.	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	207-4 Report by country	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	

GRI 300 Environmental Disclosures

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES	
			REQUIREMENTS OMITTED	REASON	EXPLANATION		
<b>ENERGY</b>							
<b>GRI 300: Environmental Disclosures</b>	302-1	Energy consumption within the organisation	Creating Value > Resources and Non-Financial Results > Environment Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	7 8	
	<b>WATER AND EFFLUENTS</b>						
	303-1	Interactions with water as a shared resource	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	7 8	
	303-2	Management of impacts related to water discharge	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	7 8	
303-3	Water withdrawal	Creating Value > Resources and Non-Financial Results > Environment Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators. Water consumption in water-stressed areas is not reported, as the Fidelidade Group does not identify these types of areas in its direct operations	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	7 8		

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
GRI 300: Environmental Disclosures	<b>EMISSIONS</b>					
	305-1	Direct emissions of GHG (Scope 1)	Creating Value > Resources and Non-Financial Results > Environment Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	8
	305-2	Direct emissions of GHG (Scope 2)	Creating Value > Resources and Non-Financial Results > Environment Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	8
	305-3	Other indirect emissions of GHG (Scope 3)	Creating Value > Resources and Non-Financial Results > Environment Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	8
	<b>WASTE</b>					
	306-1	Waste generation and significant impacts related to waste	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	8
306-2	Management of significant impacts related to waste	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	8	

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
<b>GRI 300: Environmental Disclosures</b>	306-3	Generated waste	Creating Value > Resources and Non-Financial Results > Environment Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	8
	306-4	Waste not intended for final disposal	Creating Value > Resources and Non-Financial Results > Environment Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	8
	306-5	Waste intended for final disposal	Creating Value > Resources and Non-Financial Results > Environment Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	8
	<b>ENVIRONMENTAL ASSESSMENT OF SUPPLIERS</b>					
	308-1	New suppliers assessed based on environmental criteria	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	8

GRI 400 Social Disclosures

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES	
			REQUIREMENTS OMITTED	REASON	EXPLANATION		
<b>EMPLOYMENT</b>							
GRI 400: Social Disclosures	401-1	Hiring and employee turnover	Creating Value > Resources and Non-Financial Results > Employees Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	6	
	<b>OCCUPATIONAL HEALTH AND SAFETY</b>						
	403-1	Occupational health and safety management system	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		
	403-2	Hazard identification, risk assessment and incident investigation	Creating Value > Resources and Non-Financial Results > Employees Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		
	403-3	Occupational health services	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		
403-4	Participation of employees, consultation and communication to employees concerning occupational health and safety	Creating Value > Resources and Non-Financial Results > Employees Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.			



GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
<b>GRI 400: Social Disclosures</b>	403-5	Training workers in health and safety at work	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	403-6	Worker's health promotion	Creating Value > Resources and Non-Financial Results > Employees Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	403-7	Prevention and mitigation of impacts on occupational health and safety directly linked to business relationships	Creating Value > Resources and Non-Financial Results > Employees Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	403-8	Workers covered by an occupational health and safety management system	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	403-9	Workers' compensation	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	403-10	Occupational diseases	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
<b>TRAINING AND EDUCATION</b>						
<b>GRI 400: Social Disclosures</b>	404-1	Average hours of training per employee	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	6
	404-2	Skills management and continuous learning programmes	Creating Value > Resources and Non-Financial Results > Employees Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	6
	404-3	Percentage of employees receiving regular performance and career development reviews	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	6
<b>DIVERSITY AND EQUAL OPPORTUNITIES</b>						
	405-1	Diversity in Governance bodies and employees	Creating Value > Resources and Non-Financial Results > Employees Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
GRI 400: Social Disclosures	<b>NON-DISCRIMINATION</b>					
	406-1	Incidents of discrimination and the corrective measures taken	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	6
	<b>LOCAL COMMUNITIES</b>					
	413-1	Operations with local community involvement, impact assessment and programme development	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	1
	413-2	Operations with significant, current and potential negative impacts on local communities	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	1
<b>SOCIAL ASSESSMENT OF SUPPLIERS</b>						
414-1	New suppliers assessed based on social criteria	Creating Value > Resources and Non-Financial Results > Suppliers and Partners Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.		

GRI	DISCLOSURES	LOCATION	OMISSION			UNGC PRINCIPLES
			REQUIREMENTS OMITTED	REASON	EXPLANATION	
GRI 400: Social Disclosures	<b>PUBLIC POLICIES</b>					
	415-1	Political contributions	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	<b>MARKETING AND LABELLING</b>					
	417-1	Requirements for the information and labelling of products and services	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	417-2	Cases of non-compliance related to the information and labelling of products and services	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	417-3	Cases of non-compliance related to marketing communication	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	
	<b>CUSTOMER PRIVACY</b>					
	418-1	Substantiated complaints regarding breach of privacy and loss of customer data.	Fidelidade Group   Indicators	Not answered for all the companies included in the reporting scope, see 8.1 Fidelidade Group   Indicators.	At the date of publication of the Report, it was not possible to collect information in accordance with the indicator's requirements.	

**Caption:**

- UNGC – United Nations Global Compact Principles

## 8.3. Non-Financial Statement

### COMPLIANCE WITH LEGISLATION AND REGULATIONS

All of the Fidelidade Group's activity is guided by strict compliance with legal, regulatory, ethical, deontological and good practice standards.

In this context, and in compliance with the provisions of Article 508-G (2) of the Commercial Companies Code, we hereby inform you that:

#### i. Application of environmental standards

The Group is committed to preserving the environment, not only from the perspective of complying with environmental standards, but also promoting environmentally appropriate behaviour.

#### ii. Application of labour standards

The Group bases its labour relations on criteria of rigour and high ethical standards, always seeking to avoid conflict through enlightening and constructive dialogue with its employees.

#### iii. Application of standards on corruption prevention

The Group is committed to combating corruption and attempts at bribery; it scrupulously complies with the rules in force on these matters.

#### iv. Application of standards relating to equality gender equality, non-discrimination and respect for human rights

The Group's activities are guided by respect and the promotion of gender equality, non-discrimination, and human rights, and it scrupulously complies with the rules in force in these matters.

### DESCRIPTION OF THE BUSINESS MODEL

The elements relating to the business model are described, particularly in the following chapters of this document:

- Chapter 1 – Fidelidade Group > History of Fidelidade Group
- Chapter 2 - Building the Future > Business Pillars > Sustainability Pillars > International Expansion

### IMPLEMENTATION OF HUMAN RESOURCES POLICIES

The elements relating to human resources policies are described in Chapter 3 - Creating Value > Resources and Non-Financial Results > Employees.

### MAIN RISKS AND RESPECTIVE MITIGATION ACTIONS

The Group's policies in the area of risk management are described in Chapter 4 – Governance > Risk Management.

## 8.4. Table DL 89/2017

Requirement	Response
<b>BUSINESS MODEL</b>	
DL 89/2017 - Article 3 (Referring to Art 508-G (2) of the CSC) - Directive 2014/95/EU- Art. 19a (1)(a)	
Company's business model	Fidelidade Group > History of the Fidelidade Group Building the Future > Business Pillars > International Expansion Creating Value > Value Creation Model > Financial Resources and Results > Non-Financial Resources and Results
<b>DIVERSITY IN GOVERNANCE BODIES</b>	
DL 89/2017 - Article 4 (Referring to Article 245 No. (1r and 2) of the CVM) - Directive 2014/95/UE - Art. 20 (1)(g).	
Diversity policy applied by the company in relation to its management and supervisory bodies	Creating Value > Resources and Non-Financial Results > Employees
<b>ENVIRONMENTAL ISSUES</b>	
DL 89/2017 - Art 3 (Referring to of Art 508(2) of the CSC) - Directive 2014/95/EU- Art. 19a (1) (a-e)	
Specific policies related to environmental issues	Creating Value > Resources and Non-Financial Results > Environment
Results of the application of policies	Creating Value > Resources and Non-Financial Results > Environment Fidelidade Group   Indicators

Main associated risks and how these risks are managed	Creating Value > Resources and Non-Financial Results > Environment Governance > Risk Management
Key performance indicators	Creating Value > Resources and Non-Financial Results > Environment Fidelidade Group   Indicators

### SOCIAL AND WORKER-RELATED ISSUES

DL 89/2017 - Art 3 (Referring to of Art 508(2) of the CSC) - Directive 2014/95/EU- Art. 19a (1) (a-e)

Specific policies related to social issues and concerning workers	Creating Value > Resources and Non-Financial Results > Employees
Results of the application of policies	Creating Value > Resources and Non-Financial Results > Employees Fidelidade Group   Indicators
Main associated risks and how these risks are managed	Creating Value > Resources and Non-Financial Results > Employees Governance > Risk Management
Key performance indicators	Creating Value > Resources and Non-Financial Results > Employees Fidelidade Group   Indicators

### GENDER EQUALITY AND NON-DISCRIMINATION

DL 89/2017 - Art 3(2) (Referring to Art 508(2) of the CSC) - Directive 2014/95/EU- Art. 19a (1)(a-e)

Specific policies related to issues of gender equality and non-discrimination	Creating Value > Resources and Non-Financial Results > Employees
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Results of the application of policies	Creating Value > Resources and Non-Financial Results > Employees
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Requirement	Response
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Main associated risks and how these risks are managed	Creating Value > Resources and Non-Financial Results > Employees Governance > Risk Management
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Key performance indicators	Fidelidade Group   Indicators
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RESPECT FOR HUMAN RIGHTS
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DL 89/2017 - Art 3(2) (Referring to Art 508(2) of the CSC) - Directive 2014/95/EU- Art. 19a (1)(a-e)

Specific policies related to respect for Human Rights	
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Results of the application of policies	Governance > Shareholder and company structure Fidelidade Group   Indicators Governance > Ethics and Compliance Governance > Risk Management
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Main associated risks and how these risks are managed	
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**ANTI-CORRUPTION AND BRIBERY MEASURES**

DL 89/2017 - Art 3(2) (Referring to Art 508(2) of the CSC) - Directive 2014/95/EU- Art. 19a (1)(a-e)

Specific policies related to combating corruption and bribery attempts

Results of the application of policies

Governance > Shareholder and company structure  
 Governance > Ethics and Compliance  
 Fidelidade Group | Indicators  
 Governance > Risk Management

Main associated risks and how these risks are managed

## 8.5. IIRC Table

INTEGRATED REPORT: CONTENT ELEMENTS	TOPICS ADDRESSED	FIDELIDADE GROUP INTEGRATED REPORT 2023
<b>Overview of Organisation and External Environment</b>	Organisation Structure	Fidelidade Group > History of the Fidelidade Group
	Mission and Values	Fidelidade Group > Mission and Values
	Key Activities and Topics	Fidelidade Group > History of the Fidelidade Group Building the Future > Business Pillars > Sustainability Pillars
	Market Context	Create Value > Context
	Stakeholders	Building the Future > Sustainability Pillars
<b>Governance</b>	Governance Structure	Governance > Shareholder and company structure Governance > Governance Sustainability > Governance Investments Corporate Governance Report
	Governance Practices and Policies	Governance > Shareholder and company structure Governance > Ethics and Compliance
<b>Business model</b>	Value Creation Model	Creating Value > Value Creation Model
<b>Risks and opportunities</b>	Challenges and Opportunities	Creating Value > Context
	Future Outlook	Creating Value > Outlook for 2024
	Risk Management	Governance > Risk Management

INTEGRATED REPORT: CONTENT ELEMENTS	TOPICS ADDRESSED	FIDELIDADE GROUP INTEGRATED REPORT 2023
<b>Resource Strategy and Allocation</b>	Strategy	Building the Future > Business Pillars > Sustainability Pillars
<b>Performance</b>	Key Financial Performance Indicators and ESG	Creating Value > Financial Resources and Results > Non-Financial Resources and Results
	Commitments and Targets	Creating Value > Pillars of Sustainability
	Value Creation Model	Creating Value > Value Creation Model
	Performance in Each of the Group's Key Topics	Creating Value > Resources and Non-Financial Results Creating Value > Innovation and Digitalization
	Risks and Opportunities	Creating Value > Resources and Non-Financial Results Creating Value > Innovation and Digitalization Governance > Risk Management
<b>Outlook</b>	Future Outlooks	Creating Value > Outlook for 2024
	Regulatory Context	Create Value > Context Resources and Financial Results > Taxonomy
	Risks and Opportunities	Governance > Risk Management
<b>Presentation Basis</b>	Materiality	About the Report
	Scope and Limits of the Report	

## 8.6. Criteria for Calculating the Indicators

### 302-1: ENERGY CONSUMPTION WITHIN THE ORGANISATION.

Direct energy consumption (petrol and diesel) was converted into energy units (GJ) considering the conversion factors shown in the table below.

Indirect energy consumption resulting from electricity consumed in the buildings of Fidelidade Group companies, in kWh, was converted into energy units (GJ).

#### CONVERSION FACTORS BY TYPE OF ENERGY SOURCE

TYPE OF CONSUMPTION	DENSITY (KG/L)	PCI (GJ/TONNE)
Petrol	0.75	43.77
Diesel	0.84	42.60

TYPE OF ENERGY CONSUMPTION	CONVERSION FACTOR	SOURCE
Electricity	1 kWh - 0,0036 GJ	GRI

The conversion factors applied were consulted in the National Emissions Inventory (NIR) 2023 of the Portuguese Environment Agency (APA) and the Directorate-General for Energy and Geology (DGEG), where applicable, and constitute a reformulation compared to the 2022 report.

### 305-1, 305-2 E 305-3: DIRECT, INDIRECT AND OTHER GREENHOUSE GAS EMISSIONS BY WEIGHT.

GHG emissions were determined taking into account the methodology defined by the GHG Protocol, which made it possible to consider three emission scopes:

**SCOPE 1:** Direct emissions resulting from the activity associated essentially with the consumption of fuel for the car fleet, natural gas, fuel for generators and greenhouse gas leaks.

**SCOPE 2:** Indirect emissions associated with the production of electricity consumed in central buildings and the branch network, as well as in the electrical fleet.

**SCOPE 3:** Other indirect emissions with exception of category 15 - Investments and Insurance.

**Emission factors:** The emission factors corresponding to each geography and type of data obtained were used.

## Portugal

Scope	Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
1	Direct emissions from fixed sources	Natural Gas	0.2042	kgCO <sub>2</sub> e/kWh	APA
		Diesel (generators)	2.6607		IPCC
	Direct emissions from mobile sources	Diesel (Fleet)	2.5063	kgCO <sub>2</sub> e/l	APA
		Petrol (Fleet)	2.3542		APA
	Direct GHG emissions	Refrigerant gas R407c	1774	NC	APA
		Refrigerant gas R410a	2088		
2	Indirect emissions - Electricity	Electricity Fleet PT	0.1620	kgCO <sub>2</sub> e/kWh	APA
		Electricity PT			APA
3	Energy - upstream	Electricity - Buildings (upstream) PT	0.0575	kgCO <sub>2</sub> e/kWh	DEFRA
		Electricity - electric vehicles (upstream) PT			DEFRA
		Natural gas (upstream)	0.0335	kgCO <sub>2</sub> e/kWh ICV	DEFRA
		Diesel (Fleet) (upstream)	0.6110	kgCO <sub>2</sub> e/litre	DEFRA
		Diesel (generators) (upstream)			DEFRA
		Petrol (Fleet) (amount)	0.5809		

(continuation)

Scope	Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
3	Services and Purchasing	Accommodation and Catering	320	kgCO <sub>2</sub> e/keuro	Base Carbone
		Activities for Associative Organizations	220		Base Carbone
		Health Activities	120		Base Carbone
		Construction	360		Base Carbone
		Water consumption PT	0.0862	kgCO <sub>2</sub> e/m <sup>3</sup>	EPAL
		Mail	130	kgCO <sub>2</sub> e/keuro	Base Carbone
		Engineering, Maintenance	400		Base Carbone
		Advertising (books, newspapers, magazines, etc.)	280		Base Carbone
		Repair and installation of equipment and machinery	390		Base Carbone
		Insurance, Banking, Consultancy and	110		Base Carbone
		Services (Printing, Advertising, Architecture and Other Services)	170		Base Carbone
		Telecommunications			Base Carbone
		Ground transportation	700		DEFRA

(continuation)

Scope	Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
3	Capital Assets	Industrial equipment and machinery	700	kgCO <sub>2</sub> e/keuro	Base Carbone
		Buildings (€)	360		Base Carbone
		Vehicles (€)	700		Base Carbone
		IT material (€)	400		Base Carbone
	Waste	Packaging - Cardboard - Recycling	992	kgCO <sub>2</sub> e/ton of waste	Base Carbone
		Packaging - Wood - Incineration	69		Base Carbone
		Packaging - PP plastic (petrol) - Recycling	434		Base Carbone
		Furniture - Average end of life	531		Base Carbone
		EEE waste - end of life - impacts	1995		Base Carbone
		Household waste - Incineration	374		Base Carbone

(continuation)

Scope	Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
3	Employee travel	Km travelled by Bus - Employees	0.0295	kgCO <sub>2</sub> e/passenger.km	Base Carbone
		Km travelled Carris urbanos - Employees	0.0348		DEFRA
		Km travelled by Car - Employees	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
		Km travelled by Scooter- Employees	0.1648		Base Carbone
	Business Travel	Airplane (domestic flight) (<423 km)	0.3061	kgCO <sub>2</sub> e/passenger.km	DEFRA
		Airplane (Long-haul flight) (>3600 km)	0.2934		DEFRA
		Airplane (Medium-haul flight) (between 423 km and 3600 km)	0.2088		DEFRA
		Train - Spain	0.0604	kgCO <sub>2</sub> e/passenger.km	DEFRA
		Train - International	0.0056		DEFRA
		Train - Portugal	0.0348		DEFRA
		Car (€)	700		DEFRA
	Customer transportation	Km travelled by Car - Customers	0.1901	kgCO <sub>2</sub> e/km	Base Carbone



## International

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
ANGOLA	1	Direct emissions from mobile sources	Diesel (Fleet)	2.5121	kgCO <sub>2</sub> e/kWh	DEFRA
			Petrol (Fleet)	2.0975		DEFRA
	2	Indirect emissions - Electricity	Electricity	0.1960	kgCO <sub>2</sub> e/kWh	Base Carbone
	3	Employee travel	Km travelled by Bus - Employees	0.0295	kgCO <sub>2</sub> e/passenger.km	Base Carbone
			Km travelled by Car - Employees	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
			Km travelled by Scooter- Employees	0.1648		Base Carbone
	3	Energy (upstream)	Km travelled Carris urbanos - Employees	0.0361	kgCO <sub>2</sub> e/passenger.km	Base Carbone
			Diesel (Fleet) (amount)	0.6110	kgCO <sub>2</sub> e/liter	DEFRA
			Petrol (Fleet) (amount)	0.5809		DEFRA
				Electricity (upstream)2	0.1400	kgCO <sub>2</sub> e/kWh

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
ANGOLA	3	Services and Purchasing	Accommodation and Catering	320	kgCO <sub>2</sub> e/keuro	Base Carbone
			Construction	360		Base Carbone
			Advertising (books, newspapers, magazines, etc.)	280		Base Carbone
			Repair and installation of equipment and machinery	390		Base Carbone
			Services (Printing, Advertising, Architecture and Other Services)	170		Base Carbone
			Telecommunications			Base Carbone
			Ground transportation	700		DEFRA
			Insurance, Banking, Consultancy	110		Base Carbone
			Activities for Associative Organizations	220		Base Carbone
			Services (computer, electronic and optical products)	400		Base Carbone
		Business Travel	Car - Business Travel	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
Airplane (Long-haul) (>3600 km)	0.2934		kgCO <sub>2</sub> e/passenger.km	DEFRA		

(continuation)

	Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source	
BOLIVIA	1	Direct emissions from mobile sources	Petrol (Fleet)	2.0975	kgCO <sub>2</sub> e/liter	DEFRA
	2	Indirect emissions - Electricity	Electricity	0.3350	kgCO <sub>2</sub> e/kWh	Base Carbone
	3	Employee travel	Km travelled by Bus - Employees	0.0295	kgCO <sub>2</sub> e/passenger.km	Base Carbone
			Km travelled by Car - Employees	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
			Km travelled by Scooter- Employees	0.1648		Base Carbone
	3	Energy (upstream)	Km travelled Carris urbanos - Employees	0.0361	kgCO <sub>2</sub> e/passenger.km	Base Carbone
	Petrol (Fleet) (amount)		0.5809	kgCO <sub>2</sub> e/liter	DEFRA	
			Electricity (upstream) <sup>2</sup>	0.0470	kgCO <sub>2</sub> e/kWh	Base Carbone
		Waste	Household waste - Average end of life	412	kgCO <sub>2</sub> e/ton of waste	Base Carbone

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
BOLIVIA	3	Services and Purchasing	Accommodation and Catering	320	kgCO <sub>2</sub> e/keuro	Base Carbone
			Construction	360		Base Carbone
			Advertising (books, newspapers, magazines, etc.)	280		Base Carbone
			Repair and installation of equipment and machinery	390		Base Carbone
			Services (Printing, Advertising, Architecture and Other Services)	170		Base Carbone
			Telecommunications			Base Carbone
			Insurance, Banking, Consultancy	110		Base Carbone
			Activities for Associative Organizations	220		Base Carbone
			Services (computer, electronic and optical products)	400		Base Carbone
			Water consumption	0.1320	kgCO <sub>2</sub> e/m <sup>3</sup>	Base Carbone

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
CAPE VERDE	1	Direct emissions from fixed sources	Diesel (generators)	2.5121	kgCO <sub>2</sub> e/liter	DEFRA
		Direct emissions from mobile sources	Diesel (Fleet)			DEFRA
			Petrol (Fleet)	2.0975		DEFRA
	2	Direct GHG emissions	Refrigerant gas R410a	1924	NC	Base Carbone
		Indirect emissions - Electricity	Electricity	0.6	kgCO <sub>2</sub> e/kWh	Base Carbone
	3	Energy (upstream)	Diesel (Fleet) (amount)	0.6110	kgCO <sub>2</sub> e/liter	DEFRA
			Petrol (Fleet) (amount)	0.5809		DEFRA
			Electricity	0.1400	kgCO <sub>2</sub> e/kWh	Base Carbone
			Diesel (Generators) (amount)	0.6110	kgCO <sub>2</sub> e/liter	DEFRA
		Waste	Packaging - PET plastic (petrol) - Disposal	41	kgCO <sub>2</sub> e/ton of waste	Base Carbone

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
CAPE VERDE	3	Services and Purchasing	Accommodation and Catering	320	kgCO <sub>2</sub> e/keuro	Base Carbone
			Construction	360		Base Carbone
			Mail	130		Base Carbone
			Advertising (books, newspapers, magazines, etc.)	280		Base Carbone
			Repair and installation of equipment and machinery	390		Base Carbone
			Services (Printing, Advertising, Architecture and Other Services)			170
			Telecommunications			Base Carbone
			Ground transportation	700		DEFRA
			Insurance, Banking, Consultancy	110		Base Carbone
			Activities for Associative Organizations	220		Base Carbone
		Services (computer, electronic and optical products)	400	Base Carbone		
		Business Travel	Airplane (domestic) (<423 km)	0.3061	kgCO <sub>2</sub> e/passenger.km	DEFRA
			Airplane (Medium-haul) (between 423 km and 3600 km)	0.2088		DEFRA

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
CHILE	1	Direct GHG emissions	R22 refrigerant gas	1760	NC	Base Carbone
			Refrigerant gas R410a	1924		Base Carbone
	2	Indirect emissions - Electricity	Electricity	0.3330	kgCO <sub>2</sub> e/kWh	Base Carbone
	Employee travel		Km travelled by Bus - Employees	0.0295	kgCO <sub>2</sub> e/passenger.km	Base Carbone
			Km travelled by Car - Employees	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
			Km travelled by Scooter- Employees	0.1648		Base Carbone
			Km travelled Carris urbanos - Employees	0.0361	kgCO <sub>2</sub> e/passenger.km	Base Carbone
	3	Energy (upstream)	Electricity (upstream)2	0.0470	kgCO <sub>2</sub> e/kWh	Base Carbone
		Services and Purchasing	Accommodation and Catering	320	kgCO <sub>2</sub> e/keuro	Base Carbone
			Mail	130		Base Carbone
			Repair and installation of equipment and machinery	390		Base Carbone
			Services (Printing, Advertising, Architecture and Other Services	170		Base Carbone
			Telecommunications			Base Carbone

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
CHILE	3	Services and Purchasing	Ground transportation	700	kgCO <sub>2</sub> e/keuro	DEFRA
			Insurance, Banking, Consultancy	110		Base Carbone
			Activities for Associative Organizations	220		Base Carbone
			Services (computer, electronic and optical products)	400		Base Carbone
	Business Travel	Car - Business Travel	0.1901	kgCO <sub>2</sub> e/km	Base Carbone	
		Airplane (domestic) (<423 km)	0.3061	kgCO <sub>2</sub> e/passenger.km	DEFRA	
		Airplane (Long-haul) (>3600 km)	0.2934		DEFRA	
CHINA	2	Indirect emissions - Electricity	Electricity	0.5340	kgCO <sub>2</sub> e/kWh	Base Carbone
	3	Employee travel	Km travelled by Car - Employees	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
			Km travelled Carris urbanos - Employees	0.0361	kgCO <sub>2</sub> e/passager.km	Base Carbone
		Energy (upstream)	Electricity (upstream) <sup>2</sup>	0.1730	kgCO <sub>2</sub> e/kWh	Base Carbone
	Waste	Household waste - Disposal	412	kgCO <sub>2</sub> e/ton of waste	Base Carbone	
#N/A		386	Base Carbone			



(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
CHINA	3	Services and Purchasing	Accommodation and Catering	320	kgCO <sub>2</sub> e/keuro	Base Carbone
			Mail	130		Base Carbone
			Services (Printing, Advertising, Architecture and Other Services)	170		Base Carbone
			Telecommunications			Base Carbone
			Insurance, Banking, Consultancy	110		Base Carbone
			Services (computer, electronic and optical products)	400		Base Carbone
		Business Travel	Car - Business Travel	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
			Airplane (Medium-haul) (between 423 km and 3600 km)	0.2088	kgCO <sub>2</sub> e/passenger.km	DEFRA
			Airplane (Long-haul) (>3600 km)	0.2934		DEFRA
			Train	0.0444	kgCO <sub>2</sub> e/passenger.km	DEFRA

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
SPAIN	1	Direct emissions from mobile sources	Diesel (Fleet)	2.5121	kgCO <sub>2</sub> e/liter	DEFRA
			Petrol (Fleet)	2.0975		DEFRA
	2	Indirect emissions - Electricity	Electricity	0.2170	kgCO <sub>2</sub> e/kWh	Base Carbone
	Employee travel		Km travelled by Bus - Employees	0.0295	kgCO <sub>2</sub> e/passenger.km	Base Carbone
			Km travelled by Car - Employees	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
			Km travelled by Scooter- Employees	0.1648		Base Carbone
			Km travelled Carris urbanos - Employees	0.0361	kgCO <sub>2</sub> e/passenger.km	DEFRA
	3	Energy (upstream)	Diesel (Fleet) (amount)	0.6110	kgCO <sub>2</sub> e/liter	DEFRA
			Petrol (Fleet) (amount)	0.5809		DEFRA
			Electricity (upstream)2	0.0672	kgCO <sub>2</sub> e/kWh	Base Carbone
	Services and Purchasing		Accommodation and Catering	320	kgCO <sub>2</sub> e/keuro	Base Carbone
			Health Activities	120		Base Carbone
			Construction	360		Base Carbone

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
SPAIN	3	Services and Purchasing	Mail	130	kgCO <sub>2</sub> e/keuro	Base Carbone
			Training	120		Base Carbone
			Advertising (books, newspapers, magazines, etc.)	280		Base Carbone
			Repair and installation of equipment and machinery	390		Base Carbone
			Services (Printing, Advertising, Architecture and Other Services)	170		Base Carbone
			Telecommunications			Base Carbone
			Ground transportation	700		DEFRA
			Insurance, Banking, Consultancy	110		Base Carbone
			Activities for Associative Organizations	220		Base Carbone
			Services (computer, electronic and optical products)	400		Base Carbone
		Business Travel	Airplane (domestic) (<423 km)	0.3061	kgCO <sub>2</sub> e/passenger.km	DEFRA
Train	0.0444		kgCO <sub>2</sub> e/passenger.km	DEFRA		

(continuation)

	Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source	
FRANCE	1	Direct emissions from mobile sources	Petrol (Fleet)	2.0975	kgCO <sub>2</sub> e/liter	DEFRA
	2	Indirect emissions - Electricity	Electricity	0.0850	kgCO <sub>2</sub> e/kWh	Base Carbone
		Employee travel	Km travelled by Bus - Employees	0.0295	kgCO <sub>2</sub> e/passenger.km	Base Carbone
			Km travelled by Car - Employees	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
			Km travelled by Scooter- Employees	0.1648		Base Carbone
			Km travelled Carris urbanos - Employees	0.0361	kgCO <sub>2</sub> e/passenger.km	DEFRA
	3	Energy (upstream)	Petrol (Fleet) (amount)	0.5809	kgCO <sub>2</sub> e/liter	DEFRA
			Electricity (upstream) <sup>2</sup>	0.0083	kgCO <sub>2</sub> e/kWh	Base Carbone
		Services and Purchasing	Accommodation and Catering	320	kgCO <sub>2</sub> e/keuro	Base Carbone
			Health Activities	120		Base Carbone
			Construction	360		Base Carbone
			Mail	130		Base Carbone
			Advertising (books, newspapers, magazines, etc.)	280		Base Carbone

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
FRANCE	3	Services and Purchasing	Repair and installation of equipment and machinery	390	kgCO <sub>2</sub> e/keuro	Base Carbone
			Services (Printing, Advertising, Architecture and Other Services)	170		Base Carbone
			Telecommunications			Base Carbone
			Ground transportation	700		DEFRA
			Insurance, Banking, Consultancy	110		Base Carbone
			Activities for Associative Organizations	220		Base Carbone
		Services (computer, electronic and optical products)	400	Base Carbone		
		Business Travel	Airplane (domestic) (<423 km)	€0.3061	kgCO <sub>2</sub> e/passenger.km	DEFRA
Train	0.0444		kgCO <sub>2</sub> e/passage.km	DEFRA		
LIECHTENSTEIN	Employee travel	Km travelled by Bus - Employees		0.0295	Base Carbone	
		Km travelled Electric Bike - Employees	0.0110	Base Carbone		
		Km travelled by Car - Employees	0.1901	kgCO <sub>2</sub> e/km	Base Carbone	
		Km travelled by Scooter- Employees	0.1648	Base Carbone		
		Km travelled Carris urbanos - Employees	0.0361	kgCO <sub>2</sub> e/passage.km	Base Carbone	

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source	
LIECHTENSTEIN	3	Waste	EEE waste - end of life - impacts	13	kgCO <sub>2</sub> e/ton of waste	Base Carbone	
		Services and Purchasing	Accommodation and Catering		320		Base Carbone
			Mail		130		Base Carbone
			Advertising (books, newspapers, magazines, etc.)		280		Base Carbone
			Services (Printing, Advertising, Architecture and Other Services)		170	kgCO <sub>2</sub> e/keuro	Base Carbone
			Telecommunications				Base Carbone
			Insurance, Banking, Consultancy		110		Base Carbone
			Services (computer, electronic and optical products)		400		Base Carbone
			Water consumption		0.1320	kgCO <sub>2</sub> e/m <sup>3</sup>	Base Carbone
		Customer transportation	Km travelled by Bus - Customers		0.0295	kgCO <sub>2</sub> e/passage.km	Base Carbone
			Km travelled by Car - Customers		0.1901	kgCO <sub>2</sub> e/km	Base Carbone
		Business Travel	Airplane (€)		1190		Base Carbone
			Car (€)		700	kgCO <sub>2</sub> e/keuro	DEFRA
			Comboio (€)				DEFRA

(continuation)

	Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source	
MACAO	1	Direct emissions from mobile sources	Petrol (Fleet)	2.0975	kgCO <sub>2</sub> e/liter	DEFRA
	2	Indirect emissions - Electricity	Electricity	0.4920	kgCO <sub>2</sub> e/kWh	Base Carbone
		Employee travel	Km travelled by Car - Employees	0,1901	kgCO <sub>2</sub> e/km	Base Carbone
			Km travelled Carris urbanos - Employees	0,0361	kgCO <sub>2</sub> e/passage.km	Base Carb one
	Energy (upstream)	Petrol (Fleet) (amount)	0,5809	kgCO <sub>2</sub> e/liter	DEFRA	
		Electricity (upstream) <sup>2</sup>	0,1730	kgCO <sub>2</sub> e/kWh	Base Carbone	
	3	Services and Purchasing	Accommodation and Catering	320	kgCO <sub>2</sub> e/keuro	Base Carbone
			Health Activities	120		Base Carbone
			Construction	360		Base Carbone
			Mail	130		Base Carbone
			Training	120		Base Carbone
			Advertising (books, newspapers, magazines, etc.)	280		Base Carbone
			Repair and installation of equipment and machinery	390		Base Carbone

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
MACAO	3	Services and Purchasing	Services (Printing, Advertising, Architecture and Other Services)	170	kgCO <sub>2</sub> e/keuro	Base Carbone
			Telecommunications			Base Carbone
			Ground transportation	700		DEFRA
			Insurance, Banking, Consultancy	110		Base Carbone
			Services (computer, electronic and optical products)	400		Base Carbone
		Business Travel	Car - Business Travel	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
			Airplane (domestic) (<423 km)	0.3061	kgCO <sub>2</sub> e/passenger.km	DEFRA
			Airplane (Long-haul) (>3600 km)	0.2934		DEFRA
			Train	0.0444	kgCO <sub>2</sub> e/passage.km	DEFRA
			Boat	0.0230		Base Carbone



(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
MOZAMBIQUE	1	Direct emissions from fixed sources	Diesel (generators)	2.5121	kgCO <sub>2</sub> e/liter	DEFRA
			Diesel (Fleet)			DEFRA
		Direct emissions from mobile sources	Petrol (Fleet)	2.0975		DEFRA
			Diesel (Fleet) (€)	1.8472		Base Carbone
	2	Indirect emissions - Electricity	Electricity	0.1270	kgCO <sub>2</sub> e/kWh	Base Carbone
	3	Employee travel	Km travelled by Bus - Employees	0.0295	kgCO <sub>2</sub> e/passage.km	Base Carbone
			Km travelled by Car - Employees	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
			Km travelled by Scooter- Employees	0.1648		Base Carbone
			Km travelled Carris urbanos - Employees	0.0361	kgCO <sub>2</sub> e/passage.km	Base Carbone
	Energy (upstream)		Diesel (Fleet) (amount)	0.6110	kgCO <sub>2</sub> e/liter	DEFRA
			Petrol (Fleet) (amount)	0.5809		DEFRA
			Electricity	0.1400	kgCO <sub>2</sub> e/kWh	Base Carbone
			Diesel (Generators) (amount)	0.6110	kgCO <sub>2</sub> e/liter	DEFRA

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
MOZAMBIQUE	3	Services and Purchasing	Accommodation and Catering	320	kgCO <sub>2</sub> e/keuro	Base Carbone
			Construction	360		Base Carbone
			Mail	130		Base Carbone
			Training	120		Base Carbone
			Advertising (books, newspapers, magazines, etc.)	280		Base Carbone
			Repair and installation of equipment and machinery	390		Base Carbone
			Services (Printing, Advertising, Architecture and Other Services	170		Base Carbone
			Telecommunications			Base Carbone
			Ground transportation	700		DEFRA
			Insurance, Banking, Consultancy	110		Base Carbone
			Activities for Associative Organizations	220		Base Carbone
			Services (computer, electronic and optical products)	400		Base Carbone

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
MOZAMBIQUE	3	Business Travel	Car - Business Travel	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
			Airplane (domestic) (<423 km)	0.3061		DEFRA
			Airplane (Medium-haul) (between 423 km and 3600 km)	0.2088	kgCO <sub>2</sub> e/passenger.km	DEFRA
			Airplane (Long-haul) (>3600 km)	0.2934		DEFRA
PERU	1	Direct emissions from fixed sources	Diesel (generators)	2.5121	kgCO <sub>2</sub> e/liter	DEFRA
			Direct emissions from mobile sources	Petrol (Fleet)		2.0975
		Direct GHG emissions	R22 refrigerant gas	1760	NC	Base Carbone
			Refrigerant gas R410a	1924		APA
PERU	2	Indirect emissions - Electricity	Electricity	0.2570	kgCO <sub>2</sub> e/kWh	Base Carbone
	3	Employee travel	Km travelled by Bus - Employees	0.0295	kgCO <sub>2</sub> e/passage.km	Base Carbone
			Km travelled by Car - Employees	0.1901	kgCO <sub>2</sub> e/km	Base Carbone
			Km travelled by Scooter- Employees	0.1648		Base Carbone
			Km travelled Carris urbanos - Employees	0.0361	kgCO <sub>2</sub> e/passage.km	Base Carbone

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
PERU	3	Energy (upstream)	Petrol (Fleet) (amount)	0.5809	kgCO <sub>2</sub> e/liter	DEFRA
			Electricity	0.0470	kgCO <sub>2</sub> e/kWh	Base Carbone
			Diesel (Generators) (amount)	0.6110	kgCO <sub>2</sub> e/liter	DEFRA
		Waste	Packaging - Cardboard - Recycling	992	kgCO <sub>2</sub> e/ton of waste	Base Carbone
			Packaging - Iron - Disposal	41		Base Carbone
			Packaging - PP plastic (petrol) - Disposal			Base Carbone
			Household waste - Disposal	412		Base Carbone
			Household waste - Average end of life			Base Carbone
			EEE waste - end of life - impacts	13		Base Carbone
		Services and Purchasing	Accommodation and Catering	320	kgCO <sub>2</sub> e/keuro	Base Carbone
			Construction	360		Base Carbone
			Advertising (books, newspapers, magazines, etc.)	280		Base Carbone
			Repair and installation of equipment and machinery	390		Base Carbone

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
PERU	3	Services and Purchasing	Services (Printing, Advertising, Architecture and Other Services)	170	kgCO <sub>2</sub> e/keuro	Base Carbone
			Telecommunications			Base Carbone
			Insurance, Banking, Consultancy	110		Base Carbone
			Activities for Associative Organizations	220		Base Carbone
			Services (computer, electronic and optical products)	400		Base Carbone
			Water consumption	0.1320		kgCO <sub>2</sub> e/m <sup>3</sup>
		Business Travel	Airplane (€)	1190	kgCO <sub>2</sub> e/keuro	Base Carbone
			Car (€)	700		DEFRA
UK	2	Indirect emissions - Electricity	Electricity	0.2610	kgCO <sub>2</sub> e/kWh	Base Carbone
	3	Employee travel	Km travelled by Scooter- Employees	0.1648	kgCO <sub>2</sub> e/km	Base Carbone
			Km travelled Carris urbanos - Employees	0.0361	kgCO <sub>2</sub> e/passage.km	Base Carbone
		Energy (upstream)	Electricity (upstream) <sup>2</sup>	0.0602	kgCO <sub>2</sub> e/kWh	Base Carbone

(continuation)

		Category	Emission Source	Emission Factor (EF)	Unit (kgCO <sub>2</sub> e/ by default)	FE Source
UK	3	Services and Purchasing	Accommodation and Catering	320	kgCO <sub>2</sub> e/keuro	Base Carbone
			Services (Printing, Advertising, Architecture and Other Services)	170		Base Carbone
			Telecommunications			Base Carbone
			Ground transportation	700		DEFRA
			Insurance, Banking, Consultancy	110		Base Carbone
			Water consumption	0.1320		kgCO <sub>2</sub> e/m <sup>3</sup>
		Business Travel	Airplane (€)	1190	kgCO <sub>2</sub> e/keuro	Base Carbone

## 401-1: HIRING, EXITS AND TURNOVER RATES

$$\text{New hires rate} = \frac{\text{No. of entries}}{\text{Total number of employees on 31 December}}$$

$$\text{Exit rate for the year 2023} = \frac{\text{No. of exits}}{\text{Total number of employees on December}}$$

The turnover rate was calculated using the following formula:

$$\text{Turnover rate 2023} = \frac{[(\text{No. of entries in the period under review}) + (\text{No. of exits in the period under review})] / 2}{\text{No. of employees at the end of the period under review}}$$

# Glossary





**Climate change adaptation:** The process of adjustment to current and projected climate and its effects (IPCC AR6). Economic activities that contribute to adaptation to climate change are described in Annex I to EU Delegated Act 2021/2139 of June 2021.

**Agent:** Integral part of the sales team of traditional distribution channels (exclusive and non-exclusive intermediaries and effective collaborators involved in the activities of promotion and distribution of the offer).

**Climate Change:** It concerns global warming due to increased emissions of greenhouse gases resulting from human activity. The phenomenon intensifies extreme natural events with repercussions on natural ecosystems and health. The policies and efforts necessary to limit the increase in global warming and not exceed 1.5 °C through the decarbonisation of the economy will lead to radical changes in production and energy systems, requiring the preparation of adaptation strategies and reduction of vulnerability to these changes.

**Economic activity aligned with the Taxonomy:** Economic activity described in Annexes I and II of EU Commission Delegated Act 2021/2139 of 4 June 2021, adopted pursuant to EU Regulation 2020/852.

**Economic activities eligible for taxonomy:** Economic activity is eligible if it contributes substantially to at least one of the six environmental objectives underlying the Taxonomy, regardless of whether that activity meets the technical criteria set out in the Delegated Acts.

**Assets under Management (AuM):** Investment assets under management, which translate into the sum of financial assets and real estate assets.

**Employees:** All people who cooperate directly with the entity until the end of the reporting period, including management, technicians and specialists, assistants, and employees without an undefined category, designated as "Not Applicable".

**Investment in training:** Direct costs associated with training and formal learning, except for "on-the-job" training.

**Climate change mitigation:** Human intervention to reduce the sources or promote the reduction of greenhouse gases (IPCC AR6). Economic activities that contribute to adaptation to climate change are described in Annex I of the Commission to EU Delegated Act 2021/2139 of June 2021.

**Net-zero:** Existing emissions are reduced very significantly and everything else is removed by carbon retention methods (be they natural – e.g. forests, or technological – e.g. Biochar or Direct Air Capture).

**Carbon Neutral:** Carbon neutrality happens when the emissions existing in a given dimension are fully compensated with carbon credits or emissions captured by methods that retain carbon (be they natural – e.g. forests, or technological – e.g. Biochar or Direct Air Capture).

**Sustainable Development Goals (SDGs):** 17 goals reflected in the 2030 Agenda for Sustainable Development, published by the United Nations.

**Liabilities from insurance contracts and investment contracts:** Sum of liabilities from life and non-life insurance contracts and financial liabilities from the deposit component of insurance contracts and operations considered for accounting purposes to be investment contracts.

**Gross Written Premiums:** Gross written premiums on insurance contracts plus amounts received under operations considered for accounting purposes as investment contracts.

**Critical concerns:** Critical concerns include concerns about the organisation's potential and actual negative impacts on stakeholders raised through grievance mechanisms and other processes. They also include concerns identified through other mechanisms about the organisation's conduct in its operations and in its business relationships.

**Debt ratio:** Subordinated debt divided by total assets.

**Integrated Report:** Concise communication that illustrates how the organization's strategy, governance, and future prospects in the external environment in which the Group operates are used to create value in the short, medium and long term.

**Investment Earnings:** Sum of the financial component of insurance contracts, commissions associated with investment contracts and financial revenues net of expenses associated with investment management.

**Non-Technical Result:** Result arising from non-insurance activity and non-technical accounts from insurance activity.

**Insurance Contracts Earnings:** Sum of income and expenses from insurance contracts and income and expenses from reinsurance contracts. XXXX Sum of the revenues and expenses from insurance contracts with the revenues and expenses from reinsurance contracts.

**ROE (Return on Equity):** Net profit divided by average equity.

**Insured:** The insured, or policyholder, is the natural or legal person who takes out an insurance policy.

**Smart Working:** A working model that promotes flexibility, efficiency and profitability and does not involve a defined workplace.

**Sustainable Finance:** The process of taking environmental, social and governance (ESG) aspects into account when making investment decisions in the financial sector, leading to long-term investments in sustainable economic activities and projects.

**Investment yield:** Income from the investment portfolio divided by the average Assets under Management (does not include income and investment portfolios related to Unit Linked products).

**FIDELIDADE**  
SEGUROS DESDE 1808

# ANNUAL REPORT 2023

FIDELIDADE

CONSOLIDATED

FINANCIAL

STATEMENTS



## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 AND 2022 (RESTATED)

Tax no: 500 918 880

(amounts in euros)

ASSETS	Notes	2023		31/12/2022 (Restated)	01/01/2022 (Restated)	
		Gross amount	Impairment, depreciation/ amortisation and adjustments			Net amount
Cash and cash equivalents and sight deposits	4	540,599,171	-	540,599,171	637,429,549	
Investments in associates and joint ventures	5	9,226,367	-	9,226,367	9,169,287	
Financial assets at fair value through profit or loss	6	5,062,483,705	-	5,062,483,705	4,499,777,781	
Hedge derivatives	7	10,626,173	-	10,626,173	18,319,872	
Financial assets at fair value through other comprehensive income	8	7,955,771,102	-	7,955,771,102	7,932,574,565	
Financial assets at amortised cost	9	774,542,896	-	774,542,896	1,000,653,706	
Properties		3,106,063,845	( 214,338,704 )	2,891,725,141	2,943,753,022	
Properties for own use	10	763,691,451	( 214,338,704 )	549,352,747	496,921,830	
Investment properties	11	2,342,372,395	-	2,342,372,395	2,446,831,192	
Other tangible assets	12	477,350,330	( 339,322,102 )	138,028,228	141,745,023	
Inventories	13	16,223,291	-	16,223,291	15,596,828	
Goodwill	14	475,851,759	-	475,851,759	470,864,223	
Other intangible assets	15	434,940,301	( 130,963,995 )	303,976,306	279,850,104	
Life reinsurance contract assets		110,900,529	-	110,900,529	109,207,461	
Remaining coverage	16	33,195,828	-	33,195,828	32,338,694	
Incurred Claims	16	77,704,701	-	77,704,701	76,868,767	
Non-life reinsurance contract assets		613,320,487	-	613,320,487	537,573,452	
Remaining coverage	16	196,106,281	-	196,106,281	193,079,952	
Incurred Claims	16	417,214,206	-	417,214,206	344,493,500	
Assets for post-employment and long-term benefits	33	22,777,790	-	22,777,790	25,375,258	
Other debtors for insurance operations and other operations		696,565,130	( 60,936,120 )	635,629,010	676,853,029	
Accounts receivable for direct insurance operations	17	125,217,153	( 18,456,085 )	106,761,068	122,135,119	
Accounts receivable for other reinsurance operations	17	107,756,711	( 10,452,822 )	97,303,889	124,470,183	
Accounts receivable for other operations	17	463,591,266	( 32,027,213 )	431,564,053	430,247,727	
Tax assets		495,458,795	-	495,458,795	560,031,181	
Recoverable tax assets	18	19,891,288	-	19,891,288	71,512	
Deferred tax assets	18	475,567,507	-	475,567,507	559,959,668	
Accruals and deferrals	19	105,480,984	-	105,480,984	94,267,527	
Non-current assets held for sale	20	119,598,930	-	119,598,930	39,283,044	
<b>TOTAL ASSETS</b>		<b>21,027,781,585</b>	<b>( 745,560,922 )</b>	<b>20,282,220,664</b>	<b>19,992,324,913</b>	<b>20,236,913,833</b>

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 AND 2022 (RESTATED)

Tax no: 500 918 880

(amounts in euros)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	2023	31/12/2022 (Restated)	01/01/2022 (Restated)
<b>LIABILITIES</b>				
Life insurance contract liabilities		2,788,786,506	2,948,513,783	3,352,904,467
Remaining coverage	16	2,506,496,421	2,703,879,150	3,112,182,350
Incurred Claims	16	282,290,085	244,634,633	240,722,117
Non-life insurance contract liabilities		2,930,303,144	2,686,266,766	2,769,737,154
Remaining coverage	16	394,556,042	413,380,130	388,996,670
Incurred Claims	16	2,535,747,102	2,272,886,636	2,380,740,484
Financial liabilities of the deposit component of insurance contracts and on insurance contracts and operations considered for accounting purposes as investment contracts	21	8,528,362,091	8,628,086,559	8,294,703,688
Financial liabilities at fair value through profit or loss	22	304,635,435	154,516,306	299,670,115
Other financial liabilities		1,188,726,424	1,197,897,883	1,201,941,420
Hedge derivatives	7	1,523,582	4,949,949	23,581,767
Subordinated debt	22	503,325,647	502,164,558	501,053,722
Deposits received from reinsurers	22	57,551,076	54,602,705	81,278,508
Loans	22	423,291,245	489,450,376	398,049,531
Others	22	203,034,874	146,730,295	197,977,892
Liabilities for post-employment and other long-term benefits	33	8,072,247	6,418,060	356,106
Other creditors for insurance operations and other operations		831,122,357	815,606,984	501,997,938
Accounts payable for direct insurance operations	23	152,202,438	136,441,999	111,490,126
Accounts payable for other reinsurance operations	23	297,451,381	332,451,288	208,167,427
Accounts payable for other operations	23	381,468,538	346,713,697	182,340,386
Tax liabilities		332,528,027	338,728,622	184,141,883
Tax payable liabilities	18	63,369,069	50,617,109	64,570,931
Deferred tax liabilities	18	269,158,959	288,111,514	119,570,952
Accruals and deferrals	24	292,014,979	278,073,488	276,254,807
Other provisions	25	70,083,806	69,047,709	106,807,152
Liabilities from a group for disposal classified as held for sale	20	10,074,518	15,824,973	3,760,697
<b>TOTAL LIABILITIES</b>		<b>17,284,709,534</b>	<b>17,138,981,134</b>	<b>16,992,275,426</b>

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 AND 2022 (RESTATED)

(continuation)

(amounts in euros)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	2023	31/12/2022 (Restated)	01/01/2022 (Restated)
<b>SHAREHOLDERS' EQUITY</b>				
Paid-in Capital	26	509,263,524	509,263,524	509,263,524
(Treasury shares)	26	(148,960)	(148,960)	(148,960)
Other Capital Instruments	26	0	0	164,977,301
Revaluation reserves		(455,069,583)	(836,382,113)	(6,741,256)
From adjustments in fair value of debt instruments at fair value through other comprehensive income	27	(360,247,275)	(743,009,439)	75,499,197
Revaluation of properties for own use	27	444,364	1,021,944	246,234
Adjustments in fair value of hedging instruments in cash flow hedging	27	(412,571)	1,191,259	(3,368,509)
Adjustments in fair value of hedging instruments in a hedge of a net investment in a foreign currency	27	15,364,745	30,649,973	8,150,557
Exchange differences	27	(17,307,017)	(49,187,840)	(62,104,651)
From changes in fair value of hedging instruments in fair value hedging	27	1,350,007	-	-
From adjustments in fair value of equity instruments at fair value through other comprehensive income	27	(109,570,773)	(86,838,852)	(53,982,270)
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income	27	15,308,937	9,790,843	28,818,187
Reserve for the financial component of insurance contracts	27	368,033,781	536,362,833	-
Reserve for the financial component of reinsurance contracts	27	(8,571,011)	(15,288,846)	-
Deferred tax reserve	27	24,428,611	80,327,341	3,207,020
Gains and losses from disposal of equity instruments at fair value through other comprehensive income	27	(4,799,661)	(801,983)	(1,394,347)
Other reserves	27	1,893,045,763	1,847,436,029	1,729,659,605
Retained earnings	27	166,327,157	247,058,050	307,035,395
Net income for the year	27	180,333,059	175,750,835	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>2,672,842,680</b>	<b>2,543,576,711</b>	<b>2,705,858,283</b>
Non-controlling interests	28	324,668,450	309,767,068	538,780,125
<b>TOTAL SHAREHOLDERS' EQUITY AND NON-CONTROLLING INTERESTS</b>		<b>2,997,511,130</b>	<b>2,853,343,779</b>	<b>3,244,638,408</b>
<b>TOTAL LIABILITIES, NON-CONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY</b>		<b>20,282,220,664</b>	<b>19,992,324,913</b>	<b>20,236,913,833</b>

Lisbon, 2 April 2024

Chief Accounting Officer  
Ana Paula Bailão Rodrigues

Certified Public Accountant  
Filipa Jesus Martins Pires

On Behalf of the Board of Directors

Jorge Manuel Baptista Magalhães Correia  
President

Rogério Miguel Antunes Campos Henriques  
Member

Hui CHEN  
Member



## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 AND 2022 (RESTATED)

Tax no: 500 918 880

(amounts in euros)

STATEMENTS OF PROFIT AND LOSS	Notes	2023			2022	
		Life	Non-life	Non-technical	Total	(Restated)
Insurance contract revenues		649,494,583	2,779,108,884	-	3,428,603,467	3,186,392,752
Measured using the premium allocation approach	29	431,094,852	2,779,108,884	-	3,210,203,735	2,975,401,446
Non-measured using the premium allocation approach		218,399,731	-	-	218,399,731	210,991,306
Release of the expected value of claims incurred and expenses attributable to insurance contracts	29	141,969,135	-	-	141,969,135	137,994,255
Change in risk adjustment (non-financial risk) to expired risk	29	5,438,402	-	-	5,438,402	5,498,312
Release of contractual service margin for transferred services	29	70,992,195	-	-	70,992,195	67,498,739
Insurance service expenses		(493,060,578)	(2,434,382,067)	-	(2,927,442,645)	(2,756,990,932)
Claims occurred and other expenses attributable to insurance contracts	31	(399,272,137)	(1,868,834,857)	-	(2,268,106,994)	(2,009,099,128)
Acquisition costs attributable to insurance contracts	31	(95,949,378)	(505,392,990)	-	(601,342,368)	(566,793,898)
Changes that relate to incurred claims	31	15,661,753	(60,154,220)	-	(44,492,466)	(176,492,387)
Changes that relate to remaining coverage	31	(13,500,817)	-	-	(13,500,817)	(4,605,519)
Reinsurance contract revenues		71,718,847	235,950,738	-	307,669,586	323,063,113
Claims occurred and other expenses attributable to insurance contracts - part of reinsurers	16	114,286,601	224,064,799	-	338,351,400	366,505,792
Changes that relate to incurred claims - part of reinsurers	16	(42,567,693)	9,336,895	-	(33,230,798)	(44,543,112)
Effect of changes in the reinsurer's default risk	16	(60)	2,549,044	-	2,548,984	1,100,433
Reinsurance service expenses		(112,809,482)	(434,398,260)	-	(547,207,742)	(571,132,451)
Measured using the premium allocation approach - part of reinsurers	16	(112,809,482)	(434,398,260)	-	(547,207,742)	(571,132,451)
<b>INSURANCE CONTRACTS RESULT</b>		<b>115,343,371</b>	<b>146,279,295</b>	<b>-</b>	<b>261,622,666</b>	<b>181,332,482</b>
Insurance finance income from insurance contracts	34	(3,466,355)	84,411	-	(3,381,944)	6,952,217
Reinsurance finance income from reinsurance contracts		2,865,831	9,427,638	-	12,293,469	7,797,692
Insurance finance expenses from insurance contracts		(65,803,047)	(30,050,665)	-	(95,853,712)	(55,414,360)
Reinsurance finance expenses from reinsurance contracts	34	(6,172)	(43,646)	-	(49,818)	(932,491)
<b>INSURANCE CONTRACTS FINANCIAL COMPONENT RESULT</b>		<b>(66,409,743)</b>	<b>(20,582,262)</b>	<b>-</b>	<b>(86,992,005)</b>	<b>(41,596,942)</b>
Fees from insurance contracts and operations considered for accounting purposes as investment contracts or service contracts	30	143,703,430	-	-	143,703,430	114,415,652
Financial income		301,376,916	148,924,620	40,565,478	490,867,013	434,574,295
From Interest on financial assets not recognised at fair value through profit or loss	35	196,714,076	77,148,566	18,899,408	292,762,050	278,699,517
Other	35	104,662,840	71,776,054	21,666,069	198,104,963	155,874,778
Financial expenses		(472,892)	(139,016)	(3,639,955)	(4,251,862)	(8,505,037)
Other		(472,892)	(139,016)	(3,639,955)	(4,251,862)	(8,505,037)
Net income on financial assets and liabilities not recognised at fair value through profit or loss		(119,787,399)	(6,044,682)	(258,132)	(126,090,213)	(15,842,734)
Financial assets at fair value through other comprehensive income	36	(27,596,921)	(6,016,060)	(3,139,252)	(36,752,233)	(2,095,086)
Financial assets at amortised cost	36	6,944	(28,622)	(63,098)	(84,776)	151,113
Financial liabilities at amortised cost	36	(92,197,422)	-	-	(92,197,422)	(13,898,959)
Other	36	-	-	2,944,217	2,944,217	198

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 AND 2022 (RESTATED)

(continuation)

(amounts in euros)

STATEMENTS OF PROFIT AND LOSS	Notes	2023			Total	2022 (Restated)
		Life	Non-life	Non-technical		
Net income on financial assets and liabilities recognised at fair value through profit or loss	37	36,963,720	10,302,478	(2,354,310)	44,911,889	(257,651,654)
Exchange differences	38	(39,585,023)	(5,937,280)	(5,957,731)	(51,480,034)	54,096,721
Net income on the sale of non-financial assets which have not been recognised as non-current assets held for sale and discontinued operations	39	12,474,704	16,380,581	(64,845,796)	(35,990,512)	56,294,311
Impairment losses (net of reversals)		13,123,457	(2,635,932)	(33,545,376)	(23,057,851)	7,890,581
Financial assets at fair value through other comprehensive income	40	2,182,387	(4,172,483)	(10,602,920)	(12,593,016)	(2,314,794)
Financial assets at amortised cost	40	(178,680)	(35,299)	(486,021)	(700,000)	(1,096,932)
Other	40	11,119,750	1,571,850	(22,456,435)	(9,764,835)	11,302,307
Non attributable expenses	31	(214,638,407)	(78,903,817)	(75,412,896)	(368,955,119)	(343,857,786)
Other technical income/expenses, net of reinsurance	41	1,382,684	1,634,825	-	3,017,509	466,654
Other Non-technical income/expenses	42	-	-	30,647,993	30,647,993	53,835,186
Negative Goodwill recognised in profit and loss	14	-	-	-	-	42,972,526
Gains and losses of associates and joint ventures (equity method)	43	-	-	225,296	225,296	896,249
Gains and losses from non-current assets (or groups for disposal) classified as held for sale	20	-	-	17,170	17,170	(1,441,931)
<b>NET INCOME BEFORE TAX</b>		<b>183,474,819</b>	<b>209,278,810</b>	<b>(114,558,259)</b>	<b>278,195,370</b>	<b>277,878,573</b>
Current income tax - current taxes	44	(725)	(1,881)	(18,121,375)	(18,123,980)	(62,102,827)
Current income tax - deferred taxes	44	-	-	(24,476,022)	(24,476,022)	6,838,172
<b>NET INCOME AFTER TAX AND BEFORE NON-CONTROLLING INTERESTS</b>		<b>183,474,094</b>	<b>209,276,929</b>	<b>(157,155,656)</b>	<b>235,595,368</b>	<b>222,613,918</b>
Non-controlling interests	28	-	-	(55,262,309)	(55,262,309)	(46,863,083)
<b>NET INCOME FOR THE YEAR</b>		<b>183,474,094</b>	<b>209,276,929</b>	<b>(212,417,964)</b>	<b>180,333,059</b>	<b>175,750,835</b>

Lisbon, 2 April 2024

Chief Accounting Officer  
Ana Paula Bailão Rodrigues

Certified Public Accountant  
Filipa Jesus Martins Pires

On Behalf of the Board of Directors

Jorge Manuel Baptista Magalhães Correia  
President

Rogério Miguel Antunes Campos Henriques  
Member

Hui CHEN  
Member

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 2023 AND 2022 FINANCIAL YEARS

Tax no: 500 918 880

(amounts in euros)

	Paid-in capital other capital instruments	Revaluation reserves	Insurance finance reserve	Reinsurance finance reserve	Deferred tax reserves	Gains and losses from disposal of equity instruments at fair value through other comprehensive income	Overlay Approach adjustment	Legal reserve	Other reserves		Retained earnings	Net income for the year	Sub-total	Non-controlling Interests	Total
									Share premiums	Other reserves					
<b>Balance at 31 December 2021 as previously reported</b>	<b>674,091,865</b>	<b>969,482</b>	-	-	<b>(24,478,978)</b>	<b>(1,394,347)</b>	<b>63,670,722</b>	<b>262,445,824</b>	<b>382,666,154</b>	<b>1,092,717,744</b>	<b>333,783,475</b>	<b>270,241,578</b>	<b>3,054,713,519</b>	<b>564,266,745</b>	<b>3,618,980,264</b>
Net income allocation	-	-	-	-	-	-	-	-	-	-	270,241,578	(270,241,578)	-	-	-
Change in accounting policy	-	(7,710,738)	-	-	27,685,998	-	(63,670,722)	-	-	(8,170,117)	(296,989,658)	-	(348,855,237)	(25,486,620)	(374,341,857)
<b>Balance at 1 January 2022 restated</b>	<b>674,091,865</b>	<b>(6,741,256)</b>	-	-	<b>3,207,020</b>	<b>(1,394,347)</b>	-	<b>262,445,824</b>	<b>382,666,154</b>	<b>1,084,547,627</b>	<b>307,035,395</b>	-	<b>2,705,858,283</b>	<b>538,780,125</b>	<b>3,244,638,408</b>
Appropriation of net income	-	-	-	-	(427,822)	1,394,347	-	32,898,533	-	22,303,288	(56,168,347)	-	(1)	-	(1)
Redemption of capital supplementary contributions	(164,977,301)	-	-	-	-	-	-	-	-	-	-	-	(164,977,301)	-	(164,977,301)
Net gains from adjustments in fair value of debt instruments at fair value through other comprehensive income	-	(857,427,785)	-	-	216,337,210	-	-	-	-	-	-	-	(641,090,575)	-	(641,090,575)
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income	-	(18,594,701)	-	-	5,932,380	-	-	-	-	-	-	-	(12,662,321)	-	(12,662,321)
Net gains from adjustments in fair value of equity instruments at fair value through other comprehensive income	-	(32,423,234)	-	-	5,420,616	-	-	-	-	-	-	-	(27,002,618)	-	(27,002,618)
Net gains through adjustments in fair value of hedging instruments in cash flow hedging	-	8,219,169	-	-	(1,194,354)	-	-	-	-	-	-	-	7,024,815	-	7,024,815
Net gains through adjustments in fair value of hedging instruments in hedging of net investments in a foreign currency	-	22,499,416	-	-	(5,235,789)	-	-	-	-	-	-	-	17,263,627	-	17,263,627
Gains and losses from disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	168,417	(801,983)	-	-	-	-	-	-	(633,566)	-	(633,566)
Exchange differences	-	9,844,659	-	-	(1,282,569)	-	-	-	-	-	-	-	8,562,090	-	8,562,090
Financial component of insurance contracts adjustments	-	-	584,188,775	-	(149,323,086)	-	-	-	-	-	-	-	434,865,689	-	434,865,689
Financial component of reinsurance contracts adjustments	-	-	-	(15,860,273)	4,053,923	-	-	-	-	-	-	-	(11,806,350)	-	(11,806,350)

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 2023 AND 2022 FINANCIAL YEARS

(continuation)

(amounts in euros)

	Paid-in capital other capital instruments	Revaluation reserves	Insurance finance reserve	Reinsurance finance reserve	Deferred tax reserves	Gains and losses from disposal of equity instruments at fair value through other comprehensive income	Overlay Approach adjustment	Legal reserve	Other reserves		Retained earnings	Net income for the year	Sub-total	Non-controlling Interests	Total
									Share premiums	Other reserves					
Revaluation of properties for own use	-	1,198,373	-	-	(76,449)	-	-	-	-	-	-	-	1,121,924	-	1,121,924
Actuarial gains and losses	-	-	-	-	(2,222,356)	-	-	-	-	21,318,040	-	-	19,095,684	-	19,095,684
Recognition of non-controlling interests	-	37,043,246	(47,825,942)	571,427	4,970,200	-	-	(1,378,368)	-	42,871,824	(3,699,598)	-	32,552,789	(275,876,140)	(243,323,351)
Share of other comprehensive income															
of associates	-	-	-	-	-	-	-	-	-	587,854	-	-	587,854	-	587,854
Others	-	-	-	-	-	-	-	36,713	-	(861,460)	(109,400)	-	(934,147)	-	(934,147)
Net income for the year	-	-	-	-	-	-	-	-	-	-	-	175,750,835	175,750,835	46,863,083	222,613,918
<b>Balance at 31 December 2022 restated</b>	<b>509,114,564</b>	<b>(836,382,113)</b>	<b>536,362,833</b>	<b>(15,288,846)</b>	<b>80,327,341</b>	<b>(801,983)</b>	<b>-</b>	<b>294,002,702</b>	<b>382,666,154</b>	<b>1,170,767,173</b>	<b>247,058,050</b>	<b>175,750,835</b>	<b>2,543,576,711</b>	<b>309,767,068</b>	<b>2,853,343,779</b>
Appropriation of net income	-	-	-	-	(168,417)	801,983	-	20,848,633	-	24,091,718	130,176,917	(175,750,835)	(1)	-	(1)
Profit distribution	-	-	-	-	-	-	-	-	-	-	(219,207,787)	-	(219,207,787)	-	(219,207,787)
Net gains from adjustments in fair value															
of debt instruments at fair value through															
other comprehensive income	-	415,852,669	-	-	(104,545,279)	-	-	-	-	-	-	-	311,307,390	-	311,307,390
Allowance for expected credit losses															
in debt instruments at fair value through															
other comprehensive income	-	10,022,049	-	-	(1,709,460)	-	-	-	-	-	-	-	8,312,589	-	8,312,589
Net gains from adjustments in fair value															
of equity instruments at fair value															
through other comprehensive income	-	(23,165,206)	-	-	9,690,050	-	-	-	-	-	-	-	(13,475,156)	-	(13,475,156)
Net gains through adjustments in fair															
value of hedging instruments															
in cash flow hedging	-	(1,181,440)	-	-	459,712	-	-	-	-	-	-	-	(721,728)	-	(721,728)
Net gains through adjustments in fair															
value of hedging instruments in hedging															
of net investments in a foreign currency	-	(15,285,228)	-	-	3,505,631	-	-	-	-	-	-	-	(11,779,597)	-	(11,779,597)
Net gains from fair value adjustments															
of fair value hedging instruments	-	1,350,007	-	-	(425,252)	-	-	-	-	-	-	-	924,755	-	924,755
Gains and losses from disposal of equity															
instruments at fair value through															
other comprehensive income	-	-	-	-	606,322	(4,799,661)	-	-	-	-	-	-	(4,193,339)	-	(4,193,339)
Exchange differences	-	31,896,889	-	-	317,492	-	-	-	-	-	-	-	32,214,381	-	32,214,381

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 2023 AND 2022 FINANCIAL YEARS

(continuation)

(amounts in euros)

	Paid-in capital other capital instruments	Revaluation reserves	Insurance finance reserve	Reinsurance finance reserve	Deferred tax reserves	Gains and losses from disposal of equity instruments at fair value through other comprehensive income	Overlay Approach adjustment	Legal reserve	Other reserves		Retained earnings	Net income for the year	Sub-total	Non-controlling Interests	Total
									Share premiums	Other reserves					
Financial component of insurance contracts adjustments	-	-	(207,755,726)	-	38,545,997	-	-	-	-	-	-	-	(169,209,729)	-	(169,209,729)
Financial component of reinsurance contracts adjustments	-	-	-	7,901,523	(2,651,174)	-	-	-	-	-	-	-	5,250,349	-	5,250,349
Revaluation of properties for own use	-	(817,739)	-	-	(2,213,932)	-	-	-	-	-	-	-	(3,031,671)	-	(3,031,671)
Actuarial gains and losses	-	-	-	-	(223,420)	-	-	-	-	709,270	-	-	485,850	-	485,850
Recognition of non-controlling interests	-	(37,359,471)	39,426,674	(1,183,688)	2,913,000	-	-	-	-	-	8,299,977	-	12,096,492	(40,360,927)	(28,264,435)
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-	-	(57,882)	-	-	(57,882)	-	(57,882)
Others	-	-	-	-	-	-	-	-	-	17,995	-	-	17,995	-	17,995
Net income for the year	-	-	-	-	-	-	-	-	-	-	-	180,333,059	180,333,059	55,262,309	235,595,368
<b>Balance at 31 December 2023</b>	<b>509,114,564</b>	<b>(455,069,583)</b>	<b>368,033,781</b>	<b>(8,571,011)</b>	<b>24,428,611</b>	<b>(4,799,661)</b>	<b>-</b>	<b>314,851,335</b>	<b>382,666,154</b>	<b>1,195,528,274</b>	<b>166,327,157</b>	<b>180,333,059</b>	<b>2,672,842,680</b>	<b>324,668,450</b>	<b>2,997,511,130</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED AS AT 31 DECEMBER 2023 AND 2022

Tax no: 500 918 880

(amounts in euros)

	2023	2022 (Restated)
<b>NET INCOME FOR THE YEAR</b>	<b>180,333,059</b>	<b>175,750,835</b>
<b>Items that may be reclassified subsequently to gains and losses</b>		
Change in fair value of debt instruments at fair value through other comprehensive income		
Gross amount		
Appreciation	450,579,951	( 838,914,700 )
Impairment	( 1,135,394 )	( 20,540,386 )
Disposal	( 33,591,888 )	2,027,301
Deferred Tax	( 104,545,279 )	216,337,210
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income		
Gross amount	10,022,049	( 18,594,701 )
Deferred Tax	( 1,709,460 )	5,932,380
Net gains through adjustments in fair value of hedging instruments in cash flow hedging		
Gross amount	( 1,181,440 )	8,219,169
Deferred Tax	459,712	( 1,194,354 )
Net gains through adjustments in fair value of hedging instruments in hedging of net investments in a foreign currency		
Gross amount	( 15,285,228 )	22,499,416
Deferred Tax	3,505,631	( 5,235,789 )
Change in potential gains due to exchange differences		
Gross amount	31,896,889	9,844,659
Deferred Tax	317,492	( 1,282,569 )
Financial component of insurance contracts adjustments		
Gross amount	( 207,755,726 )	584,188,775
Tax	38,545,997	( 149,323,086 )
Financial component of reinsurance contracts adjustments		
Gross amount	7,901,523	( 15,860,273 )
Tax	( 2,651,174 )	4,053,923
<b>Items that may not be reclassified subsequently to gains and losses</b>		
Change in fair value of equity instruments at fair value through other comprehensive income		
Gross amount	( 23,165,206 )	( 32,423,234 )
Deferred Tax	9,690,050	5,420,616
Gains and losses from disposal of equity instruments at fair value through other comprehensive income		
Gross amount	( 4,799,661 )	( 801,983 )
Current Tax	606,322	168,417

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED AS AT 31 DECEMBER 2023 AND 2022

(continuation)

(amounts in euros)

	2023	2022 (Restated)
Gains and losses from fair value adjustments of fair value hedging instruments		
Gross amount	1,350,007	-
Tax	(425,252)	-
Change in potential gains on properties for own use		
Gross amount	(817,739)	1,198,373
Deferred Tax	(2,213,932)	(76,449)
Share of other comprehensive income of associates	(57,882)	587,854
Actuarial deviations		
Post-employment benefits	(83,863)	14,342,644
Health benefits	793,133	6,975,396
Current tax	26,417	(25,106)
Deferred tax	(249,837)	(2,197,250)
<b>INCOME / (EXPENSES) DIRECTLY RECOGNISED IN SHAREHOLDERS' EQUITY</b>	<b>156,026,212</b>	<b>(204,673,747)</b>
Attributable to Non-controlling interests	3,796,515	(5,241,069)
Attributable to Owners of the Company	159,822,727	(209,914,817)
<b>TOTAL INCOME AND EXPENSES RECOGNISED IN THE YEAR</b>	<b>340,155,786</b>	<b>(34,163,982)</b>

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE 2023 AND 2022 (RESTATED) FINANCIAL YEARS

Tax no: 500 918 880

(amounts in euros)

	2023	2022 (Restated)
<b>1. Cash flows generated by operating activities</b>		
Net income for the year	180,333,059	175,750,835
Adjustments for:		
Properties for own use amortisation	10,587,409	11,634,226
Tangible assets amortisation	17,229,509	16,647,681
Right of use assets depreciation	41,677,565	34,825,806
Intangible assets amortisation	17,699,366	13,114,535
Gains and losses in associates and joint ventures (equity method)	4,249,652	( 4,301,614 )
Negative goodwill recognised in income	-	( 42,972,526 )
Impairment losses (net of reversal)	22,408,294	( 1,418,063 )
Income from investment assets/liabilities	( 318,523,152 )	1,580,171,634
Lease interest payments	7,936,104	4,458,815
Interest paid	48,811,460	38,939,474
Interest received	( 27,421 )	( 22,703 )
Short-term leasing payment	136,775	202,698
Income tax - current tax	18,123,980	63,775,144
Income tax - deferred tax	24,476,022	( 6,838,172 )
Non-controlling interests	55,262,309	46,863,083
Changes:		
Assets and liabilities of insurance and reinsurance contracts	( 154,742,218 )	( 44,642,685 )
Change in accruals and deferrals assets/liabilities	2,728,033	12,021,788
Change in financial liabilities on investment contracts	( 99,724,468 )	( 284,176,609 )
Change in other financial liabilities	3,153,705	( 26,966,252 )
Change in other debtors for insurance and other operations	96,920,007	( 440,159,386 )
Change in other creditors for insurance and other operations	11,934,900	275,203,084
Change in inventories	( 626,463 )	4,166,459
<b>Net cash from operating activities before tax</b>	<b>(9,975,574)</b>	<b>1,426,277,251</b>
Payment/receipt of taxes	( 117,321,313 )	( 157,563,310 )
<b>Net cash from operating activities</b>	<b>(127,296,887)</b>	<b>1,268,713,941</b>



## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE 2023 AND 2022 (RESTATED) FINANCIAL YEARS

(continuation)

(amounts in euros)

	2023	2022 (Restated)
<b>2. Net cash flows generated by investing activities</b>		
Investments in subsidiaries, associates and joint ventures	( 6,808,062 )	( 310,760,538 )
Change in financial assets at fair value through profit or loss	( 366,421,677 )	( 1,557,684,503 )
Change in financial assets at fair value through other comprehensive income	529,168,347	574,101,357
Change in financial assets at amortised cost	146,118,645	203,022,768
Investment properties acquisition	( 85,888,747 )	( 72,884,855 )
Properties for own use acquisition	( 32,363,622 )	( 16,240,416 )
Other tangible assets acquisition	( 14,482,976 )	( 22,534,350 )
Other intangible assets acquisition	( 41,825,568 )	( 43,691,347 )
Receipts from disposal or repayment of investment properties	46,526,629	54,084,619
Receipts from disposal or repayment of properties for own use	( 19,200,181 )	( 28,854,275 )
Receipts from disposal or repayment of other tangible assets	441,111	743,780
Change in other assets/liabilities classified as held for sale	( 86,066,340 )	( 20,112,793 )
Change in other assets	17,170	( 1,441,931 )
Dividends received	57,516,685	63,108,933
Change in hedging derivative instruments	( 17,494,494 )	7,875,684
Change in derivatives held for trading	79,414,872	( 233,009,717 )
Change in financial liabilities at fair value through profit or loss	169,355,760	( 72,330,960 )
Change in exchange differences from foreign statements conversion	47,284,662	( 8,806,254 )
Income from demand deposits	2,041,901	10,651,391
<b>Net cash from investing activities</b>	<b>407,334,115</b>	<b>(1,474,763,406)</b>
<b>3. Cash flows generated by financing activities</b>		
Increase/amortisation of loans obtained	( 66,364,465 )	108,653,589
Debt issued	1,161,089	1,110,836
Interest paid	( 48,811,460 )	( 38,939,474 )
Interest received	27,421	22,703
Lease payments	( 41,677,565 )	( 34,825,806 )
Interest lease payments	( 1,860,646 )	( 4,458,815 )
Shor-term leasing payment	( 136,775 )	( 202,698 )

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE 2023 AND 2022 (RESTATED) FINANCIAL YEARS

(continuation)

(amounts in euros)

	2023	2022 (Restated)
Distribution of dividends to minority shareholders	( 219,205,206 )	( 3,792,204 )
Reimbursement of supplementary contributions	-	( 164,977,301 )
<b>Net cash from financing activities</b>	<b>(376,867,606)</b>	<b>(137,409,169)</b>
<b>4. Increase/decrease net of cash and equivalents</b>	<b>( 96,830,378 )</b>	<b>( 343,458,635 )</b>
Cash and equivalents at start of the year	637,429,549	951,254,577
Entry/exit of the consolidation perimeter	-	29,633,606
<b>5. Cash and equivalents at end of the year</b>	<b>540,599,171</b>	<b>637,429,549</b>

# NOTES TO THE CONSOLIDATED FINANCIAL ACCOUNTS



## 1. INTRODUCTORY NOTE

Fidelidade - Companhia de Seguros, S.A. ("Fidelidade" or "Company"), headquartered in Lisbon, Portugal, at Largo do Calhariz No. 30, is a public limited company, resulting from the merger by incorporation of Império Bonança - Companhia de Seguros, S.A. into Companhia de Seguros Fidelidade-Mundial, S.A., according to the deed made on 31 May 2012, which produced accounting effects with reference to 1 January 2012. The operation was authorised by the Portuguese insurance regulatory body ("Autoridade de Supervisão de Seguros e Fundos de Pensões" or "ASF") through a resolution of its Board of Directors of 23 February 2012. Since 15 May 2014, with the initial acquisition of Fidelidade's share capital, Fidelidade Group via Longrun Portugal, SGPS, S.A. ("Longrun"), became part of Fosun International Holdings Ltd.

The Company's corporate purpose is the exercise of insurance and reinsurance activity in all technical lines of business, under the terms of the respective statute that governs its activity.

To perform its activity, Fidelidade has a nationwide agencies network, agent centres and client agencies. Abroad, the Company has subsidiaries in Angola, Cape Verde, Macao, Mozambique, Peru, Bolivia, Paraguay, Chile and Liechtenstein and branches in Spain, France and Luxembourg.

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

The Group's insurance Companies held by the Company include Via Directa - Companhia de Seguros, S.A. ("Via Directa"), Companhia Portuguesa de Resseguros, S.A. ("CPR"), Garantia - Companhia de Seguros de Cabo Verde, S.A. ("Garantia"), Fidelidade Angola - Companhia de Seguros, S.A. ("Fidelidade Angola"), Multicare - Seguros de Saúde, S.A. ("Multicare"), Fidelidade Assistência - Companhia de Seguros, S.A. ("Fidelidade Assistência"), Fidelidade Macau - Companhia de Seguros, S.A. ("Fidelidade Macau"), Fidelidade Macau Vida - Companhia de Seguros, S.A. ("Fidelidade Macau Vida"), La Positiva Seguros Y Reaseguros S.A.A. ("La Positiva"), La Positiva Vida Seguros Y Reaseguros S.A. ("La Positiva Vida"), Alianza Vida Seguros y Reaseguros S.A. ("Alianza Vida"), Alianza Compañía de Seguros y Reaseguros E.M.A. S.A. ("Alianza"), Alianza Garantía Seguros Y Reaseguros S.A. ("Alianza Garantía"), La Positiva S.A. - Entidad Prestadora de Salud ("EPS"), FID Chile Seguros Generales, S.A. ("Fid Chile"), Seguradora Internacional de Moçambique, S.A. ("SIM") and Liechtenstein Life Assurance AG ("LLA").

This report presents consolidated financial information resulting from the consolidation of Fidelidade and its subsidiaries. It has been prepared from the financial statements of each of the companies in the Group, on 31 December 2023.

Fidelidade's financial statements as of 31 December 2023 were approved by the Board of Directors on 2 April 2024. On the date of issuance of the financial statements, approval by the General Meeting was pending.

## 2. ACCOUNTING POLICIES

### 2.1. Basis of preparation and principles of consolidation

#### 2.1.1. Basis of preparation

The consolidated financial statements as of 31 December 2023 were prepared in accordance with the accounting principles in the Chart of Accounts for Insurance Companies (PCES), approved by ASF Standard 9/2022-R, of November 2, and the remaining regulatory standards issued by this entity.

The regulations enshrined in the PCES generally correspond to the International Financial Reporting Standards (IAS/IFRS), as adopted by the European Union, in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July, transposed into national law by Decree-Law No. 35/2005 of 17 February, as amended by Law No. 53-A/2006 of 29 December and by Decree-Law No. 237/2008 of 15 December.

In 2023, the Group adopted the IAS/IFRS and interpretations of mandatory application for the tax year beginning on 1 January 2023. These standards are listed in Note 2.16. In accordance with the transitional provisions of those standards and interpretations, comparative figures are provided for the required new disclosures.

The basis for the preparation of the financial statements from the accounting books and records was the accrual method, consistency of presentation, materiality and aggregation and the assumption of a going concern.

The accounting policies used by the Group in the preparation of its financial statements, referring to 31 December 2023, are consistent with those used in the preparation of the financial statements as of 31 December 2022. The adoption of new accounting standards meant that the 2022 accounts had to be restated in order to ensure consistent comparisons. The accounting policies that have changed are detailed in Note 2.17.

The amounts of the financial statements are expressed in Euros. The totals in the financial statements and in the tables of notes to the financial statements may not correspond to the sum of the instalments due to rounding. The values 0 and (0) indicate positive or negative amounts rounded to zero, while the dash (-) indicates zero.

The financial statements were prepared using the historical cost principle, with the exception of assets and liabilities at their fair value, namely investments relating to life contracts where the investment risk is borne by the policyholder, derivative financial instruments, financial assets and liabilities at fair value through profit or loss, financial assets and liabilities at fair value through other comprehensive income, and investment properties. The remaining assets, namely financial assets at amortised cost and financial liabilities, and non-financial assets and liabilities, are recognised at amortised cost or historical cost.

The preparation of financial statements requires the Fidelidade Group to make judgments and estimates and use assumptions that affect the application of accounting policies and the amounts of income, costs, assets and liabilities. Changes in such assumptions, or their differences from reality, may have impacts on current estimates and judgments. The areas involving a higher level of judgment or complexity, or where significant estimates and assumptions are used in the preparation of the financial statements, are analysed in Note 2.15.

## 2.1.2. Consolidation principles

The consolidated financial statements presented reflect the assets, liabilities, income and costs of the Group, as well as the results attributable to the Group related to financial interests in associates.

The accounting policies have been consistently applied by all Group companies for the periods covered by these consolidated financial statements.

The consolidation of the accounts of the subsidiaries which are part of the Group was made using the full consolidation method. Significant transactions and balances between the companies subject to the consolidation were eliminated. In addition, where applicable, consolidation adjustments are made to ensure consistency in the application of the Group's accounting principles.

The amount corresponding to third party shares in subsidiaries is presented under the heading "Non - controlling interests", within equity.

The consolidated profit results from the aggregation of the net results of Fidelidade - Companhia de Seguros, S.A. and the subsidiaries, after harmonisation of their accounting policies, in proportion to their effective participation, after consolidation adjustments, namely the elimination of dividends received, reinsurance operations and capital gains and losses generated in transactions between companies included in the scope of consolidation.

The consolidated financial statements include the accounts of Fidelidade - Companhia de Seguros, S.A. and those of the entities controlled directly and indirectly by the Group (Note 3).

## 2.2. Investments in subsidiaries

Subsidiaries are classified as companies over whom the Group exercises effective control. Control is normally assumed when the Group has the power to exercise a majority of the voting rights. Control may still exist when the Group holds, directly or indirectly, the power to manage the financial and operational policy of a given company in order to obtain benefits from its activities, even if the percentage it holds on its equity is less than 50%.

The subsidiary companies are fully consolidated from the time when the Group assumes control over their activities and consolidation ceases when the Group no longer has such control.

Where the accumulated losses of a subsidiary attributable to non-controlling interests exceed the non-controlling interest in the equity of that subsidiary, the accumulated losses are attributed to minority shareholders in the proportions held, which may imply recognition of non-controlling interests that are negative.

In a step acquisition which results in the acquisition of control, the revaluation of any previously acquired interest is recognised in the Income Statement when goodwill is calculated. When there is a partial sale, the result of which is the loss of control over a subsidiary, any remaining share is revalued at market price on the date of the sale and the gains or loss resulting from this revaluation is recognised in the Income Statement.

### 2.3. Business combination and goodwill

Acquisitions of subsidiaries are recognised according to the purchase method. The acquisition cost corresponds to the aggregate fair value of the assets delivered and liabilities incurred or assumed in exchange for obtaining control over the acquired entity, together with costs incurred that are directly attributable to the operation. On the acquisition date, which corresponds to when the Group obtained control of the subsidiary, the assets, liabilities and identifiable contingent liabilities which meet the requirements for recognition set out in IFRS 3 – “Business combinations” are recognised at their respective fair values.

Goodwill is initially measured at cost, which corresponds to the positive difference, on the acquisition date, between the acquisition cost of a subsidiary and/or associate and the effective percentage acquired by the Group, at fair value, of its identifiable assets, liabilities and contingent liabilities. Goodwill is recognised as an asset and is not amortised, and it is subject to impairment tests.

The Group has the possibility to account for non-controlling interests at fair value or for the proportionate share of the value of the net identifiable assets acquired, which implies that the total value of goodwill can be accounted for in the financial statements, including the portion attributable to non-controlling interests, against non-controlling interests, if the first option is chosen. The Group is recognising non-controlling interests by the proportionate share of the net identifiable assets acquired.

If it is confirmed that the portion corresponding to the percentage of the participation acquired by the Group in the identifiable assets, liabilities and contingent liabilities of a subsidiary exceeds the acquisition cost, the excess is recognised as income in the profit and loss account for the year.

The Group conducts impairment tests on the goodwill recognised on the balance sheet at least once a year, in line with the requirements of IAS 36 – “Impairment of assets”. For this purpose, goodwill is allocated to cash flow generating units and its recoverable value is assessed on the basis of future cash flow projections, updated on the basis of discount rates which the Group deems appropriate. Impairment losses associated with goodwill are recognised in the Income Statement for the year and may not be reversed.

If goodwill has been allocated to a cash-generating unit and the entity divests an activity of that unit, the goodwill associated with the divested operating unit shall be:

- (a) included in the carrying amount of the operation when determining the gain or loss on disposal; and
- (b) measured on the basis of the relative values of the divested business and the portion of the cash-generating unit retained, unless the entity can demonstrate that some other method better reflects the goodwill associated with the divested business.

### 2.4. Investments in associates and joint ventures

“Associates” are those in which the Group has the power to exercise significant influence over its financial and operational policies, although it does not have control over them. Significant influence is presumed to exist whenever the Group holding in an investee directly or indirectly comprises between 20% and 50% of the capital or voting rights. The Group may also exert significant influence on an investee through participation in the management of the associate or in the composition of the Board of Directors with executive powers.

There are also situations in which the Group exercises, together with other entities, control over the activity of the company in which it holds the interest (the so-called joint ventures), where it exercises, under IFRS 11 – “Joint Arrangements”, a shared control of voting rights and equivalent decision.

These investments are recorded using the equity method, from the moment the significant influence begins, ceasing to be so when it ceases. According to this method, the interests are initially valued at the respective acquisition cost, which is subsequently adjusted based on the Group’s effective percentage of changes in equity (including results) of the associates.

If there are divergences with a material impact, adjustments are made to the equity of the associates used for the application of the equity method, in order to reflect the application of the Group’s accounting principles.

Goodwill, which corresponds to the positive difference between the acquisition cost of an associate and the effective percentage acquired by the Group, at fair value, of its assets, liabilities and contingent liabilities, continues to be reflected in the value of the investment, to which annual impairment tests are applied.

Unrealised income on transactions with associates is eliminated in proportion to the Group’s effective percentage share of the entities in question.

When the amount of accumulated losses incurred by an associate or joint venture and attributable to the Group equals or exceeds the book value of the interest and any other medium- and long-term interests in that associate, the equity method is discontinued. If the Group has a legal or constructive obligation to recognise such losses or make payments on behalf of the associate or joint venture, a provision will be recognised.

## 2.5. Conversion of foreign currency balances and transactions

Foreign currency transactions are recognised on the basis of the exchange rates in force on the date they were performed.

At each balance sheet date, monetary assets and liabilities in a foreign currency are converted to the functional currency based on the exchange rate in force. Non-monetary assets which are valued at fair value are converted based on the exchange rate in force on the date of their latest valuation. Non-monetary assets recognised at historical cost, including tangible and intangible assets, remain recorded at the original exchange rate.

Exchange rate differences calculated on exchange rate conversion are recognised in the Income Statement, except those resulting from non-monetary financial instruments recognised at fair value through other comprehensive income.

The individual accounts of each entity in the Group included in the consolidation are prepared according to the currency used in the economic area in which that entity operates – the so-called “functional currency”. In the consolidated accounts, the Income Statement and financial position of the entity are converted into Euros, the Group’s functional currency, as follows:

- Assets and liabilities of each balance sheet presented are converted at the closing exchange rate;
- Income and expenses of each Income Statement are converted at the average exchange rate for the period;
- All resulting exchange differences are recognised in the “Exchange differences revaluation reserve”;



- The Equity of foreign subsidiaries is translated at the historical exchange rate of the time of its recognition in accordance with IAS 21 – “The effects of changes in foreign exchange rates”.

## 2.6. Financial instruments

### a) Financial assets

#### Classification, initial recognition and subsequent measurement

Financial assets are recognised at the trade date at fair value. At the time of their initial recognition, financial assets are classified into one of the following categories:

- Financial assets at amortised cost;
- Financial assets at fair value through other comprehensive income; or
- Financial assets at fair value through profit or loss.

The classification made depends on the following aspects, except when the option to measure the financial instrument at its fair value through profit or loss is applied:

- The entity’s business model for managing the financial asset;
- The financial asset’s contractual cash flow characteristics.

### Business Model Assessment

The Group assessed the business model within which the financial instruments are held at portfolio level, since this approach best reflects how the assets are managed and how information is reported to the management bodies.

#### Assessment as to whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

For the purposes of this assessment, “principal” is defined as the fair value of the financial asset at its initial recognition. “Interest” is defined as the consideration for the time value of money, the credit risk associated with the amount outstanding over a given period, and other risks and costs associated with the activity (e.g. liquidity risk and administrative costs), as well as a profit margin.

When assessing financial instruments in which the contractual cash flows are solely payments of principal and interest, the Group considered the instrument’s original contractual terms. This assessment included an analysis of the existence of situations in which the contractual terms may change the timing or amount of contractual cash flows so that they do not meet the SPPI condition. During the assessment process, the Group takes into consideration:

- Contingent events that may change the timing or amount of cash flows;
- Characteristics resulting in leverage;
- Prepayment and maturity extension clauses;

- Characteristics that can modify the compensation for the time value of money.

Additionally, a prepayment feature is consistent with the SPPI criterion if:

- The financial asset was acquired or originated at a premium or discount to the contractual per value;
- Prepayment substantially represents the nominal amount of the contract plus accrued but unpaid contract interest (it may include reasonable compensation for prepayment);
- The fair value of the prepayment feature is insignificant at initial recognition.

The classification of financial assets follows the following scheme:

Contractual cash flows	Business Model	Classification of financial assets
Contractual cash flows correspond solely to the payment of principal and interest (SPPI)	Collect contractual cash flows	Financial assets at amortised cost
	Collect contractual cash flows and sell	Financial assets at fair value through other comprehensive income
Others (non-SPPI)	Derivatives and other financial instruments used to hedge risks	Hedge derivatives or Financial assets at fair value through profit or loss
	Acquired for sale in the near term	Financial assets at fair value through profit or loss
	Group of identified financial instruments that are managed together and for which there is a pattern of short-term profit-taking	
	Others	

On initial recognition, the Group may choose to irrevocably classify investments in equity instruments as financial assets at fair value through other comprehensive income when these meet the definition of equity instruments in IAS 32 and are not held for trading. The classification is determined instrument by instrument.

#### i. Financial assets at amortised cost

##### Classification

A financial asset is classified in the category of "Financial assets at amortised cost" if it cumulatively meets the following conditions:

- The financial asset is held within a business model with the main objective of holding assets to collect the contractual cash flows;
- Its contractual cash flows occur on specified dates and are solely payments of principal and interest (SPPI) on the principal amount outstanding.

##### Initial recognition and subsequent measurement

Financial assets at amortised cost are initially recognised at their fair value, plus transaction costs, and are subsequently measured at amortised cost. In addition, they are subject, from their initial recognition, to calculation of impairment losses for expected credit losses, which are registered as a charge to the heading "Impairment losses on financial assets at amortised cost" in the Income Statement.

Interest on financial assets at amortised cost is recognised under "Interest on financial assets not recognised at fair value through profit or loss", calculated according to the effective interest rate method. Gains and losses derecognition are recorded under the heading "Net income on financial assets and liabilities at amortised cost".

## ii. Financial assets at fair value through other comprehensive income

### Classification

A financial asset is classified in the category of "Financial assets at fair value through other comprehensive income" (FVOCI) if it meets all of the following conditions:

- The financial asset is held within a business model the objective of which is both collecting contractual cash flows and selling that financial asset;
- Its contractual cash flows occur on specified dates and are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These instruments are essentially composed of debt instruments with the exception of equity securities considered strategic for the Group for which, on initial recognition, the Group may irrevocably choose to present in other comprehensive income the subsequent changes in the fair value of an investment in an equity instrument.

### Initial recognition and subsequent measurement

Debt instruments at fair value through other comprehensive income are initially recognised at their fair value, plus transaction costs, and are subsequently measured at fair value. Changes in the fair value of these financial assets are registered as a charge to other comprehensive income and, on their disposal, the respective accumulated gains or losses in other comprehensive income

are reclassified to a specific Income Statement heading called "Net income from financial assets and liabilities at fair value through other comprehensive income".

Debt instruments at fair value through other comprehensive income are also subject, from their initial recognition, to calculation of impairment losses for expected credit losses. The estimated impairment losses are recognised in the Income Statement, under the heading "Impairment losses on financial assets at fair value through other comprehensive income", as a charge to other comprehensive income, and do not reduce the carrying amount of the financial asset on the balance sheet.

Interest, premiums or discounts on financial assets at fair value through other comprehensive income are recognised under the heading of "Interest on financial assets not recognised at fair value through profit or loss" based on the effective interest rate method.

Equity instruments at fair value through other comprehensive income are initially recognised at their fair value, plus transaction costs, and are subsequently measured at fair value. Changes in the fair value of these financial assets are recorded against other comprehensive income. Dividends are recognised in income when the right to receive them is attributed.

## iii. Financial assets at fair value through profit or loss

### Classification

A financial asset is classified in the category of "Financial assets at fair value through profit or loss" (FVPL) if the business model defined by the Group for managing it or its contractual cash flows characteristics do not meet the conditions described above to be measured at amortised cost or FVOCI.

Additionally, even if a financial asset meets the requirements to be measured at amortised cost or FVOCI, the Group may irrevocably designate it, at initial recognition, as measured at fair value through profit or loss, if doing so eliminates or significantly reduces a measurement or recognition inconsistency (accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on it on different bases.

The Group classified as "Financial assets at fair value through profit or loss" the following types of assets:

- Financial assets classified under this heading are acquired for the purpose of sale in the short term; at the time of initial recognition they are part of a portfolio of identified financial instruments and for which there is evidence of a recent pattern of short-term profit taking; or they fall within the definition of a derivative (except in the case of a derivative classified as hedging);
- Debt instruments the contractual cash flows of which are not solely payments of principal and interest (SPPI) on the principal amount outstanding;
- Financial assets that the Group has opted to designate at fair value through profit or loss to eliminate an accounting mismatch;
- Financial assets that do not meet the criteria for classification as financial assets at amortised cost or at fair value through other comprehensive income, whether they refer to debt instruments or equity instruments that have not been designated at fair value through other comprehensive income.

### **Initial recognition and subsequent measurement**

Given that the transactions performed by the Group in the normal course of its business are made under market conditions, financial assets at fair value through profit or loss are initially recognised at their fair value, with the costs or income associated with the transactions recognised in profit or loss at the

initial moment. Subsequent changes in the fair value of these financial assets are recognised in the Income Statement.

The periodisation of interest and premium/discount (when applicable) is recognised in the heading "Other income" based on the effective interest rate of each transaction, as well as the periodisation of interest on derivatives associated with financial instruments classified in this category. Dividends are recognised in income when the right to receive them is attributed.

Derivatives for trading with a positive fair value are included under "Financial assets at fair value through profit or loss", and derivatives for trading with a negative fair value are included under "Financial liabilities at fair value through profit or loss".

### **iv. Assets sold with a repurchase agreement (repos) and assets purchased with a resale agreement (reverse repos)**

Assets sold with a repurchase agreement (repos) for a fixed price or for a price that is equal to the sale price plus interest inherent to the maturity of the operation are not derecognised on the balance sheet. The corresponding liability is accounted for in Other Financial Liabilities. The difference between the sale amount and the repurchase amount is treated as interest and is deferred during the life of the agreement, using the effective interest rate method.

Assets purchased with a resale agreement (reverse repos) for a fixed price or for a price that is equal to the purchase price plus interest inherent to the maturity of the operation are not recognised on the balance sheet and the purchase price is recorded under Financial Assets at Amortised Cost. The difference between the purchase amount and the resale amount is treated as interest and is deferred during the life of the agreement, using the effective interest rate method.

## v. Fair value

Financial assets recognised in the categories “Financial assets at fair value through profit or loss” and “Financial assets at fair value through other comprehensive income” are measured at fair value.

A financial instrument’s fair value corresponds to the price that would be received for an asset if it was sold or that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets is determined based on the closing quotation on the balance sheet date, in the case of instruments traded in active markets.

In the case of currency futures, these are valued based on the same time stamp of the respective covered instruments.

For debt instruments not traded in active markets (including unlisted or low-liquidity securities) valuation methods and techniques are used, which include:

- Prices (bid prices) published by financial information services, namely Bloomberg and Reuters, including market prices available for recent transactions;
- Indicative quotations (bid prices) obtained from financial institutions that function as market-makers;
- Internal valuation models that take into account the market data which would be used to define a price for the financial instrument, reflecting the market interest rates and volatility, and the liquidity and credit risk associated with the instrument.

The remaining unlisted equity instruments are valued based on price to book value and internal discount models of future cash flows.

## vi. Derecognition of financial assets

These assets are derecognised when the Group’s contractual rights to receive cash flows from them have expired or when the Group has transferred substantially all the risks and rewards associated with holding the assets. The Group considers that it has retained control or not of the transferred financial assets if, and only if, the transferee has the ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without the need to impose additional restrictions on the transfer.

## vii. Transfers between categories of financial assets

Financial assets are reclassified to other categories only if the business model for managing them is changed. In this case, all affected financial assets are reclassified.

Reclassification is applied prospectively from the reclassification date, and no previously recognised gains or losses (including those related with impairment) or interest are restated.

Investments in equity instruments measured at fair value through other comprehensive income and financial instruments designated at fair value through profit or loss may not be reclassified.

## b) Financial liabilities

An instrument is classified as a financial liability when there is a contractual obligation for its settlement to be effected through the delivery of cash or another financial asset, regardless of its legal form. Non-derivative financial liabilities include loans, creditors for direct insurance and reinsurance transactions and other liabilities. Financial liabilities are recorded on the

contracting date at their fair value, less costs directly attributable to the transaction. and subsequently at amortised cost based on the effective interest rate method. The Company derecognises financial liabilities when they are cancelled or extinguished.

Financial liabilities are classified into the following categories:

### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include derivative financial instruments with negative revaluation. These liabilities are recorded at fair value, and gains or losses resulting from their subsequent valuation are recorded under the heading of "Net income on financial assets and liabilities recognised at fair value through profit or loss".

### **Other financial liabilities**

This category includes subordinated liabilities, deposits received from reinsurers, amounts received in repurchase transactions and liabilities incurred to pay for services or purchase assets, recorded under "Other creditors for insurance operations and other operations".

These financial liabilities are recognised at amortised cost, and any applicable interest is recognised in line with the effective interest rate method.

### **c) Derivatives and hedge accounting**

The Group performs operations with derivative products as part of its activity, with the aim of reducing its exposure to fluctuations in exchange and interest rates.

Derivative financial instruments are measured at fair value through profit or loss on the date of their contracting. They are also recognised in off-balance sheet accounts at their notional value.

Subsequently, derivatives are measured at their fair value. Fair value is calculated:

- On the basis of quotes obtained in active markets (for example, regarding futures trading in organised markets);
- On the basis of models which incorporate valuation techniques accepted in the market, including discounted cash flows and option valuation models.

### **Embedded derivatives**

Derivatives embedded in non-derivative contracts or in financial liability host contracts shall be separated and treated as stand-alone derivatives where:

- The embedded derivative's economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract;
- A separate instrument with the same terms as the embedded derivative would satisfy the definition of a derivative; and
- The hybrid contract is not measured at fair value with changes recognised in profit or loss.

## Hedge accounting

The Group invests in derivatives with the aim of hedging its exposure to risks inherent to its activity, namely hedging the fair value of foreign currency assets (exchange rate fluctuation risk), which it uses to hedge equity instruments for which the Company has opted to present changes in fair value in other comprehensive income.

At the beginning of all hedging operations, the Group prepares formal documentation, which includes the following minimum items:

- Risk management objectives and strategy associated with carrying out the hedging operation, in accordance with the defined hedging policies;
- Description of the hedged risk(s);
- Identification and description of hedged and hedging financial instruments;
- Method for assessing the hedge's effectiveness and the frequency of assessment.

Fair value hedge derivatives on equity instruments are recorded at fair value, with the daily results recognized in other comprehensive income if the hedge proves to be effective. In this case, the ineffectiveness of the hedge recognized is shown in other comprehensive income.

Hedge derivatives of net investment in a foreign operating unit and cash flow hedge derivatives are recognised at fair value, provided that the hedge is determined to be effective, and the results are registered in shareholders' equity. Any ineffective portion of the results is recognised in gains and losses for the year.

Positive and negative revaluations of hedge derivatives are recorded in assets and liabilities, respectively, in specific headings.

Appreciations of hedged items are recognised in the balance sheet heading where the related instruments are recognised.

## Derivatives at fair value through profit or loss

It includes all derivatives that are not associated with effective hedging relationships, namely:

- Derivatives used to hedge risk in assets and liabilities at fair value through profit or loss, rendering the use of hedge accounting unnecessary;
- Derivatives used to hedge risks which do not meet the criteria defined for use of hedge accounting under IFRS 9, in particular due to the difficulty in specifically identifying the hedged items, in macro or portfolio hedges, or because the results of the effectiveness assessment demonstrate that the hedge is not effective;
- Derivatives contracted for the purpose of trading.

Derivatives at fair value through profit or loss are recorded at fair value, and the results of the revaluation are calculated daily and recognised in gains and losses for the year, under the heading of "Net income on financial assets and liabilities recognised at fair value through profit or loss", with the exception of the portion related to accrued and settled interest, which is reflected in "Other income". Positive and negative revaluations are recorded under "Financial assets at fair value through profit or loss" and "Other financial liabilities", respectively.

## d) Impairment losses

### Financial instruments subject to recognition of impairment losses

The Group recognises impairment losses for expected credit losses in financial instruments recognised under the following accounting headings:

- Financial assets at amortised cost - Impairment losses on financial assets at amortised cost reduce the balance sheet value of those financial assets as a charge to the heading "Impairment losses of financial assets at amortised cost".
- Debt instruments at fair value through other comprehensive income - Impairment losses on debt instruments at fair value through other comprehensive income are recognised in the Income Statement, under the heading "Impairment losses on financial assets at fair value through other comprehensive income" as a charge to other comprehensive income (they do not reduce the balance sheet value of those financial assets).

Impairment losses are based on the difference between contractual cash flows and all cash flows that the Group expects to receive, discounted at the original effective interest rate.

### General Approach

The expected credit loss allowance is calculated taking into account, at the time of assessment, the risk exposure (monetary value of the loan), probability of default (PD), loss given default (LGD) and the relevant discount factor. It is a risk assessment that takes into account an estimate of the probability and time value of the future cash flows being assessed.

This assessment is complemented by an assessment of whether or not the credit rating has been degraded from the moment of initial recognition. A significant decrease in the credit rating means that the assessment will no longer be made considering an annual period but will be made considering the remaining lifetime of the loan. Loans with no deterioration in rating are therefore considered in stage 1, loans with deterioration in rating are considered in stage 2, and stage 3 comprises loans with objective evidence of default.

In general terms, a significant decrease in rating since initial recognition is equivalent to a decrease of at least 2 notches from the time the initial rating is at BBB, although this decision will always be based on a case-by-case analysis of the factors leading to the rating downgrade.

The provisions for expected credit losses are recognised in two stages. For credit exposures for which there has been no significant increase in risk since initial recognition, the provision for expected credit losses quantitatively reflects credit losses that may result from default events within the next 12 months (12-month expected credit losses).

In the case of other credit exposures for which there has been a significant increase in risk since initial recognition, a provision for credit losses over the remaining life of the exposure is required, regardless of the time of default, which is qualified as a lifetime expected credit losses.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk since initial recognition. When conducting the assessment, the Group compares the risk of default on the financial instrument at the reporting date with the risk of default on the financial instrument at the date of initial recognition and considers all reasonable and supportable information available without undue cost or effort.



The Group uses for the credit assessment the ratings of at least 3 agencies accredited by the European Insurance and Occupational Pensions Authority (EIOPA) applying the second best rating criterion, limited, in general terms, to the rating of the issue or, if not available or not applicable, to the rating of the issuer or alternatively to the rating of the corresponding financial group. Ultimately, in a situation where this information is not available, the Group seeks to assess, through a scoring methodology, an internal rating based on an analysis of the available financial statements.

The Group considers a financial asset to be in default when it has been overdue for 90 days, and it is unlikely that the Group will receive the outstanding contractual amounts in full. The book value of a financial asset in this stage, Stage 3, is reduced so as only to reflect the recovery value since there is no reasonable expectation of recovering the contractual cash flows.

### Classification of financial instruments by stages

	Change in credit risk since initial recognition		
	Stage 1	Stage 2	Stage 3
Classification criteria	Initial recognition	Significant increase in credit risk since initial recognition	Credit-impaired
Impairment losses	12-month expected credit losses	Lifetime expected credit losses	Default

Debt instruments at fair value through other comprehensive income and financial assets at amortised cost are subject to a reduction in the recoverable amount under the general approach and are classified in the following stages for measuring the provisions for expected credit losses:

- **Stage 1:** Financial instruments for which there has not been a significant increase in credit risk since initial recognition and for which the provision for losses is measured at an amount equal to a 12-month expected credit loss;
- **Stage 2:** Financial instruments for which credit risk has increased significantly since initial recognition, but which are not financial assets with a reduction in the recoverable amount and for which the provision for losses is valued at an amount equal to the lifetime credit loss;
- **Stage 3:** Financial assets with a reduction in the recoverable amount at the reporting date (but that were not purchased or originated with a reduction in the recoverable amount) and that are impaired (assets in default).

### Simplified Approach

The Group assesses the expected credit losses associated with the heading "Other Debtors for Insurance Operations and Other Operations", based on reasonable and sustainable information that is available and that is likely to affect credit risk. The assessment depends on the nature of the asset, and for uncollected receipts an analysis of premiums pending collection is carried out and for intermediaries, reinsurers and other debtors an analysis based on the business and past experience of losses.

## 2.7. Investment properties

These are properties held by the Group to earn income through rental and/or capital appreciation.

Investment properties are initially recognised at cost, including directly related measurement costs. They are not amortised and are recognised at fair value, determined on the basis of experts' assessments. Changes in the fair value and realised capital gains and losses are reflected in the Income Statement, in "Net income on the sale of non-financial assets which have not been recognised as non-current assets held for sale and discontinued operations".

Investment properties are assessed each year to ensure that their balance sheet value does not differ significantly from their fair value. The Group has established a maximum reference period of 2 years between evaluations carried out by independent experts.

## 2.8. Properties for own use

Properties for own use are initially recognised at acquisition cost, less accumulated depreciation and any accumulated impairment losses. The acquisition cost includes the purchase cost and any costs directly attributable to the activities required to place the assets in the location and condition necessary to operate as intended.

The costs of repair, maintenance and other expenses associated with the use of these assets are recognised as expenses for the year, except for expenses on items where capitalisation criteria are met, and which are depreciated throughout their useful life.

Depreciation is calculated using the straight-line method, at rates corresponding to the estimated useful life of the properties for own use and is recognised in expenses for the year. Land is not subject to depreciation, given that it does not have a defined useful life. The Group periodically assesses the adequacy of the estimated useful life of its assets.

Periodically, analyses are carried out in order to identify evidence of impairment in properties for own use. An impairment loss is recognised in "Impairment losses (net of reversals) of others" in the Income Statement for the year whenever the net book value of these assets is greater than their recoverable value (the greater of the value in use and the fair value). Impairment losses may be reversed, also with an impact on the Income Statement for the year, if an increase in that asset's recoverable value subsequently occurs.

The gain (or loss) arising from the sale or write-off of a property for own use is determined based on the difference between the amount received in the transaction and the net book value of that asset and is recognised in the Income Statement in the year when the write-off or sale occurs.

In addition, buildings under construction are recognised at cost less any impairment losses and are not subject to depreciation. The costs of these properties include the direct construction cost and the costs inherent to the loan obtained for the construction of these properties. Real estate under construction is reclassified to firm real estate when it is available for use.

## 2.9. Leases

### Lessee

On the commencement date of the lease, the lessee recognises a liability for the obligation to make payments to the lessor and an asset representing the right-of-use the underlying asset for the lease term. Lessees will be required to separately recognise interest on the lease liability and depreciation on the right-of-use asset.

The lessee shall measure the lease liability at the present value of the lease payments not paid on that date. The discount rate of the payments will be determined as the interest rate implicit in the lease contract, that is, the rate that causes the present value of the lease payments and the unguaranteed residual value to equal the fair value of the underlying asset plus the direct costs of the lessor. If the rate implicit in the lease cannot be readily determined then the incremental borrowing rate will be used, that is, a discount rate that can be obtained to borrow, with the same maturity and a similar guarantee, the funds necessary to acquire the underlying asset.

After that date, the lessee shall measure the liability:

- i) By increasing the carrying amount to reflect interest on the lease liability;
- ii) By reducing the carrying amount to reflect the lease payments made;
- iii) By remeasuring the carrying amount to reflect any reassessment or lease modifications.

The Group has chosen to use the exemptions applicable to the standard on lease agreements for which the terms of the lease expire within 12 months from the date of initial application (with the exception of leases relating to property leases), and on lease agreements for which the underlying asset is of low value. The Group has leases of certain office equipment (e.g. personal computers) deemed to be of low value. The Group also chose the option of separating leases from non-lease components (service) and considering only the lease component in the application of this standard.

For all lease contracts covered by the exemptions, lease payments associated with those contracts are recognised as expenses.

## Lessor

Leases continue to be classified as finance leases or operating leases, not implying significant changes compared to what was previously defined. Assets under finance leases are recorded in the financial position as "Accounts receivable for other operations", and this is reimbursed by means of the capital amortisations set out in the contracts' financial plans. Interest included in rents is recorded as "Other income/expenses".

### 2.10. Intangible assets

This heading includes the costs of acquisition, development or preparation for use of the software used in the development of the Group's activities.

Intangible assets are recognised at acquisition cost, less amortisation and accumulated impairment losses.

Amortisation is recognised systematically throughout the estimated useful life of the assets, which normally corresponds to a period of 3 to 6 years, except the IT structural projects that may extend to a period of 10 years.

Software maintenance expenses are accounted for as expenses in the year in which they are incurred.

### 2.11. Income tax

The companies in the Group with their head office in Portugal are subject to taxation of Corporate Income Tax (CIT) and the companies with their head offices abroad are also subject to the same type of tax (Corporate Income Tax), pursuant to the legislation in force in those countries. To the CIT and the Municipal Tax, whose aggregate rate in the years 2022 and 2023 is 22.5%, is

added the respective State Tax, which corresponds to the application of an additional rate of 3% on the part of taxable profit greater than 1,500,000 Euros and less than 7,500,000 Euros, 5% on the part of profit greater than 7,500,000 Euros and less than 35,000,000 Euros and 9% on the part of taxable profit that exceeds this amount.

The accounts of the Group's branches are integrated into the accounts of the head office for tax purposes. Besides being subject to CIT, the income of the branches is also further subject to local taxes in the countries/territories where these are established. The local taxes of the various branches are deductible from the corporate income tax of the head office pursuant to Article 91 of the Corporate Income Tax Code and to Double Taxation Agreements.

The companies of the Group based in Portugal are taxed in the CIT under the Special Taxation Regime for Corporate Groups (STRCG), in accordance with article 69 of the CIT Code. Under this tax regime, it is Longrun (the controlling company) that submits a single tax return in which the results of the controlled companies included in the STRCG are consolidated. The amount of CIT to be received or paid by the various companies of the Group based in Portugal is recorded in the balance sheet as an amount receivable or payable to Longrun. The tax corresponding to the various companies of the Group is reflected in the Income Statement and/or in Equity.

Total income tax recognised in the Income Statement includes current and deferred taxes.

Current tax is calculated on the basis of the taxable profit for the year, which is different from accounting income because of adjustments to taxable income resulting from expenses or income which are not considered for fiscal purposes, or which will only be considered in other accounting periods.

Deferred tax represents tax recoverable/payable in future periods resulting from temporary deductible or taxable differences between the book value of assets and liabilities and their tax basis, used to determine taxable income.

Deferred tax liabilities are normally recognised for all temporary taxable differences, whereas deferred tax assets are only recognised to the extent that it is probable that sufficient future taxable income will be generated, allowing the use of the corresponding temporary deductible tax differences or tax losses carried forward. In addition, deferred tax assets are not recognised where their recoverability may be questionable due to other situations, including issues regarding the interpretation of the tax legislation in force.

The main situations that cause temporary differences at the Group's level correspond to (i) valuation of financial assets at fair value through other comprehensive income, (ii) valuation of financial assets at fair value through profit or loss, (iii) provisions and impairment temporarily not accepted for tax purpose (iv) the time value of money and (v) the transitional regime established in Law no. 82-A/2023, of December 29, resulting from the adoption of accounting standard IFRS 17 - "Insurance Contracts".

Deferred taxes are calculated at the tax rates expected to be in force on the date of reversal of the temporary differences, which correspond to the tax rules that have been enacted, or substantially enacted, at the balance sheet date.

Income tax (current or deferred) is recognised in the Income Statement for the year, except for cases in which the originating transactions have been recognised in other shareholders' equity headings (for example, in the case of changes in fair value of financial assets at fair value through other comprehensive income). In these situations, the corresponding tax is also reflected by equity consideration, not affecting the Income Statement for the year.

## 2.12. Provisions, contingent liabilities and contingent assets

Provisions are made when there is a present obligation (legal or constructive) resulting from past events for which future expenditure of resources is probable, and this can be reliably determined. The amount of the provision corresponds to the best estimate of the amount to be disbursed to settle the liability at the balance sheet date.

When the future expenditure of resources is not probable, this is a contingent liability. Contingent liabilities are subject to disclosure, unless the possibility of occurrence is remote.

“Other provisions” are for legal, fiscal and other contingencies resulting from the Group’s activity.

Contingent assets are not recognised in the financial statements but are disclosed in the notes to the accounts when an influx of future economic benefits is likely.

## 2.13. Insurance contracts, reinsurance contracts and investment contracts

IFRS 17 - “Insurance contracts”, which replaced IFRS 4 - “Insurance contracts”, came into force at 1 January 2023 and implied changes to the accounting principles that an entity must apply to the recognition, measurement, presentation and disclosure of insurance contracts, in order to achieve greater consistency and increase comparability between entities.

The accounting principles, policies and measurement bases relating to financial instruments which, following the adoption of IFRS 17, were applied by the Group in the preparation of these financial statements are presented below.

## Assets and liabilities covered by insurance and reinsurance contracts

### a) Classification

#### Insurance contracts

The Group currently issues contracts which include insurance risk, financial risk or both. So, it was assessed whether the contracts held by the Group accept a significant insurance risk from another party, agreeing to compensate the policyholder if an uncertain future event occurs that affects it adversely. The Group also markets contracts with a mainly financial risk (with a non-significant insurance risk) in which there is a discretionary profit share attributed to the policyholders, and which are considered insurance contracts. From this assessment it was concluded that all insurance contracts that were under the scope of IFRS 4 meet the definition of insurance contract, and so the introduction of IFRS 17 does not result in any reclassification, except for a 3-year guaranteed capital product marketed by Fidelidade Macau Vida that was reclassified to IFRS 9.

In the case of contracts in which the risk is essentially financial, without the discretionary participation in the results referred to above, the Group records these contracts as financial instruments and thus measured in accordance with IFRS 9 - “Financial Instruments”.

#### Ceded reinsurance contracts

The Group enters into agreements in order to transfer the insurance risk to one or more reinsurance companies, and these agreements are also measured in accordance with IFRS 17.

## b) Grouping

The Group groups insurance contracts according to:

- whether they are subject to similar risks and are managed jointly;
- their profitability or cost;
- their year of issue or cohort (coinciding with the calendar year).

Generally, the Group classifies the profitability of the contracts into two groups:

- onerous contracts;
- non-onerous contracts or that have no significant probability of becoming onerous.

In accordance with IFRS 17, the Group decided to also apply this methodology to ceded reinsurance contracts.

## c) Recognition

The Group recognises a group of insurance contracts from the first of the following dates:

- start of the period of cover of the contracts;
- the date on which a policyholder's first payment becomes due;
- for a group of onerous contracts, the date on which it becomes onerous.

## d) Insurance contract measurement models

The assessment of insurance contracts is based on a model that uses assumptions updated on each reporting date, and there are various calculation approaches.

### i) General model (GMM)

This is the default method for valuing insurance contracts, except if the conditions are met for applying the Premium allocation approach or the Variable fee approach. The general model requires entities to value insurance contracts at the total of:

1. Fulfilment of cash flows, which include:
  - a. estimates of future cash flows that are within the contractual boundaries;
  - b. discounted in order to reflect the time value of the money, and the financial risks inherent to these flows; and
  - c. an adjustment of the risk of future cash flows for the uncertainty associated with non-financial assumptions;
2. Contractual Service Margin (CSM): which represents the expected unearned profit of the groups of insurance contracts and will be recognised in "Insurance contract revenues" in the Income Statement as the service is provided.

## ii) Premium allocation approach (PAA)

This is a simplified method of the general model, applicable to contracts with a period of cover equal to or less than one year, or for contracts with a longer duration in which the assessment of the remaining coverage liability does not differ significantly from that calculated by the general model.

The liability for incurred claims should be calculated by including all future cash flows arising from the fulfilment of incurred claims that have not been paid, using discount rates and the risk adjustment for non-financial risk.

On initial recognition, the asset/liability of insurance contracts for remaining coverage should consist of:

- premiums received on initial recognition;
- minus the cash flows from the acquisition of insurance on that date; and
- any amount resulting from derecognition on that date of the recognised asset or liability for the cash flows from the acquisition of the insurance.

On initial recognition, as well as throughout the period of cover of the contracts, an assessment is made to determine whether there are facts and circumstances that indicate that the contracts are onerous. A group of contracts is considered onerous in as much as the cash flows arising from their execution exceed their book value.

In these cases, a loss is recorded in the item "Insurance service expenses" in the Income Statement and the item "Insurance contract liabilities" is increased by the remaining cover, which is amortised over the term of the contracts.

By product type, the models adopted for measuring the Group's insurance and reinsurance contracts are:

Segment	Type of product	Measurement model
Life insurance	Annuities	GMM
	Capitalisation	
	Risk <sup>(1)</sup>	
	Risk <sup>(2)</sup>	PAA
	Reinsurance	
Non-life insurance	Reinsurance	PAA
	Direct insurance	

<sup>(1)</sup> With a contractual limit exceeding one year;

<sup>(2)</sup> With contractual limit less than or equal to one year.

## Estimation of future cash flows

The calculation of estimates of future cash flows takes into account:

- the unbiased incorporation of all reasonable and supportable information available without excessive cost or effort on the amount, timing and uncertainty of these future cash flows. For this, the Company estimates the expected value for a wide range of possible outcomes;
- reflect the Company's perspective, provided that the estimates of the variables of relevant markets are consistent with the observable market prices for these same variables;
- the estimates reflect the conditions existing on the measurement date, including current assumptions about the future; and

- that the Company estimates the adjustment for the non-financial risk separately from the other estimates, as well as the adjustment for the time value of the money and the financial risk.

With regard to ceded reinsurance, the Group calculates the risk adjustment for the non-financial risk in order to represent the amount of risk transferred by the Company's underwriter of reinsurance contracts to the issuer of these contracts.

### Discount rate

The Group adjusts the estimates of future cash flows to reflect the time value of the money and the financial risks related with these cash flows using discount rates which, in accordance with the regulations:

- reflect the time value of the money, cash flow characteristics and the liquidity characteristics of the insurance contracts;
- are consistent with current observable market prices for financial instruments with cash flows whose characteristics are consistent with those of insurance contracts; and
- exclude the effect of the factors that influence the observable market prices that do not affect the future cash flows of insurance contracts.

The Group therefore opted to use the risk-free curve provided by EIOPA adding the volatility adjustment (bottom-up).

In addition, top-down methodology is used to obtain the discount rates to be applied to the new production of the groups of contracts, starting from a discount rate of a reference financial instrument with characteristics similar to those of the liability and eliminating the probability of default.

For the presentation of the financial costs and income of insurance contracts arising from the alteration of the discount rate, whether due to the effect of the time value of the money, or due to the effect of the financial risk, the Company opted for the accounting policy of splitting these financial costs and income between "Net financial income" and "Other comprehensive income", in order to minimise accounting asymmetries in the valuation and recognition of financial investments under IFRS 9 and insurance contracts under IFRS 17.

By product typology, the approaches for determining the discount rates applied are:

Segment	Type of product	Approach
Life insurance	Annuities	Top-down
	Risk	Bottom-up
	Capitalisation with guaranteed rate	Stochastic approach
Non-life insurance	Reinsurance	Bottom-up
	Direct insurance	



## Non-financial risk adjustment

The adjustment of the non-financial risk reflects the compensation necessary to support the uncertainty as to the amount and timing of the associated cash flows, which arise from the non-financial risk. The determination of the adjustment of this risk is mostly based on information on the best estimate of liabilities and capital requirements, which are based on the calculation of the Value at Risk (VaR) and Cost of Capital (CoC), with a 75% confidence interval, of the obligations associated with the insurance contracts and, in the case of ceded reinsurance, of the risk transferred by the Group to the issuer of the reinsurance contracts.

The Group opted to disaggregate the variations in the financial risk and non-financial risk, and so the change in value of the risk adjustment resulting from the effect of the time value of the money is recorded as insurance financial income.

## Contractual service Margin (CSM)

The CSM represents the expected unearned profit of the groups of insurance contracts that will be recognised as the service is provided. The CSM is, at the end of each reporting period, the amount determined at the start of the period, adjusted by:

- the effect of new contracts;
- interest credited to the CSM during the reporting period, calculated at the discount rates determined on the date of initial recognition;

- changes in the cash flows related with the remaining coverage, unless the increase exceeds the amount of the CSM, generating a loss, or if the reductions thereof are imputed to the loss component of the remaining coverage liability;
- the effect of exchange rate variations on the CSM; and
- the amount recognised in profit or loss for the period due to services rendered in this period.

The general criterion for releasing the CSM should be based primarily on the insurance service provided, depending on the type of the product, with the method considered reflecting the insurance cover provided in each period. For the purpose, the amount of benefits granted to policyholders at any given time will be taken into account, according to the different levels of cover.

In relation to ceded reinsurance, there is no expected unearned profit, but rather a net expense/revenue on the acquisition of the reinsurance contract. Therefore, on initial recognition the Group recognises a net expense/revenue on the acquisition by the Group of reinsurance contracts as a contractual service margin arrived at according to:

- the fulfilment of cash flows;
- the amount derecognised on the reporting date of any asset/liability previously recognised by the Company's cash flows from reinsurance contracts;
- new cash flows; and
- income recognised in the Income Statement of the year.

## Onerous contracts

The Group has grouped the contracts measured using the general model according to their cost, taking into account the fulfilment of the cash flows, acquisition costs and any other flows attributable to the insurance contracts. The valuation is normally made on a contract-by-contract basis. Contracts measured using the Premium allocation approach are, by default, assumed as not onerous on initial recognition, unless facts and circumstances indicate otherwise.

Like the Contractual Service Margin, which represents the estimated future profit of the insurance contract, the loss component is the estimated loss of the contract. These two elements are recognised in the accounts at different times: while the margin is deferred over the life of the contract according to its contractual limits, the loss component is recognised in the Income Statement as soon as its existence is known. So, during the life of a contract, the assumptions used to project future cash flows can change and, consequently, the expected profitability of a contract can increase or reduce. This means that a group of contracts initially classified as onerous can become more onerous or, conversely, in a subsequent measurement, the assumptions used in the cash flows can change in such a way that the loss previously recognised can be reversed.

## Liabilities to subscribers of unit-linked products and insurance and capitalisation operations in investment units with guaranteed capital and income at the end of the contract

Liabilities associated with investment contracts issued by the Group in which the risk is borne by the policyholder (unit-linked products) are valued at fair value, determined based on the fair value of the assets that comprise the investment portfolios allocated to each of the products, less the corresponding

management charges, and recorded under "Financial Liabilities of the Deposit Component of Insurance Contracts and on Insurance Contracts and Operations Considered for Accounting Purposes as Investment Contracts".

Investment portfolios allocated to Unit-linked products are composed of financial assets, including fixed income securities, variable income securities, derivative instruments and deposits with credit institutions, which are recognised at fair value, with the corresponding unrealised gains and losses recognised in the Income Statement.

For insurance and unit capitalisation operations with capital and income guarantee at the end of the contract, provisions are created by the maximum between the value resulting from the product of the value of the reference unit by the number of units existing and the guaranteed capital and income at the end of the contract discounted until the date of calculation at the guaranteed rate. These liabilities are recorded under "Financial Liabilities of the Deposit Component of Insurance Contracts and on Insurance Contracts and Operations Considered for Accounting Purposes as Investment Contracts".

## Liabilities to subscribers of other investment contracts

Liabilities to subscribers of other regulated products, classified as investment contracts in accordance with IFRS 17, and which do not include profit sharing with discretionary component, are valued in accordance with the requirements of IFRS 9 and recorded under "Financial liabilities of insurance contracts and operations considered for accounting purposes as investment contracts".

## **Impairment of debtor balances related with insurance and reinsurance contracts**

With reference to each date of presentation of financial statements, the Group assesses the existence of evidence of impairment at the level of assets arising from insurance and reinsurance contracts, namely accounts receivable from insured persons, brokers, reinsurers and reinsureds.

If impairment losses are identified, the balance sheet value of the respective assets is reduced in the Income Statement for the year, with the cost being recognised in "Impairment losses (net of reversals)".

### **2.14. Revenue**

Revenues or income are recognised whenever it is probable that economic benefits will flow to the Group and can be reliably assessed.

#### **(i) Fees from financial instruments**

The fees related to financial instruments, such as fees charged or paid on contracting of operations, are included in the amortised cost and recognised in the Income Statement throughout the operation, by the effective interest rate method.

#### **(ii) Provision of hospital segment services**

Revenue is recognised whenever it is probable that the Group will obtain economic benefits that can be reliably estimated, being measured by the fair value of the instalments received or receivable, net of discounts given and any taxes. The revenue associated with the transaction is recognised with reference to its stage of completion as at the reporting date.

Revenue from activities carried out in the private healthcare segment is recognised based on the services rendered during that period, valued at the prices of those services as set out in a defined price list, regardless of the actual invoice date.

In the case of activities carried out in the public healthcare segment (under the PPP), revenue is recognised in accordance with the services provided valued by the contractual prices agreed with the contracting public entity. Under the agreement, invoicing is monthly for an amount equivalent to 1/12 of 90% of the annual amount agreed for each year. There is an adjustment invoice for services actually provided, during the first six months of the following year. The difference between the amounts invoiced and the actual production is recorded under "Other payables" or "Other receivables" on an accrual basis.

Revenue from senior residences is recognised based on lifetime rights-of-use (ROUs). This recognition is carried out according to the characteristics of each type of contract:

- In lifetime ROUs with no conveyance rights, or with the right to only one conveyance, the value of the agreement is initially recognised as deferred income. Once the member moves into the club, the revenue is recognised for a period that takes into account the age of the member (or of the assignor, if allowed) on the entry date, and the average life expectancy taken from the GRF95 actuarial tables;
- In lifetime ROUs with unlimited conveyance rights, the agreement value is immediately recognised as income and an accrued expense for the unit's portion of the total cost of the buildings is recorded as a cost of sales. The accrued expense is later recognised as revenue in the same period as the depreciation of the corresponding property, plant and equipment.

### **(iii) Fees for other services provided**

Fees for services provided are normally recognised as earnings throughout the period of service provision or on a one-off basis if they relate to payment for the performance of single acts.

### **(iv) Sale of goods**

Revenue from the sale of goods is recognised in the consolidated Income Statement when the significant risks and rewards of ownership of the assets are transferred to the buyer and the amount of the revenue can be measured reliably. Revenue is recognised net of taxes and discounts.

## **2.15. Critical accounting estimates and most relevant judgements in the application of accounting policies**

When applying the accounting principles described above, the Boards of Directors of Fidelidade and the Group companies are required to make estimates. The estimates with the greatest impact on the Group's consolidated financial statements include those presented below.

### **Determination of impairment losses on financial assets**

Impairment losses on financial assets are determined according to the methodology defined in Note 2.6. d). As regards the definition of the internal rating, a scoring methodology based on financial indicators intended to assess the solvency capacity of the issuer's financial commitments is used.

The internal rating assessment consists of analysing a variety of quantitative and qualitative factors to assess a company's creditworthiness, including its competitive advantage, scale and diversification, operational efficiency

and profitability. These factors are assessed to determine the likelihood that a company will be able to meet its financial obligations. The main factors considered are as follows:

- **Competitive advantage.** The Group considers a company's strategic position and customer attractiveness. This includes factors such as its overall strategy, the uniqueness and quality of its products or services, its market share and any barriers to entry that exist in that industry. In addition, the company's technological advantage or vulnerability to technological substitution is also considered.
- **Scale, scope and diversification.** The concentration or diversification of a company's business activities is analysed. This includes factors such as product diversification and geographic diversification, which is combined with quantitative factors such as the size of the market in which it operates and its revenues.
- **Operational efficiency.** The Group assesses the quality and flexibility of a company's asset base and its ability to manage its cost base. This includes factors such as cost structure, manufacturing processes and working capital management.
- **Profitability.** Various quantitative metrics such as projections or the volatility of profitability over time are combined.

This assessment results in a concrete assessment, a preliminary internal rating, which may also be adjusted in both directions with other qualitative factors, such as the composition of the management team and its governance or the influence of a majority shareholder, a group or the State.

For repack issues, and to the extent that we can look into the underlying assets, we use the average rating of the issues considered in the vehicle. Accordingly, the determination of impairment takes into account the conclusions of the specific evaluation conducted by the Company on the basis of knowledge regarding the situation of the issuers of the financial instruments in question.

The Group considers that impairment determined on the basis of this methodology adequately reflects the risk associated with its portfolio of financial assets, taking into account the rules defined by IFRS 9.

Note 40 presents a sensitivity analysis for the calculation of Expected Credit Losses, with the respective impact if the internal rating is not considered, that is, if these obligations are considered "not rated".

### Impairment of goodwill

As stated in Note 2.3., at least once a year the Group performs analyses of impairment of the goodwill recognised in the balance sheet. These analyses are conducted on the basis of estimates of future cash flows to be generated for each unit, discounted at appropriate rates.

The projections made incorporate a broad set of assumptions regarding the evolution of the future activity of the units under analysis, which may or may not occur in the future. However, these assumptions reflect the Group's best estimate on the balance sheet date.

To determine the future cash flows of each entity, when using the discounted cash flows method under the impairment test, the calculation is based on the business model approved by the management of each entity, for a period of 5 years. Cash flows are then discounted at a discount rate that adequately reflects the risk of each business and the market in which the company operates, ranging between 6.5% and 19.0% for December 2023.

For periods after the business model, cash flows are based on a perpetuity that reflects the long-term growth rates expected for each entity based on expected growth rates of inflation, ranging between 1.5% and 3.5% for December 2023.

Below is additional information regarding discount rates and perpetual growth rates by geography:

Region	Sector	Discount rate	Perpetual growth rate
Europe	Insurance, Healthcare and Asset Management	6.5% - 8.5%	1.5% - 2.0%
Africa	Insurance	15.2% - 19.0%	2.0%
Latin America	Insurance	12.1% - 13.2%	3.5%

In order to assess the sensitivity of the recoverable amount to the main assumptions identified, sensitivity tests were carried out, mainly at the discount rate and at the perpetual growth rate. A 0.5 percentage point increase in the discount rate and a 0.5 percentage point decrease in the perpetual growth rate do not result in a potential impairment loss.

### Valuation of Investment Properties

Investment Properties are assessed each balance sheet date to ensure that their balance sheet value does not differ significantly from their fair value. The Group has established a maximum reference period of 2 years between evaluations carried out by qualified expert evaluators.

Investment properties are valued to obtain an estimate of their presumed transaction price, which is normally the market value (fair value). In other words, for the price for which the property can be sold, on the assessment date, by a private contract between an independent seller and buyer. It is understood that the asset is the object of a public offer on the market, that its conditions allow a regular and orderly sale, and that there is a normal period for negotiating the sale, taking into account the nature of the asset. If there are any rental agreements, the assessment of the estimated transaction price takes the rental value into consideration.

The evaluation techniques used are:

- a. Market approach: consists of the valuation of the property by comparison, that is, according to transactions and/or effective proposals for acquisition in relation to properties that have identical physical and functional characteristics, and whose location is within the same area of the real estate market;
- b. Cost approach: consists of applying the principle that a buyer will not pay more for one asset than the cost to obtain another of equal utility, either by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. This approach provides an indication of value by calculating the current replacement or reproduction cost of the asset, making deductions for deterioration and all other relevant forms of obsolescence;

- c. Income approach: considers the information related to the income and operating expenses of the property under evaluation, determining the value through a capitalisation process. In this method, taking into account the principle of replacement of the asset, it is assumed that at a given rate of return required by the market, the flow of revenue generated by the property will lead to the achievement of its most probable value. Thus, the estimate of the value of the property results from the conversion of the income generated by it (usually net revenue) through the application of a given capitalisation rate or discount rate, or even both, which reflect a measure of the expected return on investment.

The main inputs and valuation techniques used in the main projects/assets of the real estate portfolio can be summarised as follows:

## Portugal 2023

Assets	Geography	Assessment Method	Main assumptions <sup>(1)</sup>	Considered values
Entrecampos	Portugal	Income Method	<ul style="list-style-type: none"> <li>Capitalisation rate</li> <li>Discount rate</li> <li>Estimated rental value</li> <li>Estimated value of sale</li> <li>Construction cost</li> </ul>	<ul style="list-style-type: none"> <li>Capitalisation rate: 4.8%-6.3%</li> <li>Discount rate: 6.2%-6.5%</li> <li>Estimated rental value (storage): 20 euros/sq.ft./month</li> <li>Estimated rental value (services): 23 euros/sq.ft./month</li> <li>Estimated rental value (retail): 23 euros/sq.ft./month</li> <li>Estimated rental value (parking): 150-304 euros/unit/month</li> <li>Estimated value of sale (housing): 6,302 euros/sq.ft</li> <li>Construction cost (retail): 1,254 euros/sq.ft</li> <li>Construction cost (parking): 290-387 euros/sq.ft.</li> <li>Construction cost (housing): 1,474 euros/sq.ft</li> </ul>
New Headquarters	Portugal	Income Method	<ul style="list-style-type: none"> <li>Capitalisation rate</li> <li>Discount rate</li> <li>Estimated rental value</li> <li>Construction cost</li> </ul>	<ul style="list-style-type: none"> <li>Capitalisation rate: 5.0%-7.0%</li> <li>Discount rate: 6.75%</li> <li>Estimated rental value (services): 24 euros/sq.ft./month</li> <li>Estimated rental value (parking): 150-270 euros/unit/month</li> <li>Construction cost (services): 1,400-1,800 euros/sq.ft.</li> <li>Construction cost (parking): 500-550 euros/sq.ft.</li> </ul>
VDA Extension	Portugal	Income Method	<ul style="list-style-type: none"> <li>Capitalisation rate</li> <li>Discount rate</li> <li>Estimated rental value</li> </ul>	<ul style="list-style-type: none"> <li>Capitalisation rate (retail): 5.75%</li> <li>Capitalisation rate (services): 6.0%</li> <li>Discount rate: 7.5%</li> <li>Estimated rental value (retail): 23.0 euros/sq.ft</li> <li>Estimated rental value (services): 40.0 euros/sq.ft</li> </ul>

## Portugal 2022

Assets	Geography	Assessment Method	Main assumptions <sup>(1)</sup>	Considered values
Entrecampos	Portugal	Income Method	<ul style="list-style-type: none"> <li>Capitalisation rate</li> <li>Discount rate</li> <li>Estimated rental value</li> <li>Estimated value of sale</li> <li>Construction cost</li> </ul>	<ul style="list-style-type: none"> <li>Capitalisation rate: 5.0%-7.5%</li> <li>Discount rate: 5.0%-6.5%</li> <li>Estimated rental value (storage): 12 euros/sq.ft./month</li> <li>Estimated rental value (services): 22 euros/sq.ft./month</li> <li>Estimated rental value (retail): 16-21 euros/sq.ft./month</li> <li>Estimated rental value (parking): 150-270 euros/unit/month</li> <li>Estimated value of sale (housing): 6,500 euros/sq.ft</li> <li>Construction cost (storage): 550 euros/sq.ft</li> <li>Construction cost (services): 1,200 euros/sq.ft</li> <li>Construction cost (retail): 650-750 euros/sq.ft.</li> <li>Construction cost (parking): 400-500 euros/sq.ft.</li> <li>Construction cost (housing): 1,500 euros/sq.ft</li> </ul>
New Headquarters	Portugal	Income Method	<ul style="list-style-type: none"> <li>Capitalisation rate</li> <li>Discount rate</li> <li>Estimated rental value</li> <li>Construction cost</li> </ul>	<ul style="list-style-type: none"> <li>Capitalisation rate: 5.0%-7.0%</li> <li>Discount rate: 6.0%</li> <li>Estimated rental value (services): 22 euros/sq.ft./month</li> <li>Estimated rental value (parking): 150-270 euros/unit/month</li> <li>Construction cost (services): 1,200-1,500 euros/sq.ft.</li> <li>Construction cost (parking): 450-500 euros/sq.ft.</li> </ul>
VDA Extension	Portugal	Income Method	<ul style="list-style-type: none"> <li>Capitalisation rate</li> <li>Discount rate</li> <li>Estimated rental value</li> <li>Construction cost</li> </ul>	<ul style="list-style-type: none"> <li>Capitalisation rate: 5.0%-5.75%</li> <li>Discount rate: 4.75%</li> <li>Estimated rental value (services): 21.3 euros/sq.ft./month</li> <li>Estimated rental value (retail): 24.5 euros/sq.ft./month</li> <li>Construction cost (services): 700 euros/sq.ft</li> <li>Construction cost (retail): 400 euros/sq.ft</li> </ul>



## Europe 2023

Assets	Geography	Assessment Method	Main assumptions <sup>(1)</sup>	Considered values
Smithson Plaza	United Kingdom	Income Method	Discount rate Capitalisation rate Estimated rental value	Discount rate: 5.62% Capitalisation rate: 5.74% Estimated rental value: 38-202 pounds/sq.ft./month
Medelan	Italy	Income Method	Discount rate Capitalisation rate Estimated rental value Construction cost	Discount rate: 3.75% Capitalisation rate: 3.93% Estimated rental value (offices): EUR 661/m2 Estimated rent (retail): EUR 1,423/m2; Construction cost: 2,385 euros/sq.ft. of Gross Construction Area
Pegasus Park	Belgium	Income Method	Capitalisation rate Discount rate Estimated rental value	Capitalisation rate: 5.75%-10.25% Estimated rental value (office): 120-135 euros/sq.ft./year Estimated rental value (archive): 60-67.5 euros/sq.ft./year Estimated rental value (indoor parking): 1,250 euros/unit/year Estimated rental value (outdoor parking): 850 euros/unit/year
BC140	Hungary	Income Method	Capitalisation rate Estimated Rental Value	Discount rate: 10.50% Capitalisation rate: 9.50% Estimated rental value (offices): 13.25 euros/sq.ft./month Estimated rental value (retail): 14.5 euros/sq.ft./month Estimated rental value (archive): 7 euros/sq.ft./month Estimated rental value (parking): 95 euros/unit/month
Moretown	United Kingdom	Income Method	Discount rate Capitalisation rate Estimated rental value	Discount rate: 7.54% Capitalisation rate: 7.70% Estimated rental value (offices): 30-49 pounds/sq.ft./year

## Europe 2022

Assets	Geography	Assessment Method	Main assumptions <sup>(1)</sup>	Considered values
Smithson Plaza	United Kingdom	Income Method	Discount rate Capitalisation rate Estimated rental value	Discount rate: 4.70% Capitalisation rate: 4.99% Estimated rental value: 46.52-200 pounds/ sq.ft./month
Medelan <sup>(2)</sup>	Italy	Income Method	Discount rate Capitalisation rate Estimated rental value	Discount rate: 10.75% Capitalisation rate: 4.10% Estimated rental value (office): 626 euros/sq.ft./month Estimated rental value (retail): 1,091 euros/sq.ft./month
Pegasus Park	Belgium	Income Method	Capitalisation rate Estimated rental value Estimated land value	Capitalisation rate: 7.25%-11.00% Estimated rental value (office): 110-125 euros/sq.ft./year Estimated rental value (archive): 55-62.5 euros/sq.ft./year Estimated rental value (indoor parking): 1,150-1,250 euros/unit/year Estimated rental value (outdoor parking): 850-950 euros/unit/year Estimated land value: 150 euros/sq.ft
BC140	Hungary	Income Method	Discount rate Capitalisation rate Estimated rental value	Discount rate: 7.75%-9.25% Capitalisation rate: 7.75%-9.25% Estimated rental value (offices): 12-13 euros/sq.ft./month Estimated rental value (retail): 3.3-13.5 euros/sq.ft./month Estimated rental value (archive): 8 euros/sq.ft./month Estimated rental value (Parking): 95 euros/unit/month
Moretown	United Kingdom	Income Method	Discount rate Capitalisation rate Estimated rental value	Discount rate: 6.12% Capitalisation rate: 6.56% Estimated rental value: 45-55 pounds/ sq.ft./month

## Rest of the World 2023

Assets	Geography	Assessment Method	Main assumptions <sup>(1)</sup>	Considered values
Logistics Portfolio	Japan	Income Method	Capitalisation rate Discount rate Estimated rental value	Capitalisation rate: 3.9%-5.3% Discount rate: 3.6%-5.0% Estimated rental value (logistics): 2,512-5,000 yen/tsubo/month
Rendina	United States of America	Comparative Method and Income Method	Internal Rate of Return Capitalisation rate Estimated rental value	Capitalisation rate: 6.75%-8.50% Discount rate: 7.50%-9.50% Estimated Rental Value: USD 21.16-38.00/sq.ft./year

## Rest of the World 2022

Assets	Geography	Assessment Method	Main assumptions <sup>(1)</sup>	Considered values
Logistics Portfolio	Japan	Income Method	Capitalisation rate Discount rate Estimated rental value	Discount rate: 3.40%-4.50% Capitalisation rate: 3.80%-4.90% Estimated rental value (logistics): 2,600-7,470 yen/tsubo/month
Rendina	United States of America	Comparative Method and Income Method	Internal Rate of Return Capitalisation rate Estimated rental value	Internal Rate of Return: 6.75%-9.00% Capitalisation rate: 6.25%-8.25% Estimated Rental Value: USD 14.0-35.0/ sq.ft./month

<sup>(1)</sup> Homogenised terminology for the purpose of disclosure in the financial statements;

<sup>(2)</sup> June 2022 Assessment.

The Group considers that the valuations obtained based on these methods correspond to the best estimate of the fair value of these assets at the balance sheet date.

Sensitivity analyses were carried out considering reasonable variations of the main assumptions noted above, assuming all other constant variables,

identifying the impact on the fair value of the properties. The variations assumed in this sensitivity analysis also take into account the current economic situation.

At 31 December 2023, the quantitative sensitivity analysis of the main investment properties is presented below:

	Evaluation	Increase in ERV <sup>(1)</sup> 10%	Increase in income per year 1 pp	Increase in the rate of long-term vacancies 1 pp	Increase in discount rate 0,25 pp	Increased cost of construction 100 euros/sq.ft	Increase in construction period 6 months
Moretown (GBP)	249,850,000	273,660,000	n/a	n/a	240,080,000	n/a	n/a
BC140 (EUR)	22,000,000	24,500,000	n/a	n/a	21,300,000	n/a	n/a
Rendina (USD)	115,600,000	126,700,000	106,500,000	98,400,000	98,500,000	n/a	n/a
Logistics (JPY)	14,681,000,000	16,339,000,000	16,252,000,000	14,536,000,000	13,837,000,000	n/a	n/a
Pegasus (EUR)	128,701,000	140.426.806	n/a	n/a	125,457,498	n/a	n/a
Smithson Plaza (GBP)	154,000,000	167,500.00	n/a	n/a	146,800,000	n/a	n/a
Medelan (EUR)	600,200,000	Not available	Not available	Not available	Not available	Not available	Not available
Entrecampos - Parcel A (EUR)	115,219,000	140,746,900	174,543,200	112,666,700	113,393,600	114,646,200	111,108,200
Entrecampos - Parcel B1 (EUR)	121,622,600	148,720,000	184,594,800	118,912,900	119,688,800	107,467,800	115,859,200
Entrecampos - Parcel B2 (EUR)	91,150,800	109,015,700	132,667,500	89,803,100	90,117,600	85,933,100	88,441,700
Entrecampos - Parcel B3 (EUR)	7,212,000	9,405,700	12,310,000	6,992,600	7,212,000	4,696,300	6,987,800
New Headquarters - Parcel C (EUR)	105,941,565	114,811,600	99,656,800	98,102,200	96,759,800	95,172,300	98,025,100
VDA Largo Conde Barão (EUR)	6,153,200	7,074,100	6,632,200	6,103,100	6,028,500	5,928,100	5,808,400

<sup>(1)</sup> Estimated Rental Value: The current rent which can be reasonably expected to lease a space in a property at, given the current market conditions (source: INREV).

As set out in IFRS 13, valuations of properties maximise the use of observable market data. However, since most valuations also consider unobservable data, the fair value of the Group's properties is classified as level 3 in the fair value hierarchy defined by IFRS 13.

### Determination of liabilities on insurance and reinsurance contracts

The Group's liabilities for insurance and reinsurance contracts are determined based on the methodologies and assumptions described in Note 2.13. The calculation of liabilities reflects a quantified estimate of the impact of future events on the Group's insurance companies' accounts, based on actuarial assumptions, claims history and other accepted methods in the sector.

Given the nature of the insurance activity, the determination of liabilities for insurance contracts for incurred claims and other liabilities for insurance and reinsurance contracts is highly subjective, and the actual amounts to be disbursed in the future may be significantly different from the estimates made. Note 48 discloses additional information on assumptions in risk assessment and sensitivity analyses.

The Group considers, however, that the liabilities on insurance and reinsurance contracts recognised in the consolidated financial statements adequately reflect the best estimates at the balance sheet date of the amounts to be disbursed by the Group.

### 2.16. Adoption of standards (new or revised) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC), as endorsed by the European Union

#### 2.16.1. Adopted Standards (New or Revised)

During the course of 2023, the Group adopted in the preparation of its financial statements the standards and interpretations issued by the IASB and IFRIC, respectively, provided that they are endorsed by the European Union, with application in financial periods beginning on or after 1 January 2023. The changes with relevance to the Group were as follows:

Standard / Interpretation	Date of issuance	EU Regulation	Applicable in financial years beginning on or after
IAS 12 - Income Taxes: International tax reform - Second Pillar model rules (Amendment)	08-11-2023	2023/2468	01-01-2023
IFRS 17 - Insurance Contracts: Initial application of IFRS 17 and IFRS 9 - Comparative Information (Amendment)	08-09-2022	2022/1491	01-01-2023
IAS 12 - Income Taxes: Deferred Taxes related to Assets and Liabilities resulting from a single transaction (Amendment)	11-08-2022	2022/1392	01-01-2023
IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of accounting policies (Amendment)	02-02-2023	2022/357	01-01-2023
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of accounting estimates (Amendment)	02-03-2022	2022/357	01-01-2023
IFRS 17 - Insurance Contracts (Amendment)	19-11-2021	2021/2036	01-01-2023

On 12 December 2022, the EU published the European Directive 2022/2523 on ensuring a global minimum level of taxation for multinational company groups and large national groups in the Union, under Pillar 2 of BEPS 2.0 (Base Erosion and Profit Shifting), which provides for an effective minimum tax rate of 15% for multinational groups with revenues above 750 million Euros, with the main objective of each subsidiary paying its share of taxes, preventing competition between jurisdictions in corporate tax rates.

To this end, two mechanisms are foreseen:

- Income Inclusion Rule (hereinafter "IIR"): for jurisdictions in which the group does not reach the minimum effective tax rate of 15%, this tax differential due will be required at the level of any entity located in the tax-deficit jurisdictions;
- Undertaxed Profit Rule (hereinafter "UTPR"): if there are no group entities to which the tax differential can be charged, it will be due by the other group entities, based on the number of employees and the value of their tangible assets.

The Directive should be transposed by Member States into their national law by 31 December 2023, with the IIR rule applying to tax periods beginning on or

after 1 January 2024 and the UTPR rule applying to tax years beginning on or after 1 January 2025.

In view of the above, considering its turnover, the Fosun Group complies with the application requirements of that Directive. However, as the Directive was not transposed into Portuguese law until 31 December 2023, this regulation had no relevant impact on the preparation of these financial statements.

The Group has reviewed the disclosures of accounting policies in the light of the amendment to IAS 1, with adoption at 1 January 2023, and has defined the concept of materiality when making decisions on disclosures of accounting policies as the fact that the accounting policies have a materially relevant impact on the financial statements presented and that they add value to the understanding of the financial statements, in addition to the notes already presented and the accounting standards in force.

#### 2.16.2. Standards, Interpretations, Amendments and Revisions That Will Take Effect in Future Exercises

The following standards, interpretations, amendments and revisions, with mandatory application in future financial years, have been, until the date of approval of these financial statements, endorsed by the European Union:

Standard / Interpretation	Date of issuance	EU Regulation	Applicable in financial years beginning on or after
IAS 1 - Presentation of Financial Statements: Classification of liabilities as current or non-current and non-current liabilities with covenants	19-12-2023	2023/2822	01-01-2024
IFRS 16 - Leases: Lease liabilities on a sale and leaseback (Amendment)	20-11-2023	2023/2579	01-01-2024

The Group is analysing its implementation, and it is not possible at this date to determine the impact on the financial statements.

### 2.16.3. Standards, Interpretations, Amendments and Revisions Not Yet Endorsed by the European Union

The following standards, interpretations, amendments and revisions, with mandatory application in future financial years, have not been endorsed by the European Union until the date of approval of these financial statements:

Standard / Interpretation	Date of issuance	Applicable in financial years beginning on or after
IAS 21 - Effects of Changes in Exchange Rates: Lack of Interchangeability (Amendment)	15-08-2023	01-01-2025
IAS 7 - Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Financing Agreements (Amendment)	25-05-2023	01-01-2024

These standards have not been endorsed by the European Union and, as such, have not been applied by the Group for the year ended 31 December 2023, and it is not possible at this time to assess the impact on the financial statements.

## 2.17. Changes in Accounting Policies

### a) Adoption of IFRS 9 - "Financial Instruments" - and changes resulting from the Adoption of IFRS 17 - "Insurance Contracts"

IFRS 9 replaced IAS 39 - "Financial Instruments: Recognition and Measurement" for annual periods after 1 January 2018. In order to ensure consistency in the insurance industry between the application of IFRS 9 and IFRS 17, the IASB issued an amendment to IFRS 4 with effect from 1 January 2018 which allowed insurance companies to defer the application of IFRS 9 for periods after 1 January 2023, thus aligning the effective dates of IFRS 9 and IFRS 17.

In addition, insurers that adopted IFRS 9 were also allowed to apply the overlay approach to designated financial assets. At 1 January 2023, the Company

ceased to apply the overlay approach that it had adopted since 1 January 2020, when it adopted IFRS 9 for the first time. This effect was recognized retrospectively, with an impact on Retained Earnings, as disclosed in Note 2.17.2.

On the date of initial application of IFRS 17, the Group opted to designate strategic investments in equity instruments as Financial assets at fair Value through other comprehensive income in accordance with paragraph 5.7.5 of IFRS 9, which were previously classified as Financial assets at fair Value through profit or loss. This designation and classification has been applied retrospectively. The assets corresponding to this classification correspond to the following amounts:

(amounts in euros)

	2022	2021
REN, PL	89,450,988	90,338,399
AGEAS, BB	85,116,526	93,582,969
NEW CHINA LIFE INSURANCE, HK, HKD	143,294,900	146,915,585
CHONGQING RURAL COMMERCIAL, HK, HKD	18,528,798	18,097,680
SHENZHEN EXPRESSWAY CORP, HK, HKD	1,092,493	-
	<b>337,483,706</b>	<b>348,934,634</b>



## b) Adoption of IFRS 17 - "Insurance Contracts"

The Group adopted the standard IFRS 17 - "Insurance contracts" from 1 January 2023. The implementation of this standard results in significant changes in terms of the recognition, measurement, presentation, disclosure and accounting of insurance and reinsurance contracts.

The Group therefore restated the Statement of Financial Position opening on 1 January 2022 and closing on 31 December 2022 and the Income Statement of the year ended on that date, in order to apply the standard retrospectively and make the financial information for 2022 comparable, as if the Standard had always been in force.

The impact of the transition comes mainly from the valuation of long-term insurance contract liabilities from an expected present value perspective, thus being impacted by the discount rates applied to each reporting period. Other elements that affect the impact of the transition relate to the reclassification of determined Financial Assets portfolios, in order to reduce accounting asymmetries between assets and liabilities. Consequently, the impacts on accumulated other comprehensive income and on retained earnings result mainly from long-term contracts.

### 2.17.1. Principles of the Transition to IFRS 17

In the transition to IFRS 17, the standard requires that the Group apply a retrospective approach to recognise insurance and reinsurance contracts in force on this date as if the standard had always been in force. For this, it requires the use of a full retrospective approach. If this is impracticable, a modified approach or fair value approach is permitted, the application of the latter being conditional on the availability of reasonable and supportable information without undue cost or effort in order to be able to apply the modified approach.

The analysis of the impracticability of recognising and measuring insurance and reinsurance contracts using a retrospective approach is made based on the requirements of IFRS 17, taking into consideration the availability of systems, data and complete historical information.

Given the type of products held by the Company and also the requirements of applicability of each of the measurement models, the Company will only apply two of the three models contemplated in the regulations - the premium allocation approach and the general model. The conditions for the application of the variable fee approach (VFA) were not met due to the discretionary nature of the distribution to Policyholders granted in products with profit sharing.

In this way, for products entered in the accounts using the GMM method, the transition approach used is that of fair value, given that the Group is limited in the historic information necessary to recognise and measure these contracts as if the standard had always been in force.

In the case of products measured by the PAA, the approach used is full retrospective, and is being applied to contracts with a duration of less than or equal to 1 year, since it is possible to obtain the historic information necessary for the respective recognition on the date of transition.

As the PAA is a simplified method it allows us to use information/determination similar to the "Unearned premium reserve" of IFRS 4 to ascertain the income to be released in the item "Insurance/reinsurance liabilities" of the Financial Position on a pro-rata temporis basis.

The GMM, being the general method, in the transition it is necessary to measure and recognise insurance and reinsurance contracts as if these had always been in force. If this is not feasible, the approach used (fair value) requires them to be measured and recognised with the fair value information on the date of the transition, calculating the contractual service margin or loss component of the remaining coverage liability through the difference between:

- the fair value of each group of insurance and reinsurance contracts in accordance with IFRS 13; and
- the cash flows linked to the fulfilment of the contracts in accordance with IFRS 17, or rather, the current value of cash flows relating to their fulfilment plus a risk adjustment for the non-financial risk.

So, to ascertain the fair value at which the transfer of liabilities of the portfolio of insurance contracts would take place between participants in the market on the date of measurement under current market conditions, the present value of the liabilities was calculated based on the implied cost of capital approach for each portfolio up to its end.

For the purpose, the solvency capital requirement of each portfolio on the transition date was projected using the structure of the estimated cash flows and was then multiplied by the cost of capital arrived at for each portfolio.

Lastly, the current value was obtained using the same discount curve used to calculate the contractual service margin. The second component of the calculation corresponds to the current value of the estimated future cash flows on the transition date plus a risk adjustment for the non-financial risk.

## **2.17.2. Impacts of the Transition to IFRS 17**

### **Derecognition of IFRS 4 balances**

All assets and liabilities measured under IFRS 4 were derecognised in the transition, to be replaced by the equivalent balances under IFRS 17.

### **Recognition of the cash flows linked to the fulfilment of the contracts IFRS 17**

The measurement of the liabilities from insurance contracts is arrived at based on the groups of contracts, using the contractual obligations necessary for the fulfilment of an insurance contract (e.g. premiums, costs, claims). These are entered in the accounts within the cash flow component of the insurance contract liabilities.

### **Recognition of income to be released from IFRS 17**

The income to be released is recorded through an insurance contract liability associated with the income to be recognised in the future, to be released in the Income Statement during the period of cover of the group of contracts.

### **Tax effect**

The tax effect on the balance sheet arises from the full adoption of IFRS 9, namely by cancelling the application of the overlay approach to designated financial assets and the redesignation of financial instruments, the temporary differences from the cancellation of the impacts of IFRS 4 balance sheet balances and recognition of balance sheet balances under IFRS 17.

The change in accounting policy related to Financial Instruments arising from the adoption of IFRS 17 led to impacts on the composition of the Company's equity on 31 December of 2022 and on the result of the year ended on this date.

The reconciliation of equity on 1 January 2022 and on 31 December of 2022 and the reconciliation of the net result of the year ended on 31 December of 2022 are presented in the following table:

(amounts in euros)

	Equity		Result
	01/01/2022	31/12/2022	31/12/2022
Balances prior to the change in accounting policy	3,618,980,264	2,856,099,577	220,474,579
Impact of change in accounting policy			
Adjustment of asset redesignation, net of tax effect	-	-	7,832,505
Adjustment of the overlay approach, net of tax effect	-	-	(38,803,630)
Adjustment of insurance contracts, net of tax effect	(374,341,857)	(2,755,797)	(13,752,619)
	<b>(374,341,857)</b>	<b>(2,755,797)</b>	<b>(44,723,743)</b>
Balances after change in accounting policy	3,244,638,407	2,853,343,780	175,750,836

Below is a reconciliation of the tax effect on assets and liabilities on 1 January 2022 and on 31 December of 2022:

(amounts in euros)

	Assets		Liabilities	
	01/01/2022	31/12/2022	01/01/2022	31/12/2022
Balances prior to the change in accounting policy	228,488,134	502,611,032	191,108,640	285,058,160
Impact of change in accounting policy				
Adjustment of the redesignation of assets	-	-	-	-
Overlay approach adjustment	(6,753,837)	(97,632,813)	(6,753,837)	(97,641,502)
Adjustment of insurance contracts	140,659,429	155,052,962	(212,921)	151,311,965
	<b>133,905,592</b>	<b>57,420,148</b>	<b>(6,966,757)</b>	<b>53,670,463</b>
Balances after change in accounting policy	362,393,726	560,031,181	184,141,883	338,728,622

Below is the impact on the financial position on 1 January 2022 and on 31 December of 2022:

(amounts in euros)

	Restated	01-01-2022 Adjustments	Original
<b>ASSETS</b>			
Financial assets at fair value through profit or loss	3,625,757,053	(348,934,634)	3,974,691,687
Financial assets at fair value through other comprehensive income	9,550,115,081	348,934,634	9,201,180,447
Technical provisions for ceded reinsurance			
Provision for unearned premiums	-	(154,678,607)	154,678,607
Mathematical provision for life insurance	-	(28,944,344)	28,944,344
Claims provision	-	(360,151,533)	360,151,533
Other technical provisions	-	(22,544,992)	22,544,992
Life reinsurance contract assets			
Remaining coverage	31,796,432	31,796,432	-
Incurred claims	61,935,470	61,935,470	-
Non-life reinsurance contract assets			
Remaining coverage	151,831,507	151,831,507	-
Incurred claims	323,361,904	323,361,904	-
Other debtors for insurance operations and other operations			
Accounts receivable for direct insurance operations	116,005,834	(250,573,176)	366,579,010
Accounts receivable for other reinsurance operations	84,517,840	(583,060)	85,100,900

(continuation)

(amounts in euros)

	Restated	01-01-2022 Adjustments	Original
Accounts receivable for other operations	110,475,920	1,393,709	109,082,211
Tax Assets			
Deferred tax assets	362,314,892	133,905,592	228,409,300
Accruals and deferrals	104,470,633	(219,738)	104,690,371
		<b>(113,470,837)</b>	

(amounts in euros)

	Restated	01-01-2022 Adjustments	Original
<b>LIABILITIES</b>			
Technical Provisions			
Provision for unearned premiums	-	(561,140,686)	561,140,686
Mathematical provision for life insurance	-	(2,766,184,105)	2,766,184,105
Claims provision			
Life insurance	-	(229,211,004)	229,211,004
Workers' Compensation	-	(1,137,118,438)	1,137,118,438
Others	-	(1,029,952,652)	1,029,952,652
Provision for profit sharing	-	(63,739,590)	63,739,590
Provision for interest rate commitments	-	(17,780,388)	17,780,388

(continuation)

(amounts in euros)

		Restated	01-01-2022 Adjustments	Original
Provision for portfolio stabilisation	-	(25,803,587)	25,803,587	
Provisions for claims rate deviations	-	(33,356,809)	33,356,809	
Provision for unexpired risks	-	(47,888,226)	47,888,226	
Other technical provisions	-	(23,211,963)	23,211,963	
Financial liabilities at fair value through profit or loss		299,670,115	-	299,670,115
Life insurance contract liabilities				
Remaining coverage		3,112,182,350	3,112,182,350	-
Incurred claims		240,722,117	240,722,117	-
Non-life insurance contract liabilities				
Remaining coverage		388,996,670	388,996,670	-
Incurred claims		2,380,740,484	2,380,740,484	-
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts		8,294,703,688	175,877,661	8,118,826,028
Other creditors for insurance operations and other operations				
Accounts payable for direct insurance operations		111,490,126	(42,865,534)	154,355,659
Accounts payable for other reinsurance operations		208,167,427	(973,506)	209,140,933
Accounts payable for other operations		182,340,386	3,681,285	178,659,100

(continuation)

(amounts in euros)

	Restated	01-01-2022 Adjustments	Original
Tax liabilities			
Current tax liabilities	64,570,931	(22)	64,570,952
Deferred tax liabilities	119,570,952	(6,966,736)	126,537,688
Other provisions	106,807,152	(55,136,302)	161,943,454
		<b>260,871,020</b>	

(amounts in euros)

	Restated	01-01-2022 Adjustments	Original
<b>EQUITY</b>			
Revaluation reserves			
From adjustments in fair value of debt instruments at fair value through other comprehensive income	75,499,197	25,680,488	49,818,709
Exchange differences	(62,104,651)	18,192,289	(80,296,940)
From adjustments in fair value of equity instruments at fair value through other comprehensive income	(53,982,270)	(53,273,657)	(708,614)
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income	28,818,187	1,690,142	27,128,045
Deferred tax reserve	3,207,020	27,685,999	(24,478,978)
Overlay approach adjustment	-	(63,670,722)	63,670,722



(continuation)

(amounts in euros)

	Restated	01-01-2022 Adjustments	Original
Other reserves	1,729,659,605	(8,170,117)	1,737,829,722
Retained earnings	307,035,395	(296,989,659)	604,025,053
Non-controlling interests	538,780,125	(25,486,620)	564,266,745
		<b>(374,341,857)</b>	

(amounts in euros)

	Restated	31-12-2022 Adjustments	Original
<b>ASSETS</b>			
Financial assets at fair value through profit or loss	4,499,777,781	(337,483,706)	4,837,261,487
Financial assets at fair value through other comprehensive income	7,932,574,565	337,483,706	7,595,090,860
Technical provisions for ceded reinsurance			
Provision for unearned premiums	-	(193,609,797)	193,609,797
Mathematical provision for life insurance	-	(31,759,937)	31,759,937
Claims provision	-	(392,445,884)	392,445,884
Provision for profit sharing	-	(9,721)	9,721
Other technical provisions	-	(34,958,549)	34,958,549

(continuation)

(amounts in euros)

	Restated	31-12-2022 Adjustments	Original
Life reinsurance contract assets			
Remaining coverage	32,338,694	32,338,694	-
Incurred claims	76,868,767	76,868,767	-
Non-life reinsurance contract assets			
Remaining coverage	193,079,952	193,079,952	-
Incurred claims	344,493,500	344,493,500	-
Other debtors for insurance operations and other operations			
Accounts receivable for direct insurance operations	122,135,119	(486,096,707)	608,231,826
Accounts receivable for other reinsurance operations	124,470,183	(18,136,954)	142,607,137
Accounts receivable for other operations	430,247,727	195,973,591	234,274,136
Tax Assets			
Deferred tax assets	559,959,668	57,420,148	502,539,520
Accruals and deferrals	94,267,527	(3,628)	94,271,155
		<b>(256,846,524)</b>	

(amounts in euros)

	Restated	31-12-2022 Adjustments	Original
<b>LIABILITIES</b>			
Technical Provisions			
Provision for unearned premiums	-	(644,698,611)	644,698,611
Mathematical provision for life insurance	-	(2,629,722,639)	2,629,722,639
Claims provision			
Life insurance	-	(254,179,633)	254,179,633
Workers' Compensation	-	(1,182,498,047)	1,182,498,047
Others	-	(1,064,706,515)	1,064,706,515
Provision for profit sharing	-	(26,411,583)	26,411,583
Provision for interest rate commitments	-	(16,561,158)	16,561,158
Provision for portfolio stabilisation	-	(24,110,995)	24,110,995
Provisions for claims rate deviations	-	(35,645,359)	35,645,359
Provision for unexpired risks	-	(46,203,478)	46,203,478
Other technical provisions	-	(35,787,913)	35,787,913
Life insurance contract liabilities			
Remaining coverage	2,703,879,150	2,703,879,150	-
Incurred claims	244,634,633	244,634,633	-

(continuation)

(amounts in euros)

	Restated	31-12-2022 Adjustments	Original
Non-life insurance contract liabilities			
Remaining coverage	413,380,130	413,380,130	-
Incurred claims	2,272,886,636	2,272,886,636	-
Financial liabilities of the deposit component of insurance contracts and on insurance contracts and operations considered for accounting purposes as investment contracts	8,628,086,559	116,352,147	8,511,734,412
Other creditors for insurance operations and other operations			
Accounts payable for direct insurance operations	136,441,999	(95,641,132)	232,083,131
Accounts payable for other reinsurance operations	332,451,288	(154,996,327)	487,447,614
Accounts payable for other operations	346,713,697	211,105,806	135,607,891
Tax liabilities			
Current tax liabilities	50,617,109	(885)	50,617,994
Deferred tax liabilities	288,111,514	53,671,348	234,440,166
Other provisions	69,047,709	(58,836,302)	127,884,011
		<b>(254,090,727)</b>	

(amounts in euros)

	Restated	31-12-2022 Adjustments	Original
<b>EQUITY</b>			
Revaluation reserves			
From adjustments in fair value of debt instruments at fair value through other comprehensive income	(743,009,439)	(326,620)	(742,682,819)
Exchange differences	(49,187,840)	46,996,922	(96,184,762)
From adjustments in fair value of equity instruments at fair value through other comprehensive income	(86,838,852)	(80,923,954)	(5,914,898)
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income	9,790,843	(703)	9,791,546
Reserve for the financial component of insurance contracts	536,362,833	536,362,833	-
Reserve for the financial component of reinsurance contracts	(15,288,846)	(15,288,846)	-
Deferred tax reserve	80,327,341	(124,837,153)	205,164,495
Overlay approach adjustment	-	(13,883,569)	13,883,569
Other reserves	1,847,436,029	(9,984,622)	1,857,420,651
Retained earnings	247,058,050	(303,411,188)	550,469,239
Income for the year	175,750,835	(44,723,744)	220,474,579
Non-controlling interests	309,767,068	7,264,848	302,502,221
		<b>(2,755,797)</b>	

(amounts in euros)

	Restated	31-12-2022 Adjustments	Original
<b>INCOME STATEMENT</b>			
Earned premiums, net of reinsurance			
Gross premiums written	-	(3,245,824,476)	3,245,824,476
Reinsurance ceded premiums	-	700,590,557	(700,590,557)
Provision for unearned premiums (change)	-	77,744,224	(77,744,224)
Provision for unearned premiums, reinsurers' share (change)	-	(37,201,335)	37,201,335
Claims costs, net of reinsurance			
Amounts paid			
Gross amounts	-	2,230,224,217	(2,230,224,217)
Reinsurers' share	-	(303,573,948)	303,573,948
Claims provision (change)			
Gross amount	-	54,500,031	(54,500,031)
Reinsurers' share	-	(12,526,977)	12,526,977
Other technical provisions, net of reinsurance	-	(2,639,777)	2,639,777
Mathematical provision for life insurance, net of reinsurance			
Gross amount	-	(292,676,064)	292,676,064
Reinsurers' share	-	(2,704,517)	2,704,517
Profit sharing, net of reinsurance	-	5,236,595	(5,236,595)
Net operating costs and expenses			
Acquisition costs	-	776,095,895	(776,095,895)

(continuation)

(amounts in euros)

		31-12-2022	
	Restated	Adjustments	Original
Deferred acquisition costs (change)	-	(15,979,329)	15,979,329
Administrative expenses	-	217,484,688	(217,484,688)
Commissions and reinsurance profit sharing	-	(81,494,628)	81,494,628
Insurance contracts revenues			
Measured using the premium allocation approach	2,975,401,446	2,975,401,446	-
Not measured using the premium allocation approach			
Release of the expected value of claims occurred and expenses attributable to insurance contracts	137,994,255	137,994,255	-
Changes in risk adjustment (non-financial risk) for expired risk	5,498,312	5,498,312	-
Release of contractual service margin for transferred services	67,498,739	67,498,739	-
Insurance service expenses			
Claims occurred and other expenses attributable to insurance contracts	(2,009,099,128)	(2,009,099,128)	-
Acquisition costs attributable to insurance contracts	(566,793,898)	(566,793,898)	-
Changes that relate to incurred claims	(176,492,387)	(176,492,387)	-
Changes that relate to remaining coverage	(4,605,519)	(4,605,519)	-
Reinsurance contract revenues			
Claims occurred and other expenses attributable to insurance contracts – part of reinsurers	366,505,792	366,505,792	-
Changes that relate to incurred claims – part of reinsurers	(44,543,112)	(44,543,112)	-
Effect of changes in the reinsurer's default risk	1,100,433	1,100,433	-

(continuation)

(amounts in euros)

	Restated	31-12-2022 Adjustments	Original
Reinsurance service expenses			
Measured using the premium allocation approach – part of reinsurers	(571,132,451)	(571,132,451)	-
Insurance finance income from insurance contracts	6,952,217	6,952,217	-
Reinsurance finance income from reinsurance contracts	7,797,692	7,797,692	-
Insurance finance expenses from insurance contracts	(55,414,360)	(55,414,360)	-
Reinsurance finance expenses from reinsurance contracts	(932,491)	(932,491)	-
Financial Income			
Financial assets not recognised at fair value through profit or loss	278,699,517	31,935,164	246,764,353
Others	155,874,778	(31,935,164)	187,809,942
Financial expenses			
Others	(8,505,037)	112,893,479	(121,398,516)
Net income on financial assets and liabilities not recognised at fair value through profit or loss			
Financial liabilities at amortised cost	(13,898,959)	(1,043,020)	(12,855,939)
Net income on financial assets and liabilities recognised at fair value through profit or loss	(257,651,654)	27,395,643	(285,047,297)
Exchange differences	54,096,721	(14,629,589)	68,726,310
Impairment losses (net of reversals)			
Others	11,302,307	2,671,451	8,630,856



(continuation)

(amounts in euros)

	Restated	31-12-2022 Adjustments	Original
Overlay approach adjustment	-	(50,750,657)	50,750,657
Non-attributable expenses	(343,857,786)	(343,857,786)	-
Current income tax - Current taxes	(62,102,827)	1,672,317	(63,775,144)
Current income tax - Deferred taxes	6,838,172	14,163,016	(7,324,844)
Non-controlling interests	(46,863,083)	(229,293)	(46,633,790)
		<b>(44,723,743)</b>	

### 3. GROUP COMPANIES AND TRANSACTIONS OCCURRED IN THE YEAR

The structure of the Group at the level of subsidiary companies, by sectors of activity, as of 31 December 2023 and 2022, can be summarised as follows:

Operating sector/Entity	Country	Effective share %	
		2023	2022
<b>Insurer</b>			
Fidelidade - Companhia de Seguros, S.A.	Portugal	100.00%	100.00%
Multicare - Seguros de Saúde, S.A.	Portugal	100.00%	100.00%
Fidelidade Assistência - Companhia de Seguros, S.A.	Portugal	100.00%	100.00%
Via Directa - Companhia de Seguros, S.A.	Portugal	100.00%	100.00%
Companhia Portuguesa de Resseguros, S.A.	Portugal	100.00%	100.00%
Fidelidade Angola - Companhia de Seguros, S.A.	Angola	70.03%	70.03%
Garantia - Companhia de Seguros de Cabo Verde, S.A.	Cape Verde	55.89%	55.89%
Fidelidade Macau - Companhia de Seguros, S.A.	Macao	100.00%	100.00%
Fidelidade Macau Vida - Companhia de Seguros, S.A.	Macao	100.00%	100.00%
La Positiva Seguros Y Reaseguros S.A.A.	Peru	93.93%	93.93%
La Positiva Vida Seguros Y Reaseguros S.A.	Peru	55.98%	55.98%
Alianza Vida Seguros y Reaseguros S.A.	Bolivia	47.13%	47.13%
Alianza Compañía de Seguros y Reaseguros E.M.A. S.A.	Bolivia	56.00%	56.00%
Alianza Garantía Seguros Y Reaseguros S.A.	Paraguay	28.42%	28.42%
La Positiva S.A. Entidad Prestadora de Salud	Peru	68.51%	68.51%
Fid Chile Seguros Generales S.A.	Chile	96.63%	99.28%

(continuation)

Operating sector/Entity	Country	Effective share %	
		2023	2022
Fidelidade Moçambique - Companhia de Seguros, S.A.	Mozambique	70.00%	70.00%
Liechtenstein Life Assurance AG	Liechtenstein	70.00%	70.00%
<b>Real Estate</b>			
Fidelidade - Property Europe, S.A.	Portugal	100.00%	100.00%
Fidelidade - Property International, S.A.	Portugal	100.00%	100.00%
Fundo de Investimento Imobiliário Aberto IMOFID	Portugal	60.17%	49.73%
FPI (UK) 1 LIMITED	United Kingdom	100.00%	100.00%
FPE (IT) Società per Azioni	Italy	100.00%	95.76%
FPE (Lux) Holding S.à r.l.	Luxembourg	100.00%	100.00%
Thomas More Square (Lux) Holdings S.à r.l.	Luxembourg	99.30%	99.30%
Thomas More Square (Lux) S.à r.l.	Luxembourg	99.70%	99.70%
Fondo Broggi - Fondo di investimento Alternativo Immobiliare di Tipo Chiuso Riservato	Italy	100.00%	95.76%
Broggi Retail S.R.L.	Italy	0.00%	95.76%
Fidelidade - Sociedade Gestora de Organismos de Investimento Coletivo, S.A.	Portugal	100.00%	100.00%
FPE (BE) Holding S.A.	Belgium	100.00%	100.00%
FPE (PT), S.A.	Portugal	100.00%	100.00%
IBERFID - Fundo de Investimento Imobiliário Fechado	Portugal	100.00%	100.00%
FPE (HU) Kft.	Hungary	100.00%	100.00%
FPE (UK) 1 LIMITED	United Kingdom	100.00%	100.00%
FPE (Lux) 1	Luxembourg	0.00%	100.00%

(continuation)

Operating sector/Entity	Country	Effective share %	
		2023	2022
FPE (PT), SGPS, S.A.	Portugal	100.00%	100.00%
FPE (PT) OFFICE A, S.A.	Portugal	100.00%	100.00%
FPE (PT) 2 OFFICE B, S.A.	Portugal	100.00%	100.00%
FPE (PT) 3 RESIDENTIAL, S.A.	Portugal	100.00%	100.00%
FPE (PT) 4 RET, S.A.	Portugal	100.00%	100.00%
FPE (PT) 5 PARK, S.A.	Portugal	100.00%	100.00%
GK Lisbon	Japan	100.00%	100.00%
TMK Lisbon	Japan	97.00%	97.00%
EA One Holding, Inc.	USA	73.24%	57.00%
Florestas de Portugal – Fundo Especial de Investimento Imobiliário Fechado	Portugal	100.00%	0.00%
<b>Health</b>			
Luz Saúde, S.A.	Portugal	99.86%	99.86%
Clínica Fisiátrica das Antas, Unipessoal, Lda.	Portugal	100.00%	100.00%
Multi Health, S.A.	Portugal	100.00%	100.00%
La Positiva Servicios de Salud S.A.C.	Peru	68.53%	0.00%
<b>Insurance holding companies</b>			
FID LatAm SGPS, S.A.	Portugal	100.00%	100.00%
FID Peru, S.A.	Peru	100.00%	100.00%
FID Chile, SpA	Chile	100.00%	100.00%
the prosperity company AG	Liechtenstein	70.00%	70.00%

(continuation)

Operating sector/Entity	Country	Effective share %	
		2023	2022
<b>Other sectors</b>			
Cetra - Centro Técnico de Reparação Automóvel, S.A.	Portugal	100.00%	100.00%
E.A.P.S. - Empresa de Análise, Prevenção e Segurança, S.A.	Portugal	100.00%	100.00%
GEP - Gestão de Peritagens, S.A.	Portugal	100.00%	100.00%
Fidelidade - Serviços de Assistência, S.A.	Portugal	100.00%	100.00%
Cares - Assistência e Reparações, S.A.	Portugal	100.00%	100.00%
FID III (HK) LIMITED	Hong Kong	0.00%	100.00%
GEP Moçambique - Gestão de Peritagens, Limitada	Mozambique	100.00%	100.00%
FID Loans 1 (Ireland) Limited	Ireland	100.00%	100.00%
Universal - Assistência e Serviços, Lda.	Angola	56.02%	56.02%
GEP Cabo Verde Gestão de Peritagens, Lda.	Cape Verde	88.97%	88.97%
FID Chile & MT JV SpA	Chile	96.63%	99.28%
Alianza SAFI, S.A.	Bolivia	28.11%	26.70%
Full Assistance S.R.L.	Bolivia	52.45%	52.45%
Worldwide Security Corporation S.A.	Bolivia	53.21%	53.21%
FID I&D, S.A.	Portugal	100.00%	100.00%

(continuation)

Operating sector/Entity	Country	Effective share %	
		2023	2022
Tenax Capital Limited	United Kingdom	80.00%	80.00%
Cetra - Car Remarketing, S.A.	Portugal	51.00%	51.00%
prosperity solutions AG	Liechtenstein	70.00%	70.00%
prosperity solutions AG (formerly prosperity brokershome AG)	Liechtenstein	0.00%	70.00%
prosperity solutions GmbH	Germany	70.00%	70.00%
prosperity cashtech AG	Liechtenstein	70.00%	70.00%
prosperity funds SICAV	Liechtenstein	70.00%	70.00%
prosperity brokershome GmbH	Germany	0.00%	70.00%
Fid Real Assets, SGPS, S.A.	Portugal	100.00%	100.00%
Fid Real Assets Spain, S.L.	Spain	100.00%	100.00%
prosperity solutions (Switzerland) AG	Switzerland	70.00%	0.00%
Veterinários Sobre Rodas, Lda	Portugal	88.00%	0.00%
Obedientbenefit, Lda	Portugal	88.00%	0.00%
LLA Office Anstalt	Liechtenstein	70.00%	0.00%

**The main movements in the Group's subsidiaries during 2023 were as follows:**

In 2023 there was a 2.65% reduction in the Group's effective stake in the company Fid Chile Seguros Generales S.A., taking its stake to 96.63%.

In 2023 there was an update of the Group's effective stake in Fundo de Investimento Imobiliário Aberto IMOFID, now holding a 60.17% stake.

In March of 2023 the Group made a successive acquisition of 4.24% of the company FPE (IT) Società per Azioni, taking its stake to 100%.

In May 2023, La Positiva Servicios de Salud S.A.C. was incorporated with a share capital of 254,920 Euros, 68.53% of which is owned by the Group.

In June 2023 the Group made an additional contribution to Fondo Broggi – Fondo di investimento Alternativo Immobiliare di Tipo Chiuso Riservato, increasing its shareholding to 100%.

On 21 June 2023, the fund Florestas de Portugal - Fundo Especial de Investimento Imobiliário Fechado was created with a subscription value of 6,000,000 Euros, 100% owned by the Group.

On 9 June 2023, the Company FID III (HK) LIMITED was deregistered.

In September of 2023, the company Broggi Retail S.R.L. was liquidated

In September of 2023, the Group acquired a further 16.24% of the company EA One Holding, Inc. for the value of 26,217,326 Euros, taking its stake in the share capital of the company to 73.24%.

In September of 2023, the Group successively acquired the company Alianza SAFI, S.A., taking its stake in the share capital of the company to 28.11%.

In September of 2023, the merger took place between the companies prosperity solutions AG and prosperity brokershome AG and also the merger between the companies prosperity brokershome GmbH and prosperity solutions GmbH. The company prosperity solutions AG has changed its name to prosperity brokershome AG.

On 11 October 2023, the Group acquired 1 share in the company Veterinários Sobre Rodas, Lda, for the value of 5,668,041 Euros, taking its stake in the share capital of the company to 88%. With the acquisition of the company Veterinários Sobre Rodas, Lda, the Group then owned 100% of the share capital of the company Obedientbenefit, Lda.

In December 2023, the company FPE (Lux) 1 was liquidated.

In 2023, the Group carried out a capital increase and a partial reduction of stock options in the company FID Chile & MT JV SpA, taking its stake to 96.63%.

In December 2023, the company prosperity solutions (Switzerland) AG was established with a share capital of 107,991 Euros which is fully held by the company prosperity solutions AG, giving it an effective shareholding of 70%.

In 2023, the Group acquired the company LLA Office Anstalt, increasing its share in the company's share capital to 70%..

#### 4. CASH AND CASH EQUIVALENTS AND SIGHT DEPOSITS

At 31 December 2023 and 2022, this heading was composed as follows:

(amounts in euros)

	2023	2022
<b>Cash</b>		
Headquarters	1,612,899	1,863,202
Delegations	359,745	-
	<b>1,972,644</b>	<b>1,863,202</b>
<b>Sight deposits</b>		
Domestic currency	397,566,264	483,873,184
Foreign currency	141,060,263	151,693,163
	<b>538,626,527</b>	<b>635,566,347</b>
	<b>540,599,171</b>	<b>637,429,549</b>

For the purposes of the Cash Flows Statement, the heading “Cash and cash equivalents and sight deposits” includes the amounts recorded in the balance sheet with a maturity of less than three months from the date of acquisition, readily convertible into cash and with reduced risk of change in value and cash and deposits with credit institutions, which are not associated with an investment nature.



## 5. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

At 31 December 2023 and 2022, this heading was composed as follows:

(amounts in euros)

Operating sector/Entity	Country	2023		2022	
		Effective share %	Balance Sheet Value	Effective share %	Balance Sheet Value
<b>Other sectors</b>					
Audatex Portugal - Peritagens Informatizadas Derivadas de Acidentes, S.A.	Portugal	34.78%	1,303,014	34.78%	1,269,376
HL - Sociedade Gestora do Edifício, S.A.	Portugal	10.00%	611,797	10.00%	611,797
Serfun Portugal, SGPS, S.A.	Portugal	49.00%	1,062,612	49.00%	1,077,068
Constellation, S.A.	Mozambique	20.00%	5,489,123	20.00%	5,686,304
Beiranave, S.A.	Mozambique	22.84%	63,876	22.48%	66,168
BLUE ADCO - Consultoria e Assessoria em Investimentos Turísticos, S.A.	Portugal	20.00%	9,644	20.00%	9,998
BLUE OPCO – Exploração e Gestão de Ativos Turísticos, S.A.	Portugal	20.00%	686,302	20.00%	448,578
			<b>9,226,367</b>		<b>9,169,287</b>

The main movements in the Group's associates and joint ventures during 2023 were as follows:

There were no changes in the Group's associates during 2023.

## 6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

At 31 December 2023 and 2022, this heading was composed as follows:

(amounts in euros)

	2023	2022
<b>Investments related to Unit-linked contracts</b>	<b>3,577,515,410</b>	<b>2,981,339,956</b>
<b>Debt instruments</b>		
From public debt	146,100	97,840
From other issuers	175,346,061	230,640,466
	<b>175,492,161</b>	<b>230,738,306</b>
<b>Equity instruments</b>	<b>102,516,750</b>	<b>113,607,026</b>
<b>Other financial instruments</b>		
Investment units	793,666,228	778,449,039
	<b>793,666,228</b>	<b>778,449,039</b>

(continuation)

(amounts in euros)

	2023	2022
<b>Credit and other receivables</b>	<b>236,243,421</b>	<b>295,928,605</b>
<b>Derivative instruments with positive fair value</b>		
Interest rate swaps	-	40,030
Currency swaps	341,511	-
Currency futures	19,196,642	66,318,443
Interest rate futures	-	5,693,596
Exchange forwards	4,217,679	8,709,318
Other derivatives	153,293,903	18,953,462
	<b>177,049,735</b>	<b>99,714,849</b>
	<b>5,062,483,705</b>	<b>4,499,777,781</b>

Investments related to Unit-linked contracts correspond to assets managed by the Group's insurers whose risk is borne by the policyholder. Accordingly, the assets are recognised at fair value, and the liability to the insured is recognised in the "Financial liabilities of the deposit component of insurance contracts and on insurance contracts and operations considered for accounting purposes as investment contracts" accounting heading.

As of 31 December 2023 and 2022, the heading includes fixed income securities with embedded derivatives in the amounts of 175,492,161 Euros and 230,640,466 Euros, respectively. These securities are recognised at their fair

value, which is assessed on the basis of the prices indicated by the respective issuing bodies for the whole amount of the instrument, in line with the market conditions in operation at the reference date of the financial statements.

At 31 December 2023 and 2022, the Group recognised net profit on the valuation of these investments in the amount of 1,795,220 Euros and 6,723,049 Euros, respectively.

At 31 December 2023 and 2022, the investments related to Unit-linked contracts were as follows:

(amounts in euros)

	2023	2022
<b>Debt instruments</b>		
From public debt	224,322,053	112,746,421
From other public issuers	96,933,906	4,679,192
From international financial bodies	-	19,427,581
From other issuers	1,231,507,841	992,512,825
From group companies <sup>(1)</sup>	32,808,326	24,301,100
	<b>1,585,572,126</b>	<b>1,153,667,119</b>
<b>Equity instruments</b>	<b>25,897,610</b>	<b>124,998,673</b>
<b>Other financial instruments</b>		
Investment units	1,845,867,110	1,586,754,536

(continuation)

(amounts in euros)

	2023	2022
Others	7,109,247	6,261,757
	<b>1,852,976,357</b>	<b>1,593,016,293</b>
<b>Transactions to be settled</b>	<b>( 2,868,563 )</b>	<b>( 4,612,102 )</b>
<b>Other deposits</b>	<b>377,036</b>	<b>872,055</b>
<b>Derivative instruments with positive fair value</b>		
Interest rate swaps	-	84,812
Interest rate futures	817,500	1,467,530
Exchange forwards	468,608	1,821,190
Other derivatives	114,274,736	110,024,386
	<b>115,560,844</b>	<b>113,397,918</b>
	<b>3,577,515,410</b>	<b>2,981,339,956</b>
<b>Other assets</b>		
Properties	115,769,271	47,043,796
Sight deposits	51,878,079	106,372,674
Term deposits	536,742	1,058,363
Other investments	581,241	-
	<b>168,765,333</b>	<b>154,474,833</b>
	<b>3,746,280,743</b>	<b>3,135,814,789</b>

<sup>(1)</sup> The instruments included in Group companies correspond to securities of companies in the FOSUN.

## 7. DERIVATIVES

The Group performs operations with derivative products as part of its activity, essentially with the aim of reducing its exposure to currency fluctuations and interest rates.

The Group monitors the risks of its derivative activities through procedures for approving transactions, defining exposure limits by product and counterparty, and monitoring the evolution of their results.

At 31 December 2023 and 2022, these operations were valued in line with the criteria in Note 2.6.c). On these dates, the notional amount and the book value had the following breakdown:

(amounts in euros)

	2023							
	Notional Amount			Book Value				
	Derivatives at fair value through profit or loss	Hedge Derivatives	Total	Derivatives at fair value through profit or loss		Hedge Derivatives		Total
Assets <sup>(1)</sup> (Note 6)				Liabilities (Note 22)	Assets	Liabilities		
<b>Fair value hedge</b>								
Currency swaps	842,923,264	-	842,923,264	341,511	( 34,793,570 )	-	-	( 34,452,059 )
Currency futures	1,132,375,000	131,625,000	1,264,000,000	19,196,642	-	3,167,533	-	22,364,175
Interest rate futures	110,200,000	-	110,200,000	817,500	( 2,259,953 )	-	-	( 1,442,453 )
Exchange forwards	382,799,817	-	382,799,817	4,686,287	( 1,625,545 )	-	-	3,060,742
	<b>2,468,298,081</b>	<b>131,625,000</b>	<b>2,599,923,081</b>	<b>25,041,940</b>	<b>( 38,679,068 )</b>	<b>3,167,533</b>	<b>-</b>	<b>( 10,469,595 )</b>
<b>Cash flow hedge</b>								
Interest rate swaps	-	52,750,000	52,750,000			2,139,540	-	2,139,540
Currency swaps	-	274,856,273	274,856,273			-	( 1,288,367 )	( 1,288,367 )
	<b>-</b>	<b>327,606,273</b>	<b>327,606,273</b>	<b>-</b>	<b>-</b>	<b>2,139,540</b>	<b>( 1,288,367 )</b>	<b>851,172</b>

(continuation)

(amounts in euros)

	2023							
	Notional Amount			Derivatives at fair value through profit or loss		Book Value		
	Derivatives at fair value through profit or loss	Hedge Derivatives	Total	Assets <sup>(1)</sup> (Note 6)	Liabilities (Note 22)	Hedge Derivatives		Total
						Assets	Liabilities	
<b>Hedge of a net investment</b>								
Currency futures	-	46,000,000	46,000,000			326,305	-	326,305
Exchange forwards	-	489,078,530	489,078,530			4,992,795	( 235,215 )	4,757,581
	-	<b>535,078,530</b>	<b>535,078,530</b>	-	-	<b>5,319,100</b>	<b>( 235,215 )</b>	<b>5,083,885</b>
<b>Other Derivatives</b>	<b>2,623,428</b>	-	<b>2,623,428</b>	<b>267,568,639</b>	<b>( 265,956,367 )</b>			<b>1,612,272</b>
	<b>2,470,921,509</b>	<b>994,309,803</b>	<b>3,465,231,312</b>	<b>292,610,579</b>	<b>( 304,635,435 )</b>	<b>10,626,173</b>	<b>( 1,523,582 )</b>	<b>( 2,922,265 )</b>

(amounts in euros)

	2022							
	Notional Amount			Derivatives at fair value through profit or loss		Book Value		
	Derivatives at fair value through profit or loss	Hedge Derivatives	Total	Assets <sup>(1)</sup> (Note 6)	Liabilities (Note 22)	Hedge Derivatives		Total
						Assets	Liabilities	
<b>Fair value hedge</b>								
Interest rate swaps	668,155	-	668,155	124,842	-			124,842
Currency swaps	833,807,114	-	833,807,114	-	( 20,401,155 )			( 20,401,155 )
Currency futures	1,706,625,000	-	1,706,625,000	66,318,443	( 1,081,769 )			65,236,674
Interest rate futures	170,100,000	-	170,100,000	7,161,126	( 73,963 )			7,087,163
Exchange forwards	322,186,986	-	322,186,986	10,530,508	( 3,681,183 )			6,849,325
	<b>3,033,387,255</b>	-	<b>3,033,387,255</b>	<b>84,134,919</b>	<b>( 25,238,071 )</b>	-	-	<b>58,896,848</b>

(continuation)

(amounts in euros)

	2022							
	Notional Amount			Book Value				
	Derivatives at fair value through profit or loss	Hedge Derivatives	Total	Derivatives at fair value through profit or loss		Hedge Derivatives		
				Assets <sup>(1)</sup> (Note 6)	Liabilities (Note 22)	Assets	Liabilities	Total
<b>Other Derivatives</b>	-	-	-	<b>128,977,848</b>	<b>( 129,278,235 )</b>			<b>( 300,387 )</b>
Cash flow hedge								
Interest rate swaps	-	80,000,000	80,000,000			4,327,249	-	4,327,249
Currency swaps	-	151,263,799	151,263,799			-	( 4,154,865 )	( 4,154,865 )
	-	<b>231,263,799</b>	<b>231,263,799</b>	-	-	<b>4,327,249</b>	<b>( 4,154,865 )</b>	<b>172,385</b>
<b>Hedge of a net investment</b>								
Currency futures	-	35,250,000	35,250,000			530,104	-	530,104
Exchange forwards	-	571,063,656	571,063,656			13,462,519	( 795,084 )	12,667,434
	-	<b>606,313,656</b>	<b>606,313,656</b>	-	-	<b>13,992,622</b>	<b>( 795,084 )</b>	<b>13,197,538</b>
<b>Other Derivatives</b>	<b>1,369,284</b>	-	<b>1,369,284</b>	<b>128,977,848</b>	<b>( 129,278,235 )</b>			<b>( 300,387 )</b>
	<b>3,034,756,539</b>	<b>837,577,455</b>	<b>3,872,333,994</b>	<b>213,112,767</b>	<b>( 154,516,306 )</b>	<b>18,319,872</b>	<b>( 4,949,949 )</b>	<b>71,966,384</b>

<sup>(1)</sup> The book value of derivatives incorporates the values included in the Unit-linked portfolios.



Interest rate swaps contracted by the Group and classified as derivatives at fair value through profit or loss are mainly intended to cover liabilities with life investment contracts, which, with the exception of Unit-linked contracts, are valued at amortised cost (Note 21).

Interest rate swaps contracted by the Group and classified as hedge derivatives are intended to hedge the interest rate variation risk of the borrowings. The hedged risk is the variable reference rate to which the Group's financing agreements are associated.

The currency swaps contracted by the Group and classified as cash flow hedge derivatives, are intended to hedge the risk of PEN/USD foreign exchange fluctuation referring to dollar debt securities.

To mitigate the risk of exchange fluctuations of financial instruments, EUR/USD and EUR/GBP futures listed on the Chicago Mercantile Exchange (CME) and over-the-counter forwards were contracted, in order to ensure the exchange rate alignment of the currency of the assets with the currency of the liabilities. With regard to strategic long-term positions in bonds denominated in GBP, the Group contracted currency swaps to hedge the foreign exchange risk, in which such hedging includes the payment of coupons throughout the life of the bond and payment of the nominal value in GBP at maturity.

Currency futures contracted by the Company and classified as hedge derivatives correspond to the hedging of equity instruments classified under "Financial Assets at Fair Value through Other Comprehensive Income".

The Company contracts interest rate futures under corporate bond management mandates to hedge interest rate risk on securities denominated in EUR and USD. Additionally, interest rate futures in EUR are contracted to hedge Unit-linked portfolios in order to reduce the duration of these portfolios.

The other derivatives include a put option and a call option on all Fidelidade Moçambique – Companhia de Seguros S.A. shares held by Banco Internacional de Moçambique, S.A. at the date of exercise of the option, deducted from a whole number of shares closer to that representing 9.9% of the share capital of the company in question. The call option may be exercised by Fidelidade in the period from 1 January 2026 to 31 December 2026 and the Put Option may be exercised by Banco Internacional de Moçambique, S.A. in the period from 1 January 2027 to 31 December 2027. This item also includes total return swaps for Unit-linked products. These products are also linked to a financial reinsurance contract whose counterpart is Munich RE.

The Group manages hedge accounting based on its portfolio-by-portfolio exposure. During the years 2023 and 2022, the Group met the criteria necessary for the application of hedge accounting in accordance with the methodology described in Note 2.6 c).

In the year 2023, the following movements in the "Revaluation Reserve" related to fair value hedge accounting of capital instruments were generated classified under "Financial Assets at Fair Value through Other Comprehensive Income":

(amounts in euros)

	<b>2023</b>
Variation in fair value	( 8,964,819 )
Fair value hedge	332,890
	<b>( 8,631,929 )</b>

The figures above include the gains reclassified between the "Revaluation reserve" and "Gains and losses from disposal of equity instruments at fair value through other comprehensive income" headings.

In the years 2023 and 2022, the following movements in the Revaluation Reserve related to hedge accounting for net investments in foreign operational units were generated:

(amounts in euros)

	2023		2022	
	Cash flow fluxos de caixa	Hedge of a net investment	Cash flow fluxos de caixa	Hedge of a net investment
Interest rate swaps	( 2,189,106 )	-	5,687,398	-
Currency swaps	1,007,667	-	2,531,771	-
Currency futures	-	3,122,714	-	1,262,547
Exchange forwards	-	( 18,407,943 )	-	21,236,869
	<b>( 1,181,439 )</b>	<b>( 15,285,229 )</b>	<b>8,219,169</b>	<b>22,499,416</b>

The distribution of the Group's derivative financial instrument operations at 31 December 2023 and 2022, by period to maturity, was as follows:

(amounts in euros)

	2023						Total
	Up to 3 months	From 3 months to 6 months	For 6 months to 1 year	Between 1 and 5 years	More than 5 years	No maturity	
<b>Fair value hedge</b>							
Currency swaps	-	-	552,293,614	290,629,650	-	-	842,923,264
Currency futures	1,248,375,000	6,250,000	9,375,000	-	-	-	1,264,000,000
Interest rate futures	110,200,000	-	-	-	-	-	110,200,000
Exchange forwards	215,854,992	82,266,295	7,819,102	76,859,428	-	-	382,799,817
	<b>1,574,429,992</b>	<b>88,516,295</b>	<b>569,487,716</b>	<b>367,489,078</b>	-	-	<b>2,599,923,081</b>
<b>Cash flow hedge</b>							
Interest rate swaps	-	-	-	52,750,000	-	-	52,750,000
Currency swaps	-	27,034,600	-	55,766,399	192,055,273	-	274,856,273
	-	<b>27,034,600</b>	-	<b>108,516,399</b>	<b>192,055,273</b>	-	<b>327,606,273</b>
<b>Hedge of a net investment</b>							
Currency futures	46,000,000	-	-	-	-	-	46,000,000
Exchange forwards	489,078,530	-	-	-	-	-	489,078,530
	<b>535,078,530</b>	-	-	-	-	-	<b>535,078,530</b>
<b>Other Derivatives</b>						<b>2,623,428</b>	<b>2,623,428</b>
	<b>2,109,508,522</b>	<b>115,550,895</b>	<b>569,487,716</b>	<b>476,005,478</b>	<b>192,055,273</b>	<b>2,623,428</b>	<b>3,465,231,312</b>

(amounts in euros)

	2022						Total
	Up to 3 months	From 3 months to 6 months	For 6 months to 1 year	Between 1 and 5 years	More than 5 years	No maturity	
<b>Fair value hedge</b>							
Interest rate swaps	-	-	668,155	-	-	-	668,155
Currency swaps	-	-	-	833,807,114	-	-	833,807,114
Currency futures	1,206,625,000	500,000,000	-	-	-	-	1,706,625,000
Interest rate futures	121,000,000	49,100,000	-	-	-	-	170,100,000
Exchange forwards	230,448,029	77,168,165	14,570,792	-	-	-	322,186,986
	<b>1,558,073,029</b>	<b>626,268,165</b>	<b>15,238,947</b>	<b>833,807,114</b>	-	-	<b>3,033,387,255</b>
<b>Cash flow hedge</b>							
Interest rate swaps	-	-	-	80,000,000	-	-	80,000,000
Currency swaps	13,188,132	-	1,821,387	59,248,670	77,005,611	-	151,263,799
	<b>13,188,132</b>	-	<b>1,821,387</b>	<b>139,248,670</b>	<b>77,005,611</b>	-	<b>231,263,799</b>
<b>Hedge of a net investment</b>							
Currency futures	35,250,000	-	-	-	-	-	35,250,000
Exchange forwards	285,322,226	285,741,429	-	-	-	-	571,063,656
	<b>320,572,226</b>	<b>285,741,429</b>	-	-	-	-	<b>606,313,656</b>
<b>Other Derivatives</b>							
	<b>1,891,833,388</b>	<b>912,009,594</b>	<b>17,060,334</b>	<b>973,055,783</b>	<b>77,005,611</b>	<b>1,369,284</b>	<b>3,872,333,994</b>

The distribution of the Group's derivative financial operations at 31 December 2023 and 2022, by counterparty type, was as follows:

(amounts in euros)

	2023		2022	
	Notional Amount	Book Value	Notional Amount	Book Value
<b>Interest rate swaps</b>				
Financial Institutions				
Caixa Geral Depósitos Group	-	-	668,155	124,842
Other Institutions	52,750,000	2,139,540	80,000,000	4,327,249
	<b>52,750,000</b>	<b>2,139,540</b>	<b>80,668,155</b>	<b>4,452,091</b>
<b>Currency swaps</b>				
Financial Institutions				
Other Institutions	1,117,779,537	( 35,740,426 )	985,070,913	( 24,556,020 )
	<b>1,117,779,537</b>	<b>( 35,740,426 )</b>	<b>985,070,913</b>	<b>( 24,556,020 )</b>
<b>Currency futures</b>				
On the Chicago				
Mercantile Exchange	1,310,000,000	22,690,480	1,741,875,000	65,766,778
	<b>1,310,000,000</b>	<b>22,690,480</b>	<b>1,741,875,000</b>	<b>65,766,778</b>
<b>Interest Rate Futures</b>				
Financial Institutions				
Other Institutions	110,200,000	( 1,442,453 )	170,100,000	7,087,163
	<b>110,200,000</b>	<b>( 1,442,453 )</b>	<b>170,100,000</b>	<b>7,087,163</b>

(continuation)

(amounts in euros)

	2023		2022	
	Notional Amount	Book Value	Notional Amount	Book Value
<b>Exchange forwards</b>				
Financial Institutions				
Other Institutions	871,878,347	7,818,323	893,250,642	19,516,759
	<b>871,878,347</b>	<b>7,818,323</b>	<b>893,250,642</b>	<b>19,516,759</b>
<b>Other Derivatives</b>				
Financial Institutions				
Munich RE	2,623,428	1,613,258	1,369,284	( 179,366 )
Banco Internacional de Moçambique SA.	-	( 986 )	-	( 121,021 )
	<b>2,623,428</b>	<b>1,612,272</b>	<b>1,369,284</b>	<b>( 300,387 )</b>
	<b>3,465,231,312</b>	<b>( 2,922,265 )</b>	<b>3,872,333,994</b>	<b>71,966,384</b>

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

At 31 December 2023 and 2022, this heading was composed as follows:

(amounts in euros)

	2023						
	Nominal value	Amortised cost	Expected credit loss (Note 40)	Exchange Valuation	Fair value reserve (Note 27)	Interest receivable	Balance Sheet value
<b>Debt instruments</b>							
From public debt	3,869,050,021	2,090,397,410	-	11,625,158	(121,433,083)	32,831,248	2,013,420,733
From other public issuers	293,495,000	291,277,908	-	-	(11,636,202)	1,434,880	281,026,586
From international financial bodies	17,567,000	17,837,844	(361,453)	-	23,055	189,478	17,688,924
From other issuers	10,082,836,680	5,483,133,816	(80,104,573)	56,920,467	(245,332,474)	51,538,226	5,266,155,462
From group companies <sup>(1)</sup>	49,300,000	49,311,487	-	-	(514,017)	1,486,160	50,283,630
	<b>14,312,248,701</b>	<b>7,931,958,465</b>	<b>(80,466,026)</b>	<b>68,545,625</b>	<b>(378,942,721)</b>	<b>87,479,992</b>	<b>7,628,575,335</b>
<b>Equity instruments</b>							
Shares	186,766,286	383,563,652	-	16,931,719	(107,627,110)	-	292,868,261
Others <sup>(2)</sup>	-	35,749,940	-	-	(1,943,518)	521,083	34,327,505
	<b>186,766,286</b>	<b>419,313,592</b>	<b>-</b>	<b>16,931,719</b>	<b>(109,570,628)</b>	<b>521,083</b>	<b>327,195,766</b>
	<b>14,499,014,987</b>	<b>8,351,272,057</b>	<b>(80,466,026)</b>	<b>85,477,344</b>	<b>(488,513,349)</b>	<b>88,001,075</b>	<b>7,955,771,101</b>



(amounts in euros)

	2022						
	Nominal value	Amortised cost	Expected credit loss (Note 40)	Exchange Valuation	Fair value reserve (Note 27)	Interest receivable	Balance Sheet value
<b>Debt instruments</b>							
From public debt	5,736,619,000	2,464,200,926	-	9,870,041	( 240,698,611 )	36,724,834	2,270,097,190
From other public issuers	137,707,500	141,890,036	-	-	( 19,775,355 )	843,014	122,957,695
From international financial bodies	11,567,000	12,069,450	( 862,234 )	-	( 311,587 )	97,550	10,993,179
From other issuers	9,016,026,649	5,570,259,845	( 78,225,867 )	108,556,142	( 526,543,960 )	47,313,696	5,121,359,856
From group companies <sup>(1)</sup>	43,300,000	43,318,576	-	-	( 7,465,877 )	1,020,321	36,873,020
	<b>14,945,220,149</b>	<b>8,231,738,833</b>	<b>( 79,088,101 )</b>	<b>118,426,183</b>	<b>( 794,795,390 )</b>	<b>85,999,415</b>	<b>7,562,280,940</b>
<b>Equity instruments</b>							
Shares	159,005,186	392,200,448	-	27,102,849	( 79,938,751 )	-	339,364,546
Others <sup>(2)</sup>	-	36,859,250	-	-	( 6,466,670 )	536,500	30,929,080
	<b>159,005,186</b>	<b>429,059,698</b>	<b>-</b>	<b>27,102,849</b>	<b>( 86,405,421 )</b>	<b>536,500</b>	<b>370,293,626</b>
	<b>15,104,225,335</b>	<b>8,660,798,531</b>	<b>( 79,088,101 )</b>	<b>145,529,032</b>	<b>( 881,200,811 )</b>	<b>86,535,915</b>	<b>7,932,574,566</b>

<sup>(1)</sup> The instruments included in Group companies correspond to securities of companies in the FOSUN.

<sup>(2)</sup> The others included in equity instruments correspond to perpetual equity instruments.

At 31 December 2023 and 2022, the equity instruments and other instruments under this heading correspond to equity instruments designated at fair value through other comprehensive income, and the Group has recognized income from these investments in the amount of 25,574,664 Euros and 35,369,164 Euros, respectively.

## 9. FINANCIAL ASSETS AT AMORTISED COST

At 31 December 2023 and 2022, this heading was composed as follows:

(amounts in euros)

	2023							
	Nominal value	Amortised cost	Expected credit losses (Note 40)	Exchange Valuation	Interest receivable	Balance Sheet value	Market value <sup>(1)</sup>	Unrecognised potential capital gains or losses
<b>Debt instruments</b>								
From public debt	260,554,976	288,131,365	( 1,230,390 )	110	4,167,723	291,068,808	265,177,845	( 25,890,963 )
From other issuers	288,281	3,090,466	( 696,780 )	-	161,200	2,554,886	2,554,886	-
	<b>260,843,257</b>	<b>291,221,831</b>	<b>( 1,927,170 )</b>	<b>110</b>	<b>4,328,923</b>	<b>293,623,694</b>	<b>267,732,731</b>	<b>( 25,890,963 )</b>
<b>Other Loans</b>								
Deposits in ceding companies	-	944,185	-	( 2,074 )	-	942,111	942,111	-
Loans	-	666,290	( 180,719 )	-	33,977	519,548	519,548	-
Policy loans	-	1,457,221	-	-	237,105	1,694,326	1,694,326	-
	<b>-</b>	<b>3,067,696</b>	<b>( 180,719 )</b>	<b>( 2,074 )</b>	<b>271,082</b>	<b>3,155,985</b>	<b>3,155,985</b>	<b>-</b>

(continuation)

(amounts in euros)

	2023							
	Nominal value	Amortised cost	Expected credit losses (Note 40)	Exchange Valuation	Interest receivable	Balance Sheet value	Market value <sup>(1)</sup>	Unrecognised potential capital gains or losses
<b>Financial investments in</b>								
<b>credit institutions</b>								
Term deposits	-	375,054,694	-	1,483,628	4,278,977	380,817,299	380,817,299	-
Mandatory deposits	-	45,363	-	-	-	45,363	45,363	-
Other deposits	-	48,599,704	-	( 517,098 )	-	48,082,606	48,082,606	-
Repos	-	46,818,419	-	-	12,332	46,830,751	46,830,751	-
	-	<b>470,518,180</b>	-	<b>966,530</b>	<b>4,291,309</b>	<b>475,776,019</b>	<b>475,776,019</b>	-
<b>Others</b>	-	<b>1,987,198</b>	-	-	-	<b>1,987,198</b>	<b>1,987,198</b>	-
	<b>260,843,257</b>	<b>766,794,905</b>	<b>( 2,107,889 )</b>	<b>964,566</b>	<b>8,891,314</b>	<b>774,542,896</b>	<b>748,651,933</b>	<b>( 25,890,963 )</b>

(amounts in euros)

	2022							
	Nominal value	Amortised cost	Expected credit losses (Note 40)	Exchange Valuation	Interest receivable	Balance Sheet value	Market value <sup>(1)</sup>	Unrecognised potential capital gains or losses
<b>Debt instruments</b>								
From public debt	518,887,435	553,712,648	( 1,339,471 )	596,614	5,126,743	558,096,534	518,904,293	( 39,192,241 )
From other issuers	232,547	2,108,978	( 636,989 )	-	131,484	1,603,473	1,603,473	-
	<b>519,119,982</b>	<b>555,821,626</b>	<b>( 1,976,460 )</b>	<b>596,614</b>	<b>5,258,227</b>	<b>559,700,007</b>	<b>520,507,766</b>	<b>( 39,192,241 )</b>
<b>Other Loans</b>								
Deposits in ceding companies	-	961,985	-	3,237	-	965,222	965,222	-
Loans	1,500,000	1,858,149	-	-	21,472	1,879,621	1,879,621	-
Policy loans	-	1,279,747	( 10,597 )	-	223,611	1,492,761	1,492,761	-
	<b>1,500,000</b>	<b>4,099,881</b>	<b>( 10,597 )</b>	<b>3,237</b>	<b>245,083</b>	<b>4,337,604</b>	<b>4,337,604</b>	<b>-</b>
<b>Financial investments in credit institutions</b>								
Term deposits	2	349,120,631	-	2,216,974	5,780,520	357,118,125	357,118,125	-
Mandatory deposits	-	420,277	-	-	-	420,277	420,277	-
Other deposits	-	78,906,411	-	( 1,712,858 )	-	77,193,553	77,193,553	-
Repos	-	1,863,548	-	-	-	1,863,548	1,863,548	-
	<b>2</b>	<b>430,310,867</b>	<b>-</b>	<b>504,116</b>	<b>5,780,520</b>	<b>436,595,503</b>	<b>436,595,503</b>	<b>-</b>
<b>Others</b>	<b>-</b>	<b>20,592</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,592</b>	<b>20,592</b>	<b>-</b>
	<b>520,619,984</b>	<b>990,252,966</b>	<b>( 1,987,057 )</b>	<b>1,103,967</b>	<b>11,283,830</b>	<b>1,000,653,706</b>	<b>961,461,465</b>	<b>( 39,192,241 )</b>

<sup>(1)</sup> Corresponds to the market value calculated in accordance with the methodology described in Note 2.6.

## 10. PROPERTIES FOR OWN USE

In 2023 and 2022, the "Properties for own use" heading saw the following movements:

(amounts in euros)

	Property Rights	Own use Right-of-Use	Total
<b>Balances at 31 December 2021</b>			
Gross amount	620,356,476	90,826,082	711,182,558
Accumulated depreciation and impairment	( 141,796,333 )	( 36,364,710 )	( 178,161,043 )
	<b>478,560,143</b>	<b>54,461,372</b>	<b>533,021,515</b>
Entry/exit of the perimeter	-	1,335,099	1,335,099
Additions			
By acquisitions made in the year	11,066,484	23,079,100	34,145,584
By subsequent expenditure	5,173,932	-	5,173,932
Additions/reversals of Impairment in the year (Note 40)	( 2,524,994 )	-	( 2,524,994 )
Depreciation for the year	( 11,634,226 )	( 16,982,806 )	( 28,617,032 )
Exchange differences	2,219,288	681,444	2,900,732
Transfers	5,048,836	-	5,048,836
Disposals and write-offs (net)	( 60,448,400 )	( 23,562 )	( 60,471,962 )
Other movements	4,434,645	2,475,475	6,910,120

(continuation)

(amounts in euros)

	Property Rights	Own use Right-of-Use	Total
<b>Balances at 31 December 2022</b>			
Gross amount	581,274,338	114,548,213	695,822,550
Accumulated depreciation and impairment	( 149,378,630 )	( 49,522,091 )	( 198,900,720 )
	<b>431,895,708</b>	<b>65,026,122</b>	<b>496,921,830</b>
Additions			
By acquisitions made in the year	21,843,894	64,440,373	86,284,267
By subsequent expenditure	10,519,728	-	10,519,728
Additions/reversals of Impairment in the year (Note 40)	( 3,752,600 )	-	( 3,752,600 )
Depreciation for the year	( 10,587,409 )	( 21,322,687 )	( 31,910,096 )
Exchange differences	( 6,598,312 )	( 587,912 )	( 7,186,223 )
Disposals and write-offs (net)	( 19,411,083 )	( 541,753 )	( 19,952,836 )
Other movements	1,117,713	17,310,964	18,428,676
<b>Balances at 31 December 2023</b>			
Gross amount	577,595,706	186,095,745	763,691,451
Accumulated depreciation and impairment	( 152,568,066 )	( 61,770,638 )	( 214,338,704 )
	<b>425,027,640</b>	<b>124,325,107</b>	<b>549,352,747</b>

In 2022, perimeter entries concern the acquisition of Liechtenstein Life Assurance AG and The Prosperity Company AG.

In 2023 and 2022, if the Group had opted to value the properties for own use of property rights by the fair value model, its balance sheet value would be 586,481,714 Euros and 518,332,999 Euros, respectively.

Properties for own use are valued at cost and subject to impairment tests in line with the option set out in IAS 16, as described in Note 2.8. Own-use buildings are depreciated throughout their useful life.

## 11. INVESTMENT PROPERTIES

In the years 2023 and 2022, the movement occurred under the heading "Investment properties" was as follows:

(amounts in euros)

	Investment Properties		Total
	Property Rights	Right-of-Use	
<b>Balances at 31 December 2021</b>			
Gross amount	2,156,756,564	20,812,552	2,177,569,116
	<b>2,156,756,564</b>	<b>20,812,552</b>	<b>2,177,569,116</b>
Entry/exit of the perimeter	111,551,839	1,553,206	113,105,046
Additions			
By acquisitions made in the year	123,957,837	-	123,957,837
By subsequent expenditure	51,072,982	-	51,072,982
Revaluation			
As a charge to the income statement (Note 39)	47,449,641	-	47,449,641
As a charge to shareholders' equity	44,448	-	44,448
Exchange differences	(13,474,415)	-	(13,474,415)
Transfers	(5,048,835)	-	(5,048,835)
Disposals and write-offs (net)	(54,084,619)	-	(54,084,619)

(continuation)

(amounts in euros)

	Investment Properties		
	Property Rights	Right-of-Use	Total
Other movements	( 270,975 )	6,510,968	6,239,993
<b>Balances at 31 December 2022</b>			
Gross amount	2,417,954,465	28,876,727	2,446,831,192
	<b>2,417,954,465</b>	<b>28,876,727</b>	<b>2,446,831,192</b>
Additions			
By acquisitions made in the year	35,943,661	-	35,943,661
By subsequent expenditure	49,945,086	-	49,945,086
Revaluation			
As a charge to the income statement (Note 39)	( 40,240,970 )	-	( 40,240,970 )
Exchange differences	( 8,957,042 )	-	( 8,957,042 )
Transfers to non-current assets held for sale	( 93,910,318 )	-	( 93,910,318 )
Disposals and write-offs (net)	( 46,526,629 )	-	( 46,526,629 )
Other movements	( 1,025,874 )	313,290	( 712,584 )
<b>Balances at 31 December 2023</b>			
Gross amount	2,313,182,379	29,190,017	2,342,372,395
	<b>2,313,182,379</b>	<b>29,190,017</b>	<b>2,342,372,395</b>



In 2023, disposals and write-offs of Investment Properties, in the amount of 46,526,629 Euros, essentially concern the sale of a set of properties by Fidelidade - Companhia de Seguros, S.A. and Fidelidade - Property Europe, S.A. (21,072,549 Euros and 17,287,680 Euros, respectively). In 2022, disposals and write-offs of Investment Properties, in the amount of 54,084,619 Euros, essentially concern the sale of the property located at Avenida 5 de Outubro and Alcabala Inm Oquendo 1492.

During 2022, the entry item in the perimeter concerns the acquisition of EA ONE Holding, Inc. S.A. in the amount of 113,105,046 Euros.

Investment properties are also valued at fair value, in line with the treatment provided for in IAS 40 and mentioned in Note 2.7 and Note 2.15.

## 12. OTHER TANGIBLE ASSETS

In the years 2023 and 2022, the movement in the heading of other tangible assets was as follows:

(amounts in euros)

	2023												
	Opening balance		Additions	Entry into the consolidation perimeter			Amortisations in the year (Note 31)	Exchange-rate differences	Disposals and write-offs (net)	Others movements	Closing balances		
	Gross amount	Accumulated depreciation and impairment		Gross amount	Accumulated depreciation and impairment	Transfers and Adjustments					Gross amount	Accumulated depreciation and impairment	Net amount
<b>Equipment</b>													
Administrative equipment	29,250,160	(26,568,960)	999,933	15,686	(7,522)	443,679	(1,045,173)	(170,063)	(135,795)	2,057	28,436,877	(25,652,875)	2,784,002
Machinery and tools	11,364,930	(10,522,012)	65,610	-	-	-	(433,068)	(94,941)	(1,324)	-	11,066,949	(10,687,754)	379,195
IT Equipment	35,040,825	(26,929,668)	3,521,713	-	-	499,069	(3,840,544)	(197,409)	(173,849)	-	34,007,181	(26,087,043)	7,920,138
Indoor facilities	32,256,745	(23,088,954)	640,922	-	-	2,987,988	(1,888,988)	(54,703)	(35,109)	-	34,734,601	(23,916,701)	10,817,900
Transport equipment	5,461,876	(2,774,600)	1,319,259	242,893	(127,715)	2,041	(1,053,635)	(380,343)	(27,752)	-	5,506,593	(2,844,569)	2,662,024
Hospital equipment	146,470,363	(135,199,411)	4,209,396	-	-	3,321,132	(6,656,006)	(5,956)	-	-	152,032,819	(139,893,300)	12,139,518
Safety equipment	1,568,728	(1,481,616)	9,041	-	-	-	(32,891)	(2,266)	-	-	952,513	(891,518)	60,995
Other equipment	36,251,266	(19,594,293)	1,008,744	15,991	(8,440)	564,792	(1,983,505)	(98,741)	(46,588)	-	35,562,699	(19,453,474)	16,109,225
Artistic assets	2,116,936	-	58,224	-	-	-	-	(8,826)	(274)	-	2,166,060	-	2,166,060
Other tangible assets	5,632,871	(4,465,309)	432,194	-	-	80,523	(295,700)	-	-	-	6,065,064	(4,680,487)	1,384,577
Tangible assets in progress	19,846,784	-	1,996,810	-	-	(4,547,297)	-	(87,454)	(12,600)	-	17,196,243	-	17,196,243
Advances on tangible assets advances	1,309,807	-	221,130	-	-	-	-	-	-	-	1,530,937	-	1,530,937
	<b>326,571,291</b>	<b>(250,624,824)</b>	<b>14,482,976</b>	<b>274,570</b>	<b>(143,677)</b>	<b>3,351,926</b>	<b>(17,229,509)</b>	<b>(1,100,702)</b>	<b>(433,292)</b>	<b>2,057</b>	<b>329,258,535</b>	<b>(254,107,720)</b>	<b>75,150,816</b>
<b>Leased assets</b>													
<b>Equipment</b>													
Administrative equipment	431,240	(190,191)	-	-	-	-	(65,107)	-	-	-	423,134	(247,191)	175,943
IT Equipment	9,325,705	(6,862,834)	2,033,321	-	-	-	(1,243,263)	(293)	(5,485)	-	11,204,077	(7,956,926)	3,247,151
Transport equipment	13,320,769	(8,886,012)	3,989,495	-	-	-	(3,054,143)	(10,064)	(2,335)	41,943	17,045,297	(11,645,643)	5,399,654
Hospital equipment	108,054,445	(49,539,502)	11,235,928	-	-	-	(15,961,772)	-	-	151,222	119,174,545	(65,234,224)	53,940,321
Other equipment	244,742	(99,806)	-	-	-	-	(30,593)	-	-	-	244,742	(130,399)	114,343
	<b>131,376,901</b>	<b>(65,578,344)</b>	<b>17,258,745</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(20,354,878)</b>	<b>(10,357)</b>	<b>(7,819)</b>	<b>193,164</b>	<b>148,091,796</b>	<b>(85,214,383)</b>	<b>62,877,413</b>
	<b>457,948,191</b>	<b>(316,203,168)</b>	<b>31,741,721</b>	<b>274,570</b>	<b>(143,677)</b>	<b>3,351,926</b>	<b>(37,584,387)</b>	<b>(1,111,059)</b>	<b>(441,111)</b>	<b>195,221</b>	<b>477,350,331</b>	<b>(339,322,102)</b>	<b>138,028,228</b>

	2022														
	Opening balances		Transfer to ANCDVUD		Additions	Entry into the consolidation perimeter		Transfers and adjustments	Amortisation in the year (Nota 31)	Exchange-rate differences	Disposals and write-offs (net)	Others movements	Closing balances		
	Gross amount	Accumulated depreciation and impairment	Gross amount	Accumulated depreciation and impairment		Gross amount	Accumulated depreciation and impairment						Gross amount	Accumulated depreciation and impairment	Net amount
Equipment															
Administrative equipment	28,555,259	(25,834,515)	(631,495)	548,299	709,362	577,618	(425,257)	90,030	(1,070,976)	199,388	(36,512)	-	29,250,160	(26,568,960)	2,681,200
Machinery and tools	11,089,577	(9,749,086)	-	-	232,755	-	-	14,863	(786,340)	42,349	(1,201)	-	11,364,930	(10,522,012)	842,918
IT Equipment	31,860,069	(26,862,691)	(3,369,333)	3,115,939	5,379,953	501,767	(384,536)	1,589,924	(3,982,787)	330,317	(67,465)	-	35,040,825	(26,929,668)	8,111,157
Indoor facilities	35,334,574	(25,169,276)	-	-	892,025	39,376	(20,344)	(9,385)	(1,626,426)	247,919	(520,672)	-	32,256,745	(23,088,954)	9,167,791
Transport equipment	4,411,257	(1,808,827)	(58,981)	58,050	868,868	-	-	76,199	(1,092,895)	292,646	(59,043)	-	5,461,876	(2,774,600)	2,687,276
Hospital equipment	155,338,395	(145,849,170)	(16,198,922)	15,113,414	7,448,690	-	-	1,262,590	(5,849,405)	5,360	-	-	146,470,363	(135,199,411)	11,270,952
Safety equipment	1,561,514	(1,436,550)	-	-	6,312	9,218	(7,939)	(2,215)	(44,492)	1,264	-	-	1,568,728	(1,481,616)	87,112
Other equipment	37,407,929	(21,955,775)	(4,327,661)	4,088,343	3,220,675	-	-	70,253	(1,927,986)	140,082	(58,888)	-	36,251,266	(19,594,293)	16,656,973
Artistic assets	2,105,995	-	-	-	6,659	-	-	-	-	4,281	-	-	2,116,936	-	2,116,936
Other tangible assets	5,376,864	(4,229,523)	-	-	256,007	-	-	30,587	(266,374)	-	-	-	5,632,871	(4,465,309)	1,167,561
Tangible assets in progress	17,743,037	-	-	-	2,209,930	-	-	(114,841)	-	8,658	-	-	19,846,784	-	19,846,784
Advances on tangible assets advances	2,770,843	-	-	-	33,473	-	-	(1,494,508)	-	-	-	-	1,309,807	-	1,309,807
	<b>333,555,314</b>	<b>(262,895,412)</b>	<b>(24,586,391)</b>	<b>22,924,045</b>	<b>21,264,707</b>	<b>1,127,980</b>	<b>(838,077)</b>	<b>1,513,498</b>	<b>(16,647,681)</b>	<b>1,272,265</b>	<b>(743,780)</b>	<b>-</b>	<b>326,571,291</b>	<b>(250,624,824)</b>	<b>75,946,467</b>
<b>Leased assets</b>															
Administrative equipment	244,300	(139,665)	-	-	190,764	-	-	-	(54,349)	-	-	-	431,240	(190,191)	241,050
IT Equipment	6,563,356	(5,703,864)	-	-	2,631,697	-	-	-	(1,065,780)	37,461	-	-	9,325,705	(6,862,834)	2,462,871
Transport equipment	12,336,867	(7,136,686)	-	-	2,303,401	-	-	-	(2,461,255)	9,595	0	(617,165)	13,320,769	(8,886,012)	4,434,757
Hospital equipment	96,217,680	(43,106,001)	-	-	19,416,792	-	-	-	(14,231,023)	-	-	217,496	108,054,445	(49,539,502)	58,514,943
Other equipment	244,742	(69,213)	-	-	-	-	-	-	(30,593)	-	-	-	244,742	(99,806)	144,936
	<b>115,606,946</b>	<b>(56,155,429)</b>	<b>-</b>	<b>-</b>	<b>24,542,654</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17,843,000)</b>	<b>47,056</b>	<b>0</b>	<b>(399,669)</b>	<b>131,376,901</b>	<b>(65,578,344)</b>	<b>65,798,557</b>
	<b>449,162,259</b>	<b>(319,050,842)</b>	<b>(24,586,391)</b>	<b>22,924,045</b>	<b>45,807,361</b>	<b>1,127,980</b>	<b>(838,077)</b>	<b>1,513,498</b>	<b>(34,490,681)</b>	<b>1,319,322</b>	<b>(743,780)</b>	<b>(399,669)</b>	<b>457,948,191</b>	<b>(316,203,168)</b>	<b>141,745,023</b>

In 2023, the perimeter entries relate to the acquisition of Veterinários Sobre Rodas, Lda. In 2022, the perimeter entries relate to the acquisition of Prosperity Solutions AG, Prosperity Brokershome AG, The Prosperity Company AG and Liechtenstein Life Assurance AG.

At 31 December 2023 and 2022, the heading "Tangible assets" includes fully amortised assets, but which are still in use, in the amounts of 247,654,331 Euros and 252,183,605 Euros.

### 13. INVENTORIES

At 31 December 2023 and 2022, the breakdown of this heading was as follows:

(amounts in euros)

	2023	2022
Hospital goods	15,617,930	16,217,148
Goods	894,697	243,997
Products and work in progress	406,004	214,551
Salvage	12,052	35,856
Other inventories	-	11,002
	<b>16,930,683</b>	<b>16,722,554</b>
Impairment of goods (Note 40)	( 707,392 )	( 1,125,726 )
	<b>16,223,291</b>	<b>15,596,828</b>

The heading "Hospital goods" essentially relates to pharmaceuticals and medical consumables used within the scope of the operations of the Luz Saúde Group's medical units.

## 14. GOODWILL

The goodwill recorded by the Group on 31 December 2023 and 2022 was as follows:

(amounts in euros)

	2023			2022		
	Gross amount	Impairment Loss (Note 40)	Net Value	Gross amount	Impairment Loss (Note 40)	Net Value
<b>Goodwill recognised in Goodwill</b>						
Fidelidade Assistência – Companhia de Seguros, S.A.	1,663,226	-	1,663,226	1,663,226	-	1,663,226
Multicare - Seguros de Saúde, S.A.	2,281,095	-	2,281,095	2,281,095	-	2,281,095
Cetra - Centro Técnico de Reparação Automóvel, S.A.	8,665	-	8,665	8,665	-	8,665
Fidelidade Angola - Companhia de Seguros, S.A.	2,198,779	-	2,198,779	2,198,779	-	2,198,779
Garantia - Companhia de Seguros de Cabo Verde, S.A.	342,311	-	342,311	342,311	-	342,311
Luz Saúde, S.A.	359,254,032	-	359,254,032	359,254,032	-	359,254,032
Hospital da Luz Guimarães, S.A.	14,665,075	-	14,665,075	14,665,075	-	14,665,075
S.C.H. - Soc. Clínica Hospitalar S.A.	3,126,025	-	3,126,025	3,126,025	-	3,126,025
C.C.H. - Capital Criativo Care Investments S.A.	8,720,683	-	8,720,683	8,720,683	-	8,720,683
Capital Criativo Capital Health Care Investments II, S.A.	26,683,569	-	26,683,569	26,683,569	-	26,683,569
La Positiva Seguros y Reaseguros S.A.	40,473,247	-	40,473,247	40,838,438	-	40,838,438
Tenax Capital Limited	4,433,235	-	4,433,235	4,433,235	-	4,433,235
Clínica Fisiátrica das Antas, Lda	246,080	-	246,080	246,080	-	246,080
Seguradora Internacional de Moçambique, S.A.	6,403,011	-	6,403,011	6,403,011	-	6,403,011
Veterinários Sobre Rodas, Lda	5,352,727	-	5,352,727	-	-	-
	<b>475,851,759</b>	<b>-</b>	<b>475,851,759</b>	<b>470,864,223</b>	<b>-</b>	<b>470,864,223</b>

(continuation)

(amounts in euros)

	2023			2022		
	Gross amount	Impairment Loss (Note 40)	Net Value	Gross amount	Impairment Loss (Note 40)	Net Value
Negative goodwill recognised in results						
the prosperity company AG	-	-	-	( 42,972,526 )	-	( 42,972,526 )
	-	-	-	( 42,972,526 )	-	( 42,972,526 )
	<b>475,851,759</b>	-	<b>475,851,759</b>	<b>427,891,696</b>	-	<b>427,891,696</b>

In the years 2023 and 2022 this heading presented the following movement:

(amounts in euros)

<b>Goodwill (Net Value) as of 31 December 2021</b>	<b>466,324,069</b>
Goodwill La Positiva Seguros y Reaseguros S.A. - Exchange Valuation	4,137,589
Acquisition of 70% of Seguradora Internacional de Moçambique, S.A. - Adjustment	402,565
<b>Goodwill (Net Value) as of 31 December 2022</b>	<b>470,864,223</b>
Goodwill La Positiva Seguros y Reaseguros S.A. - exchange valuation	( 365,191 )
Purchase of 88% of Veterinários Sobre Rodas, Lda	5,352,727
<b>Goodwill (Net Value) as of 31 December 2023</b>	<b>475,851,759</b>

Goodwill acquired in a business combination represents a payment made by an acquirer in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognised.

The Group conducts impairment tests on the goodwill recognised on the balance sheet at least once a year, in line with the requirements of IAS 36 – “Impairment of assets”. For this purpose, goodwill is allocated to cash flow generating units and its recoverable value is assessed on the basis of future cash flow projections, updated on the basis of discount rates which the Group deems appropriate. Impairment losses associated with goodwill are recognised in the Income Statement for the year and may not be reversed.

The recoverable amount is determined as the asset’s value in use or its fair value less selling costs, whichever is higher.

The impairment tests incorporate current available information, including macro-economic conditions, the situation of financial markets and others. All tests concluded that the recoverable amount of the asset exceeds the respective carrying amount, and therefore, there is no recognition of impairment losses.

Following the acquisition of the new companies during 2023, the Group assessed the fair value of the assets acquired and liabilities assumed in line with IFRS 3 – “Business Combinations”. No significant differences were identified between the accounting values of the assets and liabilities and their fair values. The breakdown of the net assets and goodwill established as part of the transactions taking place in 2023 is as follows:

(amounts in euros)

	2023 Veterinários Sobre Rodas, Lda
<b>Fair Value of Assets and Liabilities</b>	
Assets acquired	555,462
Liabilities acquired	197,150
<b>Total Net Assets</b>	<b>358,312</b>
% Assets held	315,314
<b>Acquisition price</b>	<b>5,668,041</b>
<b>Goodwill</b>	<b>5,352,727</b>

The purchase price comprises the initial price of 1,800,000 Euros and additional payments to be paid in instalments, subject to the fulfilment of objectives defined in the purchase agreement, with a maximum value of 3,868,041 Euros.

The main reasons for the acquisition of Veterinários Sobre Rodas, Lda were (i) the autonomous appeal of the veterinary business, (ii) the relevant synergies with pet insurance and (iii) the reinforcement of the Fidelidade's competitive position in the pet market. The orientation of the customers themselves, better

control of claims, cross-selling of services/products and shared communication efforts are some of the synergies expected from combining the two operations.

## 15. OTHER INTANGIBLE ASSETS

In the years 2023 and 2022, the movement in the heading other intangible assets was as follows:

(amounts in euros)

	2023							Saldos finais		
	Gross amount	Accumulated depreciation and impairment	Additions	Transfers and adjustments	Amortisations in the year	Exchange differences	Disposals and write-offs (net)	Gross amount	Accumulated depreciation and impairment	Net amount
Automatic data processing										
systems (software)	158,585,228	(110,716,898)	6,493,264	8,212,149	(13,593,430)	(123,062)	(161,074)	171,969,169	(123,272,993)	48,696,177
Other Intangible assets	184,853,377	(3,422,525)	370,915	43,840	(4,105,935)	4,073,811	(732,460)	188,772,026	(7,691,003)	181,081,023
Brand 86,708,064	-	-	-	-	(9,347,340)	-	77,360,724	-	77,360,724	
Value of current business	93,007,347	(2,991,464)	-	-	(3,306,735)	13,421,295	-	106,781,826	(6,651,383)	100,130,443
Other assets	5,137,965	(431,061)	370,915	43,840	(799,200)	(144)	(732,460)	4,629,476	(1,039,620)	3,589,856
Intangible assets in progress	50,550,921	-	30,240,929	(5,640,945)	-	(32,917)	(918,883)	74,199,106	-	74,199,106
	<b>393,989,526</b>	<b>(114,139,422)</b>	<b>37,105,108</b>	<b>2,615,045</b>	<b>(17,699,366)</b>	<b>3,917,833</b>	<b>(1,812,418)</b>	<b>434,940,301</b>	<b>(130,963,995)</b>	<b>303,976,306</b>



	2022											
	Opening balances			Additions	Transfers and adjustments	Transfers to ANCDV	Amortisations in the year	Exchange differences	Disposals and write-offs (net)	Closing balances		
	Gross amount	Accumulated depreciation and impairment	Entry into the consolidation perimeter							Gross amount	Accumulated depreciation and impairment	Net amount
Automatic data processing systems (software)	129,687,898	(97,632,434)	6,392,603	7,461,242	12,325,700	(1,283)	(10,116,040)	732,213	(981,568)	158,585,228	(110,716,897)	47,868.330
Other Intangible assets	79,595,994	(363,964)	88,378,679	173,284	4,550,060	-	(2,998,494)	12,095,292	-	184,853,377	(3,422,525)	181,430,852
Brand	79,182,090	-	96,395	-	-	-	-	7,429,580	-	86,708,064	-	86,708,064
Value of current business	-	-	88,282,284	-	-	-	(2,931,886)	4,665,484	-	93,007,347	(2,991,464)	90,015,883
Other assets	413,905	(363,964)	-	173,284	4,550,060	-	(66,609)	228	-	5,137,965	(431,061)	4,706,904
Intangible assets in progress	43,269,906	-	-	22,593,220	(15,865,346)	-	-	697,692	(144,551)	50,550,921	-	50,550.921
	<b>252,553,798</b>	<b>(97,996,398)</b>	<b>94,771,282</b>	<b>30,227,747</b>	<b>1,010,414</b>	<b>(1,283)</b>	<b>(13,114,535)</b>	<b>13,525,197</b>	<b>(1,126,118)</b>	<b>393,989,526</b>	<b>(114,139,422)</b>	<b>279,850,104</b>

At 31 December 2023 and 2022, the values recognised in “Intangible assets in progress” refer to costs incurred with the development of new IT applications (software).

In the years 2023 and 2022, the Group directly recognised in the Income Statement external expenses related to research, development and maintenance of automatic data processing systems, in the amounts of 46,933,120 Euros and 42,159,069 Euros, respectively.

The value of current business is recognised as an intangible asset and is amortised on a straight-line basis by the average duration of the portfolio in force at the date of purchase, which corresponds to 342 months. The average duration of the portfolio was determined on the basis of the expected premium deliveries for the purchased policies. The value of current business corresponds to the estimated current value of the future cash flows of the contracts in force at the acquisition date.

## 16. INSURANCE AND REINSURANCE CONTRACTS

On 31 December of 2023 and 2022, the values of insurance contract assets and insurance contract liabilities are broken down as follows:

(amounts in euros)

Insurance and reinsurance contracts	Life	Non-Life						Total
		Workers compensation and personal accidents	Health	Fire	Motor	Third-party liabilities	Others	
<b>31 December 2023</b>								
<b>Insurance contracts</b>								
Insurance contracts liabilities								
- Insurance contract balances	2,788,786,506	1,484,905,152	137,730,100	383,181,075	649,034,775	223,775,846	51,676,195	5,719,089,649
- Assets for insurance acquisition cash flows						-		
	<b>2,788,786,506</b>	<b>1,484,905,152</b>	<b>137,730,100</b>	<b>383,181,075</b>	<b>649,034,775</b>	<b>223,775,846</b>	<b>51,676,195</b>	<b>5,719,089,649</b>
<b>Reinsurance contracts</b>								
Reinsurance contract assets	110,900,529	41,301,513	5,861,665	331,965,653	39,282,250	145,784,111	49,125,295	724,221,015
Reinsurance contract liabilities	-	-	-	-	-	-	-	-
<b>31 December 2022</b>								
<b>Insurance contracts</b>								
Insurance contracts liabilities								
- Insurance contract balances	2,948,513,783	1,352,288,479	143,457,191	206,023,052	743,597,059	177,324,697	63,576,288	5,634,780,549
- Assets for insurance acquisition cash flows						-		
	<b>2,948,513,783</b>	<b>1,352,288,479</b>	<b>143,457,191</b>	<b>206,023,052</b>	<b>743,597,059</b>	<b>177,324,697</b>	<b>63,576,288</b>	<b>5,634,780,549</b>

(continuation)

(amounts in euros)

Insurance and reinsurance contracts	Non-Life							Total
	Life	Workers compensation and personal accidents	Health	Fire	Motor	Third-party liabilities	Others	
<b>Reinsurance contracts</b>								
Reinsurance contract assets	109,207,461	41,716,640	5,487,623	273,245,714	51,724,276	115,529,775	49,869,424	646,780,913
Reinsurance contract liabilities	-	-	-	-	-	-	-	-

The movement in assets and liabilities of direct insurance and accepted reinsurance contracts, measured using the premium allocation approach, during the financial years 2023 and 2022, was the following:

(amounts in euros)

	2023				
	Liabilities for incurred claims				Total
	Measured under premium allocation approach				
	Remaining coverage	Estimates of present value of future cash flows	Risk adjustments	Subtotal	
<b>Opening balance</b>	<b>452,792,325</b>	<b>2,359,192,475</b>	<b>96,153,487</b>	<b>2,455,345,962</b>	<b>2,908,138,288</b>
Insurance revenue	( 3,210,203,735 )	-	-	-	( 3,210,203,735 )
<b>Insurance service expenses</b>					
Incurred claims and other insurance service expenses	-	2,053,259,304	43,569,377	2,096,828,681	2,096,828,681
Amortisation of insurance acquisition cash flows	597,241,385	-	-	-	597,241,385
Adjustments to liabilities for incurred claims	-	71,254,935	( 37,051,724 )	34,203,211	34,203,211
Others	( 808,922 )	808,922	-	808,922	-
	<b>596,432,464</b>	<b>2,125,323,161</b>	<b>6,517,653</b>	<b>2,131,840,814</b>	<b>2,728,273,278</b>

	2023				
	Liabilities for incurred claims Measured under premium allocation approach				Total
	Remaining coverage	Estimates of present value of future cash flows	Risk adjustments	Subtotal	
<b>Insurance service result, before reinsurance effect</b>	<b>( 2,613,771,271 )</b>	<b>2,125,323,161</b>	<b>6,517,653</b>	<b>2,131,840,814</b>	<b>( 481,930,458 )</b>
Financial component changes in the statement of profit or loss and other comprehensive income	-	136,628,897	4,727,754	141,356,651	141,356,651
Effect of movements in exchange rates	( 2,825,906 )	( 22,911,974 )	( 968,975 )	( 23,880,949 )	( 26,706,856 )
Total changes in the statement of profit or loss and other comprehensive income	( 2,616,597,178 )	2,239,040,083	10,276,432	2,249,316,515	( 367,280,663 )
<b>Cash flows</b>					
Premiums received	3,205,399,124	-	-	-	3,205,399,124
Claims and other insurance service expenses paid, including investment components	-	(1,964,576,559)	-	(1,964,576,559)	(1,964,576,559)
Acquisition costs cash flows	(611,409,348)	-	-	-	(611,409,348)
<b>Total cash flows</b>	<b>2,593,989,776</b>	<b>( 1,964,576,559 )</b>	<b>-</b>	<b>( 1,964,576,559 )</b>	<b>629,413,217</b>
<b>Closing balance</b>	<b>430,184,923</b>	<b>2,633,655,999</b>	<b>106,429,919</b>	<b>2,740,085,919</b>	<b>3,170,270,842</b>

	2022				
	Remaining coverage	Liabilities for incurred claims Measured under premium allocation approach			Total
		Estimates of present value of future cash flows	Risk adjustments	Subtotal	
<b>Opening balance</b>	<b>429,088,936</b>	<b>2,462,233,159</b>	<b>89,022,659</b>	<b>2,551,255,817</b>	<b>2,980,344,754</b>
Insurance revenue	(2,975,401,445)	-	-	-	(2,975,401,445)
<b>Insurance service expenses</b>					
Incurred claims and other insurance service expenses	-	1,834,777,240	35,879,909	1,870,657,150	1,870,657,150
Amortisation of insurance acquisition cash flows	558,974,121	-	-	-	558,974,121
Adjustments to liabilities for incurred claims	-	170,664,476	(22,508,465)	148,156,012	148,156,012
Others	-	-	-	-	-
	<b>558,974,121</b>	<b>2,005,441,716</b>	<b>13,371,445</b>	<b>2,018,813,161</b>	<b>2,577,787,282</b>
<b>Insurance service result, before reinsurance effect</b>	(2,415,026,088)	2,007,542,843	13,371,445	2,020,914,288	(394,111,800)
Financial component changes in the statement of profit or loss and other comprehensive income	-	(328,419,867)	(7,945,302)	(336,365,169)	(336,365,169)
Effect of movements in exchange rates	5,297,533	38,789,563	1,704,686	40,494,249	45,791,782
Total changes in the statement of profit or loss and other comprehensive income	(2,409,728,555)	1,717,912,539	7,130,829	1,725,043,368	(684,685,187)
<b>Cash flows</b>					
Premiums received	3,016,978,106	-	-	-	3,016,978,106
Claims and other insurance service expenses paid, including investment components	-	(1,817,450,861)	-	(1,817,450,861)	(1,817,450,861)
Acquisition costs cash flows	(583,546,161)	-	-	-	(583,546,161)
<b>Total cash flows</b>	<b>2,433,431,944</b>	<b>(1,817,450,861)</b>	<b>-</b>	<b>(1,817,450,861)</b>	<b>615,981,084</b>
<b>Closing balance</b>	<b>452,792,325</b>	<b>2,359,192,475</b>	<b>96,153,487</b>	<b>2,455,345,962</b>	<b>2,908,138,288</b>

The movement in assets and liabilities of ceded reinsurance contracts, measured using the premium allocation approach, during the financial years 2023 and 2022, was the following:

(amounts in euros)

	2023				
	Remaining coverage	Liabilities for incurred claims			Total
		Estimates of present value of future cash flows	Risk adjustment	Subtotal	
<b>Opening balance</b>	<b>225,418,646</b>	<b>395,824,500</b>	<b>25,537,765</b>	<b>421,362,264</b>	<b>646,780,910</b>
Allocation of reinsurance premium paid	( 547,207,708 )	-	-	-	( 547,207,708 )
<b>Amounts recoverable from reinsurers</b>					
Recoveries of incurred claims and other insurance service expenses	-	327,266,327	11,085,072	338,351,400	338,351,400
Adjustments to assets for incurred claims	-	( 23,819,854 )	( 9,410,944 )	( 33,230,798 )	( 33,230,798 )
	-	<b>303,446,474</b>	<b>1,674,128</b>	<b>305,120,602</b>	<b>305,120,602</b>
Effect of changes in non-performance risk of reinsurers	-	2,548,984	-	2,548,984	2,548,984
<b>Net expenses from reinsurance contracts</b>	<b>(547,207,708)</b>	<b>305,995,458</b>	<b>1,674,128</b>	<b>307,669,586</b>	<b>(239,538,122)</b>
Financial component changes in the statement of profit or loss and other comprehensive income	-	19,015,374	1,129,799	20,145,174	20,145,174
Effect of movements in exchange rates	( 5,536,242 )	( 3,508,492 )	( 391,147 )	( 3,899,639 )	( 9,435,881 )
<b>Total changes in the statement of profit or loss and other comprehensive income</b>	<b>( 552,743,950 )</b>	<b>321,502,340</b>	<b>2,412,780</b>	<b>323,915,120</b>	<b>( 228,828,830 )</b>
<b>Cash flows</b>					
Premiums paid	556,627,413	-	-	-	556,627,413
Amounts received	-	(250,358,477)	-	(250,358,477)	(250,358,477)
<b>Total cash flows</b>	<b>556,627,413</b>	<b>( 250,358,477 )</b>	<b>-</b>	<b>( 250,358,477 )</b>	<b>306,268,935</b>
<b>Closing balance</b>	<b>229,302,109</b>	<b>466,968,362</b>	<b>27,950,545</b>	<b>494,918,907</b>	<b>724,221,016</b>

	2022				
	Liabilities for incurred claims				Total
	Remaining coverage	Estimates of present value of future cash flows	Risk adjustment	Subtotal	
<b>Opening balance</b>	<b>183,627,943</b>	<b>363,207,419</b>	<b>22,089,957</b>	<b>385,297,375</b>	<b>568,925,319</b>
Allocation of reinsurance premium paid	( 571,132,446 )	-	-	-	( 571,132,446 )
<b>Amounts recoverable from reinsurers</b>					
Recoveries of incurred claims and other insurance service expenses	-	356,157,690	10,348,094	366,505,784	366,505,784
Adjustments to assets for incurred claims	-	( 37,587,281 )	( 6,955,830 )	( 44,543,112 )	( 44,543,112 )
	-	<b>318,570,408</b>	<b>3,392,264</b>	<b>321,962,672</b>	<b>321,962,672</b>
Effect of changes in non-performance risk of reinsurers	-	1,100,433	-	1,100,433	1,100,433
<b>Net expenses from reinsurance contracts</b>	<b>(571,132,446)</b>	<b>319,670,841</b>	<b>3,392,264</b>	<b>323,063,105</b>	<b>(248,069,341)</b>
Financial component changes in the statement of profit or loss and other comprehensive income	-	(8,423,124)	(571,948)	(8,995,072)	(8,995,072)
Effect of movements in exchange rates	7,827,920	17,071,355	627,492	17,698,847	25,526,767
<b>Total changes in the statement of profit or loss and other comprehensive income</b>	<b>( 563,304,526 )</b>	<b>328,319,072</b>	<b>3,447,808</b>	<b>331,766,880</b>	<b>( 231,537,646 )</b>
<b>Cash flows</b>					
Premiums paid	605,095,229	-	-	-	605,095,229
Amounts received	-	(295,701,991)	-	(295,701,991)	(295,701,991)
<b>Total cash flows</b>	<b>605,095,229</b>	<b>( 295,701,991 )</b>	<b>-</b>	<b>( 295,701,991 )</b>	<b>309,393,237</b>
<b>Closing balance</b>	<b>225,418,646</b>	<b>395,824,500</b>	<b>25,537,765</b>	<b>421,362,264</b>	<b>646,780,910</b>

The movement in the assets and liabilities of direct insurance and accepted reinsurance contracts, measured using the general model, during 2023 and 2022 was as follows:

(amounts in euros)

	2023						
	Remaining coverage			Incurred claims			Total
	Excluding loss component	Loss component	Subtotal	Estimates of present value of future cash flows	Risk adjustment	Subtotal	
<b>Opening balance</b>	<b>2,69,857,561</b>	<b>4,609,396</b>	<b>2,664,466,957</b>	<b>57,033,643</b>	<b>5,141,659</b>	<b>62,175,302</b>	<b>2,726,642,259</b>
Changes in the statement of profit or loss and other comprehensive income							
Insurance revenue	218,399,731	-	218,399,731	-	-	-	218,399,731
Insurance service expenses							
Incurred claims and other insurance service expenses	-	-	-	166,960,238	4,318,075	171,278,313	171,278,313
Amortisation of insurance acquisition cash flows	( 17,806,081 )	-	( 17,806,081 )	-	-	-	( 17,806,081 )
Losses and reversals of losses on onerous contracts	-	13,500,817	13,500,817	-	-	-	13,500,817
Adjustments to liabilities for incurred claims	-	-	-	12,513,308	( 3,032,974 )	9,480,334	9,480,334
Other expenses	22,715,985	-	22,715,985	-	-	-	22,715,985
	<b>4,909,904</b>	<b>13,500,817</b>	<b>18,410,720</b>	<b>179,473,546</b>	<b>1,285,101</b>	<b>180,758,647</b>	<b>199,169,367</b>



(continuation)

(amounts in euros)

	2023						
	Remaining coverage			Incurred claims			Total
	Excluding loss component	Loss component	Subtotal	Estimates of present value of future cash flows	Risk adjustment	Subtotal	
Investment components and premium refunds	( 241,398,219 )	-	( 241,398,219 )	241,398,219	-	241,398,219	
<b>Insurance service result, before reinsurance effect</b>	<b>( 454,888,046 )</b>	<b>13,500,817</b>	<b>( 441,387,230 )</b>	<b>420,871,766</b>	<b>1,285,101</b>	<b>422,156,866</b>	<b>( 19,230,364 )</b>
Net finance expenses from insurance contracts	64,051,487	-	64,051,487	236,838	13,947	250,785	64,302,272
Other changes in other comprehensive income	100,236,688	-	100,236,688	1,004,679	91,093	1,095,771	101,332,459
Effect of movements in exchange rates	( 8,274,935 )	( 150,327 )	( 8,425,262 )	( 55,887 )	( 3,163 )	( 59,050 )	( 8,484,313 )
<b>Total changes in the statement of profit or loss and other comprehensive income</b>	<b>( 298,874,807 )</b>	<b>13,350,489</b>	<b>( 285,524,317 )</b>	<b>422,057,395</b>	<b>1,386,977</b>	<b>423,444,372</b>	<b>137,920,054</b>
Cash flows							
Premiums received	111,322,630	-	111,322,630	-	-	-	111,322,630
Claims and other insurance service expenses paid, including investment components	-	-	-	( 407,668,407 )	-	( 407,668,407 )	( 407,668,407 )
Acquisition costs cash flows	( 19,397,730 )	-	( 19,397,730 )	-	-	-	( 19,397,730 )
<b>Total cash flows</b>	<b>91,924,900</b>	<b>-</b>	<b>91,924,900</b>	<b>( 407,668,407 )</b>	<b>-</b>	<b>( 407,668,407 )</b>	<b>( 315,743,506 )</b>
<b>Closing balance</b>	<b>2,452,907,654</b>	<b>17,959,885</b>	<b>2,470,867,539</b>	<b>71,422,632</b>	<b>6,528,636</b>	<b>77,951,268</b>	<b>2,548,818,807</b>

(amounts in euros)

	2022						
	Remaining coverage			Incurred claims			Total
	Excluding loss component	Loss component	Subtotal	Estimates of present value of future cash flows	Risk adjustment	Subtotal	
<b>Opening balance</b>	<b>3,072,074,048</b>	<b>16,034</b>	<b>3,072,090,083</b>	<b>64,787,015</b>	<b>5,419,767</b>	<b>70,206,782</b>	<b>3,142,296,865</b>
Changes in the statement of profit or loss and other comprehensive income							
Insurance revenue	210,991,306	-	210,991,306	-	-	-	210,991,306
Insurance service expenses							
Incurred claims and other insurance service expenses	-	-	-	138,017,616	424,362	138,441,978	138,441,978
Amortisation of insurance acquisition cash flows	(3,071,999)	-	(3,071,999)	-	-	-	(3,071,999)
Losses and reversals of losses on onerous contracts	-	4,605,519	4,605,519	-	-	-	4,605,519
Adjustments to liabilities for incurred claims	-	-	-	28,970,862	(634,486)	28,336,375	28,336,375
Other expenses	10,891,775	-	10,891,775	-	-	-	10,891,775
	<b>7,819,776</b>	<b>4,605,519</b>	<b>12,425,296</b>	<b>166,988,478</b>	<b>(210,124)</b>	<b>166,778,354</b>	<b>179,203,649</b>

(continuation)

(amounts in euros)

	2022						
	Remaining coverage			Incurred claims			
	Excluding loss component	Loss component	Subtotal	Estimates of present value of future cash flows	Risk adjustment	Subtotal	Total
Investment components and premium refunds	( 232,542,132 )	-	( 232,542,132 )	232,542,132	-	232,542,132	-
<b>Insurance service result, before reinsurance effect</b>	<b>( 435,713,662 )</b>	<b>4,605,519</b>	<b>( 431,108,143 )</b>	<b>399,530,610</b>	<b>( 210,124 )</b>	<b>399,320,486</b>	<b>( 31,787,656 )</b>
Net finance expenses from insurance contracts	40,931,488	-	40,931,488	5,896	( 6,060 )	( 164 )	40,931,324
Other changes in other comprehensive income	( 239,210,314 )	-	( 239,210,314 )	( 992,270 )	( 90,204 )	( 1,082,474 )	( 240,292,788 )
Effect of movements in exchange rates	98,874,807	( 12,158 )	98,862,649	506,070	28,280	534,350	99,396,999
<b>Total changes in the statement of profit or loss and other comprehensive income</b>	<b>( 535,117,680 )</b>	<b>4,593,361</b>	<b>( 530,524,319 )</b>	<b>399,050,307</b>	<b>( 278,108 )</b>	<b>398,772,198</b>	<b>( 131,752,121 )</b>
Cash flows							
Premiums received	139,118,820	-	139,118,820	-	-	-	139,118,820
Claims and other insurance service expenses paid, including investment components	-	-	-	( 406,803,678 )	-	( 406,803,678 )	( 406,803,678 )
Acquisition costs cash flows	( 16,217,628 )	-	( 16,217,628 )	-	-	-	( 16,217,628 )
<b>Total cash flows</b>	<b>122,901,193</b>	<b>-</b>	<b>122,901,193</b>	<b>( 406,803,678 )</b>	<b>-</b>	<b>( 406,803,678 )</b>	<b>( 283,902,485 )</b>
<b>Closing balance</b>	<b>2,659,857,561</b>	<b>4,609,396</b>	<b>2,664,466,957</b>	<b>57,033,644</b>	<b>5,141,659</b>	<b>62,175,303</b>	<b>2,726,642,259</b>

Analysis by insurance component - Contracts not measured using the premium allocation approach

(amounts in euros)

	2023			
	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
<b>Opening balance</b>	<b>2,222,909,637</b>	<b>61,632,995</b>	<b>442,099,627</b>	<b>2,726,642,259</b>
Changes in the statement of profit or loss and other comprehensive income				
Changes that relate to current services				
CSM recognised for services received	-	-	( 70,992,195 )	( 70,992,195 )
Change in risk adjustment for non-financial risk for risk expired	-	( 1,120,327 )	-	( 1,120,327 )
Experience adjustments	29,901,004	-	-	29,901,004
	<b>29,901,004</b>	<b>( 1,120,327 )</b>	<b>( 70,992,195 )</b>	<b>( 42,211,518 )</b>
Changes that relate to remaining coverage				
Contracts initially recognised in the year	( 37,110,952 )	4,825,973	38,387,355	6,102,376
Changes in estimates that adjust the CSM	( 10,450,315 )	( 3,180,857 )	13,631,173	1
Changes in estimates that do not adjust the CSM	7,276,677	121,765	-	7,398,442
	<b>( 40,284,591 )</b>	<b>1,766,881</b>	<b>52,018,528</b>	<b>13,500,818</b>
Changes that relate to incurred claims				
Adjustments to assets for incurred claims	12,513,309	( 2,946,560 )	-	9,566,749
	<b>12,513,309</b>	<b>( 2,946,560 )</b>	<b>-</b>	<b>9,566,749</b>

(continuation)

(amounts in euros)

	2023			
	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
<b>Insurance service result</b>	<b>2,129,723</b>	<b>( 2,300,006 )</b>	<b>( 18,973,667 )</b>	<b>( 19,143,950 )</b>
Net finance expenses from insurance contracts	56,356,705	1,259,739	6,685,827	64,302,271
Effect of movements in exchange rates	( 6,950,141 )	( 334,938 )	( 1,199,234 )	( 8,484,313 )
Other changes in other comprehensive income	95,080,650	6,251,808	-	101,332,458
<b>Total changes in the statement of profit or loss and other comprehensive income</b>	<b>146,616,937</b>	<b>4,876,604</b>	<b>( 13,487,074 )</b>	<b>138,006,467</b>
Cash flows				
Premiums received	111,322,631	-	-	111,322,631
Claims and other insurance service expenses paid, including investment components	( 19,397,730 )	-	-	( 19,397,730 )
Acquisition costs cash flows	( 407,668,403 )	-	-	( 407,668,403 )
<b>Total cash flows</b>	<b>( 315,743,502 )</b>	<b>-</b>	<b>-</b>	<b>( 315,743,502 )</b>
<b>Closing balance</b>	<b>2,053,783,072</b>	<b>66,509,599</b>	<b>428,612,553</b>	<b>2,548,905,224</b>

(amounts in euros)

	2022			Total
	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	
<b>Opening balance</b>	<b>2,553,881,141</b>	<b>71,191,848</b>	<b>517,223,876</b>	<b>3,142,296,866</b>
Changes in the statement of profit or loss and other comprehensive income				
Changes that relate to current services				
CSM recognised for services received	-	-	(67,498,739)	(67,498,739)
Change in risk adjustment for non-financial risk for risk expired	-	(5,073,950)	-	(5,073,950)
Experience adjustments	7,843,138	-	-	7,843,138
	<b>7,843,138</b>	<b>(5,073,950)</b>	<b>(67,498,739)</b>	<b>(64,729,551)</b>
Changes that relate to remaining coverage				
Contracts initially recognised in the year	(23,531,576)	5,305,998	27,105,335	8,879,758
Changes in estimates that adjust the CSM	55,605,756	(4,177,110)	(51,428,645)	-
Changes in estimates that do not adjust the CSM	(4,345,366)	71,128	-	(4,274,238)
	<b>27,728,813</b>	<b>1,200,016</b>	<b>(24,323,310)</b>	<b>4,605,519</b>
Changes that relate to incurred claims				
Adjustments to assets for incurred claims	29,921,679	(581,820)	-	29,339,859
	<b>29,921,679</b>	<b>(581,820)</b>	<b>-</b>	<b>29,339,859</b>

(continuation)

(amounts in euros)

	2022			
	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
<b>Insurance service result</b>	<b>65,493,631</b>	<b>( 4,455,754 )</b>	<b>( 91,822,048 )</b>	<b>( 30,784,172 )</b>
Net finance expenses from insurance contracts	34,925,490	1,330,249	4,675,585	40,931,323
Effect of movements in exchange rates	82,313,466	5,061,319	12,022,213	99,396,999
Other changes in other comprehensive income	( 228,850,787 )	( 11,441,999 )	-	( 240,292,787 )
<b>Total changes in the statement of profit or loss and other comprehensive income</b>	<b>( 46,118,200 )</b>	<b>( 9,506,186 )</b>	<b>( 75,124,250 )</b>	<b>( 130,748,636 )</b>
Cash flows				
Premiums received	139,118,821	-	-	139,118,821
Claims and other insurance service expenses paid, including investment components	( 16,217,629 )	-	-	( 16,217,629 )
Acquisition costs cash flows	( 406,803,677 )	-	-	( 406,803,677 )
<b>Total cash flows</b>	<b>( 283,902,485 )</b>	<b>-</b>	<b>-</b>	<b>( 283,902,485 )</b>
<b>Closing balance</b>	<b>2,223,860,456</b>	<b>61,685,663</b>	<b>442,099,626</b>	<b>2,727,645,745</b>

Analysis of the effect of contracts initially recognized in the year:

(amounts in euros)

	Profitable contracts	Onerous contracts	Total
<b>31 December 2023</b>			
Claims and other insurance service expenses payable	84,799,382	15,804,067	100,603,448
Insurance acquisition cash flows	8,452,282	619,793	9,072,075
Estimates of present value of cash outflows	93,251,663	16,423,860	109,675,524
Estimates of present value of cash inflows	( 135,874,039 )	( 10,912,437 )	( 146,786,476 )
Risk adjustment for non-financial risk	4,235,022	590,952	4,825,973
CSM	38,387,354	-	38,387,354
<b>Losses initially recognized</b>	<b>-</b>	<b>6,102,375</b>	<b>6,102,375</b>
<b>31 December 2022</b>			
Claims and other insurance service expenses payable	89,335,656	17,890,515	107,226,171
Insurance acquisition cash flows	13,633,029	844,535	14,477,564
Estimates of present value of cash outflows	102,968,685	18,735,049	121,703,735
Estimates of present value of cash inflows	( 134,689,285 )	( 10,546,025 )	( 145,235,311 )
Risk adjustment for non-financial risk	4,615,264	690,734	5,305,998
CSM	27,105,336	-	27,105,336
<b>Losses initially recognized</b>	<b>-</b>	<b>8,879,758</b>	<b>8,879,758</b>



Analysis of the composition of the Contractual Service Margin (CSM) as of 31 December, 2023:

(amounts in euros)

	1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
<b>31 December 2023</b>							
Insurance with profit sharing	42,735,168	32,132,562	14,862,456	14,137,181	11,551,219	84,807,268	200,225,854
Other life insurance	15,038,450	7,996,973	7,161,889	5,996,731	4,177,029	188,015,628	228,386,700
	<b>57,773,618</b>	<b>40,129,535</b>	<b>22,024,345</b>	<b>20,133,913</b>	<b>15,728,248</b>	<b>272,822,896</b>	<b>428,612,554</b>
<b>31 December 2022</b>							
Insurance with profit sharing	38,976,833	42,560,444	31,374,494	11,461,327	11,254,999	86,580,075	222,208,173
Other life insurance	11,611,835	6,664,101	5,999,176	5,203,085	3,152,485	187,260,773	219,891,454
	<b>50,588,668</b>	<b>49,224,545</b>	<b>37,373,670</b>	<b>16,664,412</b>	<b>14,407,484</b>	<b>273,840,848</b>	<b>442,099,627</b>

## 17. OTHER DEBTORS FOR INSURANCE OPERATIONS AND OTHER OPERATIONS

At 31 December 2023 and 2022, the breakdown of this heading was as follows:

(amounts in euros)

	2023	2022
<b>Accounts receivable for direct insurance operations</b>		
Premiums pending collection	39,895,317	56,383,661
Brokers	65,896,999	68,953,593
Co-insurers	13,699,172	9,874,952
Workers' compensation fund	2,797,351	2,070,478
Instituto de Financiamento de Agricultura e Pescas I.P. (IFAP)	2,466,681	413,761
Others	461,633	755,767
	<b>125,217,153</b>	<b>138,452,211</b>
(Adjustments to premiums pending collection - Note 40)	( 14,378,390 )	( 12,307,759 )
(IFAP Adjustments - Note 40)	( 584,864 )	( 247,225 )
(Adjustments for doubtful debts - Note 40)	( 3,492,832 )	( 3,762,108 )
	<b>( 18,456,085 )</b>	<b>( 16,317,092 )</b>
	<b>106,761,068</b>	<b>122,135,119</b>

(continuation)

(amounts in euros)

	2023	2022
<b>Accounts receivable for other reinsurance operations</b>		
Reinsurers' current accounts	101,354,553	129,599,415
Reinsureds' current accounts	6,402,157	5,602,374
	<b>107,756,711</b>	<b>135,201,789</b>
(Adjustments for doubtful debts – Note 40)	( 10,452,822 )	( 10,731,606 )
	<b>97,303,889</b>	<b>124,470,183</b>
<b>Accounts receivable for other operations</b>		
Fees from investment contracts	260,696,193	180,463,044
Financial reinsurance	7,375,894	18,029,489
Aggregate tax	23,101,059	80,039,592
Clients – current accounts	94,489,614	76,859,577
Transactions to be settled	3,610,009	-
Advance to suppliers	23,895,217	18,131,753
Internal adjustment accounts	15,226,167	10,814,035
Rental properties	7,978,694	6,245,798
Debtors – item held under custody	2,165,835	2,533,745
Personnel	901,722	403,057

(continuation)

(amounts in euros)

	2023	2022
Others	24,150,864	67,937,057
	<b>463,591,266</b>	<b>461,457,146</b>
(Adjustments for doubtful debts - Note 40)	( 32,027,213 )	( 31,209,419 )
	<b>431,564,053</b>	<b>430,247,727</b>
	<b>635,629,010</b>	<b>676,853,029</b>

In 2023 and 2022, the amount under the heading "Clients - current accounts" includes the amounts of 87,959,051 Euros and 70,220,194 Euros, respectively, corresponding to the hospital sector.

The balances receivable from IFAP correspond essentially to bonuses and compensation for excess claims related to harvest insurance campaigns in 2023.

At 31 December 2023 and 2022, the balance of the heading "Aggregate tax" corresponds to the amount of tax receivable by Longrun resulting from the application of the Special Taxation Regime for Corporate Groups (STRCG).

The heading "Transactions to be settled" records transactions related to the sale of properties carried out in the last days of December, whose financial settlement takes place in the following year.

## 18. TAX ASSETS AND LIABILITIES

The balances for tax assets and liabilities at 31 December 2023 and 2022 were as follows:

(amounts in euros)

	2023	2022
<b>Current tax assets</b>		
Income tax recover	19,583,903	-
Others	307,385	71,512
	<b>19,891,288</b>	<b>71,512</b>
<b>Current tax liabilities</b>		
Income tax payable	-	(2,585,605)
Others		
Stamp duty	(9,432,438)	(5,394,413)
Value-added tax	(17,953,111)	(7,895,642)
Motor insurance guarantee fund tax	(2,608,173)	(2,322,498)
Workers' compensation fund tax	(4,799,494)	(4,559,925)
National civil protection authority tax	(2,441,331)	(2,563,548)
Insurance and pension funds supervisory authority tax	(2,909,943)	(2,751,046)

(continuation)

(amounts in euros)

	2023	2022
National institute of medical emergency tax	( 3,907,113 )	( 3,356,168 )
Social Security	( 8,144,630 )	( 7,008,570 )
Withholdings	( 6,159,286 )	( 7,131,400 )
Others	( 5,013,549 )	( 5,048,293 )
	<b>( 63,369,069 )</b>	<b>( 50,617,109 )</b>
<b>Deferred tax assets</b>	<b>475,567,507</b>	<b>559,959,668</b>
<b>Deferred tax liabilities</b>	<b>( 269,158,959 )</b>	<b>( 288,111,514 )</b>
	<b>206,408,548</b>	<b>271,848,154</b>
	<b>162,930,768</b>	<b>128,048,359</b>

At 31 December 2023 and 2022, the balances relating to current tax assets and liabilities on income for the year, break down as follows:

(amounts in euros)

	2023	2022
Income tax estimate recognised as a charge to the Income Statement	( 18,130,872 )	( 55,772,053 )
Income tax estimate recognised as a charge to other comprehensive income	( 22,025,540 )	26,675,942
Withholding tax	1,999,430	2,908,115
Payments on account	22,579,622	83,723,801
Income tax on branches	( 244,451 )	( 186,994 )
Tax liabilities	( 27,352,507 )	( 21,989,959 )
Income tax from previous years	56,422,566	25,072,860
Others	26,480,465	12,540,447
	<b>39,728,713</b>	<b>72,972,159</b>

At 31 December 2023 and 2022, the heading “Income tax estimate recognised as a charge to the Income Statement” corresponds to the amount of the estimate of CIT.

In 2023 and 2022, income tax recorded against other comprehensive income results from the variation of the fair value reserve of financial assets at fair value through other comprehensive income allocated to life insurance products

with profit sharing, from the variation of actuarial deviations related to post-employment benefits granted to employees, as well as from the realised capital gains and losses on variable income securities with fair value variation by other comprehensive income.

Movement under the deferred taxes heading during the years 2023 and 2022 was as follows:

(amounts in euros)

	2023				Closing balances
	Opening balances	Change in		Others	
		Equity	Income statement		
<b>Assets</b>					
Valuation of financial assets at fair value through other comprehensive income	184,910,990	( 68,398,267 )	-	639	116,513,362
Financial assets at fair value through profit or loss	22,732,184	-	( 7,326,784 )	1,657,741	17,063,141
Expected credit losses	-	292,156	( 292,156 )	-	-
Properties					
Own use	13,275,243	( 1,309,644 )	( 3,629,636 )	19,363	8,355,326
Investment Properties	11,180,927	( 637,739 )	( 2,602,871 )	( 4,512 )	7,935,805
Provisions and impairment temporarily not accepted for tax purposes	105,902,486	( 249,837 )	5,468,783	( 1,721,047 )	109,400,385
Employee benefits	8,430,791	-	362,973	( 5,597 )	8,788,167
Tax losses carried forward	17,685,075	-	1,430,139	( 1,464,821 )	17,650,393
Time value of money	636,199	1,165,096	-	-	1,801,295
Transitional Regime - Insurance Contracts (IFRS9/IFRS17)	157,455,244	-	( 15,433,481 )	506,335	142,528,098
Others	37,750,529	585,202	14,548,366	( 7,352,563 )	45,531,534
	<b>559,959,668</b>	<b>( 68,553,033 )</b>	<b>( 7,474,667 )</b>	<b>( 8,364,462 )</b>	<b>475,567,507</b>



(continuation)

(amounts in euros)

	2023				Closing balances
	Opening balances	Change in		Others	
		Equity	Income statement		
<b>Liabilities</b>					
Valuation of financial assets at fair value through other comprehensive income	( 5,426,492 )	( 5,977,542 )	-	-	( 11,404,034 )
Financial assets at fair value through profit or loss	( 12,884,456 )	-	4,462,908	( 51,530 )	( 8,473,078 )
Properties					
Own use	( 10,006,451 )	55,396	( 998,077 )	39,528	( 10,909,604 )
Investment Properties	( 47,731,628 )	( 2,599 )	( 17,868,117 )	810,174	( 64,792,170 )
Time value of money	( 149,366,397 )	41,939,409	-	-	( 107,426,988 )
Transitional Regime - Insurance Contracts (IFRS9/IFRS17)	( 1,741,882 )	-	( 2,206,764 )	-	( 3,948,646 )
Others	( 60,954,208 )	459,712	214,122	( 1,924,064 )	( 62,204,438 )
	<b>( 288,111,514 )</b>	<b>36,474,376</b>	<b>( 16,395,928 )</b>	<b>( 1,125,892 )</b>	<b>( 269,158,958 )</b>
	<b>271,848,154</b>	<b>( 32,078,656 )</b>	<b>( 23,870,595 )</b>	<b>( 9,490,354 )</b>	<b>206,408,548</b>

(amounts in euros)

	Opening balances	Entry perimeter	2022 Change in		Others	Closing balances
			Equity	Incomes statement		
<b>Assets</b>						
Valuation of financial assets at fair value						
through other comprehensive income	20,522,712	-	171,970,735	-	(7,582,457)	184,910,990
Financial assets at fair value through profit or loss	33,834,419	-	-	(9,058,583)	(2,043,652)	22,732,184
Expected credit losses	-	-	6,020,916	(6,020,916)	-	-
Properties						
Own use	9,073,035	-	5,241,713	(481,323)	(558,182)	13,275,243
Investment Properties	21,391,975	-	(228,272)	(10,067,346)	84,570	11,180,927
Provisions and impairment temporarily not accepted for tax purposes	103,567,221	-	(2,197,250)	9,064,487	(4,531,972)	105,902,486
Employee benefits	7,883,920	-	-	680,773	(133,902)	8,430,791
Tax losses carried forward	10,638,914	-	-	10,218,736	(3,172,575)	17,685,075
Time value of money	494,866		141,333			636,199
Transitional Regime - Insurance Contracts (IFRS9/IFRS17)	137,631,308		-	19,823,936	-	157,455,244
Others	17,276,521	12,554,870	466,193	7,752,895	(299,950)	37,750,529
	<b>362,314,891</b>	<b>12,554,870</b>	<b>181,415,368</b>	<b>21,912,659</b>	<b>(18,238,120)</b>	<b>559,959,668</b>

(continuation)

(amounts in euros)

	Opening balances	Entry perimeter	2022 Change in		Others	Closing balances
			Equity	Incomes statement		
<b>Liabilities</b>						
Valuation of financial assets at fair value						
through other comprehensive income	( 36,908,516 )	-	31,482,024	-	-	( 5,426,492 )
Financial assets at fair value through profit or loss	( 31,860,215 )	-	-	18,975,759	-	( 12,884,456 )
Properties						
Own use	( 7,549,385 )	-	( 2,911,585 )	1,894,083	( 1,439,564 )	( 10,006,451 )
Investment Properties	( 15,642,785 )	( 5,522,710 )	320,589	( 26,412,794 )	( 473,928 )	( 47,731,628 )
Time value of money	( 1,221,906 )	-	( 148,144,491 )	-	-	( 149,366,397 )
Transitional Regime - Insurance Contracts (IFRS9/IFRS17)	2,075,093	-	-	( 3,816,975 )	-	( 1,741,882 )
Others	( 28,463,238 )	( 23,114,658 )	-	( 6,141,732 )	( 3,234,580 )	( 60,954,208 )
	<b>( 119,570,952 )</b>	<b>( 28,637,368 )</b>	<b>( 119,253,463 )</b>	<b>( 15,501,659 )</b>	<b>( 5,148,072 )</b>	<b>( 288,111,514 )</b>
	<b>242,743,939</b>	<b>( 16,082,498 )</b>	<b>62,161,905</b>	<b>6,411,000</b>	<b>( 23,386,192 )</b>	<b>271,848,154</b>

For the 2023 fiscal year, deferred taxes are measured based on the tax rate that is expected to be applied when the deferred assets or liabilities are realized or settled.

## 19. ACCRUALS AND DEFERRALS (ASSETS)

At 31 December 2023 and 2022, the breakdown of this heading was as follows:

(amounts in euros)

	2023	2022
<b>Accrued income</b>		
Services provided and not billed by Luz Saúde	23,357,881	35,563,831
Luz Saúde suppliers' volume discount	8,788,103	8,700,000
Estimate of profit commissions	5,000,000	4,260,391
Others	7,262,821	6,513,339
<b>Deferred expenses</b>		
Software licences	11,262,141	7,524,985
Maintenance and repairs	3,318,837	5,494,194
Advertising	1,549,434	1,368,417
Insurance	1,525,156	1,385,686
Rents and leases	836,107	970,739
Portuguese Insurers Association subscriptions	375,207	379,058
Specialist work	140,803	721,168
Fees on the issue of financial products	-	357,232
Others	42,064,494	21,028,487
	<b>105,480,984</b>	<b>94,267,527</b>

The item "Deferred expenses – Others" includes 3,454,945 Euros related to the partnership project between Luz Saúde, S.A. and the Catholic University of Portugal.

## 20. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

At 31 December 2023 and 2022, the non-current held for sale assets, liabilities, and gains and losses headings were composed as follows:

(amounts in euros)

	2023	2022
<b>Non-current assets held for sale</b>		
Properties for own use	7,956,531	7,956,531
Investment properties	93,910,318	-
Tangible assets	-	6,876,274
Other assets	17,732,081	24,450,240
	<b>119,598,930</b>	<b>39,283,044</b>
<b>Liabilities of a group for sale classified as held for sale</b>		
Deferred tax liabilities	357,329	-
Other liabilities	9,717,189	15,824,973
	<b>10,074,518</b>	<b>15,824,973</b>

	2023	2022
<b>Gains or losses on non-current assets classified as held for sale</b>		
<b>Gains</b>		
Realised gains	297,110	-
	<b>297,110</b>	<b>-</b>
<b>Loss</b>		
Other costs	( 279,940 )	( 1,441,931 )
	<b>( 279,940 )</b>	<b>( 1,441,931 )</b>
	<b>17,170</b>	<b>( 1,441,931 )</b>

At December 31, 2023, the group classified the following operations as assets held for sale and discontinued operations:

- Discontinuation of operations in the public segment, due to the termination of the management contract for the Beatriz Ângelo Hospital;
- Process of selling the real estate project called Tivoli Porto;
- Process of selling the real estate project called Logistics Portfolio in Japan.

## 21. FINANCIAL LIABILITIES OF THE DEPOSIT COMPONENT OF INSURANCE CONTRACTS AND ON INSURANCE CONTRACTS AND OPERATIONS CONSIDERED FOR ACCOUNTING PURPOSES AS INVESTMENT CONTRACTS

Information on movements in this account heading for 2023 and 2022 is set out below:

(amounts in euros)

	2023					
	Opening balance	Emissions	Reimbursements	Income and expenditure	Portfolio recomposition	Closing balance
<b>Valued at fair value</b>						
Unit-linked contracts						
Unit-linked individual capitalisation	2,769,698,191	587,589,485	( 217,860,876 )	186,599,039	( 682,225 )	3,325,343,614
Unit-linked group capitalisation	1,779,608	407,874	( 447,232 )	( 622,267 )	-	1,117,983
Unit-linked PPR	364,336,990	58,410,213	( 29,797,057 )	28,371,833	( 1,502,834 )	419,819,145
	<b>3,135,814,789</b>	<b>646,407,572</b>	<b>( 248,105,164 )</b>	<b>214,348,605</b>	<b>( 2,185,058 )</b>	<b>3,746,280,743</b>
<b>Valued at amortised cost</b>						
Other investment contracts						
Life individual PPR fixed rate	3,764,776,850	161,716,641	( 1,364,753,775 )	61,415,317	1,550,747	2,624,705,779
Life individual fixed rate	1,722,173,824	888,052,431	( 496,319,874 )	35,185,381	7,329,073	2,156,420,834
Life group fixed rate	883,223	38,378	-	31,616	-	953,217
Capitalisation Op. Individual Fixed Rate	4,437,874	-	( 1,463 )	( 4,434,892 )	-	1,518
	<b>5,492,271,771</b>	<b>1,049,807,449</b>	<b>( 1,861,075,113 )</b>	<b>92,197,422</b>	<b>8,879,819</b>	<b>4,782,081,349</b>
	<b>8,628,086,559</b>	<b>1,696,215,021</b>	<b>( 2,109,180,277 )</b>	<b>306,546,027</b>	<b>6,694,761</b>	<b>8,528,362,091</b>

(amounts in euros)

	2022						
	Opening balance	Entries in the consolidation perimeter	Emissions	Reimbursements	Income and expenditure	Portfolio recomposition	Closing balance
<b>Valued at fair value</b>							
Unit-linked contracts							
Unit-linked individual capitalisation	1,447,057,443	617,559,480	1,206,171,340	( 182,251,341 )	( 318,237,006 )	( 601,726 )	2,769,698,191
Unit-linked group capitalisation	721,245	-	1,058,363	-	-	-	1,779,608
Unit-linked PPR	312,491,275	-	98,980,283	( 20,051,238 )	( 25,723,881 )	( 1,359,449 )	364,336,990
	<b>1,760,269,963</b>	<b>617,559,480</b>	<b>1,306,209,986</b>	<b>( 202,302,579 )</b>	<b>( 343,960,887 )</b>	<b>( 1,961,176 )</b>	<b>3,135,814,789</b>
<b>Valued at amortised cost</b>							
Other investment contracts							
Life individual PPR fixed rate	4,471,685,759	-	177,396,711	( 895,141,239 )	9,409,976	1,425,643	3,764,776,850
Life individual fixed rate	2,057,495,529	-	388,672,441	( 729,052,570 )	4,456,409	602,016	1,722,173,824
Life group fixed rate	816,882	-	37,080	-	29,261	-	883,223
Capitalisation Op. Individual Fixed Rate	4,435,555	-	-	( 994 )	3,313	-	4,437,874
	<b>6,534,433,725</b>	<b>-</b>	<b>566,106,232</b>	<b>( 1,624,194,804 )</b>	<b>13,898,959</b>	<b>2,027,659</b>	<b>5,492,271,771</b>
	<b>8,294,703,688</b>	<b>617,559,480</b>	<b>1,872,316,218</b>	<b>( 1,826,497,382 )</b>	<b>( 330,061,928 )</b>	<b>66,483</b>	<b>8,628,086,559</b>

"Other investment contracts" corresponds, for the most part, to liabilities with contracts which guarantee the insured person a fixed yield throughout the whole of the contract, and these are recognised at amortised cost.

In 2022 the entries into the perimeter concern the acquisition of the company Liechtenstein Life Assurance AG.



## 22. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS AND OTHER FINANCIAL LIABILITIES

At 31 December 2023 and 2022, these headings were composed as follows:

(amounts in euros)

	2023	2022
<b>Financial liabilities at fair value through profit or loss</b>		
Fair value hedge (Note 7)	38,679,068	25,238,071
Other derivatives (Note 7)	265,956,367	129,278,235
	<b>304,635,435</b>	<b>154,516,306</b>
<b>Financial liabilities of the put option</b>	-	-
<b>Other financial liabilities</b>		
Hedge Derivatives		
Cash flow hedge (Note 7)	1,288,368	4,154,865
Hedge of a net investment (Note 7)	235,215	795,084
	<b>1,523,582</b>	<b>4,949,949</b>
Subordinate liabilities	503,325,647	502,164,558
Deposits received from reinsurers		
Life	2,222,085	1,773,745
Non-Life	55,328,991	52,828,960
	<b>57,551,076</b>	<b>54,602,705</b>

	2023	2022
Loans	423,291,245	487,519,635
Leases	203,034,874	148,661,036
	<b>1,188,726,424</b>	<b>1,197,897,883</b>
	<b>1,493,361,859</b>	<b>1,352,414,189</b>

The heading "Other derivatives" includes a put option and a call option on uncontrolled shares of Fidelidade Moçambique - Companhia de Seguros S.A..

The heading "Loans" as of 31 December 2023 includes loans obtained on which interest is charged at an average annual rate of 0.75%, with a maximum maturity of approximately 12 years, and a Commercial Paper issuance programme, subscribed by the Group in 2014, subject to an average annual rate of 1.97% and with a maximum maturity of approximately 7 years.

In October 2022, the Takeover Bid (OPA) took place, culminating in the acquisition of 42.93% of La Positiva Seguros Y Reaseguros S.A. by FID Peru S.A. in the amount of 103,123,066 Euros. Given this operation, the amount of the put option that was accounted for under the item "Financial liability of the put option" was cancelled, presenting a zero balance as of 31 December 2022.

The movements occurred in finance liabilities during the year 2023 were as follows:

(amounts in euros)

<b>Balance at 31 December 2022</b>	<b>148,661,036</b>
<b>Increase for the year</b>	<b>104,854,067</b>
Additions	96,917,963
Interest	7,936,104
<b>Decrease for the year</b>	<b>(50,480,229)</b>
Payments	(49,613,669)
Others	(866,560)
<b>Balance at 31 December 2023</b>	<b>203,034,874</b>

In the year ended 31 December 2023, lease liabilities have the following maturities:

(amounts in euros)

	Up to 1 year	1 to 2 years	3 to 5 years	Over 5 years	Total
Leases	36,518,252	29,128,811	44,221,058	93,166,753	203,034,874
	<b>36,518,252</b>	<b>29,128,811</b>	<b>44,221,058</b>	<b>93,166,753</b>	<b>203,034,874</b>

The amounts recorded during the year were recognised in accordance with the principles defined in IFRS 16 - "Leases", which are described in Note 2.9.

## 23. OTHER CREDITORS FOR INSURANCE OPERATIONS AND OTHER OPERATIONS

At 31 December 2023 and 2022, the breakdown of this heading was as follows:

(amounts in euros)

	2023	2022
<b>Accounts payable for direct insurance operations</b>		
Brokers	93,663,501	78,290,083
Policyholders	49,736,718	50,895,340
Co-Insurers	8,802,219	7,256,576
	<b>152,202,438</b>	<b>136,441,999</b>
<b>Accounts payable for other reinsurance operations</b>		
Reinsurers' current accounts	293,487,103	328,356,065
Reinsureds' current accounts	3,964,278	4,095,223
	<b>297,451,381</b>	<b>332,451,288</b>
<b>Accounts payable for other operations</b>		
Prepaid premiums received	32,084,166	29,769,202
Financial reinsurance	182,826,166	154,766,630
Suppliers current account	110,292,335	90,448,851
Guarantees - Tenants	637,365	310,459
Internal adjustment accounts	8,839,000	8,701,355

(continuation)

(amounts in euros)

	2023	2022
Advances from clients	7,129,222	8,533,374
Aggregate tax	3,700,403	4,481,827
Over-the-counter transactions	-	6,769,938
Personnel	1,252,016	1,581,819
Pension funds	589,616	652,299
Associated companies	599,708	591,558
Miscellaneous creditors	33,518,540	40,106,385
	<b>381,468,538</b>	<b>346,713,697</b>
	<b>831,122,357</b>	<b>815,606,984</b>

The heading "Internal adjustment accounts" records several transactions carried out in the last days of December, whose financial settlement occurred in the first days of the following month.

The heading "Transactions to be settled" records several transactions carried out in the last days of December, whose financial settlement occurred in the first days of the following month.

## 24. ACCRUALS AND DEFERRALS (LIABILITIES)

At 31 December 2023 and 2022, the breakdown of this heading was as follows:

(amounts in euros)

	2023	2022
<b>Deferred income</b>		
Rents and leases	12,271,076	11,233,562
Others	6,585,975	4,858,986
	<b>18,857,051</b>	<b>16,092,548</b>
<b>Accrued expenses</b>		
Commissions payable	80,171,204	71,679,147
Holidays and allowances payable	49,212,564	45,098,471
Medical/nursing fees	38,319,148	35,942,725
Company performance awards	16,486,900	16,791,477
Variable remuneration, including charges	15,251,883	13,889,307
Invoices under review	6,382,637	7,707,829
Optional career benefits	6,150,201	5,406,878
Deferred payments - Marketing	4,917,129	7,889,671
Outsourcing (except accounting and computing)	4,688,870	3,861,689
Specialist work	3,625,899	1,948,281

(continuation)

(amounts in euros)

	2023	2022
Health services	2,308,629	1,975,031
Interest payable	2,081,117	1,723,109
Insurance	1,859,017	5,697,462
Other employee costs	1,424,058	1,483,719
Audit	1,236,545	1,871,780
Municipal property tax	780,826	983,974
Provision for acquisition costs	637,907	708,031
Advertising	367,730	1,670,611
Electricity	298,218	394,996
Others	36,957,447	35,256,752
	<b>273,157,928</b>	<b>261,980,940</b>
	<b>292,014,979</b>	<b>278,073,488</b>

The heading "Commissions payable" includes:

- Estimation of over commissions, in the amounts of 43,719,712 Euros and 35,999,518 Euros, for the years 2023 and 2022, respectively;
- Estimated commissions payable to Caixa Geral de Depósitos, S.A. (CGD), in the amounts of 27,984,331 Euros and 26,242,212 Euros, for the years 2023 and 2022, respectively.



## 25. OTHER PROVISIONS AND CONTINGENT LIABILITIES

The movement in the item "Other provisions", during the years 2023 and 2022 was as follows:

(amounts in euros)

	2023							Closing balances
	Opening balances	Entries in the consolidation perimeter	Reinforcements	Replacements and cancellations	Uses	Others	Actuarial deviations by equity	
Provisions for taxes	30,652,918	-	7,125,235	( 240,245 )	( 41,502 )	-	-	37,496,406
Provisions for employee benefits expenses (Note 33)								
Health benefits	18,329,897	-	-	( 225,277 )	-	-	( 793,133 )	17,311,487
Pension costs	7,025	-	-	( 4,317 )	-	-	-	2,709
Provision for restructuring	2,668,327	-	2,757,778	( 2,668,327 )	-	-	-	2,757,778
Provision for judicial contingencies	10,534,580	-	1,873,018	( 4,171,382 )	-	786,994	-	9,023,210
Others	6,854,961	-	-	( 2,926,174 )	( 436,571 )	-	-	3,492,216
	<b>69,047,709</b>	<b>-</b>	<b>11,756,031</b>	<b>( 10,235,722 )</b>	<b>( 478,073 )</b>	<b>786,994</b>	<b>( 793,133 )</b>	<b>70,083,806</b>

	2022							Closing balances
	Opening balances	Entries in the consolidation perimeter	Reinforcements	Replacements and cancellations	Uses	Others	Actuarial deviations by equity	
Provisions for taxes	23,835,164	-	8,000,042	(2,880,734)	-	1,698,446	-	30,652,918
Provisions for employee benefits expenses (Note 33)								
Health benefits	25,903,684	-	-	(598,391)	-	-	(6,975,396)	18,329,897
Pension costs	33,936	-	-	(26,911)	-	-	-	7,025
Provision for restructuring	10,141,774	-	-	(7,473,446)	-	-	-	2,668,327
Provision for judicial contingencies	15,620,668	145,429	-	(5,690,282)	-	458,764	-	10,534,580
Others	31,271,925	4,301,078	-	(4,579,819)	(19,440,447)	(4,697,776)	-	6,854,961
	<b>106,807,152</b>	<b>4,446,507</b>	<b>8,000,042</b>	<b>(21,249,582)</b>	<b>(19,440,447)</b>	<b>(2,540,565)</b>	<b>(6,975,396)</b>	<b>69,047,709</b>

The Group set up a provision related to the employee restructuring and rejuvenation programme which consists of hiring new qualified employees and a negotiated exit solution for a group of employees prior to retirement age.

The other amounts recognised in the heading "Others" are intended to cover other contingencies resulting from the Group's activity.

In 2023 and 2022, the "Other Provisions" headings include the use of 2,027,715 Euros and of 11,114,203 Euros, respectively, which are recorded under the heading "Impairment Losses (net of reversals)".

The column "Others" refers to the liability associated with the Corporate Bodies' Long-Term Benefit Agreement in the amount of 4,697,776 Euros, which was reclassified from the heading "Other provisions - Others" to the heading "Liability for Employee Benefits", in January 2022.

The heading "Provisions for the cost of employee benefit – Health benefits" is intended to cover the liabilities assumed by the Group in relation to health benefits attributed to its employees. The heading "Provisions for the cost of employee benefit – Pension costs" is intended to cover the liabilities assumed by the Group arising from the retirement supplement attributed to some of its employees and which is not covered by the pension fund constituted by the Group to cover the liabilities with post-employment benefits of the defined benefit pension plan (Note 32).

In July 2022, the Competition Authority (AdC) sentenced the "Associação Portuguesa de Hospitalização Privada" (APHP - Portuguese Association of Private Hospitals) and some of its associates, including Luz Saúde, S.A., for alleged concerted practice, restricting competition, in the contracting of hospital-based health services by the public health subsystem "Instituto de Proteção e Assistência na Doença, I.P.". (ADSE - Institute for Protection and Assistance in Disease, I.P.) The AdC concluded that the aforementioned APHP associates coordinated with each other the strategy and the negotiating position to be adopted within the scope of relations with the ADSE, through and with the joint participation of the APHP, between 2014 and 2019. The sanction decision resulted in a total fine of 190,995,000 Euros, of which Luz Saúde, S.A. received a fine in the amount of 66,209,000 Euros. The Management of Luz Saúde, S.A. deems that it did not commit any infringement of competition law, therefore, with the support of its Legal and Compliance Department and respective external legal advisers, it filed an appeal against the aforementioned decision. In this regard, the Management of Luz Saúde, S.A. believes that the AdC's decision will eventually be reversed, given that the negotiation process with the ADSE, at issue in the AdC's final decision, only reflected the methodology adopted for said negotiations which, at the request of the ADSE itself, was agreed between the latter and the

"Associação Portuguesa de Hospitalização Privada" (APHP), in representation of its members, and never questioning the guiding principles and rules of competition law. In a scenario, albeit unexpected, in which the appeal filed by Luz Saúde, S.A. does not have the expected outcome, the upholding of the sentence by the AdC may negatively affect the Issuer in the amount disclosed above, or in another amount that may be determined by the Court, following the appeal filed by Luz Saúde, S.A..

## **26. CAPITAL AND OTHER EQUITY INSTRUMENTS**

The share capital in the amount of 509,263,524 Euros consists of 161.7 million shares with the nominal unit value of 3.15 Euros and is fully paid up.

Other equity instruments are supplementary contributions. According to the legislation in force, the refund depends on the resolution of the shareholders, which can only be approved if, as a result of it, the Group's net situation does not become lower than the sum of the share capital and the legal reserve.

In the financial year 2015, 13,300 own shares were acquired, in compliance with the provisions of heading 9 of the agenda of the General Meeting of 31 March 2015, at a unit price of 11.20 Euros, totalling 148,960 Euros. This acquisition was completed on 22 December 2015.

In May 2018, there was a capital increase of 76,230,000 Euros with an Issue Premium of 67,276,000 Euros.

In September 2020, there was a capital increase of 38,912,643 Euros by new contributions in kind, with subscription reserved for the holders of shares in the companies Multicare and Fidelidade Assistência.

In October 2020, there was an increase by new contributions in cash, in the remaining amount of 12,970,881 Euros. The capital was increased with an Issue Premium of 63,042,599 Euros.

The shareholder structure at 31 December 2023 and 2022 was as follows:

(amounts in euros)

Shareholders	2023		2022	
	Number of Shares	% Share	Number of Shares	% Share
Longrun Portugal, SGPS, S.A.	137,402,839	84.9892%	137,402,839	84.9892%
Caixa Geral de Depósitos, S.A.	24,250,644	15.0000%	24,250,644	15.0000%
Employees and former employees of Fidelidade - Companhia de Seguros, S.A.	4,177	0.0026%	4,177	0.0026%
Own shares	13,300	0.0082%	13,300	0.0082%
	<b>161,670,960</b>	<b>100%</b>	<b>161,670,960</b>	<b>100%</b>

Since 15 May 2014, with the acquisition of 80% of Fidelidade's share capital by Longrun, the Fidelidade Group became part of the Fosun Group.

The income per share at 31 December 2023 and 2022 was as follows:

(amounts in euros)

	2023	2022
Net income for the year	235,595,368	222,613,918
Number of shares (at end of year)	161,670,960	161,670,960
Income per share (in Euros)	1.46	1.38

In the 2023 financial year, Fidelidade distributed reserves and retained earnings to its shareholders in the amount of 219,207,787 Euros.

## 27. RESERVES, RETAINED EARNINGS AND INCOME FOR THE YEAR

At 31 December 2023 and 2022, reserves and retained earnings were composed as follows:

(amounts in euros)

	2023	2022
Revaluation reserves		
Fair value adjustments		
Debt instruments at fair value through other comprehensive income (Note 8)	(360,247,275)	(743,009,439)
Equity instruments at fair value through other comprehensive income (Note 8)	(109,570,773)	(86,838,852)
For revaluation of properties for own use	444,364	1,021,944
Adjustments at fair value of hedging instruments in cash flow hedging	(412,571)	1,191,259
Adjustments at fair value of hedging instruments for net investments in foreign currency	15,364,745	30,649,973
Adjustments at fair value of fair value hedging instruments	1,350,007	-
Exchange differences	(17,307,017)	(49,187,840)
Provision for expected credit losses on debt instruments valued at fair value through other comprehensive income (Note 8) (Note 40)	15,308,937	9,790,843
	<b>(455,069,583)</b>	<b>(836,382,112)</b>
Reserve for the financial component of insurance contracts	368,033,780	536,362,833
Reserve for the financial component of reinsurance contracts	(8,571,011)	(15,288,845)
	<b>359,462,769</b>	<b>521,073,988</b>

(continuation)

(amounts in euros)

	2023	2022
Deferred tax reserve		
Debt instruments at fair value through other comprehensive income	85,182,420	172,199,873
Equity instruments at fair value through other comprehensive income	23,230,150	10,216,544
Properties for own use	1,486,005	5,495,698
Adjustments at fair value of hedging instruments in cash flow hedging	64,907	(394,170)
Adjustments at fair value of hedging instruments for net investments in foreign currency	(3,226,992)	(6,732,623)
Adjustments at fair value of fair value hedging instruments	(425,252)	-
Exchange differences	4,896,233	4,324,899
Provision for expected credit losses on debt instruments at fair value through other comprehensive income	(1,501,851)	(1,867,732)
Reserve of the financial component	(109,762,633)	(145,313,627)
Actuarial gains and losses		
Retirement pensions	26,653,389	25,188,056
Health benefits	-	1,688,397
Tax (paid)/deducted from potential capital gains or losses on assets	(2,167,765)	15,522,026
	<b>24,428,611</b>	<b>80,327,341</b>

(continuation)

(amounts in euros)

	2023	2022
Profit or loss from the sale of equity instruments at fair value through other comprehensive income	(4,799,661)	(801,983)
Other reserves		
Equity method reserves	(2,282,340)	(1,817,129)
Legal reserve	314,851,335	294,002,702
Issue premiums	382,666,154	382,666,154
Actuarial gains and losses		
Retirement pensions	(35,512,000)	(35,415,559)
Health benefits	(4,566,858)	(5,359,990)
Other reserves	1,237,889,473	1,213,359,850
	<b>1,893,045,764</b>	<b>1,847,436,028</b>
Retained earnings	166,327,157	247,058,050
Income for the year	180,333,059	175,750,835
	<b>2,163,728,116</b>	<b>2,034,462,147</b>

In accordance with the legislation in force, at least 10% of net profits for each year, in the case of insurance companies, or 5% in the case of other companies, must be transferred to the legal reserve, until it totals the amount of share capital or up to 20% of the capital, respectively. The legal reserve may not be distributed, but may be used to increase the share capital or to offset accumulated losses.



The assessment of consolidated profit for the years 2023 and 2022 was determined as follows:

(amounts in euros)

	2023	2022
<b>Contribution to consolidated net income</b>		
<b>Insurance</b>		
Fidelidade - Companhia de Seguros, S.A.	83,588,918	68,100,384
Via Directa - Companhia de Seguros, S.A.	2,056,081	( 1,089,516 )
Fidelidade Assistência - Companhia de Seguros, S.A.	4,523,354	4,568,596
Companhia Portuguesa de Resseguros, S.A.	624,957	835,805
Multicare - Seguros de Saúde, S.A.	12,233,700	21,811,282
Fidelidade Angola - Companhia de Seguros, S.A.	558,925	5,559,923
Fidelidade Macau - Companhia de Seguros, S.A.	4,257,285	1,042,830
Fidelidade Macau Vida - Companhia de Seguros, S.A.	2,027,707	( 341,166 )
Garantia - Companhia de Seguros de Cabo Verde, S.A.	2,387,963	2,500,945
Positiva Seguros Y Reaseguros S.A.A.	4,605,000	( 2,894,210 )
La Positiva Vida Seguros Y Reaseguros S.A.	68,389,480	41,911,888
Alianza Vida Seguros y Reaseguros S.A.	5,958,617	3,100,001
Alianza Compañía de Seguros y Reaseguros E.M.A. S.A.	6,609,784	5,474,936
Alianza Garantía Seguros Y Reaseguros S.A.	1,340,964	877,732
La Positiva S.A. - Entidad Prestadora de Salud	256,585	763,819
FID Chile Seguros Generales, S.A.	( 1,110,653 )	( 4,535,912 )

(continuation)

(amounts in euros)

	2023	2022
Seguradora Internacional Moçambique, S.A.	10,073,095	8,458,723
Liechtenstein Life Assurance AG	28,558,711	11,570,150
<b>Real Estate</b>		
Fidelidade - Property Europe, S.A.	( 8,830,298 )	( 10,409,727 )
Fidelidade - Property International, S.A.	2,634,931	( 860,203 )
Fundo de Investimento Imobiliário Fechado IMOFID	9,988,182	14,428,828
FPI (UK) 1 LIMITED	( 859,436 )	9,591,816
FPE (Lux) Holding S.à r.l.	10,634,295	4,821,307
Thomas More Square (Lux) Holdings S.à r.l.	7,403,226	10,573,678
Thomas More Square (Lux) S.à r.l.	( 53,510,640 )	( 35,837,954 )
FPE (IT) Società per Azioni	33,787,201	51,630,734
Fondo Broggi - Fondo di investimento Alternativo Immobiliare di Tipo Chiuso Riservato	34,061,909	35,102,270
Broggi Retail S.R.L	( 29,223 )	( 25,281 )
FPE (BE) Holding	7,356,710	( 11,779,366 )
IBERFID - Open Real Estate Investment Fund	( 797,188 )	4,140,779
FPE (HU) Kft.	( 4,108,722 )	2,232,252
FPE (UK) 1 LIMITED	15,704,230	2,745,512
FPE (Lux) 1	( 111,577 )	( 244,344 )
FPE (PT), SGPS, S.A.	( 321,560 )	( 45,571 )
FPE (PT) OFFICE A, S.A.	3,953,947	2,970,005

(continuation)

(amounts in euros)

	2023	2022
FPE (PT) 2 OFFICE B, S.A.	4,629,826	3,369,247
FPE (PT) 3 RESIDENTIAL, S.A.	459,051	( 665,883 )
FPE (PT) 4 RET, S.A.	1,878,143	1,127,028
FPE (PT) 5 PARK, S.A.	2,360,236	1,410,978
GK Lisbon	219,357	131,942
TMK Lisbon	2,893,049	5,528,741
EA One Holding, Inc	( 1,961,533 )	( 3,294,741 )
Florestas de Portugal – Fundo Especial de Investimento Imobiliário Fechado	4,238	-
<b>Health</b>		
Luz Saúde, S.A.(a)	31,212,491	25,075,036
Clínica Fisiátrica das Antas, Unipessoal, Lda.	68,608	2,787
Multi Health, S.A.	( 44,999 )	( 5,814 )
La Positiva Servicios de Salud S.A.C.	( 87,819 )	-
<b>Insurance holding companies</b>		
FID Latam, SGPS, S.A.	( 46,313 )	( 110,512 )
FID Peru, S.A.	2,259,990	15,579,379
Fid Chile SpA	( 60,086 )	( 7,939 )
the prosperity company AG	626,743	601,887
<b>Other sectors</b>		
GEP - Gestão de Peritagens Automóveis, S.A.	755,579	513,285

(continuation)

(amounts in euros)

	2023	2022
E.A.P.S. - Empresa de Análise, Prevenção e Segurança, S.A.	( 47,563 )	132,142
Cetra - Centro Técnico de Reparação Automóvel, S.A.	2,480,032	( 117,587 )
Fidelidade - Serviços de Assistência, S.A.	( 790,401 )	( 757,673 )
CARES - Assistência e Reparações, S.A.	14,512	166,859
Fidelidade - Assistência e Serviços, Lda.	35,041	19,615
FCM Beteiligungs GmbH	-	( 18,833 )
FID III (HK) LIMITED	-	29,843
Fidelidade - Sociedade Gestora de Organismos de Investimento Coletivo, S.A.	507,499	195,246
FID Loans 1 (Ireland) Limited	27,417,949	( 9,964,483 )
Audatex Portugal - Peritagens Informatizadas Derivadas de Acidentes, S.A. (b)	359,382	325,765
Serfun Portugal, SGPS, S.A.(b)	( 14,456 )	( 19,308 )
Universal - Assistência e Serviços, Lda.	769,110	56,146
GEP Cabo Verde Gestão de Peritagens, Lda	23,498	13,809
Fid Chile & MT JV SpA	31,054	51,645
Alianza SAFI, S.A.	231,042	170,462
Full Assistance S.R.L.	24,417	154,414
Worldwide Security Corporation S.A.	513,199	( 314,540 )
FID I&D, S.A.	( 41,870 )	( 624,910 )
FPE (PT), S.A.	( 191,208 )	170,556

(continuation)

(amounts in euros)

	2023	2022
Tenax Capital Limited	3,352,142	2,935,698
Cetra - Car Remarketing, S.A.	( 6,093 )	16,946
prosperity solutions AG (formerly prosperity brokershome AG)	( 759,285 )	( 2,640 )
prosperity solutions AG	-	104,790
prosperity solutions GmbH	150,413	61,214
prosperity cashtech AG	194,041	33,545
prosperity funds SICAV	232,384	831,169
prosperity brokershome GmbH	-	( 57,694 )
Fid Real Assets SGPS, S.A.	( 570,602 )	( 22,462 )
Fid Real Assets Spain	( 2,916 )	13,185
LLA Office Anstalt	( 46,135 )	-
Elimination of dividends	( 66,611,528 )	( 47,193,860 )
<b>Other consolidation adjustments</b>		
Elimination of subsidiaries valuation	( 33,706,939 )	( 52,663,185 )
Non-controlling interests (Note 28)	( 55,262,309 )	( 46,863,083 )
Cancellation of losses due to reversal net impairment	9,159,169	42,583,762

(continuation)

(amounts in euros)

	2023	2022
Consolidated gains from acquisitions of subsidiaries	1,565,979	26,144,709
Hedge accounting	3,010,663	( 17,263,628 )
Put Option valuation (Note 22)	-	( 14,188,076 )
Cancellation of profit or loss in intra-group transactions	( 7,989,086 )	( 6,719,012 )
Cancellation of exchange differences in intra-group transactions	( 11,592,084 )	3,729,827
Property adjustments	( 6,871,804 )	1,620,156
Correction to previous years results	( 15,385,635 )	( 662,409 )
Deferred tax on capital gains	( 34,645 )	( 366,562 )
Others	( 8,876,896 )	( 1,997,089 )
	<b>180,333,092</b>	<b>175,750,838</b>

(a) Consolidated accounts, excluding non-controlling interests

(b) Equity method

The income of 2022 and 2021 was applied as indicated below:

(amounts in euros)

	2022	2021
Application of income for the year		
Legal reserve	20,848,633	32,898,533
Free reserves	24,091,718	22,303,288
Retained earnings	(44,307,125)	214,073,232
Tax reserve	(168,417)	(427,822)
Gains and losses from the sale of equity instruments at fair value through other comprehensive income	801,983	1,394,347
Dividends	219,207,787	-
	<b>220,474,579</b>	<b>270,241,578</b>

## 28. NON-CONTROLLING INTERESTS

The value of the shares of third parties in subsidiaries breaks down as follows per entity:

(amounts in euros)

	% Non-controlling interests	2023	2022
Alianza Compañía de Seguros y Reaseguros E.M.A. S.A.	44.00%	21,059,924	19,608,499
Alianza Garantía Seguros Y Reaseguros S.A.	71.58%	5,094,505	4,071,992
Alianza SAFI, S.A.	71.89%	873,250	932,461
Alianza Vida Seguros y Reaseguros S.A.	52.87%	11,619,446	9,577,548
Broggi Retail S.R.L	0.00%	-	( 5,749 )
Cetra - Car Remarketing, S.A.	49.00%	90,935	95,492
EA One Holding, Inc	26.76%	20,417,157	20,694,754
Fid Chile & MT JV SpA	3.37%	1,477,789	269,451
Fid Chile Seguros Generales, S.A.	3.37%	( 655,812 )	( 113,502 )
Fidelidade Angola - Companhia de Seguros, S.A.	29.97%	9,106,315	10,658,198
FPE (IT) Società per Azioni	0.00%	-	14,064,906
Full Assistance S.R.L.	47.55%	( 322,002 )	( 321,903 )
Fondo Broggi - Fondo di investimento Alternativo Immobiliare di Tipo Chiuso Riservato	0.00%	-	4,439,237
Fundo de Investimento Imobiliário Aberto IMOFID	39.83%	105,928,373	128,359,121
Garantia - Companhia de Seguros de Cabo Verde, S.A.	44.11%	7,782,422	7,567,033



(continuation)

(amounts in euros)

	% Non-controlling interests	2023	2022
GEP Cabo Verde Gestão de Peritagens, Limitada	11.03%	8,781	6,190
La Positiva S.A. – Entidad Prestadora de Salud	31.49%	726,771	497,823
La Positiva Seguros y Reaseguros S.A.	6.07%	6,579,744	6,075,469
La Positiva Servicios de Salud S.A.C.	31.47%	( 30,523 )	-
La Positiva Vida Seguros Y Reaseguros S.A.	44.02%	59,080,345	24,734,293
Liechtenstein Life Assurance AG	30.00%	52,650,152	5,324,061
LLA Office Anstalt	30.00%	( 29,775 )	-
Luz Saúde, S.A.	0.14%	327,238	1,346,034
prosperity solutions AG (formerly prosperity brokershome AG)	30.00%	( 633,695 )	971
prosperity brokershome GmbH	0.00%	-	( 17,308 )
prosperity cashtech AG	30.00%	( 84,022 )	13,175
prosperity funds SICAV	30.00%	129,235	258,861
prosperity solutions AG	0.00%	-	61,833
prosperity solutions GmbH	30.00%	110,689	18,364
Fidelidade Moçambique - Companhia de Seguros, S.A.	30.00%	20,532,837	19,752,813
Tenax Capital Limited	20.00%	1,831,749	925,638
the prosperity company AG	30.00%	( 325,143 )	29,276,083

(continuation)

(amounts in euros)

	% Non-controlling interests	2023	2022
Thomas More Square (Lux) Holdings Sarl	0.70%	( 145,406 )	( 63,230 )
Thomas More Square (Lux) Sarl	0.30%	70,330	208,633
TMK Lisbon	3.00%	1,304,209	1,445,910
Universal Assistência e Serviços, Lda	43.98%	275,916	466,325
Veterinários Sobre Rodas, Lda	12.00%	42,997	-
Worldwide Security Corporation S.A.	46.79%	( 226,282 )	( 462,408 )
		<b>324,668,450</b>	<b>309,767,068</b>

The part of the consolidated profit attributable to minority shareholders in 2023 and 2022 is as follows:

(amounts in euros)

	% Non-controlling interests	2023	2022
Alianza Compañía de Seguros y Reaseguros E.M.A. S.A.	44.00%	( 2,630,775 )	( 2,052,145 )
Alianza Garantía Seguros Y Reaseguros S.A.	71.58%	( 959,894 )	( 633,898 )
Alianza SAFI, S.A.	71.89%	( 166,782 )	( 125,166 )
Alianza Vida Seguros y Reaseguros S.A.	52.87%	( 2,926,810 )	( 1,603,817 )
Broggi Retail S.R.L.	0.00%	-	1,072
Cetra - Car Remarketing, S.A.	49.00%	4,557	( 3,003 )
EA One Holding, Inc	26.76%	49,205	556,879
Fid Chile & MT JV SpA	3.37%	( 1,948 )	2,017
Fid Chile Seguros Generales, S.A.	3.37%	9,717	32,808
Fidelidade Angola - Companhia de Seguros, S.A.	29.97%	( 1,427,661 )	( 1,588,572 )
FPE (IT) Società per Azioni	0.00%	-	5,507
Full Assistance S.R.L.	47.55%	( 11,610 )	( 74,002 )
Fondo Broggi - Fondo di investimento Alternativo Immobiliare di Tipo Chiuso Riservato	0.00%	-	( 1,489,957 )
Fundo de Investimento Imobiliário Aberto IMOFID	39.83%	( 4,608,108 )	( 7,246,354 )
Garantia - Companhia de Seguros de Cabo Verde, S.A.	44.11%	( 753,812 )	( 1,162,772 )
GEP Cabo Verde Gestão de Peritagens, Limitada	11.03%	( 2,591 )	( 1,523 )
La Positiva S.A. - Entidad Prestadora de Salud	31.49%	( 171,776 )	( 257,551 )
La Positiva Seguros y Reaseguros S.A.	6.07%	( 138,951 )	545,426

(continuation)

(amounts in euros)

	% Non-controlling interests	2023	2022
La Positiva Servicios de Salud S.A.C.	31.47%	27,635	-
La Positiva Vida Seguros Y Reaseguros S.A.	44.02%	( 29,302,119 )	( 16,875,724 )
Liechtenstein Life Assurance AG	30.00%	( 8,567,613 )	( 3,471,045 )
LLA Office Anstalt	30.00%	13,840	-
Luz Saúde, S.A.	0.14%	101,850	( 8,616,487 )
prosperity solutions AG (formerly prosperity brokershome AG)	30.00%	227,786	792
prosperity brokershome GmbH	0.00%	-	17,308
prosperity cashtech AG	30.00%	( 58,212 )	( 10,064 )
prosperity funds SICAV	30.00%	( 69,715 )	( 249,351 )
prosperity solutions AG	0.00%	-	( 31,437 )
prosperity solutions GmbH	30.00%	( 45,124 )	( 18,364 )
Fidelidade Moçambique - Companhia de Seguros, S.A.	30.00%	( 3,017,443 )	( 2,532,569 )
Tenax Capital Limited	20.00%	( 886,312 )	( 703,639 )
the prosperity company AG	30.00%	552,870	640,566
Thomas More Square (Lux) Holdings Sarl	0.70%	267	2,835
Thomas More Square (Lux) Sarl	0.30%	161,385	108,085
TMK Lisbon	3.00%	( 85,796 )	( 154,944 )
Universal Assistência e Serviços, Lda	43.98%	( 338,250 )	( 22,782 )
Worldwide Security Corporation S.A.	46.79%	( 240,119 )	148,785
		<b>( 55,262,309 )</b>	<b>( 46,863,083 )</b>

## 29. INSURANCE CONTRACT REVENUES

In the years 2023 and 2022, this heading was composed as follows:

(amounts in euros)

	2023						Total
	Life	Accidents and Health	Fire and Other Damages	Motor	Third-party Liability	Others	
<b>Contracts not measured using the premium allocation approach</b>							
Amounts related to changes in remaining coverage liabilities							
– Release of contractual service margin for transferred services	70,992,195	-	-	-	-	-	70,992,195
– Changes in risk adjustment (non-financial risk) for expired risk	5,438,402	-	-	-	-	-	5,438,402
– Release of the expected value of claims occurred and expenses attributable to insurance contracts	141,969,135	-	-	-	-	-	141,969,135
	218,399,731	-	-	-	-	-	218,399,731
<b>Contracts measured using the premium allocation approach</b>	<b>431,094,852</b>	<b>1,067,950,914</b>	<b>575,454,442</b>	<b>857,697,109</b>	<b>142,510,461</b>	<b>135,495,958</b>	<b>3,210,203,735</b>
Total insurance contract revenues (Note 16)	649,494,583	1,067,950,914	575,454,442	857,697,109	142,510,461	135,495,958	3,428,603,467

(amounts in euros)

	2022						Total
	Life	Accidents and Health	Fire and Other Damages	Motor	Third-party Liability	Others	
<b>Contracts not measured using the premium allocation approach</b>							
Amounts related to changes in remaining coverage liabilities							
– Release of contractual service margin for transferred services	67,498,739	-	-	-	-	-	67,498,739
– Changes in risk adjustment (non-financial risk) for expired risk	5,498,312	-	-	-	-	-	5,498,312
– Release of the expected value of claims occurred and expenses attributable to insurance contracts	137,994,255	-	-	-	-	-	137,994,255
	<b>210,991,306</b>	-	-	-	-	-	<b>210,991,306</b>
<b>Contracts measured using the premium allocation approach</b>	<b>435,682,921</b>	<b>936,027,420</b>	<b>553,758,025</b>	<b>808,502,470</b>	<b>100,646,388</b>	<b>140,784,222</b>	<b>2,975,401,446</b>
Total insurance contract revenues (Note 16)	646,674,227	936,027,420	553,758,025	808,502,470	100,646,388	140,784,222	3,186,392,752

### 30. FEES FROM INSURANCE CONTRACTS AND OPERATIONS CONSIDERED FOR ACCOUNTING PURPOSES AS INVESTMENT CONTRACTS OR SERVICE CONTRACTS

In 2023 and 2022, the commissions received for insurance contracts and operations considered for accounting purposes as investment contracts or as service contracts were as follows:

(amounts in euros)

	2023	2022
Investment contracts	137,400,945	110,011,045
Services provided contracts	6,302,485	4,404,606
	<b>143,703,430</b>	<b>114,415,652</b>

### 31. CLAIMS OCCURRED AND OTHER EXPENSES

In 2023 and 2022, the Group's operating costs, by type, were as follows:

(amounts in euros)

	2023	2022
Employee costs (Note 32)	505,249,732	462,994,213
External supplies and services		
Subcontracts	149,522,092	142,310,977
Specialist work	143,139,752	133,472,210
Expenses with self-employed workers	115,421,373	101,349,173
Maintenance and repairs	42,008,620	37,254,342
Advertising and promotion	26,882,158	30,874,569
Software licences	21,124,969	19,084,590
Communication	11,896,222	11,198,654
Rents and leases	6,659,257	10,123,110
Travel and Accommodation	6,216,076	5,718,697
Surveillance and security	5,301,464	5,099,679
Fuel	4,387,657	4,162,534
Insurance	4,340,881	4,400,463
Representation expenses	3,790,199	6,138,124
Electricity	3,521,513	4,297,616



(continuation)

(amounts in euros)

	2023	2022
Cleaning, Hygiene and Comfort	3,113,128	3,004,913
Office supplies	3,075,239	2,165,661
Litigation and Notarial Services	2,953,189	3,235,700
Expenses with premium collections	2,933,263	2,585,812
Contributions	2,712,435	2,121,716
Water	1,170,339	1,123,526
Forms	646,541	465,953
Others	120,937,290	112,522,230
	<b>681,753,658</b>	<b>642,710,247</b>
Taxes and charges	38,612,182	35,320,283
Depreciation and amortisation for the year (Notes 10, 12 and 15)	87,193,849	76,222,247
Other provisions	4,748,024	( 935,337 )
Fees	20,762,764	23,520,360
Interest paid	57,491,595	44,275,020
	<b>1,395,811,804</b>	<b>1,284,107,033</b>

In 2023 and 2022, the depreciation and amortisation headings for the year are as follows:

(amounts in euros)

	2023			2022		
	Non-leased assets	Leased assets	Total	Non-leased assets	Leased assets	Total
Properties (Note 10)	10,587,409	21,322,687	31,910,096	11,634,226	16,982,806	28,617,031
Depreciation of other tangible assets (Note 12)	17,229,509	20,354,878	37,584,387	16,647,681	17,843,000	34,490,681
Depreciation of other intangible assets (Note 15)	17,699,366	-	17,699,366	13,114,535	-	13,114,535
	<b>45,516,284</b>	<b>41,677,565</b>	<b>87,193,849</b>	<b>41,396,442</b>	<b>34,825,806</b>	<b>76,222,247</b>

In the years 2023 and 2022, there were also the following charges related to leases:

(amounts in euros)

	2023			2022		
	Depreciation of right-of-use assets	Expenses relating to short-term leases	Expenses relating to low-value assets	Depreciation of right-of-use assets	Expenses relating to short-term leases	Expenses relating to low-value assets
Properties	21,322,687	-	2,765,103	16,982,806	-	-
Administrative Equipment	65,107	-	-	54,349	-	-
Machinery and Equipment	-	-	196,523	-	-	238,376
IT Equipment	1,243,263	-	375,229	1,065,780	-	1,384,076
Transport Equipment	3,054,143	136,775	-	2,461,255	236,941	-
Hospital Equipment	15,961,772	-	-	14,231,023	-	-
Other Equipment	30,593	-	1,477,317	30,593	-	1,315,338
	<b>41,677,565</b>	<b>136,775</b>	<b>4,814,172</b>	<b>34,825,806</b>	<b>236,941</b>	<b>2,937,790</b>

In 2023 and 2022, the interest paid heading was set out as follows:

(amounts in euros)

	2023			2022		
	Leases	Other charges	Total	Leases	Other charges	Total
Properties	1,860,646	-	1,860,646	1,906,756	-	1,906,756
Tangible and intangible assets						
Administrative equipment	-	-	-	10	-	10
IT Equipment	92,798	-	92,798	42,914	-	42,914
Transport equipment	73,073	-	73,073	37,245	-	37,245
Other equipment	5,909,588	-	5,909,588	2,471,889	-	2,471,889
Borrowings	-	49,555,484	49,555,484	-	39,816,205	39,816,205
	<b>7,936,104</b>	<b>49,555,484</b>	<b>57,491,589</b>	<b>4,458,815</b>	<b>39,816,205</b>	<b>44,275,020</b>

In the years 2023 and 2022, the headings of the Income Statement where these costs are recorded show the following detail:

(amounts in euros)

	2023			2022		
	Directly attributable expenses	Non-attributable expenses	Total	Directly attributable expenses	Non-attributable expenses	Total
Claims - Amounts paid						
Direct	1,682,816,032	139,922	1,682,955,954	1,584,979,006	-	1,584,979,006
Allocated	254,650,529	9,488,004	264,138,532	210,297,855	13,695,327	223,993,181
Acquisition						
Direct	432,048,370	81,027,276	513,075,646	442,543,436	109,193,612	551,737,048
Allocated	169,293,998	83,333,241	252,627,239	124,250,462	50,566,786	174,817,248
Administrative						
Direct	14,759,277	23,749,054	38,508,331	54,066,545	1,939,598	56,006,143
Allocated	157,519,310	53,689,360	211,208,670	127,579,802	58,400,178	185,979,980
Financial Expenses						
Direct	-	4,251,862	4,251,862	-	5,131,227	5,131,227.39
Allocated	8,865,293	117,528,264	126,393,557	3,000,530	113,436,096	116,436,626
Total Direct Expenses	2,129,623,679	109,168,113	2,238,791,793	2,081,588,988	116,264,437	2,197,853,425
Total Allocated Expenses	590,329,130	264,038,869	854,367,999	465,128,649	236,098,387	701,227,036
	<b>2,719,952,810</b>	<b>373,206,982</b>	<b>3,093,159,791</b>	<b>2,546,717,637</b>	<b>352,362,823</b>	<b>2,899,080,460</b>

## 32. EMPLOYEE COSTS

In the years 2023 and 2022, this heading was composed as follows:

(amounts in euros)

	2023	2022
Salaries		
Corporate bodies	21,758,042	20,533,468
Personnel	365,065,266	335,130,494
Remuneration expenses	68,966,992	62,539,536
Post-employment benefits	12,008,066	4,862,626
Other long-term benefits	1,377,467	1,311,957
Employment termination benefits	7,389,613	8,198,530
Compulsory insurance	4,846,962	4,094,460
Social action costs	18,958,220	20,724,957
Other personnel expenses	4,879,104	5,598,184
	<b>505,249,732</b>	<b>462,994,213</b>

In 2023 and 2022, the costs of post-employment benefits were as follows:

(amounts in euros)

	2023	2022
Post-employment benefits		
Defined benefit plan (Note 33)	3,541,258	1,242,223
Individual retirement plan	5,066,290	2,307,865
Transfer of personnel	( 5,441 )	( 606 )
Other employee costs	3,405,960	1,313,145
	<b>12,008,066</b>	<b>4,862,626</b>

In 2023 and 2022, the heading "Post-employment benefits – Transfer of personnel " corresponds to the cost of post-employment benefits for employees of the Group's Insurance Companies who were assigned to other entities in the Group.

In 2023 and 2022, the number of employees working for the Group, by category, was as follows:

	2023	2022
Senior management	229	205
Line management	976	958
Technicians	5,534	5,752
Administrative staff	6,797	5,511
Support workers	1,892	1,754
	<b>15,428</b>	<b>14,180</b>

In 2023 and 2022, the Group recorded an estimate for optional career benefits in the amount of 641,704 Euros and 574,269 Euros. The heading "Accruals and deferrals" includes 2,611,569 Euros for seniority bonuses.

As of 31 December 2022, Fid Chile SpA has a share-based payment agreement ("Agreement") established with the Executive Committee of Fid Chile Generales S.A..

This agreement defines that such body shall have the right to subscribe shares in FID Chile & MT, JV SpA, up to a total of 20% of this company, and consequently indirectly in the Insurance Company. The number of shares on which the Executive Committee of FID Chile Generales S.A. will be entitled to increase its annual participation is subject to the terms and conditions described in the Scorecard that is part of the annexes to the Agreement. These shares shall be subscribed for and paid within the time limits set out in the Agreement.



Below are detailed the main features of the Stock Option Plan:

Characteristics	Stock Option Plan
Grant date	21-12-2018
No. of shares granted	3,248,979
Contract Period	12 years
Payment type	Shares
Conditions of irrevocability (or consolidation) of the concession	<p>The right to subscribe for shares is subject to the following cumulative and suspensive conditions:</p> <p>(i) That, in the year immediately preceding that in which the Executive exercises the option to subscribe for shares of the Insurance Company, the Business Plan of the Insurance Company contained in the document known as the Scorecard has been complied with, in whole or in part.</p> <p>(ii) The Executive must be employed by the Insurance Company at the time of exercise of the option.</p>
Subscription price (EUR)	0.00077111
Share valuations (EUR)	0.6937
Value (thousands of EUR)	2,253

Considering that the company that provides the equity instruments (FID Chile & MT JV SpA) is not listed on the stock exchange, the Company considered as value per share of this company the historical subscription value of its respective shares.

The shares enforceable on 31 December 2023 and 31 December 2022 are presented below:

	2023		2022	
	Number of shares	Average subscription price	Number of shares	Average subscription price
Opening balance	2,578,277	0.00077111	1,694,123	0.00000000
Granted	788,766	0.00077111	884,154	0.00082976
Cancelled	117,974	0.00000000	-	0.00000000
Enforced	1,703,750	0.00000000	-	0.00000000
Final balance	1,545,229		2,578,277	0.00082976
Enforceable at the end of the year	1,545,229		2,578,277	

In 2023, the impact on results related to this agreement amounts to 465,267 Euros (1,925,592 Euros in 2022).

### 33. RETIREMENT PENSIONS AND OTHER LONG-TERM BENEFITS

At 31 December 2023 and 2022, the headings "Assets for post-employment benefits and other long-term benefits" and "Liabilities for post-employment benefits and other long-term benefits" were as follows:

(amounts in euros)

	2023	2022
<b>Assets</b>		
Defined benefit plan	22,777,790	25,375,258
<b>Liabilities</b>		
Defined contribution plan	( 144,350 )	( 337,596 )
Other long-term benefits	( 7,919,687 )	( 6,065,478 )
Other post-employment benefits	( 8,210 )	( 14,985 )
	<b>( 8,072,247 )</b>	<b>( 6,418,060 )</b>
	<b>14,705,544</b>	<b>18,957,198</b>

For the years 2023 and 2022, in the "Defined contribution plan" the Group had a cost of 4,213,090 Euros and 1,544,027 Euros respectively, with the amount of 144,349 Euros and 337,596 Euros being pending payment, which corresponds to the contributions of December 2023 and 2022 that were paid in January 2024 and 2023.

"Other long-term benefits" refer to the variable remuneration of the Governing Bodies, under the terms set out in the Remuneration Policy for the Company's Governing Bodies, and of the employees, as decided by the Personnel

Committee and the Executive Committee. This remuneration is deferred and paid after 3 years from the date of allocation. In the year ended 31 December 2023, the reinforcement of this incentive plan was 1,854,209 Euros for payment in 2025 and the amount paid was 2,283,821 Euros.

#### Defined contribution plan

Under the new collective employment agreements for the insurance activity, published on 15 January 2012, 29 January 2016 and 8 February 2019, all workers in active employment, with indefinite employment contracts, covered by these

Instrument for Collective Labour Regulation (ICLR), are entitled to a pension plan ("IRP"), and this defined contribution plan that replaces the retirement pension system provided for in the previous ICLR.

This plan, besides guaranteeing capital, meet the requirements for classification as defined contribution plans, since the amount of post-employment benefits received by the employee is determined by the amount of contributions paid by an entity to a benefit plan, together with investment returns arising from the contributions.

In accordance with the ICLR rules in force, the capitalised amount of the payments into the IRP can be claimed by the employee, in accordance with the law, on the date he/she retires through the Social Security system due to disability or old age, and there is a capital guarantee on the amounts

of the initial transfer and the contributions made by the Group and by the beneficiaries themselves.

In the event of the death of an employee, the capitalised amount of the payments reverts to the beneficiaries named by the employee or, where these are not named, to his/her legal heirs.

The Group's contributions to the current pension plan are made in accordance with the provisions of CEA 2019, corresponding to the amount resulting from the application of the percentage of 3.25% on the employee's annual base salary.

At 31 December 2023 and 2022, the liabilities and assets of the Pension Fund - "Fundo de Pensões PIR Fidelidade e Associadas" Plan for Fidelidade Group companies amounted to:

(amounts in euros)

	Fidelidade	CPR	Multicare	Via Directa	Fidelidade Assistência	Total
<b>Liabilities at 31 December 2022</b>	<b>30,178,410</b>	<b>24,657</b>	<b>710,329</b>	<b>361,350</b>	<b>620,939</b>	<b>31,895,686</b>
Expenses for the year	3,696,867	-	327,890	99,023	89,311	4,213,090
<b>Liabilities at 31 December 2023</b>	<b>33,875,278</b>	<b>24,657</b>	<b>1,038,219</b>	<b>460,374</b>	<b>710,249</b>	<b>36,108,777</b>
<b>Assets at 31 December 2022</b>	<b>30,088,311</b>	<b>24,657</b>	<b>698,007</b>	<b>359,404</b>	<b>387,711</b>	<b>31,558,090</b>
Contributions to fund	3,659,917	-	331,330	98,379	316,711	4,406,337
<b>Assets at 31 December 2023</b>	<b>33,748,228</b>	<b>24,657</b>	<b>1,029,337</b>	<b>457,783</b>	<b>704,422</b>	<b>35,964,427</b>
<b>Differential</b>	<b>( 127,049 )</b>	<b>-</b>	<b>( 8,882 )</b>	<b>( 2,591 )</b>	<b>( 5,827 )</b>	<b>( 144,349 )</b>
Funding level	99.62%	100.00%	99.14%	99.44%	99.18%	99.60%

## Defined benefit plan

In accordance with the collective employment agreement previously in force in the insurance sector (CEA 2008), the Group granted its employees, admitted to the insurance activity until June 1995, cash benefits to complement the reforms granted by Social Security. Briefly, the amount of these benefits varies according to the employee's remuneration, the contributory history, the history of remuneration with incidence for Social Security and also, in case of disability, the seniority in the insurance activity. Currently, this Plan covers pension fund beneficiaries (retired) and employees who have transitioned to the pre-retirement situation and who at that time were covered by the CEA 2008.

In addition, the former Império Bonança also attributed the following benefits:

- Between 1999 and 2005, the Company assumed, in early retirement situations, the payment of a lifetime pension that corresponded to the difference between 80% of the last remuneration and the amount paid by Social Security;
- It assumed the commitment to extend the benefits set out in the collective employment agreement to employees hired up to June 2005 and also to grant to the beneficiaries of the pensions fund, the additional benefits guaranteed by the complementary plan, which was in force at the Millennium BCP Group, to which the Company belonged until 31 January 2005. The liabilities associated with the supplementary plan are financed through the related pension fund "Fundo de Pensões do Pessoal da Império Bonança";
- For a very restricted group of workers (currently 2 in active service), with "internal salary levels XVII", from the former Império, there is a commitment to, in the transition to retirement, be attributed a supplement to the Social Security pension, for 80% of the remuneration earned at the date of the

transition to this situation. Any pension benefits arising from other pension schemes shall be deducted from the supplement to the Social Security pension.

Defined benefit plans are financed through closed-end pension funds. These funds include liabilities with retirement supplements, and liabilities relating to early retirement and pre-retirement. These plans make up the classification requirements of defined benefit plans, since they meet the criteria for determining the amount of pension an employee will receive during retirement, usually dependent on one or more factors such as age, years of service and remuneration at the date of retirement.

Liabilities recognised on the balance sheet relating to defined benefit plans correspond to the difference between the current value of liabilities and the fair value of the pension fund assets. The total amount of liabilities is determined annually by specialised actuaries using the Projected Unit Credit Method and actuarial assumptions considered appropriate. The discount rate used to update the liabilities reflects market interest rates on prime corporate bonds, denominated in the currency in which the liabilities are paid and with similar maturity periods to the average periods for settlement of liabilities.

Gains and losses resulting from differences between the actuarial and financial assumptions used and the amounts actually verified with regard to the liabilities and expected income of the pension fund, as well as those resulting from changes in actuarial assumptions, are recognised directly in an equity item.

The cost in the year for retirement and survivors' pensions, the latter only provided for in the Império Bonança Staff Pension Fund, which includes the cost of current services, the cost of past services, the cost of payments and the net interest on the defined benefit liability (asset), is reflected at net value in

"Employee Costs". The expense for the year with health charges is reflected in the item "Other Provisions" (Note 25).

The impact of retiring employees before the normal retirement age defined in the actuarial study is directly reflected in "Employee Costs".

### Determination of liabilities with defined benefit plans

Liabilities for current payments of retirement pensions and past services of current employees, at 31 December 2023 and 2022, were determined by Fidelidade's life insurance actuarial department.

The assumptions and technical bases used in the calculation of liabilities were as follows:

	2023	2022
Actuarial method	Projected	Projected
	Unit Credit	Unit Credit
Mortality table		
Men	TV 73/77 (-2)	TV 73/77 (-2)
Women	TV 88/90 (-2)	TV 88/90 (-2)
Invalidity table	0.00%	0.00%
Discount rate	4.25%	4.00%
Salary growth rate	2.40%	2.40%
Pension growth rate	0.75%	0.75%
Pre-retirement growth rate	1.25%	1.25%
Exits table	n/a	n/a

The comparison between the actuarial and financial assumptions used in determining pension costs for the years 2023 and 2022 and the values actually verified is presented in the following table:

(amounts in euros)

	2023		2022	
	Assumptions	Real	Assumptions	Real
Salary growth rate	2.40%	7.90%	2.40%	2.63%
Pension growth rate	0.75%	2.10%	0.75%	0.39%

At 31 December 2023 and 2022, the Group's liabilities for past service, based on the actuarial studies performed, and the funds and provisions available, were as follows:

(amounts in euros)

	2023			2022		
	Fidelidade	Others	Total	Fidelidade	Others	Total
Liabilities for past services						
Active Employees	2,694,808	9,490	2,704,298	4,921,161	26,892	4,948,053
Retired and pre-retired	92,580,655	84,239	92,664,893	97,327,085	88,138	97,415,224
	<b>95,275,463</b>	<b>93,728</b>	<b>95,369,191</b>	<b>102,248,246</b>	<b>115,030</b>	<b>102,363,276</b>
Autonomous pension funds	87,641,194	283,233	87,924,427	95,935,565	278,637	96,214,203
Mathematical Provisions	30,222,554	-	30,222,554	31,524,332	-	31,524,332
	<b>117,863,748</b>	<b>283,233</b>	<b>118,146,981</b>	<b>127,459,897</b>	<b>278,637</b>	<b>127,738,535</b>
Differential	22,588,285	189,504	22,777,790	25,211,651	163,607	25,375,259
Funding level	123.71%	302.18%	123.88%	124.66%	242.23%	124.79%

Pursuant to ASF Regulatory Standard No.5/2007-R, of 27 April, insurance companies must ensure at the end of each year:

- a) The full funding of the present value of the liability with current pensions, including pre-retirement and early retirement benefits up to and after the normal retirement age; and
- b) The funding of at least 95% of the current amount of the liability for past services of active employees, excluding those who are pre-retired or in early retirement.

As of 31 December 2023 and 2022, the Group's past service responsibilities were fully funded.

The pension plan in question is non-contributory and independent of social security, being financed by the Group's pension fund, excluding the Ex Império pension fund (Levels XVII and XVIII) which is dependent on social security. The Group's defined benefit pension funds have the following average durations:

Fidelidade Pension Fund	6.58 years
Mundial Confiança Pension Fund	4.87 years
Império Bonança Pension Fund	6.78 years
Ex-Império Pension Fund	10.99 years
Companhia Portuguesa de Resseguros, S.A. Pension Fund	5.22 years
Fidelidade Property Europe S.A. Pension Fund	13 years



At 31 December 2023 and 2022, the number of beneficiaries was as follows:

	2023	2022
Active Employees	1,075	815
Retired and pre-retired	1,593	1,665
Annuity holders	277	307
	<b>2,945</b>	<b>2,787</b>

The movements in the pension funds and in the mathematical provisions during 2023 and 2022 were as follows:

(amounts in euros)

	Fidelidade	Others	Total
<b>Balances at 31 December 2021</b>	<b>147,761,757</b>	<b>346,502</b>	<b>148,108,259</b>
Contributions	9,599	-	9,599
Variation in mathematical provisions	( 2,627,192 )	-	( 2,627,192 )
Pensions paid	( 14,236,345 )	( 40,615 )	( 14,276,960 )
(Payments)/ Receipts related to other benefits	( 514,557 )	359	( 514,198 )
Net income of pension funds	( 2,933,365 )	( 27,609 )	( 2,960,974 )

(continuation)

(amounts in euros)

	Fidelidade	Others	Total
<b>Balances at 31 December 2022</b>	<b>127,459,897</b>	<b>278,638</b>	<b>127,738,534</b>
Contributions	1,026,000	-	1,026,000
Variation in mathematical provisions	( 1,301,778 )	-	( 1,301,778 )
Pensions paid	( 13,306,468 )	( 8,986 )	( 13,315,454 )
(Payments)/ Receipts related to other benefits	( 865,950 )	341	( 865,608 )
Net income of pension funds	4,852,047	13,240	4,865,287
<b>Balances at 31 December 2023</b>	<b>117,863,748</b>	<b>283,233</b>	<b>118,146,981</b>

On 31 December 2023 and 2022, the Pension Funds of the Group companies are managed by CGD Pensões – Sociedade Gestora de Fundos de Pensões, S.A..

At 31 December 2023 and 2022, the pension fund net assets were composed as follows, according to the respective valuation sources:

(amounts in euros)

	2023					
	Fidelidade	Market price Others	Total	Fidelidade	Total portfolio Others	Total
<b>Equity instruments</b>	<b>1,445,925</b>	<b>2,175</b>	<b>1,448,100</b>	<b>1,445,925</b>	<b>2,175</b>	<b>1,448,100</b>
<b>Debt instruments</b>						
From public debt	27,798,740	19,756	27,818,497	27,798,740	19,756	27,818,497
From other issuers	23,038,448	43,144	23,081,592	23,038,448	43,144	23,081,592
	<b>50,837,188</b>	<b>62,901</b>	<b>50,900,089</b>	<b>50,837,188</b>	<b>62,901</b>	<b>50,900,089</b>
<b>Real estate</b>	<b>17,789,959</b>	<b>7,733</b>	<b>17,797,691</b>	<b>17,789,959</b>	<b>7,733</b>	<b>17,797,691</b>
<b>Investment funds</b>						
American shares	14,720	1,511	16,231	14,720	1,511	16,231
European shares	4,138,597	24,008	4,162,604	4,138,597	24,008	4,162,604
Other shares	40,272	4,198	44,471	40,272	4,198	44,471
Real estate	2,432,661	32,875	2,465,536	2,432,661	32,875	2,465,536
Bonds						
From other issuers	5,316,736	133,680	5,450,416	5,316,736	133,680	5,450,416
Others	26,005	1,282	27,287	26,005	1,282	27,287
	<b>14,546,393</b>	<b>201,354</b>	<b>14,747,746</b>	<b>14,546,393</b>	<b>201,354</b>	<b>14,747,746</b>
<b>Others</b>	<b>3,021,730</b>	<b>9,071</b>	<b>3,030,800</b>	<b>3,021,730</b>	<b>9,071</b>	<b>3,030,800</b>
	<b>87,641,194</b>	<b>283,233</b>	<b>87,924,427</b>	<b>87,641,194</b>	<b>283,233</b>	<b>87,924,427</b>

(amounts in euros)

	2022					
	Market price			Total portfolio		
	Fidelidade	Others	Total	Fidelidade	Others	Total
<b>Equity instruments</b>	<b>1,594,378</b>	<b>2,840</b>	<b>1,597,219</b>	<b>1,594,378</b>	<b>2,840</b>	<b>1,597,219</b>
<b>Debt instruments</b>						
From public debt	24,616,067	18,993	24,635,060	24,616,067	18,993	24,635,060
From other issuers	32,018,549	41,257	32,059,806	32,018,549	41,257	32,059,806
	<b>56,634,616</b>	<b>60,250</b>	<b>56,694,866</b>	<b>56,634,616</b>	<b>60,250</b>	<b>56,694,866</b>
<b>Real estate</b>	<b>17,688,301</b>	<b>6,208</b>	<b>17,694,508</b>	<b>17,688,301</b>	<b>6,208</b>	<b>17,694,508</b>
<b>Investment funds</b>						
American shares	17,240	2,080	19,321	17,240	2,080	19,321
European shares	5,939,599	29,740	5,969,339	5,939,599	29,740	5,969,339
Other shares	22,477	2,479	24,956	22,477	2,479	24,956
Real estate	3,161,833	45,055	3,206,889	3,161,833	45,055	3,206,889
Bonds						
From other issuers	2,743,455	122,365	2,865,820	2,743,455	122,365	2,865,820
Others	23,121	1,158	24,280	23,121	1,158	24,280
	<b>11,907,725</b>	<b>202,878</b>	<b>12,110,603</b>	<b>11,907,725</b>	<b>202,878</b>	<b>12,110,603</b>
<b>Others</b>	<b>8,110,545</b>	<b>6,462</b>	<b>8,117,007</b>	<b>8,110,545</b>	<b>6,462</b>	<b>8,117,007</b>
	<b>95,935,565</b>	<b>278,638</b>	<b>96,214,203</b>	<b>95,935,565</b>	<b>278,638</b>	<b>96,214,203</b>

On these dates, the pension fund portfolio contained the following assets issued or managed by entities in the CGD Group:

(amounts in euros)

	2023			2022		
	Fidelidade	Others	Total	Fidelidade	Others	Total
<b>Debt instruments</b>	<b>105,539</b>	<b>643</b>	<b>106,182</b>	<b>97,848</b>	<b>-</b>	<b>97,848</b>
<b>Investment funds</b>						
Real estate	2,134,521	26,912	2,161,433	2,866,996	23,809	2,890,805
Bonds						
From other issuers	-	10,222	10,222	-	10,942	10,942
Others	26,005	1,282	27,287	23,121	-	23,121
	<b>2,160,526</b>	<b>38,416</b>	<b>2,198,942</b>	<b>2,890,117</b>	<b>34,751</b>	<b>2,924,868</b>
	<b>2,266,065</b>	<b>39,059</b>	<b>2,305,124</b>	<b>2,987,965</b>	<b>34,751</b>	<b>3,022,716</b>

The change in the difference between the Group's liabilities for past services and the respective cover, and the corresponding impact on the financial statements at 31 December 2023 and 2022, can be demonstrated as follows:

(amounts in euros)

	Liabilities			Hedge			Differential		
	Fidelidade	Others	Total	Fidelidade	Others	Total	Fidelidade	Others	Total
<b>Position at 31 December 2021</b>	<b>135,639,515</b>	<b>149,285</b>	<b>135,788,800</b>	<b>147,761,757</b>	<b>346,503</b>	<b>148,108,259</b>	<b>12,122,241</b>	<b>197,217</b>	<b>12,319,458</b>
Corrections	-	-	-	-	-	-	-	-	-
Current service expenses	159,913	1,110	161,023	-	-	-	(159,913)	(1,110)	(161,023)
Net defined benefit interest	1,171,174	1,965	1,173,139	1,315,445	4,721	1,320,167	144,271	2,757	147,028
Expenditure for the year	1,331,088	3,075	1,334,162	1,315,445	4,721	1,320,167	(15,643)	1,647	(13,996)
Increased liabilities due to early retirements	742,121	-	742,121	-	-	-	(742,121)	-	(742,121)
Other changes in the income statement	-	-	-	(486,465)	359	(486,106)	(486,465)	359	(486,106)
<b>Changes with impact on income</b>									
<b>statement (Note 32)</b>	<b>2,073,209</b>	<b>3,075</b>	<b>2,076,283</b>	<b>828,980</b>	<b>5,081</b>	<b>834,060</b>	<b>(1,244,229)</b>	<b>2,006</b>	<b>(1,242,223)</b>
Actuarial gains and losses									
return on plan assets not included									
in interest income	-	-	-	(4,276,902)	-	(4,276,902)	(4,276,902)	-	(4,276,902)
resulting from changes in financial									
assumptions	(15,536,063)	(29,093)	(15,565,157)	-	(32,332)	(32,332)	15,536,063	(3,239)	15,532,824
resulting from differences between									
the assumptions and the actual amount	(3,064,877)	24,016	(3,040,862)	-	-	-	3,064,877	(24,016)	3,040,862

(continuation)

(amounts in euros)

	Liabilities			Hedge			Differential		
	Fidelidade	Others	Total	Fidelidade	Others	Total	Fidelidade	Others	Total
<b>Changes with impact on shareholders' equity</b>	<b>( 18,600,940 )</b>	<b>( 5,078 )</b>	<b>( 18,606,018 )</b>	<b>( 4,276,902 )</b>	<b>( 32,332 )</b>	<b>( 4,309,234 )</b>	<b>14,324,039</b>	<b>( 27,255 )</b>	<b>14,296,784</b>
Contributions to the plan									
paid by the Companies	-	-	-	9,599	-	9,599	9,599	-	9,599
Change in mathematical provisions	( 2,627,192 )	-	( 2,627,192 )	( 2,627,192 )	-	( 2,627,192 )	-	-	-
Payments made by the plan									
pensions paid	( 14,236,345 )	( 32,252 )	( 14,268,597 )	( 14,236,345 )	( 40,614 )	( 14,276,959 )	-	( 8,362 )	( 8,362 )
<b>Position at 31 December 2022</b>	<b>102,248,246</b>	<b>115,030</b>	<b>102,363,276</b>	<b>127,459,897</b>	<b>278,637</b>	<b>127,738,535</b>	<b>25,211,651</b>	<b>163,607</b>	<b>25,375,259</b>
Corrections	-	-	-	-	-	-	-	-	-
Current service expenses	86,301	1,566	87,867	-	-	-	( 86,301 )	( 1,566 )	( 87,867 )
Net defined benefit interest	2,618,540	4,482	2,623,022	3,623,557	11,886	3,635,442	1,005,016	7,404	1,012,420
Costs for the year	2,704,841	6,048	2,710,889	3,623,557	11,886	3,635,442	918,716	5,837	924,553
Increased liabilities due to early retirements	3,624,573	( 18,064 )	3,606,509	-	-	-	( 3,624,573 )	18,064	( 3,606,509 )
Other changes in the income statement	-	-	-	( 859,644 )	341	( 859,302 )	( 859,644 )	341	( 859,302 )
<b>Changes with impact on income</b>									
<b>statement (Note 32)</b>	<b>6,329,414</b>	<b>( 12,016 )</b>	<b>6,317,398</b>	<b>2,763,913</b>	<b>12,227</b>	<b>2,776,140</b>	<b>( 3,565,501 )</b>	<b>24,243</b>	<b>( 3,541,258 )</b>
Actuarial gains and losses									
return on plan assets not included									
in interest income	-	-	1,222,185	-	1,222,185	1,222,185	-	1,222,185	
resulting from changes in financial assumptions	( 967,081 )	( 1,543 )	( 968,625 )	-	1,358	1,358	967,081	2,902	969,983

(continuation)

(amounts in euros)

	Liabilities			Hedge			Differential		
	Fidelidade	Others	Total	Fidelidade	Others	Total	Fidelidade	Others	Total
resulting from differences between									
the assumptions and the actual amount	2,273,131	6,433	2,279,564	-	-	-	(2,273,131)	(6,433)	(2,279,564)
<b>Changes with impact on shareholders' equity</b>	<b>1,306,049</b>	<b>4,890</b>	<b>1,310,939</b>	<b>1,222,185</b>	<b>1,358</b>	<b>1,223,543</b>	<b>(83,865)</b>	<b>(3,532)</b>	<b>(87,396)</b>
Contributions to the plan									
paid by the Companies	-	-	-	1,026,000	-	1,026,000	1,026,000	-	1,026,000
Change in mathematical provisions	(1,301,778)	-	(1,301,778)	(1,301,778)	-	(1,301,778)	-	-	-
Payments made by the plan									
pensions paid	(13,306,468)	(14,176)	(13,320,644)	(13,306,468)	(8,990)	(13,315,458)	-	5,186	5,186
<b>Position at 31 December 2023</b>	<b>95,275,463</b>	<b>93,728</b>	<b>95,369,191</b>	<b>117,863,748</b>	<b>283,233</b>	<b>118,146,981</b>	<b>22,588,285</b>	<b>189,504</b>	<b>22,777,790</b>

## Medical Assistance

The Group contributes part of the cost of health insurance provided for its retired and pre-retired employees. In addition, the former Império Bonança also committed itself to providing whole life medical assistance benefits to those in Retirement or Pre-retirement who had switched to that status between June 1998 and July 2005, bearing almost all the respective costs.

At 31 December 2023 and 2022, these liabilities totalled 17,311,487 Euros and 18,329,897 Euros respectively, and were covered by provisions (Note 25). The actuarial deviations calculated on 31 December 2023 and 2022 related to this benefit amounted to (793,133) Euros and (6,975,396) Euros, respectively.

Liabilities for past services with medical assistance were determined on the basis of actuarial studies performed by Fidelidade's life actuarial department, using actuarial assumptions identical to those presented above for liabilities with pensions.



## Sensitivity analysis

As of 31 December 2023, the sensitivity of defined benefit liabilities assumed by Fidelidade, in view of variations in significant assumptions, excluding liabilities covered by whole life annuities, corresponds to:

Scenarios	2023	A	B	C
<b>Financial Assumptions</b>				
Discount Rate	4.25%	4.75%	3.75%	4.25%
Salary Growth Rate	2.40%	2.40%	2.40%	2.40%
Pre-Retirement Salary Growth Rate	1.25%	1.25%	1.25%	1.25%
Pension Growth Rate	0.75%	0.75%	0.75%	0.75%
<b>Demographic Assumptions</b>				
Mortality table				
> Women	TV 88/90 (-2)	TV 88/90 (-2)	TV 88/90 (-2)	TV 88/90 (-2)
> Men	TV 73/77 (-2)	TV 73/77 (-2)	TV 73/77 (-2)	TV 88/90 (-2)

Liabilities as of 31 December 2023					
Scenarios		2023	A	B	C
Retirees	Old age	31,076,282	30,162,972	32,043,273	33,537,968
	Early Retirement	9,695,741	9,405,483	10,002,151	10,426,804
	Disability	4,380,610	4,169,170	4,610,735	4,566,637
Pensioners	Widower	3,326,838	3,217,336	3,443,753	3,346,464
	Orphan	81,530	76,343	87,316	81,530
Pre-retirees	Pension up to INR	10,517,874	10,402,433	10,636,036	10,546,780
	Costs up to retirement age	2,927,062	2,893,500	2,961,440	2,935,327
	Pension after INR				
	> CCT Plan	436,402	412,689	462,210	462,658
	> Complementary Plan	-	-	-	-
Active Workers	CCT Plan	-	-	-	-
	Complementary Plan	2,704,298	2,555,434	2,867,343	2,792,855
<b>Totals</b>		<b>65,146,637</b>	<b>63,295,360</b>	<b>67,114,257</b>	<b>68,697,023</b>

The preparation of the information included in the table above was based on the calculation method used for the assessment of liabilities used for accounting purposes, not including mathematical provisions, in the amount of 30,222,554 Euros.

### 34. INSURANCE CONTRACTS FINANCIAL COMPONENT RESULT

Nos exercícios de 2022 e 2021, a rubrica de rendimentos de investimentos apresenta a seguinte composição:

(amounts in euros)

	2023								
	Life	Workers' Compensation and Personal Accidents	Health	Fire and Other Damage	Motor	Third-party liability	Others	Non-technical	Total
<b>Return on investments</b>									
Investment income and expenses	300,904,024	63,454,179	13,812,336	18,654,984	32,207,380	10,334,277	10,322,449	36,925,523	486,615,151
Net investment gains and exchange differences	(122,408,702)	5,081,828	(1,203,414)	(1,973,976)	(3,888,987)	(1,429,402)	1,734,467	(8,570,173)	(132,658,358)
Impairment losses (net of reversals)	2,003,707	(3,517,531)	(41,867)	(49,876)	38,395	52,847	(689,750)	(11,088,941)	(13,293,016)
Amounts recognized in other comprehensive income	278,825,240	(43,451,951)	455,645	352,830	1,344,354	266,972	(81,958,147)	220,677,927	376,512,869
<b>Total return on investment</b>	<b>459,324,269</b>	<b>21,566,525</b>	<b>13,022,699</b>	<b>16,983,962</b>	<b>29,701,143</b>	<b>9,224,693</b>	<b>(70,590,981)</b>	<b>237,944,336</b>	<b>717,176,647</b>
<b>Insurance contracts financial component result</b>									
Accrued interest	(69,269,402)	(10,864,306)	(4,293,103)	(6,281,578)	(6,141,631)	(1,039,771)	(1,345,865)	-	(99,235,656)
Effect of changes in interest rates and other financial assumptions	(104,697,407)	(82,545,491)	(1,096,025)	(5,975,124)	(10,358,117)	(2,240,161)	(843,400)	-	(207,755,726)
	<b>(173,966,809)</b>	<b>(93,409,797)</b>	<b>(5,389,128)</b>	<b>(12,256,702)</b>	<b>(16,499,748)</b>	<b>(3,279,932)</b>	<b>(2,189,266)</b>	<b>-</b>	<b>(306,991,382)</b>
<b>Reinsurance contracts financial component result</b>									
Accrued interest	2,859,659	532,292	1,331,549	5,011,126	893,615	698,093	917,317	-	12,243,651
Effect of changes in interest rates and other financial assumptions	1,414,679	911,527	105,978	5,091,494	573,267	(770,278)	574,854	-	7,901,522
<b>Total reinsurance contracts financial component result</b>	<b>4,274,338</b>	<b>1,443,819</b>	<b>1,437,527</b>	<b>10,102,620</b>	<b>1,466,883</b>	<b>(72,185)</b>	<b>1,492,172</b>	<b>-</b>	<b>20,145,174</b>
<b>Represented by:</b>									
Amounts recognized in gains and losses	114,089,286	54,686,461	9,605,500	15,360,680	23,108,773	8,616,044	10,938,619	17,266,409	253,671,772
Amounts recognized in other comprehensive income	175,542,512	(125,085,915)	(534,401)	(530,800)	(8,440,496)	(2,743,468)	(82,226,693)	220,677,927	176,658,666
	<b>289,631,798</b>	<b>(70,399,453)</b>	<b>9,071,098</b>	<b>14,829,880</b>	<b>14,668,277</b>	<b>5,872,576</b>	<b>(71,288,074)</b>	<b>237,944,336</b>	<b>430,330,438</b>
<b>A. Insurance and reinsurance contracts financial component result.</b>									
Insurance contracts financial component result									
Amounts recognized in gains and losses	(69,269,402)	(10,864,306)	(4,293,103)	(6,281,578)	(6,141,631)	(1,039,771)	(1,345,865)	-	(99,235,656)
Amounts recognized in other comprehensive income	(104,697,407)	(82,545,491)	(1,096,025)	(5,975,124)	(10,358,117)	(2,240,161)	(843,400)	-	(207,755,726)
	<b>(173,966,809)</b>	<b>(93,409,797)</b>	<b>(5,389,128)</b>	<b>(12,256,702)</b>	<b>(16,499,748)</b>	<b>(3,279,932)</b>	<b>(2,189,266)</b>	<b>-</b>	<b>(306,991,382)</b>
Reinsurance contracts financial component result									
Amounts recognized in gains and losses	2,859,659	532,292	1,331,549	5,011,126	893,615	698,093	917,317	-	12,243,651
Amounts recognized in other comprehensive income	1,414,679	911,527	105,978	5,091,494	573,267	(770,278)	574,854	-	7,901,522
	<b>4,274,338</b>	<b>1,443,819</b>	<b>1,437,527</b>	<b>10,102,620</b>	<b>1,466,883</b>	<b>(72,185)</b>	<b>1,492,172</b>	<b>-</b>	<b>20,145,174</b>

(amounts in euros)

	2022								
	Life	Workers' Compensation and Personal Accidents	Health	Fire and Other Damage	Motor	Third-party liability	Others	Non-technical	Total
<b>Return on investments</b>									
Investment income and expenses	271,339,765	57,691,862	9,497,715	14,193,309	29,438,464	8,078,823	6,716,607	29,112,714	426,069,258
Net investment gains and exchange differences	(125,383,487)	(28,551,978)	(5,963,494)	(5,323,115)	(16,754,865)	(4,359,751)	1,117,273	(34,178,250)	(219,397,667)
Impairment losses (net of reversals)	155,476	(3,854,934)	(444,460)	198,408	338,959	1,039,775	(558,801)	(286,148)	(3,411,726)
Amounts recognized in other comprehensive income	(737,226,857)	24,390,312	15,095,522	30,356,290	81,460,220	3,937,837	(243,057,679)	(5,398,485)	(830,442,840)
<b>Total return on investment</b>	<b>(591,115,104)</b>	<b>49,675,263</b>	<b>18,185,282</b>	<b>39,424,891</b>	<b>94,482,778</b>	<b>8,696,683</b>	<b>(235,782,601)</b>	<b>(10,750,169)</b>	<b>(627,182,976)</b>
<b>Insurance contracts financial component result</b>									
Accrued interest	(44,183,759)	2,514,558	(1,435,314)	(1,891,113)	(2,163,711)	(177,501)	(1,125,305)	-	(48,462,143)
Effect of changes in interest rates and other financial assumptions	242,402,529	303,807,040	432,186	6,481,044	18,676,889	11,501,216	887,872	-	584,188,775
	<b>198,218,771</b>	<b>306,321,598</b>	<b>(1,003,128)</b>	<b>4,589,932</b>	<b>16,513,178</b>	<b>11,323,715</b>	<b>(237,433)</b>	<b>-</b>	<b>535,726,632</b>
<b>Reinsurance contracts financial component result</b>									
Accrued interest	1,846,178	194,173	474,049	1,832,298	986,105	362,891	1,169,508	-	6,865,201
Effect of changes in interest rates and other financial assumptions	(721,721)	(4,285,312)	(146,514)	(5,038,605)	(1,398,734)	(3,807,946)	(461,440)	-	(15,860,272)
<b>Total reinsurance contracts financial component result</b>	<b>1,124,457</b>	<b>(4,091,139)</b>	<b>327,534</b>	<b>(3,206,307)</b>	<b>(412,628)</b>	<b>(3,445,055)</b>	<b>708,067</b>	<b>-</b>	<b>(8,995,072)</b>
<b>Represented by:</b>									
Amounts recognized in gains and losses	103,774,173	27,993,682	2,128,494	9,009,786	11,844,953	4,944,236	7,319,281	(5,351,684)	161,662,922
Amounts recognized in other comprehensive income	(495,546,049)	323,912,040	15,381,194	31,798,729	98,738,375	11,631,107	(242,631,247)	(5,398,485)	(262,114,338)
	<b>(391,771,876)</b>	<b>351,905,722</b>	<b>17,509,688</b>	<b>40,808,515</b>	<b>110,583,328</b>	<b>16,575,343</b>	<b>(235,311,966)</b>	<b>(10,750,169)</b>	<b>(100,451,415)</b>
<b>A. Insurance and reinsurance contracts financial component result.</b>									
Insurance contracts financial component result									
Amounts recognized in gains and losses	(44,183,759)	2,514,558	(1,435,314)	(1,891,113)	(2,163,711)	(177,501)	(1,125,305)	-	(48,462,143)
Amounts recognized in other comprehensive income	242,402,529	303,807,040	432,186	6,481,044	18,676,889	11,501,216	887,872	-	584,188,775
	<b>198,218,771</b>	<b>306,321,598</b>	<b>(1,003,128)</b>	<b>4,589,932</b>	<b>16,513,178</b>	<b>11,323,715</b>	<b>(237,433)</b>	<b>-</b>	<b>535,726,632</b>
Reinsurance contracts financial component result									
Amounts recognized in gains and losses	1,846,178	194,173	474,049	1,832,298	986,105	362,891	1,169,508	-	6,865,201
Amounts recognized in other comprehensive income	(721,721)	(4,285,312)	(146,514)	(5,038,605)	(1,398,734)	(3,807,946)	(461,440)	-	(15,860,272)
	<b>1,124,457</b>	<b>(4,091,139)</b>	<b>327,534</b>	<b>(3,206,307)</b>	<b>(412,628)</b>	<b>(3,445,055)</b>	<b>708,067</b>	<b>-</b>	<b>(8,995,072)</b>

### 35. FINANCIAL INCOME

In the years 2023 and 2022, the investment income heading was composed as follows:

(amounts in euros)

	2023			Total
	Interest	Dividends	Annuities	
<b>Investments allocated to liabilities for life insurance contracts</b>				
Properties	-	-	2,084,802	2,084,802
Financial assets at fair value through profit or loss	1,682,477	2,013,187	-	3,695,664
Financial assets at fair value through other comprehensive income	94,066,187	506,685	-	94,572,872
Financial assets at amortised cost	986,197	-	-	986,197
Sight deposits	31,001	-	-	31,001
	<b>96,765,862</b>	<b>2,519,872</b>	<b>2,084,802</b>	<b>101,370,536</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>				
Properties	-	-	41,235,875	41,235,875
Financial assets at fair value through profit or loss	46,108,219	11,538,279	-	57,646,498
Financial assets at fair value through other comprehensive income	96,459,286	157,383	-	96,616,669
Financial assets at amortised cost	3,171,251	-	-	3,171,251
Sight deposits	1,336,086	-	-	1,336,086
	<b>147,074,842</b>	<b>11,695,662</b>	<b>41,235,875</b>	<b>200,006,379</b>
	<b>243,840,704</b>	<b>14,215,534</b>	<b>43,320,677</b>	<b>301,376,916</b>

(continuation)

(amounts in euros)

	2023			Total
	Interest	Dividends	Annuities	
<b>Investments allocated to liabilities for non-life insurance contracts</b>				
Properties	-	-	37,693,961	37,693,961
Financial assets at fair value through profit or loss	11,611,445	22,470,639	-	34,082,084
Financial assets at fair value through other comprehensive income	48,920,930	21,708,352	-	70,629,282
Financial assets at amortised cost	6,369,146	-	-	6,369,146
Sight deposits	150,138	-	-	150,138
	<b>67,051,659</b>	<b>44,178,992</b>	<b>37,693,961</b>	<b>148,924,611</b>
<b>Investments not allocated</b>				
Properties	-	-	18,663,201	18,663,201
Financial assets at fair value through profit or loss	547,753	2,455,124	-	3,002,877
Financial assets at fair value through other comprehensive income	5,212,821	385	-	5,213,207
Financial assets at amortised cost	11,722,166	-	-	11,722,166
Sight deposits	1,964,035	-	-	1,964,035
	<b>19,446,775</b>	<b>2,455,509</b>	<b>18,663,201</b>	<b>40,565,486</b>
	<b>330,339,139</b>	<b>60,850,035</b>	<b>99,677,839</b>	<b>490,867,013</b>

	2022			Total
	Interest	Dividends	Annuities	
<b>Investments allocated to liabilities for life insurance contracts</b>				
Properties	-	-	2,149,680	2,149,680
Financial assets at fair value through profit or loss	2,375,471	1,344,327	-	3,719,798
Financial assets at fair value through other comprehensive income	87,011,464	661,555	-	87,673,019
Financial assets at amortised cost	1,110,967	-	-	1,110,967
Sight deposits	985	-	-	985
	<b>90,498,886</b>	<b>2,005,882</b>	<b>2,149,680</b>	<b>94,654,448</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>				
Properties	-	-	27,776,785	27,776,785
Financial assets at fair value through profit or loss	25,765,720	18,938,260	-	44,703,980
Financial assets at fair value through other comprehensive income	87,810,154	7,758,592	-	95,568,746
Financial assets at amortised cost	10,025,538	-	-	10,025,538
Sight deposits	144,161	-	-	144,161
	<b>123,745,574</b>	<b>26,696,852</b>	<b>27,776,785</b>	<b>178,219,211</b>
	<b>214,244,459</b>	<b>28,702,735</b>	<b>29,926,465</b>	<b>272,873,659</b>

(continuation)

(amounts in euros)

	2022			Total
	Interest	Dividends	Annuities	
<b>investments allocated to liabilities for non-life insurance contracts</b>				
Properties	-	-	30,492,517	30,492,517
Financial assets at fair value through profit or loss	7,229,857	12,626,583	-	19,856,440
Financial assets at fair value through other comprehensive income	49,498,628	23,515,017	-	73,013,646
Financial assets at amortised cost	5,230,177	-	-	5,230,177
Sight deposits	20,501	-	-	20,501
	<b>61,979,164</b>	<b>36,141,601</b>	<b>30,492,517</b>	<b>128,613,282</b>
<b>Investments not allocated</b>				
Properties	-	-	23,419,769	23,419,769
Financial assets at fair value through profit or loss	701,943	3,053,865	-	3,755,809
Financial assets at fair value through other comprehensive income	2,145,598	-	-	2,145,598
Financial assets at amortised cost	3,268,203	-	-	3,268,203
Sight deposits	497,976	-	-	497,976
	<b>6,613,720</b>	<b>3,053,865</b>	<b>23,419,769</b>	<b>33,087,355</b>
	<b>282,837,343</b>	<b>67,898,200</b>	<b>83,838,751</b>	<b>434,574,295</b>



### 36. NET INCOME ON FINANCIAL ASSETS AND LIABILITIES NOT RECOGNISED AT FAIR VALUE THROUGH PROFIT OR LOSS

In the years 2023 and 2022, this heading was composed as follows:

(amounts in euros)

	Gains	2023 Loss	Net
<b>Investments allocated to liabilities for life insurance contracts</b>			
Financial assets at fair value through other comprehensive income	1,301,931	( 7,245,448 )	( 5,943,517 )
	<b>1,301,931</b>	<b>( 7,245,448 )</b>	<b>( 5,943,517 )</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>			
Financial assets at fair value through other comprehensive income	1,941,141	( 23,594,545 )	( 21,653,404 )
Financial assets at amortised cost	6,944	-	6,944
Financial liabilities at amortised cost	6,641,468	( 98,838,890 )	( 92,197,422 )
	<b>8,589,554</b>	<b>( 122,433,435 )</b>	<b>( 113,843,882 )</b>
	<b>9,891,485</b>	<b>( 129,678,884 )</b>	<b>( 119,787,399 )</b>
<b>Investments allocated to liabilities for non-life insurance contracts</b>			
Financial assets at fair value through other comprehensive income	516,149	( 6,532,209 )	( 6,016,060 )
Financial assets at amortised cost	-	( 28,622 )	( 28,622 )
	<b>516,149</b>	<b>( 6,560,831 )</b>	<b>( 6,044,682 )</b>

(continuation)

(amounts in euros)

	Gains	2023 Loss	Net
<b>Investments not allocated</b>			
Investments in subsidiaries, associates and joint ventures	2,944,217	-	2,944,217
Financial assets at fair value through other comprehensive income	199,076	( 3,338,328 )	( 3,139,252 )
Financial assets at amortised cost	-	( 63,098 )	( 63,098 )
	<b>3,143,293</b>	<b>( 3,401,425 )</b>	<b>( 258,132 )</b>
	<b>13,550,927</b>	<b>( 139,641,140 )</b>	<b>( 126,090,213 )</b>

(amounts in euros)

	Gains	2022 Loss	Net
<b>Investments allocated to liabilities for life insurance contracts</b>			
Financial assets at fair value through other comprehensive income	7,140,413	( 5,669,779 )	1,470,635
	<b>7,140,413</b>	<b>( 5,669,779 )</b>	<b>1,470,635</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>			
Financial assets at fair value through other comprehensive income	16,223,465	( 16,330,780 )	( 107,315 )
Financial assets at amortised cost	454,172	( 189,573 )	264,599
Financial liabilities at amortised cost	900,754	( 14,799,713 )	( 13,898,959 )
	<b>17,578,391</b>	<b>( 31,320,067 )</b>	<b>( 13,741,676 )</b>
	<b>24,718,804</b>	<b>( 36,989,845 )</b>	<b>( 12,271,041 )</b>
<b>Investments allocated to liabilities for non-life insurance contracts</b>			
Financial assets at fair value through other comprehensive income	3,623,153	( 6,069,555 )	( 2,446,402 )
Financial assets at amortised cost	-	( 50,236 )	( 50,236 )
	<b>3,623,153</b>	<b>( 6,119,791 )</b>	<b>( 2,496,638 )</b>
<b>Investments not allocated</b>			
Investments in subsidiaries, associates and joint ventures	198	-	198
Financial assets at fair value through other comprehensive income	294,538	( 1,306,542 )	( 1,012,004 )
Financial assets at amortised cost	-	( 63,249 )	( 63,249 )
	<b>294,735</b>	<b>( 1,369,791 )</b>	<b>( 1,075,056 )</b>
	<b>28,636,693</b>	<b>( 44,479,428 )</b>	<b>( 15,842,734 )</b>

### 37. NET INCOME ON FINANCIAL ASSETS AND LIABILITIES RECOGNISED AT FAIR VALUE THROUGH PROFIT OR LOSS

In the years 2023 and 2022, this heading was composed as follows:

(amounts in euros)

	Gains	2023 Loss	Net
<b>Investments allocated to liabilities for life insurance contracts</b>			
Financial assets and liabilities at fair value through profit or loss	35,268,356	( 29,035,335 )	6,233,021
	<b>35,268,356</b>	<b>( 29,035,335 )</b>	<b>6,233,021</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>			
Financial assets and liabilities at fair value through profit or loss	545,089,144	( 514,358,444 )	30,730,699
	<b>545,089,144</b>	<b>( 514,358,444 )</b>	<b>30,730,699</b>
	<b>580,357,499</b>	<b>( 543,393,779 )</b>	<b>36,963,720</b>
<b>Investments allocated to liabilities for non-life insurance contracts</b>			
Financial assets and liabilities at fair value through profit or loss	55,159,104	( 44,856,626 )	10,302,478
	<b>55,159,104</b>	<b>( 44,856,626 )</b>	<b>10,302,478</b>
<b>Investments not allocated</b>			
Financial assets and liabilities at fair value through profit or loss	175,885,370	( 178,239,680 )	( 2,354,310 )
	<b>175,885,370</b>	<b>( 178,239,680 )</b>	<b>( 2,354,310 )</b>
	<b>811,401,974</b>	<b>( 766,490,085 )</b>	<b>44,911,889</b>

(amounts in euros)

	Gains	2022 Loss	Net
<b>Investments allocated to liabilities for life insurance contracts</b>			
Financial assets and liabilities at fair value through profit or loss	49,396,936	( 87,368,070 )	( 37,971,134 )
	<b>49,396,936</b>	<b>( 87,368,070 )</b>	<b>( 37,971,134 )</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>			
Financial assets and liabilities at fair value through profit or loss	795,026,431	( 884,950,554 )	( 89,924,123 )
	<b>795,026,431</b>	<b>( 884,950,554 )</b>	<b>( 89,924,123 )</b>
	<b>844,423,367</b>	<b>( 972,318,624 )</b>	<b>( 127,895,257 )</b>
<b>Investments allocated to liabilities for non-life insurance contracts</b>			
Financial assets and liabilities at fair value through profit or loss	73,471,991	( 170,241,264 )	( 96,769,272 )
	<b>917,895,358</b>	<b>( 1,142,559,887 )</b>	<b>( 224,664,529 )</b>
<b>Investments not allocated</b>			
Financial assets and liabilities at fair value through profit or loss	69,122,039	( 102,109,164 )	( 32,987,125 )
	<b>69,122,039</b>	<b>( 102,109,164 )</b>	<b>( 32,987,125 )</b>
	<b>987,017,398</b>	<b>( 1,244,669,052 )</b>	<b>( 257,651,654 )</b>

### 38. EXCHANGE DIFFERENCES

In the years 2023 and 2022, this heading was composed as follows:

(amounts in euros)

	2023	2022
<b>Investments allocated to liabilities for life insurance contracts</b>		
Investments in subsidiaries, associates and joint ventures	171,138	-
Financial assets at fair value through profit or loss	( 979,569 )	( 2,255,861 )
Financial assets at fair value through other comprehensive income	( 6,411,762 )	30,061,345
Financial assets at amortised cost	( 137,113 )	234,270
Sight deposits	( 1,436,304 )	313,999
Others	( 4 )	( 44 )
	<b>( 8,793,614 )</b>	<b>28,353,709</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>		
Investments in subsidiaries, associates and joint ventures	3,514,114	-
Financial assets at fair value through profit or loss	( 32,094,476 )	(8,001,064 )
Financial assets at fair value through other comprehensive income	( 655,496 )	(12,720,651 )
Financial assets at amortised cost	( 269,047 )	607,007
Sight deposits	( 1,285,734 )	6,265,090
Others	( 770 )	275
	<b>( 30,791,409 )</b>	<b>(13,849,343)</b>
	<b>( 39,585,023 )</b>	<b>14,504,366</b>

(continuation)

(amounts in euros)

	2023	2022
<b>Investments allocated to liabilities for non-life insurance contracts</b>		
Investments in subsidiaries, associates and joint ventures	3,756,199	-
Financial assets at fair value through profit or loss	( 2,298,327 )	7,399,731
Financial assets at fair value through other comprehensive income	( 7,963,653 )	35,266,281
Financial assets at amortised cost	842,125	525,350
Sight deposits	( 274,725 )	( 945,220 )
Others	1,101	( 63 )
	<b>( 5,937,280 )</b>	<b>42,246,079</b>
<b>Investments not allocated</b>		
Investments in subsidiaries, associates and joint ventures	( 7,441,451 )	101
Financial assets at fair value through profit or loss	( 994,520 )	( 2,107,049 )
Financial assets at fair value through other comprehensive income	12,929	( 25,232 )
Financial assets at amortised cost	( 1,555,664 )	( 5,132,430 )
Sight deposits	1,803,544	4,376,586
Others	2,217,432	234,300
	<b>( 5,957,731 )</b>	<b>( 2,653,724 )</b>
	<b>( 51,480,034 )</b>	<b>54,096,721</b>

### 39. NET INCOME ON THE SALE OF NON-FINANCIAL ASSETS WHICH HAVE NOT BEEN RECOGNISED AS NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

In the years 2023 and 2022, this heading was composed as follows:

(amounts in euros)

Realised gains and losses	2023			2022		
	Gains	Losses	Net	Gains	Losses	Net
<b>Investments allocated to technical provisions for life insurance</b>						
Investment properties	568,383	( 704,788 )	( 136,405 )	21,068	( 4,325 )	16,743
	<b>568,383</b>	<b>( 704,788 )</b>	<b>( 136,405 )</b>	<b>21,068</b>	<b>( 4,325 )</b>	<b>16,743</b>
<b>Investments allocated to non-life technical provisions</b>						
Properties for own use	4,234,375	( 1,227,821 )	3,006,554	137,964	( 3 )	137,961
Investment properties	3,670,670	( 1,190,191 )	2,480,478	13,504,730	( 3,284,512 )	10,220,218
	<b>7,905,044</b>	<b>( 2,418,012 )</b>	<b>5,487,032</b>	<b>13,642,694</b>	<b>( 3,284,515 )</b>	<b>10,358,179</b>
<b>Investments not allocated</b>						
Properties for own use	3,173,617	( 545,394 )	2,628,223	2,584,930	( 1,832,069 )	752,861
Investment properties	925,280	( 4,675,958 )	( 3,750,678 )	6,266,939	( 11,955,042 )	( 5,688,103 )
Investments in associates and joint ventures	22,286	-	22,286	3,404,991	-	3,404,991
	<b>4,121,183</b>	<b>( 5,221,352 )</b>	<b>( 1,100,169 )</b>	<b>12,256,860</b>	<b>( 13,787,111 )</b>	<b>( 1,530,251 )</b>
	<b>12,594,610</b>	<b>( 8,344,152 )</b>	<b>4,250,458</b>	<b>25,920,621</b>	<b>( 17,075,951 )</b>	<b>8,844,671</b>



(amounts in euros)

Unrealised gains and losses	2023			2022		
	Gains	Losses	Net (Note 11)	Gains	Losses	Net (Note 11)
<b>Investments allocated to technical provisions for life insurance</b>						
Investment properties	50,747,580	( 38,136,471 )	12,611,109	53,355,462	( 28,553,255 )	24,802,207
	<b>50,747,580</b>	<b>( 38,136,471 )</b>	<b>12,611,109</b>	<b>53,355,462</b>	<b>( 28,553,255 )</b>	<b>24,802,207</b>
<b>Investments allocated to non-life technical provisions</b>						
Investment properties	49,756,255	( 38,862,706 )	10,893,548	54,544,448	( 31,605,345 )	22,939,103
	<b>49,756,255</b>	<b>( 38,862,706 )</b>	<b>10,893,548</b>	<b>54,544,448</b>	<b>( 31,605,345 )</b>	<b>22,939,103</b>
<b>Investments not allocated</b>						
Investment properties	5,813,270	( 69,558,897 )	( 63,745,627 )	26,710,985	( 27,002,729 )	( 291,745 )
Investments in associates and joint ventures	-	-	-	75	-	75
	<b>5,813,270</b>	<b>( 69,558,897 )</b>	<b>( 63,745,627 )</b>	<b>26,711,060</b>	<b>( 27,002,729 )</b>	<b>( 291,669 )</b>
	<b>106,317,104</b>	<b>( 146,558,074 )</b>	<b>( 40,240,970 )</b>	<b>134,610,970</b>	<b>( 87,161,329 )</b>	<b>47,449,641</b>

(amounts in euros)

Total	2023			2022		
	Gains	Losses	Net	Gains	Losses	Net
<b>Investments allocated to technical provisions for life insurance</b>						
Investment properties	51,315,962	( 38,841,258 )	12,474,704	53,376,530	( 28,557,580 )	24,818,950
	<b>51,315,962</b>	<b>( 38,841,258 )</b>	<b>12,474,704</b>	<b>53,376,530</b>	<b>( 28,557,580 )</b>	<b>24,818,950</b>
<b>Investments allocated to non-life technical provisions</b>						
Properties for own use	4,234,375	( 1,227,821 )	3,006,554	137,964	( 3 )	137,961
Investment properties	53,426,924	( 40,052,898 )	13,374,026	68,049,178	( 34,889,857 )	33,159,321
	<b>57,661,299</b>	<b>( 41,280,718 )</b>	<b>16,380,581</b>	<b>68,187,142</b>	<b>( 34,889,860 )</b>	<b>33,297,282</b>
<b>Investments not allocated</b>						
Properties for own use	3,173,617	( 545,394 )	2,628,223	2,584,930	( 1,832,069 )	752,861
Investment properties	6,738,550	( 74,234,855 )	( 67,496,305 )	32,977,923	( 38,957,771 )	( 5,979,847 )
Investments in associates and joint ventures	22,286	-	22,286	3,405,066	-	3,405,066
	<b>9,934,453</b>	<b>( 74,780,249 )</b>	<b>( 64,845,796 )</b>	<b>38,967,920</b>	<b>( 40,789,840 )</b>	<b>( 1,821,921 )</b>
	<b>118,911,714</b>	<b>( 154,902,226 )</b>	<b>( 35,990,512 )</b>	<b>160,531,592</b>	<b>( 104,237,280 )</b>	<b>56,294,311</b>

#### 40. IMPAIRMENT LOSSES (NET OF REVERSALS)

Information on impairment losses movements in 2023 and 2022 is set out below:

(amounts in euros)

	2023					Closing balances
	Opening balances	Reinforcements	Recoveries and cancellations	Uses	Others	
Expected credit loss on financial assets						
at fair value through other comprehensive income						
Debt instruments						
Stages 1 and 2 (Note 27)	11,082,575	13,852,458	( 3,601,701 )	( 228,708 )	-	21,104,624
Stage 3 (Note 8)	79,088,100	5,203,506	( 2,757,428 )	( 1,068,152 )	-	80,466,026
Other instruments	-		( 103,819 )	-	103,819	-
Debt instruments	1,976,459	718,813	( 191,015 )	( 577,087 )	-	1,927,171
Other instruments	10,597	172,202	-	( 2,080 )	-	180,719
Impairment of own service properties (Note 10)	16,418,989	3,763,669	( 1,040,935 )	( 3,052,546 )	-	16,089,176
Impairment of inventories (Note 13)	1,125,726	-	( 418,334 )	-	-	707,392
Adjustments to premiums pending collection (Note 17)	12,307,759	7,014,798	-	( 4,944,167 )	-	14,378,390
IFAP Adjustments (Note 17)	247,225	337,639	-	-	-	584,864
Adjustments for doubtful debts (Note 17)	45,703,133	2,135,714	-	( 1,865,979 )	-	45,972,867
	<b>167,960,563</b>	<b>33,198,798</b>	<b>( 8,113,232 )</b>	<b>( 11,738,719 )</b>	<b>103,819</b>	<b>181,411,228</b>

(amounts in euros)

	2022					Closing balances
	Opening balances	Reinforcements	Recoveries and cancellations	Uses	Others	
Expected credit loss on financial assets						
at fair value through other comprehensive income						
Debt instruments						
Stages 1 and 2 (Note 27)	29,677,275	5,429,089	( 24,259,249 )	-	235,459	11,082,575
Stage 3 (Note 8)	57,942,870	21,144,954	-	-	277	79,088,100
Debt instruments	904,302	1,435,521	( 340,454 )	( 22,410 )	-	1,976,459
Other instruments	385,752	1,865	-	( 377,420 )	-	10,597
Impairment of own service properties (Note 10)	16,568,008	2,582,964	( 57,986 )	( 2,473,997 )	-	16,418,989
Impairment of inventories (Note 13)	900,000	480,726	( 142,400 )	( 112,400 )	-	1,125,726
Adjustments to premiums pending collection (Note 17)	16,821,724	-	( 3,424,275 )	( 989,489 )	-	12,307,759
IFAP Adjustments (Note 17)	-	247,225	-	-	-	247,225
Adjustments for doubtful debts (Note 17)	52,739,365	225,743	-	( 7,461,976 )	-	45,703,133
	<b>175,939,295</b>	<b>31,548,087</b>	<b>( 28,424,465 )</b>	<b>( 11,438,091 )</b>	<b>235,736</b>	<b>167,960,563</b>

In 2023 and 2022, the item "Impairment losses (net of reversals)" includes uses of 2,027,715 Euros and 11,114,203 Euros of "Other provisions and Contingent Liabilities" (Note 25), respectively.

At 31 December 2023 and 2022 the breakdown by rating and stage of expected credit losses based on the gross balance sheet value was the following:

(amounts in euros)

	2023			
	12-month expected credit losses	Lifetime expected credit losses	Default	Total
<b>Financial assets at fair value through other comprehensive income</b>				
AAA	204,929,830	-	-	204,929,830
AA- to AA+	125,433,716	-	-	125,433,716
A- to A+	1,845,753,346	-	-	1,845,753,346
BBB- to BBB+	4,580,999,378	827,592	2,002,245	4,583,829,215
BB- to BB+	705,911,715	26,707,199	12,084,495	744,703,409
B- to B+	13,827,587	59,877,226	2,162,105	75,866,918
CCC- to CCC+	-	47,798,563	-	47,798,563
C			3,892,822	3,892,822
Not rated	-	1,921,276	74,912,266	76,833,542
	<b>7,476,855,572</b>	<b>137,131,856</b>	<b>95,053,933</b>	<b>7,709,041,361</b>
<b>Financial assets at amortised cost</b>				
A- to A+	245,493,293	-	-	245,493,293
BBB- to BBB+	31,729,591	-	-	31,729,591
B- to B+	-	13,153,669	-	13,153,669
CCC- to CCC+	-	1,922,645	1,922,645	
Not rated	-	2,714,055	537,611	3,251,666
	<b>277,222,884</b>	<b>17,790,369</b>	<b>537,611</b>	<b>295,550,864</b>

(amounts in euros)

	2022			
	12-month expected credit losses	Lifetime expected credit losses	Default	Total
<b>Financial assets at fair value through other comprehensive income</b>				
AAA	33,649,285	-	-	33,649,285
AA- to AA+	61,953,273	-	-	61,953,273
A- to A+	1,709,427,136	-	-	1,709,427,136
BBB- to BBB+	4,778,968,296	3,385,100	2,002,288	4,784,355,684
BB- to BB+	846,757,770	16,769,287	104,920	863,631,977
B- to B+	44,765,369	14,606,162	-	59,371,531
CCC- to CCC+	-	44,364,092	-	44,364,092
Not rated	5,860,706	511,641	78,243,716	84,616,063
	<b>7,481,381,835</b>	<b>79,636,282</b>	<b>80,350,924</b>	<b>7,641,369,041</b>
<b>Financial assets at amortised cost</b>				
BBB- to BBB+	542,143,835	-	-	542,143,835
B- to B+	-	13,868,359	-	13,868,359
CCC- to CCC+	-	3,423,811	-	3,423,811
Not rated	-	1,702,851	537,611	2,240,462
	<b>542,143,835</b>	<b>18,995,021</b>	<b>537,611</b>	<b>561,676,467</b>

The movement between 31 December 2022 and 31 December 2023 of expected credit losses based on the gross balance sheet value was as follows:

(amounts in euros)

	12-month expected credit losses	Lifetime expected credit losses	Default	Total
<b>Financial assets at fair value through other comprehensive income</b>				
<b>Balance at 31 December 2022</b>	<b>7,481,381,835</b>	<b>79,636,282</b>	<b>80,350,924</b>	<b>7,641,369,041</b>
New assets originated or purchased	1,300,158,821	127,736,281	13,699,305	1,441,594,407
Assets derecognised or matured	( 1,572,210,207 )	( 139,039,030 )	( 12,791,274 )	( 1,724,040,511 )
Accrued capitalised interest	( 13,802,115 )	2,720,809	572,038	( 10,509,268 )
Change in fair value	393,366,895	( 10,561,875 )	5,202,567	388,007,587
Net exchange expense / (income)	( 27,804,400 )	1,854,530	( 1,430,025 )	( 27,379,895 )
Movement between 12mECL and LTECL	( 84,235,257 )	74,784,859	9,450,398	-
<b>Balance at 31 December 2023</b>	<b>7,476,855,572</b>	<b>137,131,856</b>	<b>95,053,933</b>	<b>7,709,041,361</b>
<b>Financial assets at amortised cost</b>				
<b>Balance at 31 December 2022</b>	<b>542,143,835</b>	<b>18,995,021</b>	<b>537,611</b>	<b>561,676,467</b>
New assets originated or purchased	-	13,848,740	-	13,848,740
Assets derecognised or matured	( 259,132,578 )	( 15,726,284 )	-	( 274,858,862 )
Accrued capitalised interest	( 5,788,373 )	672,782	-	( 5,115,591 )
Net exchange expense / (income)	-	110	-	110
<b>Balance at 31 December 2023</b>	<b>277,222,884</b>	<b>17,790,369</b>	<b>537,611</b>	<b>295,550,864</b>

As of 31 December 2023 and 2022, the breakdown by rating and stage of expected credit losses based on expected credit losses was as follows:

(amounts in euros)

	2023			
	12-month expected credit losses	Lifetime expected credit losses	Default	Total
<b>Financial assets at fair value through other comprehensive income</b>				
AAA	1	-	-	1
AA- to AA+	14,549	-	-	14,549
A- to A+	627,644	-	-	627,644
BBB- to BBB+	3,788,239	126	361,453	4,149,818
BB- to BB+	2,812,169	1,318,363	744,835	4,875,367
B- to B+	756,295	10,675,784	554,651	11,986,730
CCC- to CCC+	-	999,372	-	999,372
C	-	-	3,892,822	3,892,822
Not rated	-	112,082	74,912,265	75,024,347
	<b>7,998,897</b>	<b>13,105,727</b>	<b>80,466,026</b>	<b>101,570,650</b>
<b>Financial assets at amortised cost</b>				
A- to A+	1	-	-	1
B- to B+	-	1,088,497	-	1,088,497
CCC- to CCC+	-	141,892	-	141,892
Not rated	-	159,169	537,611	696,780
	<b>1</b>	<b>1,389,558</b>	<b>537,611</b>	<b>1,927,170</b>



(amounts in euros)

	2022			
	12-month expected credit losses	Lifetime expected credit losses	Default	Total
<b>Financial assets at fair value through other comprehensive income</b>				
AA- to AA+	11,909	-	-	11,909
A- to A+	662,740	-	-	662,740
BBB- to BBB+	3,535,472	14,534	862,233	4,412,239
BB- to BB+	3,858,613	912,973	10,053	4,781,639
B- to B+	1,036,562	253,116	-	1,289,678
CCC- to CCC+	-	717,388	-	717,388
Not rated	-	79,267	78,215,815	78,295,082
	<b>9,105,296</b>	<b>1,977,278</b>	<b>79,088,101</b>	<b>90,170,675</b>
<b>Financial assets at amortised cost</b>				
B- to B+	-	1,080,451	-	1,080,451
CCC- to CCC+	-	259,021	-	259,021
Not rated	-	99,377	537,611	636,988
	-	<b>1,438,849</b>	<b>537,611</b>	<b>1,976,460</b>

The movement between 31 December 2022 and 31 December 2023 based on expected credit losses was as follows:

(amounts in euros)

	12-month expected credit losses	Lifetime expected credit losses	Default	Total
<b>Financial assets at fair value through other comprehensive income</b>				
<b>Balance at 31 December 2022</b>	<b>9,105,296</b>	<b>1,977,278</b>	<b>79,088,101</b>	<b>90,170,675</b>
New assets originated or purchased	992,799	1,492,416	734,872	3,220,087
Assets derecognised or matured	(1,091,493)	(1,057,529)	(1,876,142)	(4,025,164)
Re-measurement of expected credit loss	(514,000)	10,637,527	2,081,525	12,205,052
Movement between 12mECL and LTECL	(493,705)	56,635	437,670	
<b>Balance at 31 December 2023</b>	<b>7,998,897</b>	<b>13,105,727</b>	<b>80,466,026</b>	<b>101,570,650</b>
<b>Financial assets at amortised cost</b>				
<b>Balance at 31 December 2022</b>	<b>-</b>	<b>1,438,849</b>	<b>537,611</b>	<b>1,976,460</b>
New assets originated or purchased	-	1,207,066	-	1,207,066
Assets derecognised or matured	-	(1,134,683)	-	(1,134,683)
Re-measurement of expected credit loss	1	(121,674)	-	(121,673)
<b>Balance at 31 December 2023</b>	<b>1</b>	<b>1,389,558</b>	<b>537,611</b>	<b>1,927,170</b>

As of 31 December 2023, the amount recorded under the heading "Allowance for expected credit losses in debt instruments at fair value through other comprehensive income", referring to securities whose used reference rating corresponds to an internal rating amount to 305,828 Euros. The provision corresponding to these securities, if considered as unrated, would amount to 29,660,342 Euros.

## 41. OTHER TECHNICAL INCOME/EXPENSES, NET OF REINSURANCE

In the years 2023 and 2022 this heading was composed as follows:

(amounts in euros)

	2023			2022		
	Financial Income	Expenses	Net	Financial Income	Expenses	Net
<b>Related to life insurance</b>						
Co-insurance management fees	273,610	( 282,127 )	( 8,518 )	87,659	( 592,202 )	( 504,543 )
Pension fund management fees	1,461,612	-	1,461,612	1,150,258	-	1,150,258
Others	4,680	( 75,090 )	( 70,410 )	3,853	( 192,147 )	( 188,294 )
	<b>1,739,902</b>	<b>( 357,218 )</b>	<b>1,382,684</b>	<b>1,241,769</b>	<b>( 784,349 )</b>	<b>457,420</b>
<b>Related to non-life insurance</b>						
Co-insurance management fees	636,314	( 1,106,242 )	( 469,928 )	1,248,701	( 1,093,199 )	155,502
Others	2,304,409	( 199,656 )	2,104,754	1,710,248	( 1,856,517 )	( 146,269 )
	<b>2,940,723</b>	<b>( 1,305,897 )</b>	<b>1,634,825</b>	<b>2,958,949</b>	<b>( 2,949,716 )</b>	<b>9,234</b>
	<b>4,680,625</b>	<b>( 1,663,115 )</b>	<b>3,017,509</b>	<b>4,200,718</b>	<b>( 3,734,065 )</b>	<b>466,654</b>

## 42. OTHER INCOME/EXPENSES

In the years 2023 and 2022, this heading was composed as follows:

(amounts in euros)

	2023	2022
<b>Non-current income and gains</b>		
Pro-rata VAT Credit	2,783,093	8,172,079
Tax rebates	1,592,895	1,481,759
Others	12,883,032	7,097,170
	<b>17,259,020</b>	<b>16,751,008</b>
<b>Financial income and gains</b>		
Interest earned	3,012,540	1,587,177
Exchange rate gains	2,493,365	11,628,578
Prompt payment discounts	1,443,252	1,665,024
Others	2,648,998	3,550,224
	<b>9,598,154</b>	<b>18,431,002</b>
<b>Income from other assets</b>		
Gains on other tangible assets	723,989	334,637
Gains on other intangible assets	312,560	1,096,923
	<b>1,036,549</b>	<b>1,431,560</b>
<b>Earnings from pension plans</b>		
Pension fund management fees (Fidelidade Macau Vida)	2,318	2,355

(continuation)

(amounts in euros)

	2023	2022
Other earnings	24,107	40,178
	<b>26,425</b>	<b>42,534</b>
<b>Other non-technical income</b>		
Provision of services		
Customers	566,669,616	500,192,416
Others	12,630,203	15,312,313
Adjustments to balances	8,301,349	2,582,866
	<b>587,601,168</b>	<b>518,087,595</b>
<b>Non-current expenses and losses</b>		
Patronage	-	(511,739)
Under-estimation of taxes	(51,837)	(368,829)
Miscellaneous contributions	(142,564)	(187,683)
Bad debts	(237,454)	(765,696)
Corrections to previous years	(713,153)	(992,747)
Offers to costumers	(882,300)	(801,539)
Donations	(1,549,323)	(3,105,325)
Adjustments to balances	(3,339,987)	(357,520)
Fines and penalties	(4,527,891)	(2,196,433)
Others	(7,601,376)	(5,960,625)
	<b>(19,045,885)</b>	<b>(15,248,135)</b>

(continuation)

(amounts in euros)

	2023	2022
<b>Financial expenses and losses</b>		
Interest paid	( 238,001 )	( 474,036 )
Banking services	( 1,406,520 )	( 1,390,984 )
Exchange rate losses	( 27,772,396 )	( 1,648,852 )
Others	( 3,228,829 )	( 3,806,817 )
	<b>( 32,645,746 )</b>	<b>( 7,320,688 )</b>
<b>Losses in other assets</b>		
Losses on other intangible assets	-	( 55,392 )
Losses on other tangible assets	( 1,348,907 )	( 266,105 )
	<b>( 1,348,907 )</b>	<b>( 321,497 )</b>
<b>Other non-technical expenses</b>		
Interest	( 16,309,926 )	( 9,287,398 )
Amortisations in the year	( 36,029,472 )	( 32,974,418 )
Personnel Costs	( 140,758,148 )	( 125,152,176 )
External supplies and services	( 325,281,445 )	( 299,855,579 )
Others	( 9,645,119 )	( 7,701,816 )
	<b>( 528,024,110 )</b>	<b>( 474,971,387 )</b>
<b>Cost of goods sold</b>	<b>( 3,808,675 )</b>	<b>( 3,046,805 )</b>
<b>Total other income and expenditures</b>	<b>30,647,993</b>	<b>53,835,186</b>

At 31 December 2023 and 2022, the breakdown of provision of services to customers was as follows:

(amounts in euros)

	2023	2022
<b>Provision of services</b>		
Hospital Service	528,338,343	485,046,136
Portfolio management	6,661,964	6,264,718
Helpdesk	527,873	732,713
Health Service	706,279	362,648
Expertise Services/Claims Assessment	81,899	1,282,992
Motor Repair	220,694	182,486
Financial and Accounting Services	2,696,652	1,681,258
Other services provided	26,545,659	14,234,816
Discounts and rebates for services provided	890,253	( 9,595,351 )
	<b>566,669,616</b>	<b>500,192,416</b>

### 43. GAINS AND LOSSES FROM ASSOCIATES AND JOINT VENTURES (EQUITY METHOD)

In the years 2023 and 2022, this heading was composed as follows:

(amounts in euros)

	2023	2022
Audatex Portugal - Peritagens Informatizadas Derivadas de Acidentes, S.A.	359,382	325,765
Serfun Portugal, SGPS, S.A.	( 14,456 )	( 19,308 )
Transacciones Especiales S.A.	-	491,368
EA One Holding, Inc	-	124,848
BLUE ADCO - Consultoria e Assessoria em Investimentos Turísticos, S.A.	( 354 )	( 2 )
BLUE OPCO – Exploração e Gestão de Ativos Turísticos, S.A.	( 119,276 )	( 26,422 )
	<b>225,296</b>	<b>896,249</b>



#### 44. INCOME TAX

The costs/gains with income tax recognised in profits and losses, and the tax burden, measured as the ratio between the appropriation for income tax and the profit in the year before tax, may be represented as follows:

(amounts in euros)

	2023	2022
Current tax		
For the year	14,320,269	49,875,736
Municipal and State surtax	1,226,411	2,700,287
Autonomous taxation	2,584,192	3,196,030
	<b>18,130,872</b>	<b>55,772,053</b>
Others		
Branches	588,370	1,509,727
Others	( 595,261 )	4,821,048
	<b>18,123,980</b>	<b>62,102,827</b>
Deferred tax	24,476,022	( 6,838,172 )
Total tax in income statement	42,600,002	55,264,655
Consolidated profit before taxes and Non-controlling interests	278,195,370	277,878,573
Tax burden	15.31%	19.89%

Reconciliation between the nominal tax rate and the effective tax rate in 2023 and 2022 can be demonstrated as follows:

(amounts in euros)

	2023		2022	
	Rate	Tax	Rate	Tax
Income before tax		278,195,370		277,878,573
Income tax calculated at nominal rate	19.77%	55,000,860	12.28%	34,131,539
<b>Permanent differences to be deducted</b>				
Dividends from equity instruments	(0.30%)	( 834,594 )	(0.51%)	( 1,429,578 )
Capital gains and losses for tax purposes	(3.72%)	( 10,350,606 )	-	-
Non-deductible impairment	(0.31%)	( 858,599 )	(3.13%)	( 8,705,194 )
Provisions not relevant for tax purposes	-	-	(0.02%)	( 43,998 )
Refund of non-deductible taxes and CIT overestimates	-	6,462	-	-
Corrections related to previous years	(1.59%)	( 4,436,782 )	-	-
Tax losses used	(7.26%)	( 20,187,640 )	(4.23%)	( 11,754,821 )
<b>Permanent differences to be added</b>				
Capital gains and losses for tax purposes	-	-	2.75%	7,648,046
Accounting capital gains and losses	5.07%	14,113,539	8.77%	24,380,193
Insufficiency of IRC estimation	-	-	-	41
Expenses from termination of employment benefits, retirement benefits and other post-employment or long-term employee benefits	0.01%	21,864	0.01%	16,028

(continuation)

(amounts in euros)

	2023		2022	
	Rate	Tax	Rate	Tax
Tax liabilities	2.03%	5,646,516	2.23%	6,194,392
Corrections related to previous years	0.00%	-	0.10%	273,537
Others	3.42%	9,523,118	0.82%	2,267,449
<b>Tax benefits</b>				
Net job creation	(0.01%)	( 23,300 )	(0.05%)	( 139,750 )
International double taxation	(0.15%)	( 415,812 )	(0.38%)	( 1,047,944 )
SIFIDE II	(3.11%)	( 8,665,644 )	(2.74%)	( 7,619,147 )
Others	(0.07%)	( 185,576 )	(1.54%)	( 4,274,015 )
<b>Tax paid abroad</b>	<b>0.35%</b>	<b>977,048</b>	<b>1.43%</b>	<b>3,971,647</b>
<b>Autonomous taxation</b>	<b>0.39%</b>	<b>1,083,091</b>	<b>0.71%</b>	<b>1,965,799</b>
<b>Surtaxes</b>	<b>0.44%</b>	<b>1,217,599</b>	<b>1.58%</b>	<b>4,401,103</b>
<b>Deferred tax assets and liabilities - Effect of tax rate change</b>	<b>0.35%</b>	<b>968,457</b>	<b>1.81%</b>	<b>5,029,328</b>
	<b>15.31%</b>	<b>42,600,002</b>	<b>19.89%</b>	<b>55,264,655</b>

The tax authorities have the possibility to review the tax situation for a defined period of time, which in Portugal is four years (except in years in which a tax loss is calculated), and may result due to different interpretations of the legislation, any corrections to the taxable profit of previous years. Given the

nature of any corrections that may be made, it is not possible to quantify them at this time. However, in the opinion of the Board of Directors of Fidelidade and of the companies in the Group, it is unlikely that any correction concerning the years referred to above will be significant for the attached financial statements.

## 45. SEGMENT REPORTING

The Group presents operating segments based on management information produced internally. Operating results are regularly reviewed by the main operational decision maker for the purpose of allocating resources to the segment and evaluating performance.

An operating segment is an identifiable component of the Group that is intended to provide an individual product or service or a group of related products or services, within a specific economic environment, from which it may derive revenues and incur expenses, that are subject to risks and benefits that are distinguishable from others.

The results may be segmented by activity since there is distinct financial information.

### Insurer Segment

The insurer segment includes Life and Non-Life insurance.

Life insurance includes the following sub-segments:

- “Risk and Profit Sharing”, comprising contracts through which the insurer undertakes to pay the sum insured in the event of the death of the insured person (death insurance) or survival of the insured person (life assurance) and undertakes to pay a given sum insured at the end of the contracts and the right of the policyholder, insured or beneficiary to receive part of the results generated by the contract; and

- “Investment contracts” means financial instruments in the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts.

Non-life insurance includes the following lines of business:

- “Workers’ compensation”, which aims to insure workers in the event of damage arising at the place and time of work or on the way to or from work, resulting in bodily injury, functional disturbance or illness that causes reduction in the ability to work or earn a salary, or death;
- “Accidents and Health”, intended to insure the workers in the event of injuries arising in the workplace and during working hours or on the way from or to work, which results in bodily injury, functional disorder or disease that leads to a reduction in working or earning capacity or death and that covers the risks related with the provision of healthcare in the form of agreed benefits, indemnity payments and combinations of the two types of benefits;
- “Motor”, which covers the risks to which land motor vehicles (cars, motorcycles, etc.) are exposed, including third party liability arising from their circulation, as well as optional coverages, such as own damages, travel assistance and legal protection;
- “Fire and Other Damage”, which covers risks related to losses of property caused by “Fire and other damage” to property;

- "Third-Party Liability", which covers the risk of the insured having to indemnify third parties for damages resulting in bodily or material injuries for which the same is responsible, including "General Third-Party Liability", "Family Third-Party Liability" insurance, "Animals Third-Party Liability", "Operational Third-Party Liability", "Professional Third-Party Liability" and "Products Third-Party Liability"; and
- "Other", which covers the damages suffered by "Transported Goods", "Legal Protection", "Assistance", "Credit", "Surety" and miscellaneous insurance not mentioned above.

### **Real Estate Segment**

The real estate segment includes the following activities:

- Purchase and sale of real estate, including the purchase for resale, lease or constitution of other real estate rights and also the development, promotion and administration of real estate projects, in the construction and rehabilitation area, as well as the provision of related services;
- Acquisition and disposal of interests in companies, under national or foreign law, with the same or different object as yours, in companies regulated by special laws and in unlimited liability companies, under the terms of the law; and
- Association with other legal entities to, namely, form new companies, complementary groupings of companies, European economic interest groups, consortia and participation associations in accordance with the law.

### **Health Segment**

The health segment includes the following activities:

- Private healthcare, which includes the Group's main hospital acute care units and network of outpatient clinics;
- Public healthcare, which covers the management of a hospital unit, under the Public-Private Partnership Agreement (PPP); and
- Other activities.

The distribution of income by lines of business in 2023 and 2022 was as follows:

(amounts in euros)

	2023								Total
	Life insurance				Non-life insurance				
	Life risk and participating	Investment contracts	Accidents and health	Property	Motor	Third party liabilities	Others	Non-technical	
<b>Profit and Loss</b>									
Insurance revenue									
Measured under premium allocation approach	431,100,586	(5,735)	1,067,950,914	575,454,442	857,697,109	142,510,461	135,495,958	-	3,210,203,735
Non-measured under premium allocation approach	218,399,731	-	-	-	-	-	-	-	218,399,731
Insurance service expenses	(491,678,470)	(1,382,108)	(951,884,519)	(488,873,228)	(789,514,659)	(122,867,505)	(81,242,156)	-	(2,927,442,645)
Recoverable from reinsurers	71,693,724	25,124	(67,722,775)	186,815,465	25,830,554	57,033,027	33,994,468	-	307,669,586
Reinsurance premium paid									
Measured under premium allocation approach - reinsurers	(120,853,069)	8,043,587	45,887,736	(297,366,995)	(27,458,668)	(76,219,068)	(79,241,265)	-	(547,207,742)
Insurance finance expenses for insurance contracts issued	(69,269,402)	-	(15,157,410)	(6,281,578)	(6,141,631)	(1,039,771)	(1,345,865)	-	(99,235,656)
Reinsurance finance income for reinsurance contracts held	2,859,659	-	1,863,840	5,011,126	893,615	698,093	917,317	-	12,243,651
Fees from insurance contracts and operations considered for accounting purposes as investment contracts or service contracts	-	143,703,430	-	-	-	-	-	-	143,703,430
Financial income	106,874,754	194,502,162	77,346,555	18,671,019	32,239,436	10,343,816	10,323,793	40,565,478	490,867,013
Financial expenses	(74,537)	(398,355)	(80,040)	(16,035)	(32,056)	(9,540)	(1,344)	(3,639,955)	(4,251,862)
Net gains from financial assets and liabilities through other comprehensive income	(5,924,843)	(113,862,556)	(4,759,817)	(267,352)	(732,377)	(159,540)	(125,597)	(258,132)	(126,090,213)
Net gains from financial assets and liabilities through profit and loss	7,008,756	29,954,964	10,561,177	(637,750)	(1,168,752)	(385,685)	1,933,489	(2,354,310)	44,911,889
Effect of movements in exchange rates	(8,724,665)	(30,860,358)	(1,922,946)	(1,068,874)	(1,987,858)	(884,177)	(73,425)	(5,957,731)	(51,480,034)
Net gains from non-financial assets that are not classified as non-current assets held for sale and discontinued operating units	552,635	11,922,069	5,985,100	2,395,792	5,077,207	1,565,865	1,356,617	(64,845,796)	(35,990,512)
Impairment losses (net of reversals)	(132,609)	13,256,067	(3,527,195)	(1,769,360)	(3,519,993)	(641,008)	6,821,624	(33,545,376)	(23,057,851)
Non-attributable costs	(7,031,360)	(207,607,048)	(26,914,844)	(15,855,652)	(26,732,535)	(5,274,178)	(4,126,609)	(75,412,896)	(368,955,119)
Other technical income/expenses	1,306,327	76,357	232,657	1,059,406	378,381	20,709	(56,329)	-	3,017,509
Other income/expenses	425,962	(425,962)	(119,654)	(325,011)	955,926	(459,249)	(52,012)	30,647,993	30,647,993
Gains and losses of associates and joint ventures accounted for using the equity method	-	-	-	-	-	-	-	225,296	225,296
Gains and losses on non-current assets (or disposal groups) classified as held for sale	-	-	-	-	-	-	-	17,170	17,170
Non-controlling interests	-	-	-	-	-	-	-	(55,262,309)	(55,262,309)
Current income tax	(34)	(691)	624	(2,248)	(167)	(63)	(27)	(42,597,396)	(42,600,002)
<b>Total profit and loss</b>	<b>136,533,147</b>	<b>46,940,947</b>	<b>137,739,404</b>	<b>(23,056,832)</b>	<b>65,783,533</b>	<b>4,232,187</b>	<b>24,578,637</b>	<b>(212,417,964)</b>	<b>180,333,059</b>
<b>Total assets</b>	<b>2,664,752,088</b>	<b>10,005,179,810</b>	<b>1,971,018,292</b>	<b>368,286,389</b>	<b>140,387,719</b>	<b>161,272,300</b>	<b>2,714,535,811</b>	<b>2,256,788,254</b>	<b>20,282,220,664</b>
<b>Total liabilities</b>	<b>2,798,785,737</b>	<b>8,837,951,726</b>	<b>1,651,372,259</b>	<b>573,554,106</b>	<b>728,624,294</b>	<b>239,994,444</b>	<b>73,687,614</b>	<b>2,380,739,354</b>	<b>17,284,709,534</b>
<b>Total lines of business</b>									<b>2,817,178,071</b>
<b>Share capital, reserves, retained earnings</b>									<b>(2,817,178,071)</b>

(amounts in euros)

	2022								Total
	Life insurance				Non-life insurance				
	Life risk and participating	Investment contracts	Accidents and health	Property	Motor	Third party liabilities	Others	Non-technical	
<b>Profit and Loss</b>									
Insurance revenue									
Measured under premium allocation approach	435,687,513	(4,592)	936,027,420	553,758,025	808,502,471	100,646,388	140,784,221	-	2,975,401,446
Non-measured under premium allocation approach	210,991,306	-	-	-	-	-	-	-	210,991,306
Insurance service expenses	(469,830,040)	(2,213,651)	(966,286,430)	(398,036,503)	(791,765,457)	(59,422,094)	(69,436,758)	-	(2,756,990,932)
Recoverable from reinsurers	102,911,152	2,382	(17,460,660)	149,208,985	50,217,438	20,156,513	18,027,302	-	323,063,112
Reinsurance premium paid									
Measured under premium allocation approach - reinsurers	(122,858,758)	(4,554)	13,550,855	(281,200,530)	(49,329,297)	(49,791,442)	(81,498,726)	-	(571,132,451)
Insurance finance expenses for insurance contracts issued	(44,183,759)	-	1,079,244	(1,891,113)	(2,163,711)	(177,501)	(1,125,305)	-	(48,462,143)
Reinsurance finance income for reinsurance contracts held	1,846,178	-	668,222	1,832,297	986,105	362,891	1,169,508	-	6,865,200
Fees from insurance contracts and operations considered for accounting purposes as investment contracts or service contracts	-	114,415,652	-	-	-	-	-	-	114,415,652
Financial income	99,607,197	173,266,462	67,411,997	15,212,307	30,814,123	8,245,108	6,929,746	33,087,355	434,574,295
Financial expenses	(1,346,079)	(1,025,230)	(417,040)	(1,060,111)	(637,350)	(189,686)	(232,594)	(3,596,948)	(8,505,037)
Net gains from financial assets and liabilities through other comprehensive income	(145,848)	(12,125,192)	(485,398)	(266,518)	(1,340,833)	(293,926)	(109,962)	(1,075,056)	(15,842,734)
Net gains from financial assets and liabilities through profit and loss	(39,953,924)	(116,634,349)	(54,447,203)	(11,100,257)	(1,137,683)	(7,744,963)	6,353,851	(32,987,125)	(257,651,654)
Effect of movements in exchange rates	28,635,099	(3,593,886)	22,735,043	6,401,139	3,802,779	3,971,921	(5,201,648)	(2,653,725)	54,096,721
Net gains from non-financial assets that are not classified as non-current assets held for sale and discontinued operating units	2,321,951	22,496,999	13,270,119	5,151,346	11,277,464	3,168,108	430,244	(1,821,921)	56,294,311
Impairment losses (net of reversals)	2,274,083	(2,651,988)	(1,889,864)	97,974	1,798,888	1,720,895	(1,097,553)	7,638,146	7,890,581
Non-attributable costs	(15,980,677)	(192,835,470)	(25,815,666)	(17,168,415)	(30,952,097)	(5,094,985)	(3,160,032)	(52,850,446)	(343,857,786)
Other technical income/expenses	515,578	(58,158)	(1,047,997)	1,373,735	10,690	16,794	(140,737)	(203,250)	466,655
Other income/expenses	195,642	462,755	(45,618)	63,927	2,223	(199,194)	(155,679)	53,511,134	53,835,189
Goodwill negativo reconhecido imediatamente em ganhos e perdas	-	-	-	-	-	-	-	42,972,526	42,972,526
Gains and losses of associates and joint ventures accounted for using the equity method	-	-	-	-	-	-	-	896,249	896,249
Gains and losses on non-current assets (or disposal groups) classified as held for sale	-	-	-	-	-	-	-	(1,441,931)	(1,441,931)
Non-controlling interests	-	-	-	-	-	-	-	(46,863,083)	(46,863,083)
Current income tax	436	8,863	4,198	5,095	2,567	803	(40,251)	(55,246,365)	(55,264,655)
<b>Total profit and loss</b>	<b>190,687,050</b>	<b>(20,493,958)</b>	<b>(13,148,778)</b>	<b>22,381,385</b>	<b>30,088,320</b>	<b>15,375,629</b>	<b>11,495,626</b>	<b>(60,634,439)</b>	<b>175,750,836</b>
<b>Total assets</b>	<b>2,828,673,534</b>	<b>9,607,811,751</b>	<b>1,379,966,754</b>	<b>224,182,519</b>	<b>(75,610,181)</b>	<b>91,306,758</b>	<b>2,049,715,102</b>	<b>3,886,278,675</b>	<b>19,992,324,913</b>
<b>Total liabilities</b>	<b>2,950,361,858</b>	<b>8,353,167,732</b>	<b>919,805,960</b>	<b>166,455,489</b>	<b>567,265,598</b>	<b>140,788,416</b>	<b>(365,085,134)</b>	<b>4,406,221,213</b>	<b>17,138,981,133</b>
<b>Total lines of business</b>									<b>2,677,592,944</b>
<b>Share capital, reserves, retained earnings</b>									<b>(2,677,592,944)</b>

## 46. RELATED PARTIES

As defined in IAS 24, the subsidiaries, associates and joint ventures of the Fosun Group, Caixa Geral de Depósitos, S.A. and their respective management bodies are considered related parties of the Fidelidade Group.

Notes 3 and 5 provide information on the structure of the Group, including details of subsidiaries and associates

Transactions and outstanding balances between fully consolidated entities of the Group are eliminated.

As of 31 December 2023 and 2022, the Group's financial statements include the following balances and transactions with related parties, excluding management bodies:

(amounts in euros)

	2023				Total
	Longrun Portugal SGPS, S.A.	Caixa Geral de Depósitos, S.A.	Associates	Fosun International Holdings Ltd Group	
Assets	21,908,102	527,559,732	9,553,233	140,330,401	699,351,468
Liabilities	3,111,560	57,708,672	-	5,410,050	66,230,282
Financial Income	5,028	15,695,796	40,410	19,227,029	34,968,263
Expenses	-	(80,559,542)	(1,492,685)	(11,029,437)	(93,081,664)

(amounts in euros)

	2022				Total
	Longrun Portugal SGPS, S.A.	Caixa Geral de Depósitos, S.A.	Associates	Fosun International Holdings Ltd Group	
Assets	80,039,592	625,627,630	9,496,478	126,317,907	841,481,607
Liabilities	4,479,726	56,331,341	3,562	8,612,601	69,427,230
Financial Income	4,964	3,784,916	11,585	19,558,601	23,360,066
Expenses	(1,530)	(79,724,142)	(1,290,457)	(24,823,906)	(105,840,035)



The amounts recorded in assets and liabilities mostly relate to bank deposits, investments in Fosun group entities, and balances receivable/payable related to intragroup ceded and accepted reinsurance.

Income and expenses are mostly related to commission paid to the CGD, insurance and reinsurance business with group entities and net investment income and gains.

Transactions with the related parties are performed on the basis of the market values on the respective dates.

## Remuneration of Corporate Bodies

The Remuneration Committee is responsible for approving the remuneration of the members of the Corporate Bodies, according to criteria established by the shareholder.

The remuneration and benefits paid to the members of the Corporate Bodies during the year 2023 were as follows:

(amounts in euros)

Board of Directors	Remuneration Fixed	Remuneration Variable	Meal Allowance	Charge Ins. Health	Charge Ins. Life
<b>Non-executive members</b>					
<b>Chairman</b>					
Jorge Manuel Baptista Magalhães Correia	444,500	254,740 <sup>(1)</sup>	2,759	1,111	134
<b>Members</b>					
Carlos António Torroaes Albuquerque	27,096	-	-	-	-
Eduardo José Stock da Cunha	40,848	-	-	-	-
Lingjiang XU	40,848	-	-	-	-
Maria João Vellez Carozo Honório Paulino de Sales Luís	37,932	-	-	-	-
José Manuel Alvarez Quintero	52,500	303,825 <sup>(1)</sup>	1,505	528	64

(continuation)

(amounts in euros)

Board of Directors	Remuneration Fixed	Remuneration Variable	Meal Allowance	Charge Ins. Health	Charge Ins. Life
<b>Executive members</b>					
<b>Chairman of the Executive Committee</b>					
Rogério Miguel Antunes Campos Henriques	481,250	377.711 <sup>(1)</sup>	2,759	2,026	134
<b>Members of the Executive Committee</b>					
António Manuel Marques de Sousa Noronha	391,176	341.854 <sup>(1)</sup>	2,759	1,111	134
Wai Lam William Mak	391,176	341.854 <sup>(1)</sup>	2,759	1,989	134
André Simões Cardoso	391,176	331.769 <sup>(1)</sup>	2,759	2,868	134
Hui CHEN	330,839	110.117 <sup>(2)</sup>	2,759	1,550	134
Juan Ignacio Arsuaga Serrats	391,176	135.673 <sup>(1)</sup>	2,759	1,550	134
Miguel Barroso Abecasis	391,176	86.278 <sup>(3)</sup>	2,759	2,429	134

Supervisory Board	Remuneration Fixed	Remuneration Variable	Meal Allowance	Charge Ins. Health	Charge Ins. Life
<b>Chairman</b>					
Jorge Manuel de Sousa Marrão	33,600	-	-	-	-
<b>Members</b>					
Teófilo César Ferreira da Fonseca	31,500	-	-	-	-
Pedro Antunes de Almeida	55,894	-	-	-	-
Vasco Jorge Valdez Ferreira Matias	24,394	-	-	-	-
João Filipe Gonçalves Pinto	24,394	-	-	-	-

<sup>(1)</sup> For the financial years 2019, 2020, 2021 and 2022.

<sup>(2)</sup> For the financial years 2020, 2021 and 2022.

<sup>(3)</sup> For the 2022 financial year.

The fees of Ernst & Young, SROC, S.A., the Company's Statutory Auditor, and companies of its network, including abroad, related to 2023, are 5,033,717 Euros, of which 4,173,296 Euros are related to the Statutory Audit and legal review of accounts and 207,936 Euros are related to certification of the annual report on solvency and financial position and 652,485 Euros to other compliance and assurance services.

Other assurance services basically include: (i) Certification of the annual solvency and financial position report, (ii) Independent review of the sustainability information contained in the Single Integrated Report, (iii) Report on the Risk Management and Internal Control system, (iv) Limited Review, (v) Opinion on procedures and controls in matters of ML&TF prevention, (vi) Opinion on the specific procedures for the prevention, detection and reporting of insurance fraud situations and (vii) Opinion on the specific procedures for the remuneration policy.

## 47. DISCLOSURES RELATING TO FINANCIAL INSTRUMENTS

### FINANCIAL POSITION

At 31 December 2023 and 2022, the financial instruments had the following balance sheet value:

(amounts in euros)

	2023		Balance sheet value
	Recognised at fair value	Not recognised at fair value	
<b>Assets</b>			
Cash and cash equivalents and sight deposits	-	540,599,171	540,599,171
Investments in associates and joint ventures	-	9,226,367	9,226,367
Financial assets at fair value through profit or loss	5,062,483,705	-	5,062,483,705
Hedge Derivatives	10,626,173	-	10,626,173
Financial assets at fair value through other comprehensive income	7,955,771,101	-	7,955,771,101
Financial assets at amortised cost	-	774,542,896	774,542,896
Accounts receivable from direct insurance and reinsurance operations	-	204,064,957	204,064,957
	<b>13,028,880,979</b>	<b>1,528,433,391</b>	<b>14,557,314,370</b>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss	304,635,435		304,635,435
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	3,746,280,743	4,782,081,349	8,528,362,091
Hedge Derivatives	1,523,582	-	1,523,582

(continuation)

(amounts in euros)

	2023		Balance sheet value
	Recognised at fair value	Not recognised at fair value	
Deposits received from reinsurers	-	57,551,076	57,551,076
Other financial liabilities	-	626,326,119	626,326,119
Accounts payable for direct insurance and reinsurance operations	-	449,653,819	449,653,819
	<b>4,052,439,760</b>	<b>5,915,612,363</b>	<b>9,968,052,123</b>

(amounts in euros)

	2022		Balance sheet value
	Recognised at fair value	Not recognised at fair value	
<b>Assets</b>			
Cash and cash equivalents and sight deposits	-	637,429,549	637,429,549
Investments in associates and joint ventures	-	9,169,287	9,169,287
Financial assets at fair value through profit or loss	4,499,777,781	-	4,499,777,781
Hedge Derivatives	18,319,872	-	18,319,872
Financial assets at fair value through other comprehensive income	7,932,574,565	-	7,932,574,565
Financial assets at amortised cost	-	1,000,653,706	1,000,653,706
Accounts receivable from direct insurance and reinsurance operations	-	246,605,303	246,605,303
	<b>12,450,672,218</b>	<b>1,893,857,845</b>	<b>14,344,530,063</b>

(continuation)

(amounts in euros)

	2022		Balance sheet value
	Recognised at fair value	Not recognised at fair value	
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss	154,516,306	-	154,516,306
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	3,135,814,789	5,492,271,771	8,628,086,559
Hedge Derivatives	4,949,949	-	4,949,949
Deposits received from reinsurers	-	54,602,705	54,602,705
Other financial liabilities	-	636,180,671	636,180,671
Accounts payable for direct insurance and reinsurance operations	-	468,893,287	468,893,287
	<b>3,295,281,044</b>	<b>6,651,948,434</b>	<b>9,947,229,477</b>

## GAINS AND LOSSES

In the years ended on 31 December 2023 and 2022, the net gains and losses on financial instruments had the following breakdown:

(amounts in euros)

	2023		
	income statement	As a charge to own capital	total
Income from financial instruments			
Financial assets at fair value through profit or loss	98,427,124	-	98,427,124
Financial assets at fair value through other comprehensive income	267,032,030	-	267,032,030
Financial assets at amortised cost	22,248,760	-	22,248,760
Sight deposits	3,481,261	-	3,481,261
Other financial assets	99,677,839	-	99,677,839
Net income on financial assets and liabilities not recognised at fair value through profit or loss			
Financial assets at fair value through other comprehensive income	( 36,752,233 )	382,762,164	346,009,932
Financial assets at amortised cost	( 84,776 )	-	( 84,776 )
Financial liabilities at amortised cost	( 92,197,422 )	-	( 92,197,422 )
Others	2,944,217	-	2,944,217
Net income on financial assets and liabilities recognised at fair value through profit or loss			
Financial assets and liabilities at fair value through profit and loss	44,911,889	-	44,911,889
Exchange differences	( 51,480,034 )	-	( 51,480,034 )

(continuation)

(amounts in euros)

	2023		
	income statement	As a charge to own capital	total
Impairment losses (net of reversals)			-
Financial assets at fair value through other comprehensive income	( 12,593,016 )	-	( 12,593,016 )
Financial assets at amortised cost	( 700,000 )	-	( 700,000 )
Others	( 9,764,835 )	-	( 9,764,835 )
Interest on subordinate liabilities	( 22,411,089 )	-	( 22,411,089 )
Interest on deposits received from reinsurers	( 744,031 )	-	( 744,031 )
	<b>311,995,685</b>	<b>382,762,164</b>	<b>694,757,849</b>

(amounts in euros)

	2022		
	income statement	As a charge to own capital	total
Income from financial instruments			
Financial assets at fair value through profit or loss	72,036,027	-	72,036,027
Financial assets at fair value through other comprehensive income	258,401,009	-	258,401,009
Financial assets at amortised cost	19,634,885	-	19,634,885
Sight deposits	663,623	-	663,623
Other financial assets	83,838,751	-	83,838,751
Net income on financial assets and liabilities not recognised at fair value through profit or loss			
Financial assets at fair value through other comprehensive income	( 2,095,086 )	( 818,508,636 )	( 820,603,723 )



(continuation)

(amounts in euros)

	2022		
	income statement	As a charge to own capital	total
Financial assets at amortised cost	151,113	-	151,113
Financial liabilities at amortised cost	( 13,898,958 )	-	( 13,898,958 )
Others	198	-	198
Net income on financial assets and liabilities recognised at fair value through profit or loss			
Financial assets and liabilities at fair value through profit and loss	( 257,651,654 )	-	( 257,651,654 )
Exchange differences	54,096,721	-	54,096,721
Impairment losses (net of reversals)			
Financial assets at fair value through other comprehensive income	( 2,314,794 )	-	( 2,314,794 )
Financial assets at amortised cost	( 1,096,932 )	-	( 1,096,932 )
Others	11,302,307	-	11,302,307
Interest on subordinate liabilities	( 22,360,836 )	-	( 22,360,836 )
Interest on deposits received from reinsurers	( 876,731 )	-	( 876,731 )
	<b>199,829,642</b>	<b>( 818,508,636 )</b>	<b>( 618,678,995 )</b>

In the years ended on 31 December 2023 and 2022, the income and expenses with interest, calculated according to the effective interest rate method, relating to financial assets and liabilities not recognised at fair value through profit or loss, had the following breakdown:

(amounts in euros)

	2023	2022
<b>Assets</b>		
Financial assets at fair value through other comprehensive income	244,659,224	226,465,844
Financial assets at amortised cost	22,248,760	19,634,885
Sight deposits	3,481,261	663,623
	<b>270,389,245</b>	<b>246,764,352</b>
<b>Liabilities</b>		
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	( 92,197,422 )	( 13,898,958 )
Subordinate liabilities	( 22,411,089 )	( 22,360,836 )
Deposits received from reinsurers	( 744,031 )	( 876,731 )
	<b>( 115,352,541 )</b>	<b>( 37,136,525 )</b>

## OTHER DISCLOSURES

### Fair value of financial instruments

At 31 December 2023 and 2022, the method for assessing the fair value of the financial instruments reflected in the Group's financial statements can be summarised as follows:

(amounts in euros)

	2023			Not recognised at fair value	Total
	Fair value calculation method				
	Level 1	Level 2	Level 3		
<b>Assets</b>					
Cash and cash equivalents and sight deposits	-	-	-	540,599,171	540,599,171
Investments in associates and joint ventures	-	-	-	9,226,367	9,226,367
Financial assets at fair value through profit or loss	3,219,786,477	452,083,563	1,390,613,665	-	5,062,483,705
Hedge Derivatives	3,493,838	7,132,335	-	-	10,626,173
Financial assets at fair value through other comprehensive income	7,076,830,849	635,715,561	243,224,691	-	7,955,771,101
Financial assets at amortised cost	-	-	-	774,542,896	774,542,896
Accounts receivable from direct insurance and reinsurance operations	-	-	-	204,064,957	204,064,957
	<b>10,300,111,164</b>	<b>1,094,931,459</b>	<b>1,633,838,356</b>	<b>1,528,433,391</b>	<b>14,557,314,370</b>

(continuation)

(amounts in euros)

	2023			Not recognised at fair value	Total
	Level 1	Fair value calculation method Level 2	Level 3		
<b>Liabilities</b>					
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	-	3,746,280,743		4,782,081,349	8,528,362,091
Financial liabilities at fair value through profit or loss	2,259,953	36,419,114	265,956,368	-	304,635,435
Hedge Derivatives	-	1,523,582	-	-	1,523,582
Deposits received from reinsurers	-	-	-	57,551,076	57,551,076
Other financial liabilities	-	-	-	626,326,119	626,326,119
Accounts payable for direct insurance and reinsurance operations	-	-	-	449,653,819	449,653,819
	<b>2,259,953</b>	<b>3,784,223,439</b>	<b>265,956,368</b>	<b>5,915,612,363</b>	<b>9,968,052,123</b>
	<b>10,297,851,211</b>	<b>( 2,689,291,980 )</b>	<b>1,367,881,988</b>	<b>( 4,387,178,973 )</b>	<b>4,589,262,247</b>

(amounts in euros)

	2022			Not recognised at fair value	Total
	Level 1	Level 2	Level 3		
<b>Assets</b>					
Cash and cash equivalents and sight deposits	-	-	-	637,429,549	637,429,549
Investments in associates and joint ventures	-	-	-	9,169,287	9,169,287
Financial assets at fair value through profit or loss	2,726,842,403	551,711,739	1,221,223,639	-	4,499,777,781
Hedge Derivatives	530,104	17,789,768	-	-	18,319,872
Financial assets at fair value through other comprehensive income	7,108,072,964	604,687,323	219,814,278	-	7,932,574,565
Financial assets at amortised cost	-	-	-	1,000,653,706	1,000,653,706
Accounts receivable from direct insurance and reinsurance operations	-	-	-	246,605,303	246,605,303
	<b>9,835,445,471</b>	<b>1,174,188,830</b>	<b>1,441,037,917</b>	<b>1,893,857,845</b>	<b>14,344,530,063</b>
<b>Liabilities</b>					
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	-	3,135,814,789	-	5,492,271,771	8,628,086,559
Financial liabilities at fair value through profit or loss	1,155,733	24,082,339	129,278,235	-	154,516,307
Hedge Derivatives	-	4,949,949	-	-	4,949,949
Deposits received from reinsurers	-	-	-	54,602,705	54,602,705
Other financial liabilities	-	-	-	636,180,671	636,180,671
Accounts payable for direct insurance and reinsurance operations	-	-	-	468,893,287	468,893,287
	<b>1,155,733</b>	<b>3,164,847,077</b>	<b>129,278,235</b>	<b>6,651,948,434</b>	<b>9,947,229,477</b>
	<b>9,834,289,738</b>	<b>(1,990,658,247)</b>	<b>1,311,759,682</b>	<b>(4,758,090,589)</b>	<b>4,397,300,585</b>

The tables above present the classification according to the fair value hierarchy, as provided for by IFRS 13, of the financial instruments held by the Group on 31 December 2023 and 2022 that are recognised at fair value, according to the following assumptions:

- Level 1 – Financial instruments measured on the basis of quoted prices in active markets to which the Group has access. Included in this category are securities valued on the basis of executable prices (with immediate liquidity) published by external sources.
- Level 2 – Financial instruments whose valuation is based on observable data, directly or indirectly, in active markets. Included in this category are securities valued on the basis of bids supplied by external counterparties and internal valuation techniques which only use observable market data.
- Level 3 – Financial instruments measured at fair value that do not fall under levels 1 and 2, when the information referred in the previous levels is not available. The Group uses prices available on Bloomberg, through a lower scoring methodology, and in this case the evaluation corresponds to indirect observations based on comparable assets with the same credit quality and the same maturity of the instrument. There are also some cases in which prices are provided by third parties such as market makers or through the NAV adjusted by the prices of subsequent corporate events (mainly investment funds).

The movement between 31 December 2022 and 2023 in the financial instruments classified within Level 3 of the fair value hierarchy can be broken down as follows:

(amounts in euros)

	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Financial liabilities at fair value through profit or loss
<b>Balance at 31 December 2022</b>	<b>219,814,278</b>	<b>1,221,223,639</b>	<b>( 129,278,235 )</b>
Acquisitions	53,373,932	51,436,874	( 125,846,988 )
Revaluations			
as a charge to the income statement	-	167,161,516	( 10,831,144 )
as a charge to shareholders' equity	16,788,273	( 5,380,184 )	-
ECL reinforcements / reversals in the year	1,427,407	-	-
Disposals	( 48,179,199 )	( 43,828,180 )	-
<b>Balance at 31 December 2023</b>	<b>243,224,691</b>	<b>1,390,613,665</b>	<b>( 265,956,367 )</b>

As of 31 December 2023 and 2022, the balance sheet value and fair value of financial assets valued at amortised cost or at fair value were as follows:

(amounts in euros)

	2023		
	Balance Sheet Value	Fair value	Difference
<b>Assets</b>			
Cash and cash equivalents and sight deposits	540,599,171	540,599,171	-
Investments in subsidiaries, associates and joint ventures	9,226,367	9,226,367	-
Financial Assets at Fair Value through Profit or Loss	5,062,483,705	5,062,483,705	-
Financial assets at fair value through other comprehensive income	7,955,771,102	7,955,771,102	-
Financial assets at amortised cost	774,542,896	748,651,933	25,890,963
Accounts receivable from direct insurance and reinsurance operations	204,064,957	204,064,957	-
	<b>14,546,688,198</b>	<b>14,520,797,235</b>	<b>25,890,963</b>



	2022		
	Balance Sheet Value	Fair value	Difference
<b>Assets</b>			
Cash and cash equivalents and sight deposits	637,429,549	637,429,549	-
Investments in subsidiaries, associates and joint ventures	9,169,287	9,169,287	-
Financial Assets at Fair Value through Profit or Loss	4,499,777,781	4,499,777,781	-
Financial assets at fair value through other comprehensive income	7,932,574,565	7,932,574,565	-
Financial assets at amortised cost	1,000,653,706	961,461,465	39,192,241
Accounts receivable from direct insurance and reinsurance operations	246,605,303	246,605,303	-
	<b>14,326,210,192</b>	<b>14,287,017,950</b>	<b>39,192,241</b>

The main assumptions used to calculate the fair value of these financial assets were:

- The fair value of financial investments recorded under the heading "Cash and cash equivalents and sight deposits" is similar to their balance sheet value, since they mainly correspond to short-term deposits;
- The fair value of term deposits recorded under the heading "Financial assets at fair value through profit or loss" is similar to their balance sheet value, since they mainly correspond to short-term deposits; and

- Under the heading "Financial assets at amortised cost" the fair value of mortgage loans was not calculated, given their immateriality and the fact that they are essentially loans made to employees, with real guarantees.

#### Financial risk management policies inherent to the Group's activity

The Group's objectives, rules and procedures on market risk management are governed by means of its Investments Policy.

This Policy, which is reviewed annually, without prejudice to any other revisions that must be carried out in light of the development of the legal framework, asset market trends or changes in the company's investment guidelines and/or risk profile, defines:

- the main investment management guidelines and how the Group evaluates, approves, implements, controls and monitors its investment activities and the risks arising from these activities;
- the activities related to the Group's investment process, ranging from Strategic Asset Allocation (SAA) to Tactical Asset Allocation (TAA), including the decision process and control and reporting activities;
- the duties and responsibilities of those involved in the investment process.

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

Establishing an appropriate assets portfolio is, at any time, the result of a well-structured, disciplined and transparent investment process, which includes the following components:

- an investment strategy designed to create value, yet in line with the Group's business profile and risk appetite;
- an investment policy reflecting that strategy, implemented by investment managers with appropriate knowledge and resources;

- a continuous and independent control of the investment activity;
- appropriate reporting procedures.

Bearing these aspects in mind, the Group's investment management cycle is composed of the following fundamental activities:

- **Define** – Definition and approval of the general investment management cycle, including the overall investment strategy, investment policies, asset and liability management and liquidity, as well as the strategic asset allocation (SAA);
- **Invest** – Carrying out all investment activities, in accordance with the defined strategies and policies (identification, evaluation and approval of investment opportunities, as well as execution, settlement and allocation of investments);
- **Monitor** – Monitoring the evolution of the asset's portfolio in terms of performance, liquidity and credit quality;
- **Manage** – Review of strategies, policies, benchmarks and limits according to current and future market conditions/ expectations and internal risk capacity;
- **Control** – Ensure that all assigned strategies, policies, procedures and responsibilities are adhered to.

The following items are also decisive within the scope of the Group's investment activity:

### **1. Definition of the portfolio objective**

The main objective of the Group's investments portfolio management is to optimise its return in a sound and prudent manner, ensuring that all stakeholders are protected, protecting in particular the interests of policyholders, insured persons and beneficiaries. Accordingly, the portfolio must be systematically optimised according to the nature of the business subscribed, the Group's risk appetite and its liquidity needs.

### **2. Rules for investment in assets**

On one hand, the Group's assets are invested appropriately, taking into account both the nature and duration of the responsibilities assumed by the Group and the capacity to ensure the security, quality, availability, liquidity and profitability of the portfolio as a whole.

On the other hand, the assets are well diversified in order to avoid excessive concentration of risk in the portfolio as a whole.

Lastly, the assets are invested to guarantee a regular cash return, thereby enabling the Group to adequately manage its liquidity.

### **3. Asset classes**

As a general rule, the Group's portfolio is mainly composed of liquid assets (in line with the liquidity criteria set out in the ALM and Liquidity Policy), participation units in investment funds and real estate.

The asset classes eligible for investment by the Group are:

- Treasury (cash, deposits and equivalent);
- Fixed income (medium and long-term debt instruments);
- Variable income (instruments that provide variable gains);
- Real estate (including, whether for own use or for investment);
- Alternative investments

Derivatives can be used, exceptionally, and in a simple format (swaps, forwards, futures, etc.), to hedge specific positions or for asset-liability management purposes.

### **4. Exposure limits**

In order to allow the Group, in the face of changes in the markets, to pursue its investment objectives without, however, taking excessive levels of risk, a set of targets and maximum and minimum limits was defined, according to the following criteria:

- Asset class;
- Credit quality and duration;

- Operating sector;
- Geography;
- Concentration by position;
- Currency.

## 5. Risk management and control process

The Risk Management Division (DGR) is responsible for **controlling and monitoring the allocation of assets**, in view of the targets and limits established.

In this sense, the procedures are defined, along with those responsible for them, when there are non-compliances with the targets and/or established limits.

With regard to **asset losses control mechanisms**, DGR provides information on the evolution of the most important risks related with investments, in particular, their impact on the solvency capital requirements. Thus, based on the evolution of the time weighted return (TWR) and the estimates of the solvency capital requirement, the DGR regularly reports the estimated coverage of the solvency position, and the procedures to be adopted when certain alert levels are reached are defined.

A regular **process of reporting** has been set up for the various levels of the Group involved in investment management, in order to enable adequate supervision and the activation of risk mitigation management mechanisms. Accordingly, the information which should be produced has been defined, including the type of report, its content, its frequency and the body responsible for producing it.

## Credit risk

On 31 December 2023 and 2022, the Group's credit risk exposure was as follows:

(amounts in euros)

	2023		
	Gross book value	Impairment	Net book value
Sight deposits	538,626,527	-	538,626,527
Financial assets at fair value through profit or loss	1,997,307,707	-	1,997,307,707
Financial assets at fair value through other comprehensive income	7,628,575,335	-	7,628,575,335
Financial assets at amortised cost	774,542,896	-	774,542,896
Accounts receivable from direct insurance and reinsurance operations	232,973,864	( 28,908,907 )	204,064,957
<b>Maximum exposure to credit risk</b>	<b>11,172,026,329</b>	<b>( 28,908,907 )</b>	<b>11,143,117,422</b>

(amounts in euros)

	2022		
	Gross book value	Impairment	Net book value
Sight deposits	635,566,347	-	635,566,347
Financial assets at fair value through profit or loss	1,680,334,030	-	1,680,334,030
Financial assets at fair value through other comprehensive income	7,562,280,940	-	7,562,280,940
Financial assets at amortised cost	1,000,653,706	-	1,000,653,706
Accounts receivable from direct insurance and reinsurance operations	273,613,726	( 27,008,424 )	246,605,302
<b>Maximum exposure to credit risk</b>	<b>11,152,448,749</b>	<b>( 27,008,424 )</b>	<b>11,125,440,325</b>

## Credit quality

In the risk ratings presented, the corresponding rating was considered according to the methodology identified in Note 2.6. The following tables present the breakdown of the balance sheet value which is presented according to a scale equivalent to those of Standard & Poor's and Fitch.

As of 31 December 2023 and 2022, the balance sheet value of financial investments has the following breakdown:

(amounts in euros)

Asset class	2023				Total
	Portugal	Rest of the European Union	Country of origin North America	Others	
Deposits in Credit Institutions					
AA- to AA+	4,907,401	405,399	-	92,376,374	97,689,174
A- to A+	20,730,612	72,863,885	-	34,285,716	127,880,213
BBB- to BBB+	466,553,897	42,130,623	-	61,560,377	570,244,897
BB- to BB+	6,949,280	-	221	34,637,423	41,586,924
B- to B+	-	-	-	32,007,743	32,007,743
CCC- to CCC+	-	-	-	17,450,608	17,450,608
CC- to CC+	-	-	-	451,244	451,244
Not rated	691,996	17,902,212	14,247,552	47,796,266	80,638,026
	<b>499,833,186</b>	<b>133,302,119</b>	<b>14,247,773</b>	<b>320,565,751</b>	<b>967,948,829</b>
Deposits in ceding companies					
A- to A+	942,111	-	-	-	942,111
	<b>942,111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>942,111</b>
	<b>500,775,297</b>	<b>133,302,119</b>	<b>14,247,773</b>	<b>320,565,751</b>	<b>968,890,940</b>

(amounts in euros)

Asset class	2022				Total
	Portugal	Rest of the European Union	Country of origin North America	Others	
Deposits in Credit Institutions					
AA- to AA+	6,049,761	24,608	-	69,618,944	75,693,313
A- to A+	36,918,875	53,555,834	-	48,172,495	138,647,204
BBB- to BBB+	501,638,542	36,842,860	-	30,736,077	569,217,479
BB- to BB+	26,554,090	-	-	21,568,308	48,122,398
B- to B+	1,790,079	-	-	2,596,047	4,386,126
Not rated	10,873,865	41,330,317	7,854,542	175,045,112	235,103,836
	<b>583,825,212</b>	<b>131,753,619</b>	<b>7,854,542</b>	<b>347,736,983</b>	<b>1,071,170,356</b>
Deposits in ceding companies					
A- to A+	1,099	-	-	-	1,099
Not rated	964,122	-	-	-	964,122
	<b>965,221</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>965,221</b>
	<b>584,790,433</b>	<b>131,753,619</b>	<b>7,854,542</b>	<b>347,736,983</b>	<b>1,072,135,577</b>

At 31 December 2023 and 2022, the balance sheet value of the debt instruments in the portfolio, net of impairment, has the following breakdown:

(amounts in euros)

Asset class	2023				Total
	Portugal	Rest of the European Union	Country of origin North America	Others	
<b>Financial assets at fair value through profit or loss</b>					
Corporate					
AA- to AA+	-	2,279,568	1,096,058	-	3,375,626
A- to A+	21,960,051	32,400,166	3,718,756	5,585,051	63,664,024
BBB- to BBB+	16,034,651	204,142,862	73,773,036	55,041,531	348,992,080
BB- to BB+	29,444,565	148,717,040	25,661,326	41,094,654	244,917,585
B- to B+	5,267,491	125,839,451	27,753,170	34,649,513	193,509,625
CCC- to CCC+	-	4,041,583	2,875,648	2,891,516	9,808,747
Not rated	68,761,761	4,983,446	-	8,008,062	81,753,269
	<b>141,468,519</b>	<b>522,404,116</b>	<b>134,877,994</b>	<b>147,270,327</b>	<b>946,020,956</b>
Governments and other local authorities					
AAA	-	28,082,876	-	-	28,082,876
AA- to AA+	-	13,000,992	103,149	3,802,955	16,907,096
A- to A+	15,890,789	63,163,561	-	985,031	80,039,381
BBB- to BBB+	47,178,751	143,835,706	-	2,711,037	193,725,494
BB- to BB+	16,432,543	-	-	-	16,432,543
	<b>79,502,083</b>	<b>248,083,135</b>	<b>103,149</b>	<b>7,499,023</b>	<b>335,187,390</b>



(continuation)

(amounts in euros)

Asset class	2023				Total
	Portugal	Rest of the European Union	Country of origin North America	Others	
Financial Institutions					
AAA	-	1,011,746	3,540,206	-	4,551,952
AA- to AA+	-	15,642,729	2,348,516	-	17,991,245
A- to A+	-	97,525,702	40,398,521	21,908,211	159,832,434
BBB- to BBB+	35,867,379	133,451,666	15,199,915	10,054,683	194,573,643
BB- to BB+	35,186,339	113,502,585	2,598,226	822,683	152,109,833
B- to B+	-	874,979	-	891,923	1,766,902
Not rated	-	-	91,762,426	51,557,087	143,319,513
	<b>71,053,718</b>	<b>362,009,407</b>	<b>155,847,810</b>	<b>85,234,587</b>	<b>674,145,522</b>
Other issuers					
AA- to AA+	-	41,953,839	-	-	41,953,839
	-	<b>41,953,839</b>	-	-	<b>41,953,839</b>
	<b>292,024,320</b>	<b>1,174,450,497</b>	<b>290,828,953</b>	<b>240,003,937</b>	<b>1,997,307,707</b>

(amounts in euros)

Asset class	2022				Total
	Portugal	Rest of the European Union	Country of origin North America	Others	
<b>Financial assets at fair value through profit or loss</b>					
Corporate					
AA- to AA+	-	3,906,800	1,103,903	-	5,010,703
A- to A+	-	17,083,098	1,490,155	6,425,051	24,998,304
BBB- to BBB+	34,554,289	167,918,309	38,973,540	40,128,696	281,574,834
BB- to BB+	34,164,051	181,199,872	39,096,244	32,102,497	286,562,664
B- to B+	5,185,675	151,751,400	22,780,648	47,146,137	226,863,860
CCC- to CCC+	-	773,153	2,163,194	3,595,961	6,532,308
Not rated	70,501,242	22,441,233	7,493,160	50,655,584	151,091,219
	<b>144,405,257</b>	<b>545,073,865</b>	<b>113,100,844</b>	<b>180,053,926</b>	<b>982,633,892</b>
Governments and other local authorities					
AAA	-	3,654,794	-	-	3,654,794
AA- to AA+	-	3,223,861	-	-	3,223,861
A- to A+	-	30,280,114	-	957,251	31,237,365
BBB- to BBB+	46,208,016	34,247,684	-	967,434	81,423,134
BB- to BB+	1,402,886	-	-	-	1,402,886
	<b>47,610,902</b>	<b>71,406,453</b>	<b>-</b>	<b>1,924,685</b>	<b>120,942,040</b>

(continuation)

(amounts in euros)

Asset class	2022				Total
	Portugal	Rest of the European Union	Country of origin North America	Others	
Financial Institutions					
AAA	-	-	5,788,507	-	5,788,507
AA- to AA+	-	7,192,187	2,244,746	-	9,436,933
A- to A+	-	72,791,049	32,560,816	6,701,611	112,053,476
BBB- to BBB+	23,012,340	74,303,759	16,120,679	5,782,767	119,219,545
BB- to BB+	24,508,136	103,234,800	-	1,682,329	129,425,265
B- to B+	17,581,393	4,265,819	-	1,406,482	23,253,694
Not rated	-	-	106,696,722	51,456,375	158,153,097
	<b>65,101,869</b>	<b>261,787,614</b>	<b>163,411,470</b>	<b>67,029,564</b>	<b>557,330,517</b>
Other issuers					
AAA	-	19,427,581	-	-	19,427,581
	-	<b>19,427,581</b>	-	-	<b>19,427,581</b>
	<b>257,118,028</b>	<b>897,695,513</b>	<b>276,512,314</b>	<b>249,008,175</b>	<b>1,680,334,030</b>

(amounts in euros)

Asset class	2023				Total
	Portugal	Rest of the European Union	Country of origin North America	Others	
<b>Financial assets at fair value through other comprehensive income</b>					
Corporate					
AA- to AA+	-	4,954,964	4,118,337	3,802,382	12,875,683
A- to A+	-	72,862,254	55,061,630	195,880,733	323,804,617
BBB- to BBB+	314,332	513,773,696	502,823,064	690,955,318	1,707,866,410
BB- to BB+	20,299,106	32,094,867	152,943,551	266,305,112	471,642,636
B- to B+	-	-	2,231,652	69,426,523	71,658,175
Not rated	-	-	-	1,921,276	1,921,276
	<b>20,613,438</b>	<b>623,685,781</b>	<b>717,178,234</b>	<b>1,228,291,344</b>	<b>2,589,768,797</b>
Governments and other local authorities					
AAA	-	166,405,347	1,119,507	3,496,710	171,021,564
AA- to AA+	-	920,515	14,300,521	21,833,191	37,054,227
A- to A+	119,489,494	105,408,036	668,357	12,926,147	238,492,034
BBB- to BBB+	45,615,564	1,320,639,773	10,588,649	420,528,992	1,797,372,978
BB- to BB+	9,592,634	-	-	2,928,314	12,520,948
B- to B+	-	-	-	3,654,093	3,654,093
CCC- to CCC+	-	-	-	47,798,563	47,798,563
	<b>174,697,692</b>	<b>1,593,373,671</b>	<b>26,677,034</b>	<b>513,166,010</b>	<b>2,307,914,407</b>

(continuation)

(amounts in euros)

Asset class	2023				Total
	Portugal	Rest of the European Union	Country of origin North America	Others	
Financial Institutions					
AAA	-	4,670,111	2,779,709	10,410,313	17,860,133
AA- to AA+	-	8,678,370	43,553,091	6,992,945	59,224,406
A- to A+	-	367,912,718	217,936,501	697,607,475	1,283,456,694
BBB- to BBB+	23,414,443	357,118,770	88,202,277	607,852,089	1,076,587,579
BB- to BB+	64,770,104	4,328,120	2,955,265	187,741,500	259,794,989
	<b>88,184,547</b>	<b>742,708,089</b>	<b>355,426,843</b>	<b>1,510,604,322</b>	<b>2,696,923,801</b>
Other issuers					
AAA	-	14,549,152	-	1,498,980	16,048,132
AA- to AA+	-	15,810,353	469,046	-	16,279,399
BBB- to BBB+	-	-	-	1,640,791	1,640,791
	-	<b>30,359,505</b>	<b>469,046</b>	<b>3,139,771</b>	<b>33,968,322</b>
	<b>283,495,677</b>	<b>2,990,127,046</b>	<b>1,099,751,157</b>	<b>3,255,201,447</b>	<b>7,628,575,327</b>

(amounts in euros)

Asset class	2022				Total
	Portugal	Rest of the European Union	Country of origin North America	Others	
<b>Financial assets at fair value through other comprehensive income</b>					
Corporate					
AA- to AA+	-	5,136,762	1,128,376	736,645	7,001,783
A- to A+	-	49,574,790	45,524,092	297,431,036	392,529,918
BBB- to BBB+	10,340,475	374,941,612	438,645,782	718,802,092	1,542,729,961
BB- to BB+	13,106,178	94,813,942	181,911,221	305,358,647	595,189,988
B- to B+	5,640,180	-	6,657,385	16,914,312	29,211,877
Not rated	511,641	-	-	2,952,305	3,463,946
	<b>29,598,474</b>	<b>524,467,106</b>	<b>673,866,856</b>	<b>1,342,195,037</b>	<b>2,570,127,473</b>
Governments and other local authorities					
AAA	-	4,297,723	11,485,144	-	15,782,867
AA- to AA+	-	900,524	-	6,040,101	6,940,625
A- to A+	-	65,748,090	-	13,488,060	79,236,150
BBB- to BBB+	372,258,115	1,543,215,346	7,942,731	308,869,037	2,232,285,229
BB- to BB+	17,678,391	-	-	3,043,658	20,722,049
B- to B+	-	-	-	1,651,456	1,651,456
CCC- to CCC+	-	-	-	44,364,092	44,364,092
	<b>389,936,506</b>	<b>1,614,161,683</b>	<b>19,427,875</b>	<b>377,456,404</b>	<b>2,400,982,468</b>

(continuation)

(amounts in euros)

Asset class	2022				Total
	Portugal	Rest of the European Union	Country of origin North America	Others	
Financial Institutions					
AAA	-	4,475,426	2,646,137	891,730	8,013,293
AA- to AA+	6,763,786	6,345,166	30,118,155	4,783,757	48,010,864
A- to A+	-	366,321,655	169,371,086	701,968,327	1,237,661,068
BBB- to BBB+	5,769,508	306,143,124	97,459,399	597,966,175	1,007,338,206
BB- to BB+	73,120,278	8,366,796	2,844,790	163,378,024	247,709,888
B- to B+	28,508,198	-	-	-	28,508,198
Not rated	-	-	-	2,936,302	2,936,302
	<b>114,161,770</b>	<b>691,652,167</b>	<b>302,439,567</b>	<b>1,471,924,315</b>	<b>2,580,177,819</b>
Other issuers					
AAA	-	9,853,125	-	-	9,853,125
BBB- to BBB+	-	-	-	1,140,055	1,140,055
	-	<b>9,853,125</b>	-	<b>1,140,055</b>	<b>10,993,180</b>
	<b>533,696,750</b>	<b>2,840,134,081</b>	<b>995,734,298</b>	<b>3,192,715,811</b>	<b>7,562,280,940</b>

(amounts in euros)

Asset class	2023			Total
	Country of origin			
	Portugal	Rest of the European Union	Others	
Financial assets at amortised cost				
Corporate				
Not rated	-	-	2,174,998	2,174,998
	-	-	<b>2,174,998</b>	<b>2,174,998</b>
Governments and other local authorities				
A- to A+	245,493,292	-	-	245,493,292
BBB- to BBB+	-	31,729,591	-	31,729,591
B- to B+	-	-	12,065,172	12,065,172
CCC- to CCC+	-	-	1,780,754	1,780,754
	<b>245,493,292</b>	<b>31,729,591</b>	<b>13,845,926</b>	<b>291,068,809</b>
Financial Institutions				
Not rated	-	-	379,888	379,888
	-	-	<b>379,888</b>	<b>379,888</b>
	<b>245,493,292</b>	<b>31,729,591</b>	<b>16,400,812</b>	<b>293,623,695</b>



(amounts in euros)

Asset class	2022			Total
	Country of origin			
	Portugal	Rest of the European Union	Others	
<b>Financial assets at amortised cost</b>				
Corporate				
Not rated	-	-	1,228,533	1,228,533
	-	-	<b>1,228,533</b>	<b>1,228,533</b>
Governments and other local authorities				
BBB- to BBB+	251,221,060	290,922,774	-	542,143,834
B- to B+	-	-	12,787,911	12,787,911
CCC- to CCC+	-	-	3,164,789	3,164,789
	<b>251,221,060</b>	<b>290,922,774</b>	<b>15,952,700</b>	<b>558,096,534</b>
Financial Institutions				
Not rated	-	-	374,941	374,941
	-	-	<b>374,941</b>	<b>374,941</b>
	<b>251,221,060</b>	<b>290,922,774</b>	<b>17,556,174</b>	<b>559,700,008</b>

## Liquidity risk

At 31 December 2023 and 2022, the estimated undiscounted cash flows of financial instruments, according to their contractual maturity, show the following breakdown:

(amounts in euros)

	2023									Total
	Up to 1 month	From 1 to 3 months	From 3 months to 6 months	From 6 months to 1 year	Between 1 and 3 years	Between 3 and 5 years	Between 5 and 10 years	More than 10 years	Indefinite	
<b>Assets</b>										
Cash and cash equivalents										
and sight deposits	540,599,171									540,599,171
Investments in associates										
and joint ventures									9,226,367	9,226,367
Financial assets at fair value										
through profit or loss	17,701,339	10,421,343	20,012,487	25,239,190	507,808,924	953,323,635	122,239,946	308,955,860	1,237,386,003	3,203,088,727
Hedge Derivatives									10,626,173	10,626,173
Financial assets at fair value through										
other comprehensive income	40,308,909	66,321,062	293,828,781	512,138,966	2,612,025,856	2,220,905,340	711,497,405	210,462,599	1,136,642,846	7,804,131,764
Financial assets at amortised cost	146,484,642	46,833,164	1,976,915	88,691,410	136,772,613	17,173,550	69,005,150	-	634,424	507,571,868
Accounts receivable from direct										
insurance and reinsurance										
operations	204,064,957	-	-	-	-	-	-	-	-	204,064,957
	<b>949,159,018</b>	<b>123,575,569</b>	<b>315,818,183</b>	<b>626,069,566</b>	<b>3,256,607,393</b>	<b>3,191,402,525</b>	<b>902,742,501</b>	<b>519,418,459</b>	<b>2,394,515,812</b>	<b>12,279,309,026</b>

(continuation)

(amounts in euros)

	2023									Total
	Up to 1 month	From 1 to 3 months	From 3 months to 6 months	From 6 months to 1 year	Between 1 and 3 years	Between 3 and 5 years	Between 5 and 10 years	More than 10 years	Indefinite	
<b>Liabilities</b>										
Financial liabilities at fair value										
through profit or loss	538,570	132,016,738	2,169,277	10,039,602	29,759,062	11,047,702	-	-	-	185,570,951
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as										
investment contracts	259,857,701	157,699,339	277,436,697	796,576,471	1,557,807,899	2,073,548,982	1,381,672,607	588,200,326	-	7,092,800,022
Hedge Derivatives	-	-	-	-	-	-	-	-	4,949,949	4,949,949
Deposits received from reinsurers	59,949	119,898	179,847	57,910,770	-	-	-	-	-	58,270,464
Other financial liabilities	718,011	5,414	18,788	51,092,030	97,539,621	119,966,423	851,740,706	77,488,514	-	1,198,569,508
Accounts payable for direct insurance and reinsurance operations	449,653,819	-	-	-	-	-	-	-	-	449,653,819
	<b>710,828,050</b>	<b>289,841,389</b>	<b>279,804,610</b>	<b>915,618,873</b>	<b>1,685,106,582</b>	<b>2,204,563,108</b>	<b>2,233,413,314</b>	<b>665,688,839</b>	<b>4,949,949</b>	<b>8,989,814,714</b>

(amounts in euros)

	2022									Total
	Up to 1 month	From 1 to 3 months	From 3 months to 6 months	From 6 months to 1 year	Between 1 and 3 years	Between 3 and 5 years	Between 5 and 10 years	More than 10 years	Indefinite	
<b>Assets</b>										
Cash and cash equivalents										
and sight deposits	637,429,549	-	-	-	-	-	-	-	-	637,429,549
Investments in associates										
and joint ventures	-	-	-	-	-	-	-	-	9,169,287	9,169,287
Financial assets at fair value										
through profit or loss	7,585,630	12,755,446	30,134,743	19,323,123	293,177,302	777,443,099	191,826,285	262,548,591	1,277,966,012	2,872,760,232
Hedge Derivatives	-	-	-	-	-	-	-	-	18,319,872	18,319,872
Financial assets at fair value through										
other comprehensive income	87,144,454	169,114,390	227,212,752	731,056,342	2,383,421,910	2,010,670,374	1,114,505,651	257,828,942	1,417,186,555	8,398,141,370
Financial assets at amortised cost	131,956,765	665,419,215	11,216,695	43,610,273	118,340,846	93,406,122	69,108,651	170,862	-	1,133,229,428
Accounts receivable from direct										
insurance and reinsurance										
operations	746,297,568	-	-	-	-	-	-	-	-	746,297,568
	<b>1,610,413,967</b>	<b>209,440,821</b>	<b>266,695,790</b>	<b>789,738,872</b>	<b>2,676,625,634</b>	<b>2,788,169,670</b>	<b>1,306,658,787</b>	<b>520,548,395</b>	<b>2,722,641,727</b>	<b>12,890,933,662</b>

(continuation)

(amounts in euros)

	2022									Total
	Up to 1 month	From 1 to 3 months	From 3 months to 6 months	From 6 months to 1 year	Between 1 and 3 years	Between 3 and 5 years	Between 5 and 10 years	More than 10 years	Indefinite	
<b>Liabilities</b>										
Mathematical provision										
for life insurance	846,195	422	220,227	90,791	384,216	92,158	163,576	313,035	20,927,269	23,037,889
Financial liabilities at fair value										
through profit or loss	538,570	132,016,738	2,169,277	10,039,602	29,759,062	11,047,702	-	-	-	185,570,951
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as										
investment contracts	140,727	-	-	-	-	883,224	-	-	2,954,916	3,978,867
Hedge Derivatives	-	-	-	-	-	-	-	-	4,949,949	4,949,949
Deposits received from reinsurers	160,954	321,909	482,863	155,482,033	-	-	-	-	-	156,447,760
Other financial liabilities	718,011	5,414	18,788	51,092,030	97,539,621	119,966,423	851,740,706	77,488,514	-	1,198,569,508
Accounts payable for direct insurance and reinsurance operations	719,530,746	-	-	-	-	-	-	-	-	719,530,746
	<b>721,935,204</b>	<b>132,344,482</b>	<b>2,891,156</b>	<b>216,704,456</b>	<b>127,682,899</b>	<b>131,989,507</b>	<b>851,904,282</b>	<b>77,801,549</b>	<b>28,832,134</b>	<b>2,292,085,669</b>

The amounts presented in the tables above are not comparable with the accounting balances as they relate to projected cash flows.

The determination of the estimated cash flows of the financial instruments was based on the principles and assumptions used by the Group in the management and control of liquidity within its business, with the necessary adjustments in order to comply with the applicable disclosure requirements. The main assumptions used in the calculation of the estimated flows were as follows:

- Cash and sight deposits were classified as demand liabilities, included in the maturity "Up to 1 month";
- The amounts included in the headings "Other debtors" and "Other creditors" are payable on demand, and classified with maturity of "Up to 1 month";
- The equity instruments were classified with "Indefinite" maturity;
- In debt instruments, the earliest of the following dates was considered as the contractual maturity: call, put or maturity;
- The amounts recorded under the heading "Deposits received from reinsurers" correspond to provisions withheld from reinsurers under the existing reinsurance treaty and are renewable for annual periods. The cash-flow estimates were calculated on the basis of the next due date;
- The "Hedge Derivatives" were classified with "Indefinite" maturity, as they are futures contracts and exchange forwards;
- For the calculation of the estimated cash flows of the "Financial liabilities at fair value through profit or loss", the maturity dates of the contracts were considered;
- In determining the estimated cash flows of the mathematical provision for life insurance and financial liabilities of the deposit component of insurance contracts and investment contracts, the following assumptions were considered:
  - Mortality was determined according to the Group's history of the last five years;
  - The estimate of future outflows by redemption of capitalisation contracts was based on a generalised linear model with four factors: type of product, initial duration of the contract and difference between the market interest rate, parent company and technical rate;
  - Expected yields were determined based on the rates of the interest rate curve, the duration of the liability and plus / minus unrealised gains;
  - The expected costs were estimated based on the values recorded in the year.

## Market risk

### Interest rate risk

At 31 December 2023 and 2022, the breakdown of financial instruments by type of exposure to interest rate risk was as follows:

(amounts in euros)

	2023			Total
	Exposure to Fixed rate	Variable rate	Not subject to risk of interest rate	
<b>Assets</b>				
Cash and cash equivalents and sight deposits	-	538,626,527	1,972,644	540,599,171
Investments in associates and joint ventures	-	-	9,226,367	9,226,367
Financial assets at fair value through profit or loss	1,245,844,779	752,000,126	3,064,638,800	5,062,483,705
Hedge Derivatives	-	10,626,173	-	10,626,173
Financial assets at fair value through other comprehensive income	7,183,885,454	444,689,881	327,195,767	7,955,771,102
Financial assets at amortised cost	674,253,242	514,616	99,775,038	774,542,896
Accounts receivable from direct insurance and reinsurance operations	-	-	204,064,957	204,064,957
	<b>9,103,983,475</b>	<b>1,746,457,323</b>	<b>3,706,873,572</b>	<b>14,557,314,370</b>

(continuation)

(amounts in euros)

	2023			Total
	Exposure to Fixed rate	Exposure to Variable rate	Not subject to risk of interest rate	
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss	34,793,570	-	269,841,865	304,635,435
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	4,782,081,349	3,746,280,743	-	8,528,362,091
Hedge Derivatives	-	-	1,523,582	1,523,582
Deposits received from reinsurers	-	57,551,076	-	57,551,076
Other financial liabilities	-	626,326,119	-	626,326,119
Accounts payable for direct insurance and reinsurance operations	-	-	449,653,819	449,653,819
	<b>4,816,874,919</b>	<b>4,430,157,938</b>	<b>721,019,266</b>	<b>9,968,052,123</b>



(amounts in euros)

	2022			Total
	Exposure to Fixed rate	Exposure to Variable rate	Not subject to risk of interest rate	
<b>Assets</b>				
Cash and cash equivalents and sight deposits	-	635,566,347	1,863,202	637,429,549
Investments in associates and joint ventures	-	-	9,169,287	9,169,287
Financial assets at fair value through profit or loss	943,580,219	743,372,749	2,812,824,814	4,499,777,782
Hedge Derivatives	-	-	18,319,872	18,319,872
Financial assets at fair value through other comprehensive income	7,123,461,367	469,748,653	339,364,546	7,932,574,566
Financial assets at amortised cost	916,650,101	2,028,600	81,975,005	1,000,653,706
Accounts receivable from direct insurance and reinsurance operations	-	-	246,605,303	246,605,303
	<b>8,983,691,687</b>	<b>1,850,716,349</b>	<b>3,510,122,027</b>	<b>14,344,530,063</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss	20,401,155	-	134,115,151	154,516,306
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	5,492,271,771	3,135,814,789	-	8,628,086,559
Hedge Derivatives	-	-	4,949,949	4,949,949
Deposits received from reinsurers	-	54,602,705	-	54,602,705
Other financial liabilities	-	636,180,671	-	636,180,671
Accounts payable for direct insurance and reinsurance operations	-	-	468,893,287	468,893,287
	<b>5,512,672,926</b>	<b>3,826,598,165</b>	<b>607,958,387</b>	<b>9,947,229,477</b>

At 31 December 2023 and 2022, the sensitivity of the fair value of the Group's financial instruments with exposure to interest rate risk to positive and negative changes of 50, 100 and 200 basis points (bps), respectively, was:

(amounts in euros)

	2023					
	Change +200 bp's	Change +100 bp's	Change +50 bp's	Change -50 bp's	Change -100 bp's	Change -200 bp's
<b>Assets</b>						
Financial assets at fair value through profit or loss	(6,140,646)	(3,132,289)	(1,582,357)	1,616,402	3,268,640	6,688,784
Financial assets at fair value through other comprehensive income	(387,435,758)	(208,687,473)	(109,231,975)	122,659,228	264,131,486	639,318,114
Financial assets at amortised cost	(14,297,531)	(7,306,866)	(3,694,169)	3,778,178	7,642,999	15,643,621
	<b>( 407,873,935 )</b>	<b>( 219,126,628 )</b>	<b>( 114,508,501 )</b>	<b>128,053,808</b>	<b>275,043,124</b>	<b>661,650,519</b>
<b>Liabilities</b>						
Other financial liabilities	417,603	211,297	106,283	( 107,576 )	( 216,469 )	( 438,299 )
	<b>417,603</b>	<b>211,297</b>	<b>106,283</b>	<b>( 107,576 )</b>	<b>( 216,469 )</b>	<b>( 438,299 )</b>

(amounts in euros)

	2022					
	Change +200 bp's	Change +100 bp's	Change +50 bp's	Change -50 bp's	Change -100 bp's	Change -200 bp's
<b>Assets</b>						
Financial assets at fair value through profit or loss	(10,841,514)	(5,559,889)	(2,818,586)	2,920,745	6,237,259	11,919,885
Financial assets at fair value through other comprehensive income	(388,234,852)	(208,145,180)	(108,619,846)	121,037,927	259,412,425	621,032,364
Financial assets at amortised cost	(20,215,759)	(10,340,877)	(5,230,609)	5,354,990	10,838,566	22,209,189
	<b>(419,336,133)</b>	<b>(224,045,946)</b>	<b>(116,669,041)</b>	<b>129,313,662</b>	<b>276,488,250</b>	<b>655,064,331</b>
<b>Liabilities</b>						
Other financial liabilities	849,049	430,558	216,818	(219,959)	(443,122)	(899,332)
	<b>849,049</b>	<b>430,558</b>	<b>216,818</b>	<b>(219,959)</b>	<b>(443,122)</b>	<b>(899,332)</b>

The determination of the sensitivity of the fair value of financial assets was made considering the future cash flows discounted the respective YTM, with positive and negative variations of 50, 100 and 200 bps, in the respective yields.

## Currency risk

At 31 December 2023 and 2022, the financial instruments present the following detail by currency:

(amounts in euros)

	2023				Total
	Euros	US Dollars	Hong Kong Dollars	Other currencies	
<b>Assets</b>					
Cash and cash equivalents and sight deposits	399,281,565	24,292,968	462,337	116,562,300	540,599,171
Investments in associates and joint ventures	3,673,137	-	-	5,553,230	9,226,367
Financial assets at fair value through profit or loss	4,207,869,182	312,450,439	4,627,217	537,536,867	5,062,483,705
Hedge Derivatives	7,132,335	3,167,533	-	326,305	10,626,173
Financial assets at fair value through other comprehensive income	4,391,136,443	1,333,200,630	129,558,519	2,101,875,510	7,955,771,102
Financial assets at amortised cost	366,271,095	210,875,270	428,641	196,967,890	774,542,896
Accounts receivable from direct insurance and reinsurance operations	143,041,094	32,460,755	-	28,563,108	204,064,957
	<b>9,518,404,850</b>	<b>1,916,447,596</b>	<b>135,076,715</b>	<b>2,987,385,210</b>	<b>14,557,314,370</b>

(continuation)

(amounts in euros)

	Euros	US Dollars	2023 Hong Kong Dollars	Other currencies	Total
<b>Liabilities</b>					
Financial liabilities at fair value through profit or loss	268,849,797	4,550,242	-	31,235,396	304,635,435
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	7,692,670,633	158,444,889	-	677,246,570	8,528,362,091
Hedge Derivatives	235,215	-	-	1,288,368	1,523,582
Deposits received from reinsurers	56,149,200	-	-	1,401,876	57,551,076
Other financial liabilities	497,726,003	32,825,224	-	90,774,893	626,326,119
Accounts payable for direct insurance and reinsurance operations	186,531,902	144,731,781	-	118,390,137	449,653,819
	<b>8,702,162,749</b>	<b>345,552,135</b>	<b>-</b>	<b>920,337,239</b>	<b>9,968,052,123</b>

(amounts in euros)

	Euros	US Dollars	2022 Hong Kong Dollars	Other currencies	Total
<b>Assets</b>					
Cash and cash equivalents and sight deposits	485,639,750	936,447	1,484,774	149,368,578	637,429,549
Investments in associates and joint ventures	3,416,817	-	-	5,752,470	9,169,287
Financial assets at fair value through profit or loss	3,448,754,182	402,758,786	174,031,002	474,233,811	4,499,777,781
Hedge Derivatives	17,790,744	-	-	529,129	18,319,872
Financial assets at fair value through other comprehensive income	4,530,096,573	1,640,341,858	-	1,762,136,134	7,932,574,565
Financial assets at amortised cost	586,601,173	226,665,148	27,543,079	159,844,306	1,000,653,706
Accounts receivable from direct insurance and reinsurance operations	100,807,066	117,053,859	254,279	28,490,098	246,605,303
	<b>9,173,106,304</b>	<b>2,387,756,098</b>	<b>203,313,134</b>	<b>2,580,354,526</b>	<b>14,344,530,063</b>
<b>Liabilities</b>					
Financial liabilities at fair value through profit or loss	123,033,932	5,709,357	-	25,773,016	154,516,306
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	8,085,861,041	133,815,462	-	408,410,056	8,628,086,559
Hedge Derivatives	795,084	-	-	4,154,865	4,949,949
Deposits received from reinsurers	36,573,490	16,783,971	-	1,245,243	54,602,705
Other financial liabilities	478,668,759	65,760,786	-	91,751,126	636,180,671
Accounts payable for direct insurance and reinsurance operations	172,538,131	169,264,726	69,651	127,020,779	468,893,287
	<b>8,897,470,439</b>	<b>391,334,302</b>	<b>69,651</b>	<b>658,355,085</b>	<b>9,947,229,477</b>

As described in Note 7, the Group carries out operations with derivatives within of its activity, essentially with the aim of reducing its exposure to currency risk fluctuations EUR/USD, EUR/GBP, EUR/JPY, EUR/USD. Thus, the impact of the fair value sensitivity of the Group's financial instruments with exposure to exchange rate risk to positive and negative variations is reduced.

The headings "Accounts receivable for direct insurance and reinsurance operations" and "Accounts payable for direct insurance and reinsurance operations" have a different breakdown between Assets and Liabilities, when compared to the Financial Statements, due to the fact that the currency distribution process can lead to a different breakdown of balances.

## 48. DISCLOSURES RELATING TO INSURANCE CONTRACT RISKS

Below is a summary of the acceptance and risk management policies in force.

### 48.1. Underwriting of risks

The principles of risk acceptance are described in the Underwriting Policy, approved on 01/24/2023, which responds to the requirements established for the management of underwriting risks in the Legal Regime for Access and Exercise of the Insurance and Reinsurance Activity (RJASR), approved by Law No. 147/2015, of 9 September.

The Underwriting Policy divides risks into two categories at a first level:

- Non-Acceptable Risks: those that, under no circumstances, the Company will be available to accept and that are listed in the Policy;

- Acceptable Risks: those that the Company may accept, after adequate evaluation of its characteristics, under the conditions defined by an entity with delegation to do so.

Taking into account the diversity of risk typology, the underwriting and management of acceptable risks is structured in two types of acceptance:

- Technical underwriting;
- Delegated acceptance in Internal and External Distribution Channels.

The delegation of powers model includes up to a maximum of 12 levels of acceptance (maximum of 9 technical levels, which includes the Subscription Policy Acceptance and Monitoring Committee (CAAPS), 4 levels of delegation in internal commercial channels and/or 1 level of delegated acceptance in external channels). However, an acceptance process is intended to be agile, so there should be no intervention of more than 4 levels. The process must, however, ensure knowledge of the risk by all levels of the structure involved.

Each level of acceptance has, according to its competences, specific methodologies and procedures, allowing the interconnection and harmonisation between them.

In the second type of risk acceptance, committed to commercial networks, the competence delegated to internal and external distribution channels, duly framed by written standards and procedures, is based, in particular, on the following criteria:

- Products with standard clauses;
- Risks or activities with a stable claims' history;

- Universe of homogeneous risk and easy identification;
- Small amounts of capital allowing dilution of higher risk;
- Risks with known and controllable accumulation, regarding cover and/or geographical spread;
- Premiums according to a product tariff, adjustable by delegated discount of reduced amplitude.

It has at its disposal the following instruments: tariffs, simulators, underwriting manuals, algorithms that identify risks that require careful technical analysis and delegation of powers standards, product manuals, general conditions and pre-contractual information, insurance proposals, standardised declarations, technical questionnaires and standards related to circuits and procedures.

The first type of risk acceptance, that of Technical Underwriting, corresponds to the Business Departments – structure bodies responsible for the management of business areas, from product design to claims management, through underwriting and portfolio management – and to the CAAPS, which have additional instruments for risk analysis.

The Business Departments are equipped with a multidisciplinary technical staff strongly specialised by insurance lines of business, assisted by specialists in actuaries integrated in a team that provides support in the estimation of technical risk to all the different Departments. When the characteristics of the risk so justify, they use risk analyses performed by specialist companies.

The acceptance of risks is based on strict technical standards, aiming at the identification of risks with high potential losses (severity and frequency), the application of adjusted contractual conditions and the definition of premiums appropriate to the specific risk, in order to obtain a sustained growth of the portfolio and a balanced technical result. All risks that are not covered by the Reinsurance Treaties are analysed by the Business Departments, and optional reinsurance is placed when the conditions for accepting the risk are considered to be met.

When the risks under analysis do not fall under the Reinsurers' Pricing Manuals or under the acceptance conditions defined by the company, they are sent to the Reinsurers' Underwriting Offices so that proposals for conditions of acceptance of these risks are presented.

The Business Departments also have at their disposal technical and actuarial reports and analyses that allow them to have a knowledge of the evolution of the technical operation of the line of business and the behaviour of the risk by coverage and main characteristics of the insurable objects.

There is a set of situations, with particularly high risk and/or with a high degree of uncertainty identified in the Risk Acceptance Policy, which are not delegated to the Business Divisions, and the competence for their acceptance is reserved to the Underwriting Policy Acceptance and Supervision Committee, which meets whenever it is necessary to assess risks with these characteristics.



## 48.2. Technical management

The technical management of the Lines of Business includes the design of products, the definition of clauses and prices, the definition and control of the underwriting policy, the selection and review of policy portfolio conditions, the assessment of risk accumulations and also the control of technical results, namely the monitoring of the evolution of processed revenue, the number of insurance contracts, the distribution of the portfolio by risk and guarantee segments, average premiums, risk characteristics, claims and the technical margin. For the control referred to above, reports with management indicators are periodically prepared and, on a recurring basis, information is prepared to provide the Reinsurance Division with elements of the portfolio profiles in order to support the negotiation of the Reinsurance Treaties.

With the specific objective of defining and reviewing tariff policies and adjusting discount delegation and portfolio management criteria, meetings are held on a monthly basis in which members of the Executive Committee and those responsible for the Business, Commercial, Operations, Marketing and Pricing areas participate.

## 48.3. Risk control management instruments

### Internal risks of the organisation

In order to control and minimise the internal risk of the organisation, the acceptance standards and procedures and the product manuals are published and are of general access and knowledge, and the application process is properly monitored by the competent areas.

## Portfolio profile studies

Regular studies are prepared on the risk profile of the portfolios, by classes of capital / liabilities assumed, by types of activities, types of insured objects and coverages.

Studies are also regularly carried out into the claims rate behaviour of products according to the most important characteristics for defining the risk.

This type of study allows us to obtain a qualitative and quantitative analysis of the claims rate of the portfolio (by categories of insured capital, types of insured objects, types of activities, coverages), aiming at the measurement of existing delegations and the correction of possible distortions, as well as correlating the main factors of price formation and deciding on the alteration of products on sale or the creation of new ones.

### Periodic analysis of portfolio evolution

The portfolio under management is subject to periodic monitoring of its evolution, analysing, in particular, the behaviour of the movement of policies, both in terms of the number of policies and in terms of new and cancelled production, changes in premiums/average rates and changes in the distribution of contracts between the various business segments.

These studies also include analysis of claims behaviour, and monitor the respective frequency and rate of claims. This analysis is produced not only in terms of groups of business, but mainly in terms of products being managed.

In specific cases in the motor insurance line of business, extensive and detailed diagnoses are made regarding the portfolio's evolution, with the aim of identifying operational problems in the business, together with their causes, both from a commercial and technical perspective. As a result of these diagnoses, proposals are developed.

### **Portfolio selection and remediation**

This function aims to improve the profitability of the portfolio under management, either by remedying loss-making risks (high frequency and/or loss ratio), or by introducing changes to the contractual conditions (coverages, deductibles, premiums), or by advising the Client (recommendation for implementation of prevention and safety measures that improve the quality of the risk).

This function also includes the assessment of irregularities that are detected in contracts or claims, which may lead to the implementation of measures that, depending on the severity of the irregularity, may lead to the cancellation of the contract or the insured's portfolio.

### **Insurance risk concentrations**

When regular studies are prepared on the risk profile of the portfolios, by classes of capital/liabilities assumed, by activities and objects to be insured and by coverages, indicators are obtained that allow to estimate the impact of possible changes to coverages, evaluate the impact of possible changes to the reinsurance treaties and the Group's retention policy. In some cases, specific studies are carried out to assess these impacts.

These studies are also focused on a specific coverage, a geographical area, the type of liabilities assumed or the type of insured object, allowing the determination and quantification of risk accumulations by classes, as well as the assessment of the impact of catastrophic claims scenarios on the portfolio.

### **Insurance Risks**

The Group underwrites contracts of all non-life segments, in which the most significant risks derive from:

- Changes in the length of life of pensioners in the Workers' Compensation line of business and in income rates associated with assets allocated to the respective mathematical provisions;
- Climate change and natural disasters;
- Inflation risk, in the lines of business that take longer to be fully regularised;
- In health insurance, the most significant risks stem from lifestyle changes and scientific and technological developments.

Exposure to these risks is mitigated through the diversification obtained given the size of the Group's policy portfolio and the scope of underwritten risks in all non-life segments. Variability of the risks is improved by the selection of risks to be underwritten and the implementation of underwriting strategies and policies which are defined so as to ensure that the risks are diversified in terms of the type of risk and the level of guarantees taken out.

In addition, claims review policies and claim management procedures are defined. These policies are regularly checked to ensure they reflect the practices in course and form the basis of the control carried out. Claims under management are periodically reviewed and all those suspected of being fraudulent are investigated. The group carries out active and timely management of claims, in order to reduce its exposure to unforeseen developments which may have a negative impact on its liabilities.

In the whole life benefits of the Workers' compensation line of business, the mortality table applied is regularly evaluated, in order to reflect the real length of life of the beneficiaries of these guarantees.

The Group also limits exposure to risk either by imposing maximum amounts of indemnifiable amounts across contracts or by using reinsurance programmes that limit exposure, namely, to catastrophic events.

The assessment of exposure, in particular to seismic risk, is studied by the reinsurers of the insurer, and its conclusions are considered when acquiring and renewing reinsurance treaties.

### **Risk Assessment Assumptions**

#### **Non-Life lines of business, except annuities**

The main assumption assumed in estimating the insurer's liabilities is that the future development of claims and indemnities will follow a pattern similar to the known past experience for these variables. These assumptions include assumptions regarding average claims costs, claims management costs, inflation factors and number of claims in each of the years of occurrence.

In addition, qualitative judgments are used to assess the adequacy of past trends and whether or not they can be applied to the future, such as:

- Changes in market conditions, such as clients' attitudes regarding reporting claims;
- Economic conditions;
- Internal factors, such as the composition of the portfolios of policies, policy guarantees, and procedures, and greater or lesser speed in managing claims;

External factors, namely changes to legislation or rules and court decisions and relevant regulations or legislation that may affect the cost estimate.

### **Net of reinsurance**

#### **Risk concentration and mitigation**

In order to control the risks assumed, the Company has underwriting and acceptance rules to select and control the level of exposure to which the Company is subject to.

In non-life lines of business, risk mitigation is mostly by means of specific reinsurance programmes for each type of risk, and high demands are placed on the quality of the reinsurers involved.

The following table presents the rating of the main reinsurers that was updated at the end of December 2023.

(amounts in euros)

Rating	% Reinsurers	
	2023	2022
A -	4.35%	7.7%
A	30.43%	34.6%
A +	34.78%	34.7%
AA -	21.74%	11.6%
AA	0.00%	3.8%
AA+	4.35%	3.8%
Not rated	4.35%	4.0%

There is an unrated reinsurer, with a share of 5% in Personal Accidents, Third Party Liability, Motor and Workers' Compensation lines of business.

There is a specific "Excess of Loss" treaty to guarantee catastrophic risks, with a retention of 63,000,000 Euros and a capacity of 600,000,000 Euros.

At Fidelidade 49.747% of the sums insured retained for cover for Seismic Phenomena are located in Zone I, and II, the most severe in terms of seismic risk.

## Sensitivity analysis

Sensitivity analyses were performed for reasonable changes in assumptions, with all other variables constant, identifying the impact on earnings before tax.

The sensitivity analysis was performed for the Portuguese insurance business:

(amounts in euros)

	2023				
	Accidents and Health	Fire and Other Damage	Motor	Liabilities Liability	Others
Revenue from insurance contracts - Measured using the premium allocation approach	1,067,950,914	575,454,442	857,697,109	142,510,461	135,495,958
Impact on results:					
Impact of expenses with Insurance Contracts +1%	( 10,310,582 )	( 2,215,426 )	( 7,231,427 )	( 604,491 )	( 716,867 )
Impact of expenses with Insurance Contracts -1%	10,293,809	2,333,360	7,290,809	612,380	681,070
Combined ratio impact +1%	( 11,217,088 )	( 1,990,912 )	( 7,841,190 )	( 611,709 )	( 814,890 )
Combined ration impact +1%	11,204,853	2,113,722	7,912,889	619,669	775,660

	2022				
	Accidents and Health	Fire and Other Damage	Motor	Liabilities Liability	Others
Revenue from insurance contracts - Measured using the premium allocation approach	936,027,420	553,758,025	808,502,471	100,646,388	140,784,221
Impact on results:					
Impact of expenses with Insurance Contracts +1%	( 7,513,965 )	( 2,310,902 )	( 6,302,598 )	( 553,743 )	( 587,805 )
Impact of expenses with Insurance Contracts -1%	7,835,381	2,335,438	6,456,546	531,459	577,609
Combined Ratio impact +1%	( 7,240,640 )	( 2,501,598 )	( 6,445,995 )	( 648,050 )	( 652,083 )
Combined Ratio impact -1%	7,556,344	2,532,953	6,606,390	628,521	643,791

#### 48.4. Reinsurance policies

The decisive factors for limiting or transferring the risk insured are the nature of the business and the amounts of the risks to be insured, and a distinction is made mainly between those which are considered mass lines of business (Motor, Workers' Compensation, Personal Accidents and Multi-risks Home Insurance) and those which are dealt with more on a case-by-case basis, such as the remaining lines of business of Property, Engineering and Machinery, Marine, Transported Goods, Third Party Liability and Other risks.

Compliance with Underwriting Standards is intrinsically associated with the contracts available and in force in Reinsurance, being decisive for the acceptance or refusal of risks and their pricing.

Risks involving significant amounts insured or serious situations are subject to prior analysis and their acceptance is strictly interdependent with and supported by Reinsurance.

In compliance with its Reinsurance policy, the Group has resorted to the transfer of risks via Proportional and Non-Proportional Reinsurance Treaties, as well as Optional Reinsurance, and other Reinsurance modalities when they are necessary for adequate Reinsurance protection from accepted risks.

In Fire and Other Damage, Engineering and Aviation, the Group works with Proportional Treaties.

The coverage of Reinsurance in the main asset classes, as well as the respective retention, takes into account the relationship between the portfolio structure in terms of insurance capital and the respective premium volume of each line of business and also takes into account the statistical monitoring of the profitability of that portfolio, the Retention/Premiums ratio at the end of an annuity or cycle and the Group's financial capacity considered sufficiently important for the absorption of frequency claims.

Accumulations resulting from the "Coverage of Seismic Phenomena and Risks of Nature", of a catastrophic nature in the Withholdings, are reinsured in Excess of Losses, and the Withholding is determined by the Group's financial capacity.

In determining the Event Retention, the low frequency of the occurrence of disasters of this type in Portugal is taken into account, so the retention reflects what is technically expected from the point of view of the impact of a catastrophe on the Group's capital and its absorption over a defined period, working in a scenario with a return period of 500 years, which is unusual in markets with catastrophic exposure.

Accumulations resulting from natural disasters that do not relate to seismic phenomena are protected by an Excess of Loss Treaty, and the Retention and Capacity are defined on the basis of the history of events that have occurred in the last 15 years and the Group's financial capacity.

Motor, Workers' Compensation, Personal Accidents, Marine Hull, Transported Goods and Third-Party Liability are covered by Excess of Loss treaties, which proves more appropriate to the nature of the risks and the portfolio and the Group's financial capacity. To establish the priority, the statistical behaviour of the claims rate and quotes for different levels of this are taken into consideration.

The selection criteria for Reinsurers shall take into account their reliability and financial solvency, their ability to provide services. The selection process requires their constant observation and monitoring.

The information obtained in the International Market, namely that disclosed by the Rating Agencies, are fundamental references for the follow-up of the Reinsurers' good financial health.

Thus, we use as a selection factor of the Reinsurers, the rating analysis assigned to each Reinsurer by the S&P Rating Agency or another equivalent (A.M. Best, Fitch or Moody's). The minimum rating required for a Reinsurer to be part of our Panel of Reinsurers is "A-".

#### **48.5. Life insurance**

In the Life Insurance line of business there are three major groups of insurance contracts, covered by IFRS 4, in relation to which the nature of risks covered is characterised as follows:

##### **Risk products**

For these products, the greatest risk factor is mortality, with a large number of contracts that have also associated the risk of disability, and part of them being transferred to Reinsurers.

The discretionary nature of this profit sharing is associated with its use in determining income and in the profit-sharing coefficient, given that the plans for awarding it only define minimum amounts for the latter figure.

##### **Annuity products**

The greatest risk factor for these products is length of life.

##### **Capitalisation products**

The greatest risk factor for these products is interest rate risk.

Only the contracts with profit sharing are covered by IFRS 4, so the income awarded to the insured persons has a fixed component and a variable component which depends on the profitability of a given portfolio of assets partially dependent upon the Group's discretion.

## Sensitivity analysis

(amounts in euros)

2023	Base	Lapse +10%	Lapse -10%	Longevity +10%	Longevity -10%	Mortality +10%	Mortality -10%
Revenue from insurance contracts	62,833,133	62,518,477	63,142,811	63,001,796	62,017,591	66,788,524	61,077,190
Impact on results	-	314,656	( 309,678 )	( 168,662 )	815,542	( 3,955,390 )	1,755,943



## 49. CAPITAL MANAGEMENT

The new solvency regime (Solvency II), approved by Directive 2009/138/EC of the European Parliament and of the Council, of 25 November, and transposed into Portuguese Law by Law 147/2015, of 9 September, came into force on 1 January 2016.

The Solvency II rules are divided into three pillars.

### Pillar I - Quantitative requirements

The Solvency II rules define criteria for determining own funds eligible through an economic assessment of the assets and liabilities. They also define two levels of capital requirements: The Solvency Capital Requirement (SCR) and the Minimum Capital Requirement (MCR).

The SCR is calculated taking into account all the risks that an insurance companies may be exposed to, namely market risks, credit risks, specific insurance risks and operational risks. The SCR aims to guarantee the existence of eligible funds in an amount which is sufficient to absorb significant losses resulting from risks which insurance companies may be exposed.

The MCR establishes the minimum level of own funds that must be kept, so as not to jeopardise the insurance companies' compliance with its liabilities.

If it is detected that the SCR or the MCR are no longer being complied with or if there is a risk of non-compliance in the following three months, even if circumstantial or temporary non-compliance, it shall immediately inform the ASF. In the event of failure to comply with the SCR, it shall send this Authority a recovery plan within two months and take the measures necessary to ensure that, within six months, a level of own funds eligible to cover the SCR has been restored or the Company's risk profile has been reduced.

In the event of failure to comply with the MCR or where a risk of non-compliance is detected, it shall send to the ASF, within one month, a short-term financing plan, with a view to avoiding non-compliance or restoring the eligible own funds, at least to the level of the MCR, or with a view to reducing the Company's risk profile.

### Pillar II - Qualitative requirements and supervision

This pillar establishes qualitative requirements related to the existence and maintenance of effective governance systems, including adequate risk management, internal control and systems that ensure the suitability and qualification of people who effectively direct insurance undertakings, supervise them or are responsible for key functions (risk management, internal audit, compliance and actuarial).

One of the main requirements of this pillar is the own risk and solvency assessment (ORSA), which must be performed at least once a year. Through this exercise, the insurance companies must conduct a prospective assessment of the sufficiency of the capital available to achieve its business objectives, taking into account its risk profiles and conduct a solvency analysis considering stress scenarios. The resulting report must be sent to the ASF.

### Pillar III - Prudential reporting and public disclosures

Pillar III sets out the obligations for disclosing public information and information to the Supervisor.

In this context, the objectives of capital management in Fidelidade comply with the following general principles:

- Comply with the legal requirements to which Fidelidade is obliged;

- Generate adequate profitability, create value for the shareholder and provide remuneration for the capital invested;
- Sustain the development of the operations that Fidelidade is legally authorised to practice, maintaining a solid capital structure, capable of responding to the growth of the activity and the risks arising from it.

To achieve the objectives described, Fidelidade has defined a set of policies and processes.

On the one hand, it has implemented a risk management system that is an integral part of the Group's daily activities, and an integrated approach is applied to ensure that its strategic objectives (customer interests, financial strength and process efficiency) are maintained. This integrated approach also ensures the creation of value by identifying the appropriate balance between risk and return, while ensuring the Group's obligations to its stakeholders.

Risk management aids the Group in identifying, assessing, managing and monitoring risks, enabling appropriate and immediate actions to be adopted in the event of material changes in its risk profile.

In this sense, the Group, in order to draw its risk profile, identifies the various risks to which it is exposed, then proceeds to its assessment. Risk assessment is based on a standard formula used to calculate the solvency capital requirement. For other risks not included in that formula, the Group has opted to use a qualitative analysis in order to classify the foreseeable impact on capital needs.

On the other hand, the ORSA enables risk, capital and return to be related, in a prospective vision, in the context of the Company's business strategy.

The ORSA exercise, coinciding with the time horizon of the Company's strategic planning (never less than 3 years), assumes a fundamental role in the Group's Capital Management, supporting its main activities, namely:

- Assessment, together with risk management, of the risk appetite structure in relation to the business and capital management strategy;
- Contribute to the start of the strategic planning process by carrying out a capital adequacy assessment in the most recent period;
- Monitoring capital adequacy in line with the regulatory capital requirements and internal capital needs.

Taking into account the results obtained in the ORSA, and if the capital requirements differ from those defined, both in terms of the regulations and other limits defined internally, corrective actions to be implemented are prepared, in order to restore the capital level to the adequate or intended level.

Lastly, the obligations regarding public information, in particular, the obligation to disclose an annual "Solvency and Financial Condition Report", enable detailed information to be provided on the Group's activities and performance, governance system, risk profile, solvency assessment and capital management.

Given the time lag between the disclosure of these financial statements and the prudential information contained in the "Solvency and Financial Condition Report", it is important to state that the Group complies comfortably with both the regulatory capital requirements and the risk appetite defined internally, considering the preliminary data reported to the ASF on a quarterly basis and the information available on this date.

In order to ensure compliance with policies and processes, the Group has implemented an adequate governance system involving, among other aspects, an organisational structure that incorporates several bodies that perform key functions in terms of risk management and internal control: Risk Management Division, Compliance Division, Audit Division, Capital Planning and Financial Optimization, Office Risk Committee, Underwriting Policy Acceptance and Supervisory Committee and Life and Non-Life Products Committee, and Assets and Liabilities Management Committee.

## 50. MANAGED PENSION FUNDS

At 31 December 2023 and 2022, Fidelidade Macau Vida was managing the following pension funds, with the following composition of funds:

(amounts in euros)

	2023	2022
<b>Assets</b>		
Cash and deposits	26,245,347	39,746,245
Debt instruments	106,634,740	97,443,207
Equity instruments	53,908,079	48,246,780
Others	(107,749)	(112,494)
	<b>186,680,417</b>	<b>185,323,738</b>

## 51. SUBSEQUENT EVENTS

In the General Meeting of Shareholders held on 22 December 2023, the Shareholders of Luz Saúde, S.A. approved the following resolutions, among others:

- i. a share capital increase up to the maximum nominal amount of 23,885,563 Euros by issuing 23,885,563 new ordinary shares with a nominal value of 1 Euro to be paid in cash through a private share offer;
- ii. the admission to trading on the regulated market managed by Euronext Lisbon, of all shares representing the share capital of the company, including the shares to be issued.

Following the capital increase of Luz Saúde, S.A., Fidelidade - Companhia de Seguros, S.A. will dilute its current shareholder position, while maintaining a majority shareholding in the company after the conclusion of these operations, which are expected to take place during 2024.



# REPORT AND OPINIONS ON THE CONSOLIDATED ACCOUNTS



FIDELIDADE

REV. ROMANETA 19  
Ángelo de Sousa  
10.12.2021 -  
04.03.2022  
ARVORES  
C&A

## Certificação Legal das Contas

### RELATO SOBRE A AUDITORIA DAS DEMONSTRAÇÕES FINANCEIRAS CONSOLIDADAS

#### Opinião

Auditámos as demonstrações financeiras consolidadas anexas da Fidelidade - Companhia de Seguros, S.A. (o Grupo), que compreendem a Demonstração da Posição Financeira Consolidada em 31 de dezembro de 2023 (que evidencia um total de 20.282.220.664 euros e um total de capital próprio e interesses não controlados de 2.997.511.130 euros, incluindo um resultado líquido de 180.333.059 euros), a Demonstração dos Resultados Consolidados, a Demonstração do Rendimento Integral Consolidada, a Demonstração de Variações do Capital Próprio Consolidada e a Demonstração dos Fluxos de Caixa Consolidada relativas ao ano findo naquela data, e as notas anexas às demonstrações financeiras consolidadas incluindo informações materiais sobre a política contabilística.

Em nossa opinião, as demonstrações financeiras consolidadas anexas apresentam de forma verdadeira e apropriada, em todos os aspetos materiais, a posição financeira consolidada da Fidelidade - Companhia de Seguros, S.A. em 31 de dezembro de 2023, o seu desempenho financeiro e fluxos de caixa consolidados relativos ao ano findo naquela data, de acordo com os princípios geralmente aceites em Portugal para o setor segurador estabelecidos pela Autoridade de Supervisão de Seguros e Fundos de Pensões ("ASF").

#### Bases para a opinião

A nossa auditoria foi efetuada de acordo com as Normas Internacionais de Auditoria (ISA) e demais normas e orientações técnicas e éticas da Ordem dos Revisores Oficiais de Contas. As nossas responsabilidades nos termos dessas normas estão descritas na secção "Responsabilidades do auditor pela auditoria das demonstrações financeiras consolidadas" abaixo. Somos independentes das entidades que compõem o Grupo nos termos da lei e cumprimos os demais requisitos éticos nos termos do código de ética da Ordem dos Revisores Oficiais de Contas.

Estamos convictos de que a prova de auditoria que obtivemos é suficiente e apropriada para proporcionar uma base para a nossa opinião.

#### Matérias relevantes de auditoria

As matérias relevantes de auditoria são as que, no nosso julgamento profissional, tiveram maior importância na auditoria das demonstrações financeiras consolidadas do ano corrente. Essas matérias foram consideradas no contexto da auditoria das demonstrações financeiras consolidadas como um todo, e na formação da opinião, e não emitimos uma opinião separada sobre essas matérias.

Descrevemos de seguida as matérias relevantes de auditoria do ano corrente:

#### 1. Aplicação inicial da IFRS 17, que o estabelece princípios aplicáveis ao reconhecimento, à mensuração, à apresentação e à divulgação de contratos de seguro

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
Conforme divulgado na nota 2.17 às demonstrações financeiras consolidadas, o Grupo aplicou a IFRS 17 ("Norma") a 1 de janeiro de 2023, com data de transição a 1 de janeiro de 2022. É uma Norma complexa, que representa uma transformação significativa do reporte financeiro relativo aos contratos de seguro e de resseguro, nomeadamente ao nível da demonstração da posição financeira	A nossa abordagem ao risco de distorção material incluiu uma resposta específica que se traduziu numa abordagem de procedimentos substantivos, designadamente os seguintes: <ul style="list-style-type: none"> <li>Análise das políticas e orientações internas do Grupo que suportam a implementação da IFRS 17, incluindo a sua plenitude e conformidade com o disposto na Norma;</li> </ul>

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
consolidada, da demonstração dos resultados consolidados, da demonstração do rendimento integral consolidada, das notas que compreendem informações materiais sobre a política contabilística e outras informações explicativas e da informação comparativa para os períodos precedentes.  A Norma é baseada em princípios, o que exige à Gestão, a partir da data de transição, julgamentos significativos, a decisão sobre opções contabilísticas e sobre abordagens e métodos utilizados para mensurar os contratos de seguro, incluindo a utilização de pressupostos e técnicas de estimativa.  A consideração desta matéria como relevante para a auditoria tem por base a sua novidade, complexidade e materialidade nas demonstrações financeiras consolidadas.	<ul style="list-style-type: none"> <li>Verificação da correta aplicação das políticas e orientações internas do Grupo que suportam a implementação da IFRS 17, incluindo a sua consistência desde a data de transição;</li> <li>Sobre a transição: <ul style="list-style-type: none"> <li>Análise de razoabilidade sobre a avaliação da Gestão sobre a impraticabilidade de aplicação da abordagem retrospectiva total;</li> <li>Para os grupos de contratos incluídos na abordagem retrospectiva modificada ou de justo valor, análise das opções da Gestão sobre as alterações permitidas pela IFRS 17 à abordagem retrospectiva total, contando com o envolvimento dos nossos especialistas internos em atuariado; e</li> <li>Para os grupos de contratos incluídos na abordagem de justo valor, testes de revisão analítica, recálculos e análise das metodologias de determinação do seu justo valor, na data de transição, com o envolvimento dos nossos especialistas internos em atuariado.</li> </ul> </li> <li>Análise das divulgações no Anexo às demonstrações financeiras consolidadas relativas a esta matéria, tendo por base os requisitos dos princípios contabilísticos aceites em Portugal para o setor segurador estabelecidos pela ASF.</li> </ul>

#### 2. Mensuração dos Passivos de Contratos de Seguro relativos a serviços futuros pelo modelo geral de mensuração

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
As demonstrações financeiras consolidadas do Grupo em 31 de dezembro de 2023 incluem, no seu passivo, e mais detalhadamente divulgado nas notas 2.13 e 16 às demonstrações financeiras consolidadas, passivos de contratos de seguro relativos a serviços futuros, mensurados pelo modelo geral de mensuração, no montante de 2.471 m€, representando 14% do passivo. Este saldo agrega o valor atual estimado dos fluxos de caixa, o ajustamento de risco, a margem de serviços contratuais e a componente de perda.  A consideração desta matéria como relevante para a auditoria tem por base a sua materialidade nas demonstrações financeiras consolidadas e o facto de corresponder a uma estimativa contabilística com um grau de julgamento significativo, requerendo a utilização de metodologias de cálculo relativamente complexas que exigem a utilização de diversos pressupostos sobre	A nossa abordagem ao risco de distorção material incluiu uma resposta específica que se traduziu numa abordagem combinada de avaliação de controlos e procedimentos substantivos, designadamente os seguintes: <ul style="list-style-type: none"> <li>Entendimento dos procedimentos de controlo interno do Grupo e execução de procedimentos de auditoria específicos para avaliar a eficácia operacional dos controlos identificados como relevantes na mensuração dos Passivos de contratos de seguro relativos a serviços futuros, pelo modelo geral de mensuração e pela abordagem da comissão variável;</li> <li>Testes de revisão analítica, recálculos e análise das metodologias de projeção dos valores atuais estimados dos fluxos de caixa, de determinação do ajustamento de risco e do cálculo da margem de serviços contratuais, incluindo os pressupostos financeiros, demográficos e outros subjacentes ao cálculo;</li> <li>Com o envolvimento dos nossos especialistas internos em atuariado procedemos à análise das metodologias e pressupostos utilizados pelo Grupo para a mensuração destes Passivos, incluindo a análise da consistência com os utilizados no período</li> </ul>

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
cenários futuros para a mensuração das diferentes componentes destes passivos, nomeadamente do valor atual estimado dos fluxos de caixa, do ajustamento de risco e da margem de serviços contratuais. A utilização de metodologias de cálculo e/ou pressupostos diferentes na mensuração destas componentes, mas em igual conformidade com a IFRS 17, poderão resultar em valores diferentes dos Passivos de contratos de seguro relativos a serviços futuros, pelo modelo geral de mensuração.	anterior e tendo por referência as especificidades dos produtos, os requisitos regulamentares e as práticas no sector segurador; e <ul style="list-style-type: none"> <li>Análise das divulgações no Anexo às demonstrações financeiras consolidadas relativas a esta matéria, tendo por base os requisitos dos princípios contabilísticos aceites em Portugal para o setor segurador estabelecidos pela ASF.</li> </ul>

### 3. Mensuração dos Passivos de Contratos de Seguro relativos a serviços passados

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
As demonstrações financeiras consolidadas do Grupo em 31 de dezembro de 2023 incluem, no seu passivo, e mais detalhadamente divulgado nas notas 2.13 e 16 às demonstrações financeiras consolidadas, passivos de contratos de seguro relativos a serviços passados, no montante de 2.818 m€, representando 16% do passivo. Esta saldo agrega 2.705 m€ relativos ao valor atual estimado dos fluxos de caixa e 113 m€ relativos ao ajustamento de risco.  A consideração desta matéria como relevante para a auditoria tem por base a sua materialidade nas demonstrações financeiras consolidadas e o facto de corresponder a uma estimativa contabilística com um grau de julgamento significativo, requerendo a utilização de metodologias de cálculo relativamente complexas que exigem a utilização de diversos pressupostos sobre os sinistros ocorridos, nomeadamente do respetivo valor atual estimado dos fluxos de caixa e do ajustamento de risco. A utilização de metodologias de cálculo e/ou pressupostos diferentes na mensuração destas componentes, mas em igual conformidade com a IFRS 17, poderão resultar em valores divergentes dos Passivos de contratos de seguro relativos a serviços passados.	A nossa abordagem ao risco de distorção material incluiu uma resposta específica que se traduziu numa abordagem combinada de avaliação de controlos e procedimentos substantivos, designadamente os seguintes: <ul style="list-style-type: none"> <li>Entendimento dos procedimentos de controlo interno do Grupo e execução de procedimentos de auditoria específicos para avaliar a eficácia operacional dos controlos identificados como relevantes na mensuração dos Passivos de contratos de seguros relativos a serviços passados;</li> <li>Testes de revisão analítica, recálculos e análise das metodologias de projeção dos valores atuais estimados dos fluxos de caixa e de determinação do ajustamento de risco, incluindo os pressupostos financeiros e outros subjacentes ao cálculo;</li> <li>Com o envolvimento dos nossos especialistas em atuariado, procedemos à análise das metodologias e pressupostos utilizados pelo Grupo para a mensuração destes Passivos, incluindo a análise da consistência com os utilizados no período anterior e tendo por referência as especificidades dos produtos, os requisitos regulamentares e as práticas no sector segurador; e;</li> <li>Análise das divulgações no Anexo às demonstrações financeiras consolidadas relativas a esta matéria, tendo por base os requisitos dos princípios contabilísticos aceites em Portugal para o setor segurador estabelecidos pela ASF.</li> </ul>

### 4. Mensuração do Rédito de contratos de seguro, pelo modelo geral de mensuração

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
As demonstrações financeiras do Grupo em 31 de dezembro de 2023 incluem, na sua Demonstração dos Resultados Consolidada, e mais detalhadamente divulgado nas notas 2.13 e 29 às demonstrações financeiras consolidadas, rédito de contratos de seguros, mensurados pelo modelo geral de mensuração, no montante de 218 m€. Esta saldo inclui 71 m€ relativos à libertação da margem de serviços contratuais pelos serviços transferidos, 142 m€ relativos à libertação do valor esperado dos sinistros ocorridos e gastos atribuíveis a contratos de seguros e 5 m€ relativos a variações no ajustamento de risco (risco não financeiro) pelo risco expirado.  A consideração desta matéria como relevante para a auditoria tem por base a sua materialidade nas demonstrações financeiras consolidadas e o facto de corresponder a uma estimativa contabilística com um grau de julgamento significativo, requerendo a utilização de metodologias de cálculo relativamente complexas que exigem a utilização de diversos pressupostos sobre cenários futuros e na determinação das unidades de cobertura previstas no período, que impactam o montante da margem de serviços contratuais reconhecido nos resultados do período, dos gastos de serviços de seguros incorridos no período (expressos pelas quantias esperadas no início do período) e das alterações do ajustamento pelo risco para o risco não financeiro. A utilização de metodologias de cálculo e/ou pressupostos diferentes na mensuração destas componentes, mas em igual conformidade com a IFRS 17, poderão resultar em valores divergentes do Rédito de contratos de seguro, pelo modelo geral de mensuração.	A nossa abordagem ao risco de distorção material incluiu uma resposta específica que se traduziu numa abordagem combinada de avaliação de controlos e procedimentos substantivos, designadamente os seguintes: <ul style="list-style-type: none"> <li>Entendimento dos procedimentos de controlo interno do Grupo e execução de procedimentos de auditoria específicos para avaliar a eficácia operacional dos controlos identificados como relevantes na mensuração do Rédito de contratos de seguro, pelo modelo geral de mensuração;</li> <li>Testes de revisão analítica, recálculos e análise das metodologias de projeção dos valores atuais estimados dos fluxos de caixa, de determinação do ajustamento de risco e do cálculo da margem de serviços contratuais, incluindo os pressupostos financeiros, demográficos e outros assim como julgamentos sobre as unidades de cobertura, subjacentes ao cálculo;</li> <li>Com o envolvimento dos nossos especialistas internos em atuariado procedemos à análise das metodologias e pressupostos utilizados pelo Grupo para a mensuração deste Rédito, incluindo a análise da consistência com os utilizados no período anterior e tendo por referência as especificidades dos produtos, os requisitos regulamentares e as práticas no sector segurador; e</li> <li>Análise das divulgações no Anexo às demonstrações financeiras consolidadas relativas a esta matéria, tendo por base os requisitos dos princípios contabilísticos aceites em Portugal para o setor segurador estabelecidos pela ASF.</li> </ul>

### 5. Valorização dos Instrumentos Financeiros ao justo valor

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
Conforme detalhado na Nota 47, o ativo e passivo consolidados incluem Instrumentos Financeiros valorizados ao justo valor no montante de 13.029 m€ e 4.042 m€, respetivamente, os quais representam cerca	A nossa abordagem ao risco de distorção material na valorização dos Instrumentos Financeiros ao justo valor incluiu uma resposta específica que se traduziu numa abordagem combinada de avaliação

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
<p>de 64% do total do ativo consolidado e 23% do total do passivo consolidado.</p> <p>A determinação do justo valor dos instrumentos financeiros foi prioritariamente baseada em cotações em mercados ativos. No caso dos instrumentos com reduzida liquidez nesses mercados foram utilizados modelos de avaliação e outras informações que envolvem julgamentos, tais como informação disponibilizada por entidades especializadas, pressupostos observáveis e não observáveis no mercado e outras estimativas.</p> <p>Os valores totais de instrumentos nestas circunstâncias, reconhecidos no ativo e passivo consolidados do Grupo, ascendem a cerca de 1.634 m€ (8% do ativo) e 266 m€ (2% do passivo), respetivamente, os quais foram classificados na hierarquia de justo valor prevista no referencial contabilístico como nível 3 (Nota 47).</p> <p>A consideração desta matéria como relevante para a auditoria teve por base a sua materialidade nas demonstrações financeiras consolidadas e o risco de julgamento associado às metodologias e pressupostos utilizados, uma vez que o recurso a diferentes técnicas e pressupostos de avaliação podem resultar em diferentes estimativas do justo valor dos instrumentos financeiros.</p>	<p>de controlos e procedimentos substantivos, designadamente os seguintes:</p> <ul style="list-style-type: none"> <li>▶ Entendimento dos procedimentos de controlo interno do Grupo e execução de procedimentos de auditoria específicos para avaliar a eficácia operacional dos controlos identificados como relevantes na valorização dos instrumentos financeiros ao justo valor;</li> <li>▶ Testes de revisão analítica sobre as rubricas das demonstrações financeiras consolidadas relativas a instrumentos financeiros e recálculo do justo valor os instrumentos financeiros por comparação das cotações utilizadas pelo Grupo com as observadas em fontes de informação externas;</li> <li>▶ Análise das metodologias e pressupostos utilizados pelo Grupo na determinação do justo valor, tendo por referência as especificidades da sua política de investimentos, os requisitos regulamentares e as práticas no setor; e</li> <li>▶ Testes à plenitude e consistência das divulgações sobre Instrumentos Financeiros ao justo valor nas demonstrações financeiras consolidadas com os respetivos dados contabilísticos e requisitos dos princípios contabilísticos aceites em Portugal para o setor segurador estabelecidos pela ASF.</li> </ul>

## 6. Imparidade do Goodwill

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
<p>As demonstrações financeiras consolidadas do Grupo em 31 de dezembro de 2023 incluem na sua demonstração da posição financeira consolidada e mais detalhadamente divulgado na Nota 14, Goodwill decorrente dos investimentos em filiais no montante de 476 m€, representando cerca de 2% do ativo consolidado.</p> <p>Em conformidade com o referencial contabilístico e conforme divulgado na Nota 2.3, o Goodwill corresponde à diferença positiva, na data de aquisição, entre o custo de aquisição de uma filial e a percentagem efetiva adquirida pelo Grupo no justo valor dos respetivos ativos, passivos e passivos contingentes identificáveis e deve ser sujeito</p>	<p>A nossa abordagem ao risco de distorção material na imparidade do Goodwill incluiu uma resposta específica através da realização dos seguintes procedimentos:</p> <ul style="list-style-type: none"> <li>▶ Entendimento dos procedimentos de controlo interno existentes no processo de avaliação de perdas por imparidade no Goodwill;</li> <li>▶ Análise de contratos, acordos e outra informação que suporta a propriedade, o custo da concentração de atividades e o justo valor líquido dos ativos, passivos e passivos contingentes;</li> <li>▶ Análise dos pressupostos utilizados nos modelos de avaliação aprovados pela Órgão de Gestão, nomeadamente as projeções de fluxos de caixa, a taxa de desconto, a taxa de inflação, a taxa de crescimento na perpetuidade e as análises de sensibilidade, apoiados por especialistas internos em avaliações de negócios;</li> </ul>

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
<p>a testes anuais com o objetivo de identificar eventuais perdas por imparidade. Esta avaliação de imparidade é um processo que requer julgamentos e baseia-se em pressupostos quanto às condições económicas no mercado e financeiras das filiais (tais como taxas de desconto, inflação, taxas de crescimento/margens de lucro e projeções de informação financeira prospetiva, entre outras).</p> <p>A consideração desta matéria como relevante para a auditoria teve por base o risco de julgamento associado aos modelos de avaliação e pressupostos utilizados, uma vez que o recurso a diferentes técnicas e pressupostos de avaliação podem resultar em estimativas diferentes de perdas por imparidade.</p>	<ul style="list-style-type: none"> <li>▶ Avaliação da consistência dos pressupostos usados na construção do plano de negócios face a anos anteriores, face a dados históricos e comparação com dados externos. Teste aos cálculos aritméticos dos modelos utilizados; e</li> <li>▶ Testes à plenitude e consistência das divulgações sobre o Goodwill nas demonstrações financeiras consolidadas com os respetivos dados contabilísticos e requisitos dos princípios contabilísticos aceites em Portugal para o setor segurador estabelecidos pela ASF.</li> </ul>

## 7. Valorização dos Investimentos em Imóveis

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
<p>As demonstrações financeiras consolidadas do Grupo em 31 de dezembro de 2023 incluem no seu ativo e mais detalhadamente divulgado na Nota 11 às demonstrações financeiras consolidadas, imóveis registados ao justo valor classificados como Imóveis de Rendimento, no montante líquido de 2.342 m€, os quais representam cerca de 12% do ativo consolidado.</p> <p>As avaliações imobiliárias tiveram por base os métodos divulgados na Nota 11 às demonstrações financeiras consolidadas e pressupostos nos quais a influência da conjuntura económica e capacidade do mercado em transacionar a oferta disponível são determinantes.</p> <p>A consideração desta matéria como relevante para a auditoria teve por base a sua materialidade nas demonstrações financeiras consolidadas e o risco de julgamento inerente nos pressupostos utilizados nas avaliações realizadas pelos peritos externos.</p>	<p>A nossa abordagem ao risco de distorção material incluiu uma resposta específica que se traduziu numa abordagem combinada de avaliação de controlos e procedimentos substantivos, designadamente:</p> <ul style="list-style-type: none"> <li>▶ Entendimento dos procedimentos de controlo interno existentes e execução de procedimentos de auditoria específicos para avaliar a eficácia operacional dos controlos identificados como relevantes no processo de valorização dos investimentos em imóveis;</li> <li>▶ Testes de revisão analítica sobre as rubricas de imóveis incluídas nas demonstrações financeiras consolidadas;</li> <li>▶ Análise dos relatórios de avaliação elaborados pelos peritos avaliadores, aferindo a adequação dos métodos de avaliação utilizados e razoabilidade dos pressupostos assumidos;</li> <li>▶ Análise comparativa de valor e pressupostos das avaliações no ano com os relatórios de avaliação realizados em anos anteriores e comparação dos preços utilizados com informação de referência no mercado; e</li> <li>▶ Testes à plenitude e consistência das divulgações sobre imóveis nas demonstrações financeiras consolidadas com os respetivos dados contabilísticos e dos princípios contabilísticos aceites em Portugal para o setor segurador estabelecidos pela ASF.</li> </ul>



## Responsabilidades do órgão de gestão e do órgão de fiscalização pelas demonstrações financeiras consolidadas

O órgão de gestão é responsável pela:

- ▶ preparação de demonstrações financeiras consolidadas que apresentem de forma verdadeira e apropriada a posição financeira consolidada, o desempenho financeiro e os fluxos de caixa consolidados do Grupo de acordo com os princípios geralmente aceites em Portugal para o setor segurador estabelecidos pela Autoridade de Supervisão de Seguros e Fundos de Pensões;
- ▶ elaboração do Relatório Único Integrado de Gestão e demonstração não financeira consolidada, nos termos legais e regulamentares aplicáveis;
  - ▶ criação e manutenção de um sistema de controlo interno apropriado para permitir a preparação de demonstrações financeiras consolidadas isentas de distorções materiais devido a fraude ou a erro;
  - ▶ adoção de políticas e critérios contabilísticos adequados nas circunstâncias; e
  - ▶ avaliação da capacidade do Grupo de se manter em continuidade, divulgando, quando aplicável, as matérias que possam suscitar dúvidas significativas sobre a continuidade das atividades.

O órgão de fiscalização é responsável pela supervisão do processo de preparação e divulgação da informação financeira do Grupo.

## Responsabilidades do auditor pela auditoria das demonstrações financeiras consolidadas

A nossa responsabilidade consiste em obter segurança razoável sobre se as demonstrações financeiras consolidadas como um todo estão isentas de distorções materiais devido a fraude ou a erro, e emitir um relatório onde conste a nossa opinião. Segurança razoável é um nível elevado de segurança, mas não é uma garantia de que uma auditoria executada de acordo com as ISA detetará sempre uma distorção material quando exista. As distorções podem ter origem em fraude ou erro e são consideradas materiais se, isoladas ou conjuntamente, se possa razoavelmente esperar que influenciem decisões económicas dos utilizadores tomadas com base nessas demonstrações financeiras.

Como parte de uma auditoria de acordo com as ISA, fazemos julgamentos profissionais e mantemos ceticismo profissional durante a auditoria e também:

- ▶ identificamos e avaliamos os riscos de distorção material das demonstrações financeiras consolidadas, devido a fraude ou a erro, concebemos e executamos procedimentos de auditoria que respondam a esses riscos, e obtemos prova de auditoria que seja suficiente e apropriada para proporcionar uma base para a nossa opinião. O risco de não detetar uma distorção material devido a fraude é maior do que o risco de não detetar uma distorção material devido a erro, dado que a fraude pode envolver conluio, falsificação, omissões intencionais, falsas declarações ou sobreposição ao controlo interno;
- ▶ obtemos uma compreensão do controlo interno relevante para a auditoria com o objetivo de conceber procedimentos de auditoria que sejam apropriados nas circunstâncias, mas não para expressar uma opinião sobre a eficácia do controlo interno do Grupo;
- ▶ avaliamos a adequação das políticas contabilísticas usadas e a razoabilidade das estimativas contabilísticas e respetivas divulgações feitas pelo órgão de gestão;
- ▶ concluímos sobre a apropriação do uso, pelo órgão de gestão, do pressuposto da continuidade e, com base na prova de auditoria obtida, se existe qualquer incerteza material relacionada com acontecimentos ou condições que possam suscitar dúvidas significativas sobre a capacidade do Grupo para dar continuidade às suas atividades. Se concluímos que existe uma incerteza material, devemos chamar a atenção no nosso relatório para as divulgações relacionadas incluídas nas demonstrações financeiras consolidadas ou, caso essas divulgações não sejam adequadas, modificar a nossa opinião. As nossas conclusões são baseadas na prova de auditoria obtida até à data do nosso relatório. Porém, acontecimentos ou condições futuras podem levar a que o Grupo descontinue as suas atividades;
- ▶ avaliamos a apresentação, estrutura e conteúdo global das demonstrações financeiras consolidadas, incluindo as divulgações, e se essas demonstrações financeiras representam as transações e os acontecimentos subjacentes de forma a atingir uma apresentação apropriada;

- ▶ obtemos prova de auditoria suficiente e apropriada relativa à informação financeira das entidades ou atividades dentro do Grupo para expressar uma opinião sobre as demonstrações financeiras consolidadas. Somos responsáveis pela orientação, supervisão e desempenho da auditoria do Grupo e somos os responsáveis finais pela nossa opinião de auditoria;
- ▶ comunicamos com os encarregados da governação, incluindo o órgão de fiscalização, entre outros assuntos, o âmbito e o calendário planeado da auditoria, e as conclusões significativas da auditoria incluindo qualquer deficiência significativa de controlo interno identificada durante a auditoria;
- ▶ das matérias que comunicamos aos encarregados da governação, incluindo o órgão de fiscalização, determinamos as que foram as mais importantes na auditoria das demonstrações financeiras consolidadas do ano corrente e que são as matérias relevantes de auditoria. Descrevemos essas matérias no nosso relatório, exceto quando a lei ou regulamento proibir a sua divulgação pública; e
- ▶ declaramos ao órgão de fiscalização que cumprimos os requisitos éticos relevantes relativos à independência e comunicamos-lhe todos os relacionamentos e outras matérias que possam ser percebidas como ameaças à nossa independência e, quando aplicável, quais as medidas tomadas para eliminar as ameaças ou quais as salvaguardas aplicadas.

A nossa responsabilidade inclui ainda a verificação da concordância da informação constante do Relatório Único Integrado de Gestão com as demonstrações financeiras consolidadas, bem como a verificação de que a demonstração não financeira consolidada foi apresentada.

## RELATO SOBRE OUTROS REQUISITOS LEGAIS E REGULAMENTARES

### Sobre o Relatório Único Integrado de Gestão

Dando cumprimento ao artigo 451.º, n.º 3, alínea e) do Código das Sociedades Comerciais, somos de parecer que o Relatório Único Integrado de Gestão foi preparado de acordo com os requisitos legais e regulamentares aplicáveis em vigor, a informação nele constante é concordante com as demonstrações financeiras consolidadas auditadas e, tendo em conta o conhecimento e a apreciação sobre o Grupo, não identificámos incorreções materiais. Conforme referido no artigo 451.º, n.º 7 do Código das Sociedades Comerciais este parecer não é aplicável à demonstração não financeira consolidada incluída no Relatório Único Integrado de Gestão.

### Sobre a demonstração não financeira consolidada

Dando cumprimento ao artigo 451.º, n.º 6, do Código das Sociedades Comerciais, informamos que o Grupo incluiu no seu Relatório Único Integrado de Gestão a demonstração não financeira consolidada prevista no artigo 66.º-B do Código das Sociedades Comerciais.

### Sobre os elementos adicionais previstos no artigo 10.º do Regulamento (UE) n.º 537/2014

Dando cumprimento ao artigo 10.º do Regulamento (UE) n.º 537/2014 do Parlamento Europeu e do Conselho, de 16 de abril de 2014, e para além das matérias relevantes de auditoria acima indicadas, relatamos ainda o seguinte:

- ▶ Fomos nomeados auditores da Fidelidade - Companhia de Seguros, S.A. (Entidade-mãe do Grupo) pela primeira vez na assembleia geral de acionistas realizada em 15 de maio de 2014 para a revisão legal das contas de 2014. Fomos nomeados na assembleia geral de acionistas realizada em 31 de março de 2015 para o mandato compreendido entre 2015 e 2017. Em 29 de março de 2017, renunciámos ao mandato, compreendido entre 2015 e 2017, tendo sido nomeados na assembleia geral de acionistas realizada em 31 de março para o mandato compreendido entre 2017 e 2019. Fomos nomeados na assembleia geral de acionistas realizada em 30 de junho de 2020 para o mandato compreendido entre 2020 e 2022. Na assembleia geral de acionistas realizada em 31 de março de 2023, fomos nomeados para um último mandato abrangendo apenas o exercício de 2023;

- ▶ O órgão de gestão confirmou-nos que não tem conhecimento da ocorrência de qualquer fraude ou suspeita de fraude com efeito material nas demonstrações financeiras. No planeamento e execução da nossa auditoria de acordo com as ISA mantivemos o ceticismo profissional e concebemos procedimentos de auditoria para responder à possibilidade de distorção material das demonstrações financeiras consolidadas devido a fraude. Em resultado do nosso trabalho não identificámos qualquer distorção material nas demonstrações financeiras consolidadas devido a fraude;
- ▶ Confirmamos que a opinião de auditoria que emitimos é consistente com o relatório adicional que preparámos e entregámos ao órgão de fiscalização do Grupo nesta data; e
- ▶ Declaramos que não prestámos quaisquer serviços proibidos nos termos do artigo 5.º do Regulamento (UE) n.º 537/2014 do Parlamento Europeu e do Conselho, de 16 de abril de 2014 e que mantivemos a nossa independência face ao Grupo durante a realização da auditoria.

Lisboa, 22 de abril de 2024

Ernst & Young Audit & Associados - SROC, S.A.  
Sociedade de Revisores Oficiais de Contas  
Representada por:

Ricardo Nuno Lopes Pinto - ROC n.º 1579  
Registado na CMVM com o n.º 20161189



Lisboa, 22 de abril de 2024.

FIDELIDADE – COMPANHIA DE SEGUROS, S.A.

RELATÓRIO E PARECER DO CONSELHO FISCAL

EXERCÍCIO DE 2023

Em cumprimento das disposições legais aplicáveis, dos estatutos e do mandato que nos foi conferido, apresentamos o relatório da atividade fiscalizadora e o parecer sobre os documentos de prestação de contas, elaborados pelo Conselho de Administração e da sua responsabilidade.

Acompanhámos, durante o exercício, a atividade da sociedade, desenvolvendo todas as diligências necessárias ao cumprimento dos deveres a que estamos obrigados, e verificámos a regularidade dos registos contabilísticos e o cumprimento das normas legais e estatutárias aplicáveis, tendo procedido às verificações consideradas adequadas.

Obtivemos do Conselho de Administração, demais órgãos sociais e direções da Companhia, com os quais reunimos sempre que considerado conveniente, regular informação e esclarecimento sobre o funcionamento da sociedade e andamento dos seus negócios, designadamente quanto: às políticas e estratégias definidas pelo Conselho de Administração, ao cumprimento das disposições legais, regulamentares e estatutárias, à adequação das políticas, critérios e práticas contabilísticas e ao processo de preparação da informação financeira. Adicionalmente, fomos informados da eficácia do quadro de controlo interno, gestão de riscos, atuariado, conformidade e auditoria interna, bem como sobre as políticas no âmbito da Norma Regulamentar n.º 4/2022-R de 26 de abril da ASF.

Em particular, no acompanhamento da revisão legal de contas reunimos com a SROC, sempre que considerado adequado, com o objetivo de analisar e discutir questões várias da vida da sociedade e acompanhar, nomeadamente, o planeamento da revisão legal das contas, o decurso dos trabalhos, o reporte financeiro, a implementação das IFRS 17 e as matérias relevantes de auditoria.

Apreciámos o Relatório Único Integrado de Gestão que inclui o reporte sobre o governo societário, a informação não financeira, as demonstrações financeiras individuais e consolidadas e a proposta de aplicação do resultado individual apresentada pelo Conselho de Administração, bem como a Certificação Legal de Contas, com que concordamos.

Em face de quanto antecede, o Conselho Fiscal emite o seguinte

**PARECER**

- Que seja aprovado o Relatório Único Integrado de Gestão e demais documentos de prestação de contas consolidadas do exercício, tal como apresentados pelo Conselho de Administração;

O Conselho Fiscal agradece, ao Conselho de Administração e aos restantes órgãos sociais, a boa colaboração recebida ao longo do exercício.

O CONSELHO FISCAL,

Jorge Manuel de Sousa Marrão – Presidente

Teófilo César Ferreira da Fonseca – Vogal

Pedro Antunes de Almeida – Vogal

**DECLARAÇÃO DE RESPONSABILIDADE COMPLEMENTAR AO  
RELATÓRIO E PARECER DO CONSELHO FISCAL DA  
FIDELIDADE – COMPANHIA DE SEGUROS, S.A.  
RELATIVO AO EXERCÍCIO DE 2023**

Em cumprimento do estabelecido no nº 6 do artigo 420º do Código das Sociedades Comerciais, os membros do Conselho Fiscal declaram que, tanto quanto é do seu conhecimento, as contas consolidadas e demais documentos de prestação de contas do exercício, foram elaborados em conformidade com as normas contabilísticas aplicáveis, dando uma imagem verdadeira e apropriada do activo e do passivo, da situação financeira e dos resultados da empresa.

Declaram, ainda, que, tanto quanto é do seu conhecimento, o Relatório de Gestão expõe fielmente a evolução dos negócios, do desempenho e da posição da empresa, contendo o referido relatório menção aos principais riscos e incertezas da actividade.

Lisboa, 22 de abril de 2024

O CONSELHO FISCAL,

Jorge Manuel de Sousa Marrão – Presidente

Teófilo César Ferreira da Fonseca – Vogal

Pedro Antunes de Almeida – Vogal



**SEPARATE  
FINANCIAL  
STATEMENTS**



## SEPARATE STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 AND 2022 (RESTATED)

Tax no: 500 918 880

(amounts in euros)

ASSETS	Notes	2023		31/12/2022 (Restated)	01/01/2022 (Restated)	
		Gross amount	Impairment, depreciation/ amortisation and adjustments			Net amount
Cash and cash equivalents and sight deposits	3	225,378,614	-	225,378,614	267,048,385	
Investments in subsidiaries, associates and joint ventures	4	3,136,870,305	-	3,136,870,305	3,139,982,402	
Financial assets at fair value through profit or loss	5 and 6	3,903,332,170	-	3,903,332,170	3,531,228,551	
Hedge derivatives	6	3,167,533	-	3,167,533	-	
Financial assets at fair value through other comprehensive income	7	6,115,324,912	-	6,115,324,912	6,421,410,575	
Financial assets at amortised cost	8	560,732,107	-	560,732,107	792,554,208	
Properties		100,558,692	(35,113,429)	65,445,262	80,620,692	
Properties for own use	9	89,498,012	(35,113,429)	54,384,583	48,717,314	
Investment properties	10	11,060,680	-	11,060,680	31,903,379	
Other tangible assets	11	93,279,361	(74,628,067)	18,651,294	18,325,669	
Inventories	11	-	-	-	11,002	
Other intangible assets	12	142,205,832	(65,462,527)	76,743,305	65,202,699	
Life reinsurance contract assets		41,891,340	-	41,891,340	42,699,186	
Remaining coverage	13	30,939,634	-	30,939,634	29,892,889	
Incurred Claims	13	10,951,705	-	10,951,705	12,806,297	
Non-life reinsurance contract assets		449,778,935	-	449,778,935	397,491,665	
Remaining coverage	13	98,706,424	-	98,706,424	102,797,064	
Incurred Claims	13	351,072,511	-	351,072,511	294,694,601	
Assets for post-employment and long-term benefits	28	22,588,285	-	22,588,285	25,211,651	
Other debtors for insurance operations and other operations		228,445,079	(26,299,800)	202,145,279	189,501,308	
Accounts receivable for direct insurance operations	14	111,369,420	(11,722,776)	99,646,644	90,740,444	
Accounts receivable for other reinsurance operations	14	72,730,723	(7,688,511)	65,042,212	17,140,549	
Accounts receivable for other operations	14	44,344,936	(6,888,513)	37,456,423	81,620,314	
Tax assets		361,739,205	-	361,739,205	438,826,419	
Recoverable tax assets	15	14,961,422	-	14,961,422	6,184,787	
Deferred tax assets	15	346,777,783	-	346,777,783	432,641,633	
Accruals and deferrals	16	18,822,706	-	18,822,706	14,487,513	
<b>TOTAL ASSETS</b>		<b>15,404,115,075</b>	<b>(201,503,824)</b>	<b>15,202,611,251</b>	<b>15,424,601,925</b>	<b>16,748,396,524</b>

## SEPARATE STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 AND 2022 (RESTATED)

Tax no: 500 918 880

(amounts in euros)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	2023	31/12/2022 (Restated)	01/01/2022 (Restated)
<b>LIABILITIES</b>				
Life insurance contract liabilities		1,708,324,566	1,930,162,009	2,349,407,729
Remaining coverage	13	1,557,437,082	1,804,405,160	2,209,061,079
Incurred Claims	13	150,887,484	125,756,849	140,346,650
Non-life insurance contract liabilities		2,351,478,517	2,126,911,244	2,314,558,822
Remaining coverage	13	329,902,498	320,423,975	287,291,707
Incurred Claims	13	2,021,576,019	1,806,487,268	2,027,267,115
Financial liabilities of the deposit component of insurance contracts and on insurance contracts and operations considered for accounting purposes as investment contracts	17	7,345,396,894	7,716,559,719	8,027,190,374
Financial liabilities at fair value through profit or loss	6 and 18	310,222,492	169,256,597	312,638,571
Other financial liabilities		734,196,117	675,328,860	657,956,624
Subordinated debt	18	503,325,647	502,164,558	501,053,722
Deposits received from reinsurers	18	186,678,818	149,622,749	130,146,691
Others	18	44,191,653	23,541,553	26,756,211
Liabilities for post-employment and other long-term benefits	28	7,347,082	6,053,370	88,245
Other creditors for insurance operations and other operations		217,698,125	207,187,459	227,601,910
Accounts payable for direct insurance operations	19	96,804,972	92,209,444	87,605,705
Accounts payable for other reinsurance operations	19	94,413,810	91,904,499	78,297,486
Accounts payable for other operations	19	26,479,344	23,073,516	61,698,719
Tax liabilities		169,537,728	215,563,409	126,722,497
Tax payable liabilities	15	36,398,680	41,393,912	49,770,423
Deferred tax liabilities	15	133,139,048	174,169,496	76,952,074
Accruals and deferrals	20	131,582,228	130,099,564	134,321,454
Other provisions	21	29,691,764	32,952,074	67,559,952
<b>TOTAL LIABILITIES</b>		<b>13,005,475,513</b>	<b>13,210,074,304</b>	<b>14,218,046,177</b>
<b>SHAREHOLDERS' EQUITY</b>				
Paid-in Capital	22	509,263,524	509,263,524	509,263,524
(Treasury shares)	22	(148,960)	(148,960)	(148,960)
Other Capital Instruments	22	-	-	164,977,301
Revaluation reserves	23	(416,270,785)	(703,032,535)	69,931,132
From adjustments in fair value of debt instruments at fair value through other comprehensive income	23	(331,615,076)	(650,299,888)	84,239,656
Revaluation of properties for own use	23	110,757	407,026	640,095

## SEPARATE STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 AND 2022 (RESTATED)

(continuation)

(amounts in euros)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	2023	31/12/2022 (Restated)	01/01/2022 (Restated)
Exchange differences	23	16,931,719	27,102,849	12,473,260
From changes in fair value of hedging instruments in fair value hedging	23	1,350,007	-	-
From adjustments in fair value of equity instruments at fair value through other comprehensive income	23	(109,523,583)	(87,405,906)	(54,005,321)
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income	23	6,475,391	7,163,384	26,583,442
Reserve for the financial component of insurance contracts	23	357,989,487	471,517,325	-
Reserve for the financial component of reinsurance contracts	23	(10,163,019)	(13,097,380)	-
Deferred tax reserve	23	15,494,956	70,198,168	(4,462,015)
Gains and losses from disposal of equity instruments at fair value through other comprehensive income	23	(4,799,661)	(801,983)	(1,394,347)
Other reserves	23	1,815,481,839	1,803,528,267	1,761,000,541
Retained earnings	23	(153,300,563)	9,000,812	31,183,170
Net income for the year	23	83,588,918	68,100,384	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>2,197,135,738</b>	<b>2,214,527,621</b>	<b>2,530,350,347</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>15,202,611,251</b>	<b>15,424,601,925</b>	<b>16,748,396,524</b>

Lisbon, 2 April 2024

Chief Accounting Officer  
Ana Paula Bailão Rodrigues

Certified Public Accountant  
Filipa Jesus Martins Pires

On Behalf of the Board of Directors

Jorge Manuel Baptista Magalhães Correia  
President

Rogério Miguel Antunes Campos Henriques  
Member

Hui CHEN  
Member



## SEPARATE INCOME STATEMENT FOR THE YEARS ENDED AS AT 31 DECEMBER 2023 AND 2022 (RESTATED)

Tax no: 500 918 880

(amounts in euros)

STATEMENTS OF PROFIT AND LOSS	Notes	2023			2022	
		Life	Non-life	Non-technical	Total	(Restated)
Insurance contract revenues		319,829,557	1,974,246,702	-	2,294,076,259	2,057,871,889
Measured using the premium allocation approach	24	180,962,396	1,974,246,702	-	2,155,209,098	1,921,375,634
Non-measured using the premium allocation approach		138,867,161	-	-	138,867,161	136,496,255
Release of the expected value of claims incurred and expenses attributable to insurance contracts	24	76,797,438	-	-	76,797,438	75,732,316
Change in risk adjustment (non-financial risk) to expired risk	24	2,668,605	-	-	2,668,605	2,053,002
Release of contractual service margin for transferred services	24	59,401,119	-	-	59,401,119	58,710,936
Insurance service expenses		(224,633,467)	(1,735,443,308)	-	(1,960,076,774)	(1,732,483,494)
Claims occurred and other expenses attributable to insurance contracts	26	(154,399,720)	(1,346,911,710)	-	(1,501,311,430)	(1,260,943,289)
Acquisition costs attributable to insurance contracts	26	(47,740,310)	(368,250,769)	-	(415,991,078)	(351,107,729)
Changes that relate to incurred claims	26	(17,499,870)	(20,280,829)	-	(37,780,699)	(117,274,310)
Changes that relate to remaining coverage	26	(4,993,567)	-	-	(4,993,567)	(3,158,166)
Reinsurance contract revenues		12,966,637	483,180,367	-	496,147,004	444,062,870
Claims occurred and other expenses attributable to insurance contracts - part of reinsurers	13	14,636,706	442,345,153	-	456,981,860	410,368,698
Changes that relate to incurred claims - part of reinsurers	13	(1,670,069)	38,532,822	-	36,862,753	32,977,970
Effect of changes in the reinsurer's default risk	13	(0)	2,302,391	-	2,302,391	716,202
Reinsurance service expenses		(18,553,408)	(678,377,495)	-	(696,930,904)	(637,555,460)
Measured using the premium allocation approach - part of reinsurers	13	(18,553,408)	(678,377,495)	-	(696,930,904)	(637,555,460)
<b>INSURANCE CONTRACTS RESULT</b>		<b>89,609,320</b>	<b>43,606,265</b>	<b>-</b>	<b>133,215,585</b>	<b>131,895,805</b>
Insurance finance income from insurance contracts	29	(3,466,355)	53,696	-	(3,412,659)	6,455,749
Reinsurance finance income from reinsurance contracts		18,988	2,394,537	-	2,413,525	-
Insurance finance expenses from insurance contracts		(31,425,242)	(8,000,789)	-	(39,426,031)	(9,845,993)
Reinsurance finance expenses from reinsurance contracts	29	(6,172)	(42,852)	-	(49,024)	(901,113)
<b>INSURANCE CONTRACTS FINANCIAL COMPONENT RESULT</b>		<b>(34,878,781)</b>	<b>(5,595,408)</b>	<b>-</b>	<b>(40,474,189)</b>	<b>(4,291,356)</b>
Fees from insurance contracts and operations considered for accounting purposes as investment contracts or service contracts	25	1,368,760	-	-	1,368,760	1,171,456
Financial income		178,566,897	72,678,904	32,079,242	283,325,043	257,190,353
Financial assets not recognised at fair value through profit or loss	30	124,835,989	43,744,805	12,235,737	180,816,530	186,995,584
Other	30	53,730,908	28,934,100	19,843,505	102,508,513	70,194,770
Financial expenses		(875,754)	(110,372)	(3,639,926)	(4,626,052)	(5,361,371)
Other		(875,754)	(110,372)	(3,639,926)	(4,626,052)	(5,361,371)
Net income on financial assets and liabilities not recognised at fair value through profit or loss		(108,544,706)	(3,633,334)	2,379,396	(109,798,644)	(4,190,683)
Financial assets at fair value through other comprehensive income	31	(27,603,415)	(3,633,334)	(564,822)	(31,801,571)	2,128,569
Financial assets at amortised cost	31	6,944	-	-	6,944	264,599
Financial liabilities at amortised cost	31	(80,948,235)	-	-	(80,948,235)	(6,547,756)

## SEPARATE INCOME STATEMENT FOR THE YEARS ENDED AS AT 31 DECEMBER 2023 AND 2022 (RESTATED)

(continuation)

(amounts in euros)

STATEMENTS OF PROFIT AND LOSS	Notes	2023			Total	2022 (Restated)
		Life	Non-life	Non-technical		
Other	31	-	-	2,944,217	2,944,217	(36,096)
Net income on financial assets and liabilities recognised at fair value through profit or loss	32	(5,160,933)	(1,075,881)	1,964,071	(4,272,743)	(218,170,510)
Exchange differences	33	(18,613,239)	(13,745,732)	3,085,985	(29,272,986)	59,175,154
Net income on the sale of non-financial assets which have not been recognised as non-current assets held for sale and discontinued operations	34	-	4,503,778	(3,523,083)	980,695	9,805,671
Impairment losses (net of reversals)		12,378,097	(6,719,766)	2,417,912	8,076,243	17,237,021
Financial assets at fair value through other comprehensive income	35	2,515,479	(2,950,274)	(12,606)	(447,401)	(1,120,328)
Financial assets at amortised cost	35	0	-	-	0	(1,865)
Other	35	9,862,617	(3,769,492)	2,430,519	8,523,644	18,359,214
Non attributable expenses	26	(72,718,425)	(41,247,568)	(55,927,849)	(169,893,841)	(163,130,349)
Other technical income/expenses, net of reinsurance	36	10,082	1,405,132	-	1,415,214	1,195,873
Other income	37	-	-	23,665,665	23,665,665	31,546,105
Other expenses	37	-	-	(16,056,061)	(16,056,061)	(29,226,910)
<b>NET INCOME BEFORE TAX</b>		<b>41,141,317</b>	<b>50,066,020</b>	<b>(13,554,648)</b>	<b>77,652,689</b>	<b>84,846,260</b>
Current income tax - current taxes	38	-	-	18,734,389	18,734,389	(24,230,055)
Current income tax - deferred taxes	38	-	-	(12,798,160)	(12,798,160)	7,484,179
<b>NET INCOME FOR THE YEAR</b>		<b>41,141,317</b>	<b>50,066,020</b>	<b>(7,618,419)</b>	<b>83,588,918</b>	<b>68,100,384</b>

Lisbon, 2 April 2024

Chief Accounting Officer  
Ana Paula Bailão Rodrigues

Certified Public Accountant  
Filipa Jesus Martins Pires

On Behalf of the Board of Directors

Jorge Manuel Baptista Magalhães Correia  
President

Rogério Miguel Antunes Campos Henriques  
Member

Hui CHEN  
Member

## SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE 2023 AND 2022 FINANCIAL YEARS

Tax no: 500 918 880

(amounts in euros)

	Paid-in capital and other capital instruments	Revaluation reserves	Insurance finance reserve	Reinsurance finance reserve	Deferred tax reserves	Gains and losses from disposal of equity instruments at fair value through other comprehensive income	Overlay Approach adjustment
<b>Balance at 31 December 2021 as previously reported</b>	<b>674,091,865</b>	<b>85,093,212</b>	-	-	<b>(30,977,971)</b>	<b>(1,394,347)</b>	<b>59,380,408</b>
Net income allocation to retained earnings	-	-	-	-	-	-	-
Change in accounting policy	-	(15,162,079)	-	-	26,515,957	-	(59,380,408)
<b>Balance at 1 January 2022 restated</b>	<b>674,091,865</b>	<b>69,931,132</b>	-	-	<b>(4,462,015)</b>	<b>(1,394,347)</b>	-
Appropriation of net income	-	-	-	-	(427,822)	1,394,347	-
Redemption of capital supplementary contributions	(164,977,301)	-	-	-	-	-	-
Net gains from adjustments in fair value of debt instruments at fair value through other comprehensive income	-	(734,539,544)	-	-	208,583,987	-	-
Revaluation of properties for own use	-	(233,069)	-	-	92,317	-	-
Exchange differences in equity instruments at fair value through other comprehensive income	-	14,629,589	-	-	(6,063,250)	-	-
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income	-	(19,420,058)	-	-	6,048,465	-	-
Net gains from adjustments in fair value of equity instruments at fair value through other comprehensive income	-	(33,400,585)	-	-	12,862,920	-	-
Financial component of insurance contracts adjustments	-	-	471,517,325	-	(148,528,063)	-	-
Financial component of reinsurance contracts adjustments	-	-	-	(13,097,380)	4,125,677	-	-
Gains and losses from disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	168,416	(801,983)	-
Actuarial gains and losses	-	-	-	-	(2,202,465)	-	-
Others	-	-	-	-	-	-	-
Net income for the year	-	-	-	-	-	-	-
<b>Balance at 31 December 2022 restated</b>	<b>509,114,564</b>	<b>(703,032,535)</b>	<b>471,517,325</b>	<b>(13,097,380)</b>	<b>70,198,168</b>	<b>(801,983)</b>	-
Appropriation of net income	-	-	-	-	(168,417)	801,983	-
Profit distribution	-	-	-	-	-	-	-
Net gains from adjustments in fair value of debt instruments at fair value through other comprehensive income	-	318,684,812	-	-	(100,385,716)	-	-
Revaluation of properties for own use	-	(296,270)	-	-	(640,338)	-	-
Exchange differences in equity instruments at fair value through other comprehensive income	-	(10,171,130)	-	-	363,058	-	-
Net gains from fair value adjustments of fair value hedging instruments	-	1,350,007	-	-	(425,252)	-	-
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income	-	(687,993)	-	-	216,718	-	-
Net gains from adjustments in fair value of equity instruments at fair value through other comprehensive income	-	(22,117,677)	-	-	11,307,568	-	-
Financial component of insurance contracts adjustments	-	-	(113,527,838)	-	35,570,589	-	-
Financial component of reinsurance contracts adjustments	-	-	-	2,934,361	(924,324)	-	-
Gains and losses from disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	606,322	(4,799,661)	-
Actuarial gains and losses	-	-	-	-	(223,420)	-	-
Others	-	-	-	-	-	-	-
Net income for the year	-	-	-	-	-	-	-
<b>Balance at 31 December 2023</b>	<b>509,114,564</b>	<b>(416,270,785)</b>	<b>357,989,487</b>	<b>(10,163,019)</b>	<b>15,494,956</b>	<b>(4,799,661)</b>	-

## SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE 2023 AND 2022 FINANCIAL YEARS

(continuation)

(amounts in euros)

	Legal reserve	Other reserves			Retained earnings	Net income for the year	Total
		Share premiums	Merger reserve	Other reserves			
<b>Balance at 31 December 2021 as previously reported</b>	<b>226,321,345</b>	<b>382,666,154</b>	<b>91,335,345</b>	<b>1,060,677,696</b>	<b>52,605,672</b>	<b>212,282,911</b>	<b>2,812,082,290</b>
Net income allocation to retained earnings	-	-	-	-	212,282,911	(212,282,911)	-
Change in accounting policy	-	-	-	-	(233,705,413)	-	(281,731,943)
<b>Balance at 1 January 2022 restated</b>	<b>226,321,345</b>	<b>382,666,154</b>	<b>91,335,345</b>	<b>1,060,677,696</b>	<b>31,183,170</b>	<b>-</b>	<b>2,530,350,347</b>
Appropriation of net income	21,228,291	-	-	-	(22,194,816)	-	-
Redemption of capital supplementary contributions	-	-	-	-	-	-	(164,977,301)
Net gains from adjustments in fair value of debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	(525,955,557)
Revaluation of properties for own use	-	-	-	-	-	-	(140,752)
Exchange differences in equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	8,566,340
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	(13,371,593)
Net gains from adjustments in fair value of equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	(20,537,666)
Financial component of insurance contracts adjustments	-	-	-	-	-	-	322,989,262
Financial component of reinsurance contracts adjustments	-	-	-	-	-	-	(8,971,702)
Gains and losses from disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	(633,567)
Actuarial gains and losses	-	-	-	21,299,435	-	-	19,096,970
Others	-	-	(91,335,345)	91,335,345	12,458	-	12,458
Net income for the year	-	-	-	-	-	68,100,384	68,100,384
<b>Balance at 31 December 2022 restated</b>	<b>247,549,636</b>	<b>382,666,154</b>	<b>-</b>	<b>1,173,312,476</b>	<b>9,000,812</b>	<b>68,100,384</b>	<b>2,214,527,621</b>
Appropriation of net income	11,244,302	-	-	-	56,222,515	(68,100,384)	-
Profit distribution	-	-	-	-	(219,207,787)	-	(219,207,787)
Net gains from adjustments in fair value of debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	218,299,096
Revaluation of properties for own use	-	-	-	-	-	-	(936,608)
Exchange differences in equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	(9,808,072)
Net gains from fair value adjustments of fair value hedging instruments	-	-	-	-	-	-	924,755
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	(471,275)
Net gains from adjustments in fair value of equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	(10,810,109)
Financial component of insurance contracts adjustments	-	-	-	-	-	-	(77,957,248)
Financial component of reinsurance contracts adjustments	-	-	-	-	-	-	2,010,037
Gains and losses from disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	(4,193,339)
Actuarial gains and losses	-	-	-	709,270	-	-	485,850
Others	-	-	-	-	683,897	-	683,897
Net income for the year	-	-	-	-	-	83,588,918	83,588,918
<b>Balance at 31 December 2023</b>	<b>258,793,938</b>	<b>382,666,154</b>	<b>-</b>	<b>1,174,021,746</b>	<b>(153,300,563)</b>	<b>83,588,918</b>	<b>2,197,135,738</b>

## SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED AS AT 31 DECEMBER 2023 AND 2022

Tax no: 500 918 880

(amounts in euros)

	2023	2022 (Restated)
<b>NET INCOME FOR THE YEAR</b>	<b>83,588,918</b>	<b>68,100,384</b>
<b>Items that may be reclassified subsequently to gains and losses</b>		
Change in fair value of debt instruments at fair value through other comprehensive income		
Gross amount		
Appreciation	351,621,777	(716,127,727)
Impairment	(1,135,394)	(20,540,386)
Disposal	(31,801,571)	2,128,569
Tax	(100,385,716)	208,583,987
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income		
Gross amount	(687,993)	(19,420,058)
Tax	216,718	6,048,465
Financial component of insurance contracts adjustments		
Gross amount	(113,527,838)	471,517,325
Tax	35,570,589	(148,528,063)
Financial component of reinsurance contracts adjustments		
Gross amount	2,934,361	(13,097,380)
Tax	(924,324)	4,125,677
<b>Items that may not be reclassified subsequently to gains and losses</b>		
Change in fair value of equity instruments at fair value through other comprehensive income		
Gross amount	(22,117,677)	(33,400,585)
Tax	11,307,568	12,862,920
Gains and losses from disposal of equity instruments at fair value through other comprehensive income		
Gross amount	(4,799,661)	(801,983)
Tax	606,322	168,416
Gains and losses from exchange differences in equity instruments at fair value through other comprehensive income		
Gross amount	(10,171,130)	14,629,589
Tax	363,058	(6,063,250)
Gains and losses from fair value adjustments of fair value hedging instruments		
Gross amount	1,350,007	-
Tax	(425,252)	-
Change in potential gains on properties for own use		
Gross amount	(296,270)	(233,069)
Tax	(640,338)	92,317

## SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED AS AT 31 DECEMBER 2023 AND 2022

(continuation)

(amounts in euros)

	2023	2022 (Restated)
Actuarial deviations		
Post-employment benefits	( 83,863 )	14,324,039
Health benefits	793,133	6,975,396
Current tax	26,417	-
Deferred tax	( 249,837 )	( 2,202,465 )
<b>INCOME / (EXPENSES) DIRECTLY RECOGNISED IN SHAREHOLDERS' EQUITY</b>	<b>117,543,088</b>	<b>( 218,958,266 )</b>
<b>TOTAL INCOME AND EXPENSES RECOGNISED IN THE YEAR</b>	<b>201,132,006</b>	<b>( 150,857,882 )</b>

## SEPARATE STATEMENTS OF CASH FLOWS FOR THE 2023 AND 2022 (RESTATED) FINANCIAL YEARS

Tax no: 500 918 880

(amounts in euros)

	2023	2022
<b>1. Cash flows generated by operating activities</b>		
Net income for the year	83,588,918	68,100,384
Adjustments for:		
Properties for own use amortisation	418,104	614,594
Tangible assets amortisation	3,353,932	4,023,200
Right of use assets depreciation	15,669,528	11,682,915
Intangible assets amortisation	4,941,446	4,003,084
Gains and losses of subsidiaries and associates	(2,944,217)	36,096
Impairment losses (net of reversal)	(8,076,243)	(17,237,021)
Income from investment assets/liabilities	(113,894,607)	(78,122,246)
Lease interest payments	1,033,039	743,520
Interest paid	22,416,770	22,366,484
Interest received	(27,421)	(22,703)
Short-term leasing payment	18,130	7,058
Income tax - current tax	(18,734,389)	24,230,055
Income tax - deferred tax	12,798,160	(7,484,179)
Changes:		
Change in assets/liabilities of insurance and reinsurance contracts	(159,301,073)	(195,857,492)
Change in accruals and deferrals assets/liabilities	(2,852,528)	(5,714,162)
Change in financial liabilities on investment contracts	(371,162,825)	(310,630,655)
Change in other financial liabilities	37,056,069	19,453,367
Change in other debtors for insurance and other operations	(64,795,651)	(6,389,971)
Change in other creditors for insurance and other operations	594,122	(16,792,187)
Change in inventories	11,002	(9,357)
<b>Net cash from operating activities before tax</b>	<b>(559,889,735)</b>	<b>(482,999,217)</b>
Payment/receipt of taxes	59,983,827	(103,825,914)
<b>Net cash from operating activities</b>	<b>(499,905,907)</b>	<b>(586,825,131)</b>
<b>2. Net cash flows generated by investing activities</b>		
Income from financial assets		
Investments in subsidiaries, associates and joint ventures	3,112,097	(406,980,612)
Change in financial assets at fair value through profit or loss	(301,010,110)	(265,048,663)
Change in financial assets at fair value through other comprehensive income	598,655,121	1,166,176,433

## SEPARATE STATEMENTS OF CASH FLOWS FOR THE 2023 AND 2022 (RESTATED) FINANCIAL YEARS

(continuation)

(amounts in euros)

	2023	2022
Change in financial assets at amortised cost	231,822,101	147,106,889
Investment properties acquisition	(2,321,357)	(1,647,550)
Properties for own use acquisition	(35,257,885)	(7,757,445)
Other tangible assets acquisition	(1,852,850)	(3,412,943)
Other intangible assets acquisition	(16,482,052)	(16,098,330)
Receipts from disposal or repayment of investment properties	27,484,688	42,256,859
Receipts from disposal or repayment of properties for own use	60,792,152	11,047,122
Receipts from disposal or repayment of other tangible assets	31,546	10,274
Change in other assets	-	-
Dividends received	82,404,388	74,550,915
Change in derivatives held for trading	69,872,387	(220,073,850)
Change in financial liabilities at fair value through profit or loss	-	-
Income from demand deposits	1,307,606	10,485,634
<b>Net cash from investing activities</b>	<b>715,390,299</b>	<b>530,614,734</b>
<b>3. Cash flows generated by financing activities</b>		
Debt issued	1,161,089	1,110,836
Interest paid	(22,416,770)	(22,366,484)
Interest received	27,421	22,703
Lease payments	(15,669,528)	(11,682,915)
Interest lease payments	(1,033,039)	(743,520)
Short-term leasing payment	(18,130)	(7,058)
Distribution of dividends to minority shareholders	(32,886,956)	-
Distribution of dividends to majority shareholders	(186,318,250)	-
Reimbursement of supplementary contributions	-	(164,977,301)
Net cash from financing activities	(257,154,163)	(198,643,738)
<b>4. Increase/decrease net of cash and equivalents</b>	<b>(41,669,771)</b>	<b>(254,854,135)</b>
Cash and equivalents at start of the year	267,048,385	521,902,520
<b>5. Cash and equivalents at end of the year</b>	<b>225,378,614</b>	<b>267,048,385</b>



# NOTES TO THE SEPARATE FINANCIAL ACCOUNTS



## 1. INTRODUCTORY NOTE

Fidelidade – Companhia de Seguros, S.A. (“Fidelidade” or “Company”), headquartered in Lisbon, Portugal at Largo do Calhariz No. 30, is a public limited company, resulting from the merger by incorporation of Império Bonança - Companhia de Seguros, S.A. into Companhia de Seguros Fidelidade-Mundial, S.A., according to the deed made on 31 May 2012, which produced accounting effects with reference to 1 January 2012. The operation was authorised by the Portuguese insurance regulatory body (“Autoridade de Supervisão de Seguros e Fundos de Pensões” or “ASF”) through a resolution of its Board of Directors of 23 February 2012. Since 15 May 2014, with the initial acquisition of Fidelidade’s share capital, the Company via Longrun Portugal, SGPS, S.A. (“Longrun”) became part of Fosun International Holdings Ltd.

The Company is dedicated to the exercise of insurance and reinsurance activity in all technical lines of business. Traditionally, the technical life line of business, including investment contracts, is the most important in terms of the technical liabilities under management. Regarding non-life technical lines of business, the ones that have the greatest expression in premium volume are the motor, fire and other damages, Health, and workers’ compensation.

To perform its activity, Fidelidade has a nationwide agencies network, agent centres and client agencies. Abroad, the Company is present in Spain, France, Luxembourg, and China.

Fidelidade’s financial statements as of 31 December 2023 were approved by the Board of Directors on 2 April 2024. On the date of issuance of the financial statements, approval by the General Meeting was pending.

## 2. ACCOUNTING POLICIES

### 2.1. Basis of preparation

The financial statements as of 31 December 2023 were prepared in accordance with the accounting principles in the Chart of Accounts for Insurance Companies (PCES), approved by ASF Standard 9/2022-R, of November 2, and the remaining regulatory standards issued by this entity.

The regulations enshrined in the PCES generally correspond to the International Financial Reporting Standards (IAS/IFRS), as adopted by the European Union, in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July, transposed into national law by Decree-Law No. 35/2005 of 17 February, as amended by Law No. 53-A/2006 of 29 December and by Decree-Law No. 237/2008 of 15 December.

In 2023, the Company adopted the IAS/IFRS and interpretations of mandatory application for the tax year beginning on 1 January 2023. These standards are listed in Note 2.14. In accordance with the transitional provisions of those standards and interpretations, comparative figures are provided for the required new disclosures.

The basis for the preparation of the financial statements from the accounting books and records was the accrual method, consistency of presentation, materiality and aggregation and the assumption of a going concern.

The accounting policies used by the Company in the preparation of its financial statements, referring to 31 December 2023, are consistent with those used in the preparation of the financial statements as of 31 December 2022. The adoption of new accounting standards meant that the 2022 accounts had to be restated in order to ensure consistent comparisons. The accounting policies that have changed are detailed in Note 2.15.

The amounts of the financial statements are expressed in Euros. The totals in the financial statements and in the tables of notes to the financial statements may not correspond to the sum of the instalments due to rounding. The values 0 and (0) indicate positive or negative amounts rounded to zero, while the dash (-) indicates zero.

The financial statements were prepared using the historical cost principle, with the exception of assets and liabilities at their fair value, namely investments relating to life contracts where the investment risk is borne by the policyholder, derivative financial instruments, financial assets and liabilities at fair value through profit or loss, financial assets and liabilities at fair value through other comprehensive income, and investment properties. The remaining assets, namely financial assets at amortised cost and financial liabilities, and non-financial assets and liabilities, are recognised at amortised cost or historical cost.

The preparation of financial statements requires the Company to make judgments and estimates and use assumptions that affect the application of accounting policies and the amounts of income, costs, assets, and liabilities. Changes in such assumptions, or their differences from reality, may have impacts on current estimates and judgments. The areas involving a higher level of judgment or complexity, or where significant estimates and assumptions are used in the preparation of the financial statements, are analysed in Note 2.13.

## **2.2. Investments in subsidiaries, associates and joint ventures**

Companies over which Fidelidade exercises control are classified as subsidiaries. Control is normally assumed when the Company has the power to exercise a majority of the voting rights. Control may also exist when the Company holds, directly or indirectly, the power to manage the financial and operational policy of a given company in order to obtain benefits from its activities, even if the percentage it holds on its equity is less than 50%.

“Associates” are those in which the Company has the power to exercise significant influence over its financial and operational policies, although it does not have control over them. Significant influence is presumed to exist whenever the Company’s interest in an investee is, directly or indirectly, between 20% and 50% of the capital or voting rights. The Company may also exert significant influence over an investee by means of a role in management of the associate or membership of the Board of Directors with executive powers.

There are also situations in which the Company exercises, together with other entities, control over the activity of the Company in which it holds the interest (the so-called joint ventures), where it exercises, under IFRS 11 – “Joint Arrangements”, a shared control of voting rights and equivalent decision.

These investments are recorded at acquisition cost, subject to impairment tests. Dividends are recorded as income in the year in which their distribution is decided.

The recoverable amount of investments in subsidiaries, associates and joint ventures is assessed annually, regardless of the existence of impairment indicators. Impairment losses are calculated based on the difference between the recoverable value of investments in subsidiaries, associates and joint ventures and their book value. Identified impairment losses are recorded in the Income Statement and are subsequently reversed through profit or loss if there is a reduction in the estimated loss amount in a later period. The recoverable value is assessed on the basis of valuation methods based on the greater of the use value and fair value minus costs of sale. They are calculated using valuation methodologies supported by discounted future cash flow models, considering the market conditions and the time value and business risks. Whenever the value of the liabilities of a subsidiary, associate or joint venture exceeds its assets, in addition to the establishment of impairment to cancel the investment, the Company establishes a provision when there is a liability on the liabilities of that entity.

## 2.3. Conversion of foreign currency balances and transactions

Foreign currency transactions are recognised on the basis of the exchange rates in force on the date they were performed.

At each balance sheet date, monetary assets and liabilities in a foreign currency are converted to the functional currency based on the exchange rate in force. Non-monetary assets which are valued at fair value are converted based on the exchange rate in force on the date of their latest valuation. Non-monetary assets recognised at historical cost, including tangible and intangible assets, remain recorded at the original exchange rate.

Exchange rate differences calculated on exchange rate conversion are recognised in the Income Statement, except those resulting from non-monetary financial instruments recognised at fair value through other comprehensive income.

## 2.4. Financial instruments

### a) Financial assets

#### Classification, initial recognition and subsequent measurement

Financial assets are recognised at the trade date at fair value. At the time of their initial recognition, financial assets are classified into one of the following categories:

- i) Financial assets at amortised cost;
- ii) Financial assets at fair value through other comprehensive income; or
- iii) Financial assets at fair value through profit or loss.

The classification made depends on the following aspects, except when the option to measure the financial instrument at its fair value through profit or loss is applied:

- The entity's business model for managing the financial asset;
- The financial asset's contractual cash flow characteristics.

#### Business Model Assessment

The Company assessed the business model within which the financial instruments are held at portfolio level, since this approach best reflects how the assets are managed and how information is reported to the management bodies.

#### Assessment as to whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset at its initial recognition. "Interest" is defined as the consideration for the time value of money, the credit risk associated with the amount outstanding over a given period, and other risks and costs associated with the activity (e.g. liquidity risk and administrative costs), as well as a profit margin.

When assessing financial instruments in which the contractual cash flows are solely payments of principal and interest, the Company considered the instrument's original contractual terms. This assessment included an analysis of the existence of situations in which the contractual terms may change the timing or amount of contractual cash flows so that they do not meet the SPPI condition. During the assessment process, the Company takes into consideration:

- Contingent events that may change the timing or amount of cash flows;
- Characteristics resulting in leverage;
- Prepayment and maturity extension clauses;
- Characteristics that can modify the compensation for the time value of money.

Additionally, a prepayment feature is consistent with the SPPI criterion if:

- The financial asset was acquired or originated at a premium or discount to the contractual per value;
- Prepayment substantially represents the nominal amount of the contract plus accrued but unpaid contract interest (it may include reasonable compensation for prepayment);
- The fair value of the prepayment feature is insignificant at initial recognition.

The classification of financial assets follows the following scheme:

Contractual cash flows	Business Model	Classification of financial assets
Contractual cash flows correspond solely to the payment of principal and interest (SPPI)	Collect contractual cash flows	Financial assets at amortised cost
Others (non-SPPI)	Collect contractual cash flows and sell	Financial assets at fair value through other comprehensive income
	Derivatives and other financial instruments used to hedge risks	Hedge derivatives or Financial assets at fair value through profit or loss
	Acquired for sale in the near term	Financial assets at fair value through profit or loss
	Group of identified financial instruments that are managed together and for which there is a pattern of short-term profit-taking	
	Others	

On initial recognition, the Company may choose to irrevocably classify investments in equity instruments as financial assets at fair value through other comprehensive income when these meet the definition of equity instruments in IAS 32 and are not held for trading. The classification is determined instrument by instrument.

### i. Financial assets at amortised cost

#### Classification

A financial asset is classified in the category of "Financial assets at amortised cost" if it cumulatively meets the following conditions:

- The financial asset is held within a business model with the main objective of holding assets to collect the contractual cash flows;
- Its contractual cash flows occur on specified dates and are solely payments of principal and interest (SPPI) on the principal amount outstanding.

#### Initial recognition and subsequent measurement

Financial assets at amortised cost are initially recognised at their fair value, plus transaction costs, and are subsequently measured at amortised cost. In addition, they are subject, from their initial recognition to calculation of impairment losses for expected credit losses, which are registered as a charge to the heading "Impairment losses on financial assets at amortised cost" in the Income Statement.

Interest on financial assets at amortised cost is recognised under "Interest on financial assets not recognised at fair value through profit or loss", calculated according to the effective interest rate method. Gains and losses derecognition are recorded under the heading "Net income on financial assets and liabilities at amortised cost".

## ii. Financial assets at fair value through other comprehensive income

### Classification

A financial asset is classified in the category of "Financial assets at fair value through other comprehensive income" (FVOCI) if it meets all of the following conditions:

- The financial asset is held within a business model the objective of which is both collecting contractual cash flows and selling that financial asset;
- Its contractual cash flows occur on specified dates and are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These instruments are essentially composed of debt instruments with the exception of equity securities considered strategic for the Company for which, on initial recognition, the Company may irrevocably choose to present in other comprehensive income the subsequent changes in the fair value of an investment in an equity instrument.

### Initial recognition and subsequent measurement

Debt instruments at fair value through other comprehensive income are initially recognised at their fair value, plus transaction costs, and are subsequently measured at fair value. Changes in the fair value of these financial assets are registered as a charge to other comprehensive income and, on their disposal, the respective accumulated gains or losses in other comprehensive income are reclassified to a specific Income Statement heading called "Net income from financial assets and liabilities at fair value through other comprehensive income".

Debt instruments at fair value through other comprehensive income are also subject, from their initial recognition to calculation of impairment losses for

expected credit losses. The estimated impairment losses are recognised in the Income Statement, under the heading "Impairment losses on financial assets at fair value through other comprehensive income", as a charge to other comprehensive income, and do not reduce the carrying amount of the financial asset on the balance sheet.

Interest, premiums or discounts on financial assets at fair value through other comprehensive income are recognised under the heading of "Interest on financial assets not recognised at fair value through profit or loss" based on the effective interest rate method.

Equity instruments at fair value through other comprehensive income are initially recognised at their fair value, plus transaction costs, and are subsequently measured at fair value. Changes in the fair value of these financial assets are recorded against other comprehensive income. Dividends are recognised in income when the right to receive them is attributed.

## iii. Financial assets at fair value through profit or loss

### Classification

A financial asset is classified in the category of "Financial assets at fair value through profit or loss" (FVPL) if the business model defined by the Company for managing it or its contractual cash flows characteristics do not meet the conditions described above to be measured at amortised cost or FVOCI.

Additionally, even if a financial asset meets the requirements to be measured at amortised cost or FVOCI, the Company may irrevocably designate it at initial recognition as measured at fair value through profit or loss, if doing so eliminates or significantly reduces a measurement or recognition inconsistency (accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on it on different bases.

The Company classified as "Financial assets at fair value through profit or loss" the following types of assets:

- Financial assets classified under this heading are acquired for the purpose of sale in the short term; at the time of initial recognition they are part of a portfolio of identified financial instruments and for which there is evidence of a recent pattern of short-term profit taking; or they fall within the definition of a derivative (except in the case of a derivative classified as hedging);
- Debt instruments the contractual cash flows of which are not solely payments of principal and interest (SPPI) on the principal amount outstanding;
- Financial assets that the Company has opted to designate at fair value through profit or loss to eliminate an accounting mismatch;
- Financial assets that do not meet the criteria for classification as financial assets at amortised cost or at fair value through other comprehensive income, whether they refer to debt instruments or equity instruments that have not been designated at fair value through other comprehensive income.

#### **Initial recognition and subsequent measurement**

Given that the transactions performed by the Company in the normal course of its business are made under market conditions, financial assets at fair value through profit or loss are initially recognised at their fair value, with the costs or income associated with the transactions recognised in profit or loss at the initial moment. Subsequent changes in the fair value of these financial assets are recognised in the Income Statement.

The periodisation of interest and premium/discount (when applicable) is recognised in the heading "Other income" based on the effective interest rate of each transaction, as well as the periodisation of interest on derivatives associated with financial instruments classified in this category. Dividends are recognised in income when the right to receive them is attributed.

Derivatives for trading with a positive fair value are included under "Financial assets at fair value through profit or loss", and derivatives for trading with a negative fair value are included under "Financial liabilities at fair value through profit or loss".

#### **iv. Assets sold with a repurchase agreement (repos) and assets purchased with a resale agreement (reverse repos)**

Assets sold with a repurchase agreement (repos) for a fixed price or for a price that is equal to the sale price plus interest inherent to the maturity of the operation are not derecognised on the balance sheet. The corresponding liability is accounted for in Other Financial Liabilities. The difference between the sale amount and the repurchase amount is treated as interest and is deferred during the life of the agreement, using the effective interest rate method.

Assets purchased with a resale agreement (reverse repos) for a fixed price or for a price that is equal to the purchase price plus interest inherent to the maturity of the operation are not recognised on the balance sheet and the purchase price is recorded under Financial Assets at Amortised Cost. The difference between the purchase amount and the resale amount is treated as interest and is deferred during the life of the agreement, using the effective interest rate method.

#### **v. Fair value**

Financial assets recognised in the categories "Financial assets at fair value through profit or loss" and "Financial assets at fair value through other comprehensive income" are measured at fair value.

A financial instrument's fair value corresponds to the price that would be received for an asset if it was sold or that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets is determined based on the closing quotation on the balance sheet date, in the case of instruments traded in active markets.

In the case of currency futures, these are valued based on the same time stamp of the respective covered instruments.

For debt instruments not traded in active markets (including unlisted or low-liquidity securities) valuation methods and techniques are used, which include:

- Prices (bid prices) published by financial information services, namely Bloomberg and Reuters, including market prices available for recent transactions;
- Indicative quotations (bid prices) obtained from financial institutions that function as market-makers;
- Internal valuation models that take into account the market data which would be used to define a price for the financial instrument, reflecting the market interest rates and volatility, and the liquidity and credit risk associated with the instrument.

The remaining unlisted equity instruments are valued based on price to book value and internal discount models of future cash flows.

#### **vi. Derecognition of financial assets**

These assets are derecognised when the Company's contractual rights to receive cash flows from them have expired or when the Company has transferred substantially all the risks and rewards associated with holding the assets.

The Company considers that it has retained control or not of the transferred financial assets if, and only if, the transferee has the ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without the need to impose additional restrictions on the transfer.

#### **vii. Transfers between categories of financial assets**

Financial assets are reclassified to other categories only if the business model for managing them is changed. In this case, all affected financial assets are reclassified.

Reclassification is applied prospectively from the reclassification date, and no previously recognised gains or losses (including those related with impairment) or interest are restated.

Investments in equity instruments measured at fair value through other comprehensive income and financial instruments designated at fair value through profit or loss may not be reclassified.

#### **b) Financial liabilities**

An instrument is classified as a financial liability when there is a contractual obligation for its settlement to be effected through the delivery of cash or another financial asset, regardless of its legal form. Non-derivative financial liabilities include loans, creditors for direct insurance and reinsurance transactions and other liabilities. Financial liabilities are recorded on the contracting date at their fair value, less costs directly attributable to the transaction, and subsequently at amortised cost, based on the effective interest rate method. The Company derecognises financial liabilities when they are cancelled or extinguished.



Financial liabilities are classified into the following categories:

### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include derivative financial instruments with negative revaluation. These liabilities are recorded at fair value, and gains or losses resulting from their subsequent valuation are recorded under the heading of "Net income on financial assets and liabilities recognised at fair value through profit or loss".

### **Other financial liabilities**

This category includes subordinated liabilities, deposits received from reinsurers, amounts received in repurchase transactions and liabilities incurred to pay for services or purchase assets, recorded under "Other creditors for insurance operations and other operations".

These financial liabilities are recognised at amortised cost, and any applicable interest is recognised in line with the effective interest rate method.

### **c) Derivatives and hedge accounting**

The Company performs operations with derivative products as part of its activity, with the aim of reducing its exposure to fluctuations in exchange and interest rates.

Derivative financial instruments are measured at fair value through profit or loss on the date of their contracting. They are also recognised in off-balance sheet accounts at their notional value.

Subsequently, derivatives are measured at their fair value. Fair value is calculated:

- On the basis of quotes obtained in active markets (for example, regarding futures trading in organised markets);
- On the basis of models which incorporate valuation techniques accepted in the market, including discounted cash flows and option valuation models.

### **Embedded derivatives**

Derivatives embedded in non-derivative contracts or in financial liability host contracts shall be separated and treated as stand-alone derivatives where:

- The embedded derivative's economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract;
- A separate instrument with the same terms as the embedded derivative would satisfy the definition of a derivative; and
- The hybrid contract is not measured at fair value with changes recognised in profit or loss.

### **Hedge accounting**

The Company invests in derivatives with the aim of hedging its exposure to risks inherent to its activity, namely hedging the fair value of assets of foreign currency (exchange rate fluctuation risk), which it applies to hedge equity instruments for which the Company has opted to present changes in fair value in other comprehensive income.

At the beginning of all hedging operations, the Company prepares formal documentation, which includes the following minimum items:

- Risk management objectives and strategy associated with carrying out the hedging operation, in accordance with the defined hedging policies;

- Description of the hedged risk(s);
- Identification and description of hedged and hedging financial instruments;
- Method for assessing the hedge's effectiveness and the frequency of assessment.

Fair value hedge derivatives on equity instruments are recorded at fair value, with the daily results recognized in other comprehensive income if the hedge proves to be effective. In this case, the ineffectiveness of the hedge recognized is shown in other comprehensive income.

Positive and negative revaluations of hedge derivatives are recorded in assets and liabilities, respectively, in specific headings.

Appreciations of hedged items are recognised in the balance sheet heading where the related instruments are recognised.

### **Derivatives at fair value through profit or loss**

It includes all derivatives that are not associated with effective hedging relationships, namely:

- Derivatives used to hedge risk in assets and liabilities at fair value through profit or loss, rendering the use of hedge accounting unnecessary;
- Derivatives used to hedge risks which do not meet the criteria defined for use of hedge accounting under IFRS 9, in particular due to the difficulty in specifically identifying the hedged items, in macro or portfolio hedges, or because the results of the effectiveness assessment demonstrate that the hedge is not effective;
- Derivatives contracted for the purpose of trading.

Derivatives at fair value through profit or loss are recorded at fair value, and the results of the revaluation are calculated daily and recognised in gains and losses for the year, under the heading of "Net income on financial assets and liabilities recognised at fair value through profit or loss", with the exception of the portion related to accrued and settled interest, which is reflected in "Other income". Positive and negative revaluations are recorded under "Financial assets at fair value through profit or loss" and "Other financial liabilities", respectively.

### **d) Impairment losses**

#### **Financial instruments subject to recognition of impairment losses**

The Company recognises impairment losses for expected credit losses in financial instruments recognised under the following accounting headings:

- Financial assets at amortised cost - Impairment losses on financial assets at amortised cost reduce the balance sheet value of those financial assets as a charge to the heading "Impairment losses of financial assets at amortised cost".
- Debt instruments at fair value through other comprehensive income - Impairment losses on debt instruments at fair value through other comprehensive income are recognised in the Income Statement, under the heading "Impairment losses on financial assets at fair value through other comprehensive income" as a charge to other comprehensive income (they do not reduce the balance sheet value of those financial assets).

Impairment losses are based on the difference between contractual cash flows and all cash flows that the Company expects to receive, discounted at the original effective interest rate.

## General Approach

The expected credit loss allowance is calculated taking into account, at the time of assessment, the risk exposure (monetary value of the loan), probability of default (PD), loss given default (LGD) and the relevant discount factor. It is a risk assessment that takes into account an estimate of the probability and time value of the future cash flows being assessed.

This assessment is complemented by an assessment of whether or not the credit rating has been degraded from the moment of initial recognition. A significant decrease in the credit rating means that the assessment will no longer be made considering an annual period but will be made considering the remaining lifetime of the loan. Loans with no deterioration in rating are therefore considered in stage 1, loans with deterioration in rating are considered in stage 2, and stage 3 comprises loans with objective evidence of default.

In general terms, a significant decrease in rating since initial recognition is equivalent to a decrease of at least 2 notches from the time the initial rating is at BBB, although this decision will always be based on a case-by-case analysis of the factors leading to the rating downgrade.

The provisions for expected credit losses are recognised in two stages. For credit exposures for which there has been no significant increase in risk since initial recognition, the provision for expected credit losses quantitatively reflects credit losses that may result from default events within the next 12 months (12-month expected credit losses).

In the case of other credit exposures for which there has been a significant increase in risk since initial recognition, a provision for credit losses over the remaining life of the exposure is required, regardless of the time of default, which is qualified as a lifetime expected credit losses.

At each reporting date, the Company assesses whether there has been a significant increase in credit risk since initial recognition. When conducting the assessment, the Company compares the risk of default on the financial instrument at the reporting date with the risk of default on the financial instrument at the date of initial recognition and considers all reasonable and supportable information available without undue cost or effort.

The Company uses for the credit assessment the ratings of at least 3 agencies accredited by the European Insurance and Occupational Pensions Authority (EIOPA), applying the second best rating criterion, limited, in general terms, to the rating of the issue or, if not available or not applicable, to the rating of the issuer or alternatively to the rating of the corresponding financial group. Ultimately, in a situation where this information is not available, the Company seeks to assess, through a scoring methodology, an internal rating based on an analysis of the available financial statements.

The Company considers a financial asset to be in default when it has been overdue for 90 days, and the Company is unlikely to receive the outstanding contractual amounts in full. The book value of a financial asset in this stage, Stage 3, is reduced so as only to reflect the recovery value since there is no reasonable expectation of recovering the contractual cash flows.

## Classification of financial instruments by stages

	Change in credit risk since initial recognition		
	Stage 1	Stage 2	Stage 3
Classification criteria	Initial recognition	Significant increase in credit risk since initial recognition	Credit-impaired
Impairment losses	12-month expected credit losses	Lifetime expected credit losses	Default

Debt instruments at fair value through other comprehensive income and financial assets at amortised cost are subject to a reduction in the recoverable amount under the general approach and are classified in the following stages for measuring the provisions for expected credit losses:

- **Stage 1:** Financial instruments for which there has not been a significant increase in credit risk since initial recognition and for which the provision for losses is measured at an amount equal to a 12-month expected credit loss;
- **Stage 2:** Financial instruments for which credit risk has increased significantly since initial recognition, but which are not financial assets with a reduction in the recoverable amount and for which the provision for losses is valued at an amount equal to the lifetime credit loss;
- **Stage 3:** Financial assets with a reduction in the recoverable amount at the reporting date (but that were not purchased or originated with a reduction in the recoverable amount) and that are impaired (assets in default).

### Simplified Approach

The Company assesses the expected credit losses associated with the heading "Other Debtors for Insurance Operations and Other Operations", based on reasonable and sustainable information that is available and that is likely to affect credit risk. The assessment depends on the nature of the asset, and for uncollected receipts an analysis of premiums pending collection is carried out and for intermediaries, reinsurers, and other debtors an analysis based on the business and past experience of losses.

### 2.5. Investment properties

These are properties held by the Company to earn income through rental and/or capital appreciation.

Investment properties are initially recognised at cost, including directly related measurement costs. They are not amortised and are recognised at fair value, determined on the basis of experts' assessments. Changes in the fair value and realised capital gains and losses are reflected in the Income Statement, in "Net income on the sale of non-financial assets which have not been recognised as non-current assets held for sale and discontinued operations".

Investment properties are assessed each year to ensure that their balance sheet value does not differ significantly from their fair value. The Company established a maximum reference period of 2 years between evaluations carried out by independent experts.

### 2.6. Properties for own use

Properties for own use are initially recognised at acquisition cost, less accumulated depreciation and any accumulated impairment losses. The acquisition cost includes the purchase cost and any costs directly attributable to the activities required to place the assets in the location and condition necessary to operate as intended.

The costs of repair, maintenance and other expenses associated with the use of these assets are recognised as expenses for the year, except for expenses on items where capitalisation criteria are met, and which are depreciated throughout their useful life.

Depreciation is calculated using the straight-line method, at rates corresponding to the estimated useful life of the properties for own use and is recognised in expenses for the year. Land is not subject to depreciation, given that it does not have a defined useful life. The Company periodically assesses the adequacy of the estimated useful life of its assets.

Periodically, analyses are carried out in order to identify evidence of impairment in properties for own use. An impairment loss is recognised in "Impairment

losses (net of reversals) of others" in the Income Statement for the year whenever the net book value of these assets is greater than their recoverable value (the greater of the value in use and the fair value). Impairment losses may be reversed, also with an impact on the Income Statement for the year, if an increase in that asset's recoverable value subsequently occurs.

The gain (or loss) arising from the sale or write-off of a property for own use is determined based on the difference between the amount received in the transaction and the net book value of that asset and is recognised in the Income Statement in the year when the write-off or sale occurs.

In addition, buildings under construction are recognised at cost less any impairment losses and are not subject to depreciation. The costs of these properties include the direct construction cost and the costs inherent to the loan obtained for the construction of these properties. Real estate under construction is reclassified to firm real estate when it is available for use.

## 2.7. Leases

### Lessee

On the commencement date of the lease, the lessee recognises a liability for the obligation to make payments to the lessor and an asset representing the right-of-use the underlying asset for the lease term. Lessees will be required to separately recognise interest on the lease liability and depreciation on the right-of-use asset.

The lessee shall measure the lease liability at the present value of the lease payments not paid on that date. The discount rate of the payments will be determined as the interest rate implicit in the lease contract, that is, the rate that causes the present value of the lease payments and the unguaranteed residual value to equal the fair value of the underlying asset plus the direct costs of the lessor. If the rate implicit in the lease cannot be readily determined then the incremental borrowing rate will be used, that is, a discount rate that

can be obtained to borrow, with the same maturity and a similar guarantee, the funds necessary to acquire the underlying asset.

After that date, the lessee shall measure the liability:

- i) By increasing the carrying amount to reflect interest on the lease liability;
- ii) By reducing the carrying amount to reflect the lease payments made;
- iii) By remeasuring the carrying amount to reflect any reassessment or lease modifications.

The Company has chosen to use the exemptions applicable to the standard on lease agreements for which the terms of the lease expire within 12 months from the date of initial application (with the exception of leases relating to property leases), and on lease agreements for which the underlying asset is of low value. The Company has leases of certain office equipment (e.g. personal computers) deemed to be of low value. The Company also chose the option of separating leases from non-lease components (service) and considering only the lease component in the application of this standard

For all lease contracts covered by the exemptions, lease payments associated with those contracts are recognised as expenses.

### Lessor

Leases continue to be classified as finance leases or operating leases, not implying significant changes compared to what was previously defined. Assets under finance leases are recorded in the financial position as "Accounts receivable for other operations", and this is reimbursed by means of the capital amortisations set out in the contracts' financial plans. Interest included in rents is recorded as "Other income/expenses".

## 2.8. Intangible assets

This heading includes the costs of acquisition, development or preparation for use of the software used in the development of the Company's activities.

Intangible assets are recognised at acquisition cost, less amortisation and accumulated impairment losses.

Amortisation is recognised systematically throughout the estimated useful life of the assets, which normally corresponds to a period of 3 to 6 years, except the IT structural projects that may extend to a period of 10 years.

Software maintenance expenses are accounted for as expenses in the year in which they are incurred.

## 2.9. Income tax

The Company is subject to Corporation Tax (CIT). Additionally, there is a Municipal Surcharge, whose aggregate rate in the years 2022 and 2023 is 22.5%, is added the respective State Tax, which corresponds to the application of an additional rate of 3% on the part of taxable profit greater than 1,500,000 Euros and less than 7,500,000 Euros, 5% on the part of profit greater than 7,500,000 Euros and less than 35,000,000 Euros and 9% on the part of taxable profit that exceeds this amount.

The accounts of the Company's branches are integrated into the accounts of the head office for tax purposes. Besides being subject to CIT, the income of the branches is also further subject to local taxes in the countries/territories where these are established. The local taxes of the various branches are deductible from the corporate income tax of the head office pursuant to Article 91 of the Corporate Income Tax Code and to Double Taxation Agreements.

The Company is taxed on CIT under the Special Taxation Regime for Corporate Groups (STRCG), in accordance with Article 69 of the CIT Code. Under this tax regime, it is Longrun (the controlling company) that submits a single tax

return in which the results of the controlled companies included in the STRCG are consolidated. The amount of CIT to be received or paid by the Company is recorded in the balance sheet as an amount receivable or payable to Longrun. The tax corresponding to the Company's activity is reflected in the Income Statement and/or in Equity.

Total income tax recognised in the Income Statement includes current and deferred taxes.

Current tax is calculated on the basis of the taxable profit for the year, which is different from accounting income because of adjustments to taxable income resulting from expenses or income which are not considered for fiscal purposes, or which will only be considered in other accounting periods.

Deferred tax represents tax recoverable/payable in future periods resulting from temporary deductible or taxable differences between the book value of assets and liabilities and their tax basis, used to determine taxable income.

Deferred tax liabilities are normally recognised for all temporary taxable differences, whereas deferred tax assets are only recognised to the extent that it is probable that sufficient future taxable income will be generated, allowing the use of the corresponding temporary deductible tax differences or tax losses carried forward. In addition, deferred tax assets are not recognised where their recoverability may be questionable due to other situations, including issues regarding the interpretation of the tax legislation in force.

The main situations that cause temporary differences at the Company's level correspond to (i) valuation of financial assets at fair value through other comprehensive income, (ii) valuation of financial assets at fair value through profit or loss, (iii) provisions and impairment temporarily not accepted for tax purpose, (iv) the time value of money and (v) the transitional regime established in Law no. 82-A/2023, of December 29, resulting from the adoption of accounting standard IFRS 17 - "Insurance Contracts".

Deferred taxes are calculated at the tax rates expected to be in force on the date of reversal of the temporary differences, which correspond to the tax rules that have been enacted, or substantially enacted, at the balance sheet date.

Income tax (current or deferred) is recognised in the Income Statement for the year, except for cases in which the originating transactions have been recognised in other shareholders' equity headings (for example, in the case of changes in fair value of financial assets at fair value through other comprehensive income). In these situations, the corresponding tax is also reflected by equity consideration, not affecting the Income Statement for the year.

## 2.10. Provisions, contingent liabilities and contingent assets

Provisions are made when there is a present obligation (legal or constructive) resulting from past events for which future expenditure of resources is probable, and this can be reliably determined. The amount of the provision corresponds to the best estimate of the amount to be disbursed to settle the liability at the balance sheet date.

When the future expenditure of resources is not probable, this is a contingent liability. Contingent liabilities are subject to disclosure, unless the possibility of occurrence is remote.

"Other provisions" are for legal, fiscal and other contingencies resulting from the Company's activity.

Contingent assets are not recognised in the financial statements but are disclosed in the notes to the accounts when an influx of future economic benefits is likely.

## 2.11. Insurance contracts, reinsurance contracts and investment contracts

IFRS 17 - "Insurance contracts", which replaced IFRS 4 - "Insurance contracts", came into force at 1 January 2023 and implied changes to the accounting principles that an entity must apply to the recognition, measurement, presentation and disclosure of insurance contracts, in order to achieve greater consistency and increase comparability between entities.

The accounting principles, policies and measurement bases relating to financial instruments which, following the adoption of IFRS 17, were applied by the Company in the preparation of these financial statements are presented below.

### Assets and liabilities covered by insurance and reinsurance contracts

#### a) Classification

##### Insurance contracts

The Company currently issues contracts which include insurance risk, financial risk or both. So, it was assessed whether the contracts held by the Company accept a significant insurance risk from another party, agreeing to compensate the policyholder if an uncertain future event occurs that affects it adversely. The Company also markets contracts with a mainly financial risk (with a non-significant insurance risk) in which there is a discretionary profit share attributed to the policyholders, and which are considered insurance contracts. From this assessment it was concluded that all insurance contracts that were under the scope of IFRS 4 meet the definition of insurance contract, and so the introduction of IFRS 17 does not result in any reclassification.

In the case of contracts in which the risk is essentially financial, without the discretionary participation in the results referred to above, the Company records these contracts as financial instruments and thus measured in accordance with IFRS 9 - "Financial Instruments".

## **Ceded reinsurance contracts**

The Company enters into agreements in order to transfer the insurance risk to one or more reinsurance companies, and these agreements are also measured in accordance with IFRS 17.

### **b) Grouping**

The Company groups insurance contracts according to:

- whether they are subject to similar risks and are managed jointly;
- their profitability or cost;
- their year of issue or cohort (coinciding with the calendar year).

Generally, the Company classifies the profitability of the contracts into two groups:

- onerous contracts;
- non-onerous contracts or that have no significant probability of becoming onerous.

In accordance with IFRS 17, the Company decided to also apply this methodology to ceded reinsurance contracts.

### **c) Recognition**

The Company recognises a group of insurance contracts from the first of the following dates:

- start of the period of cover of the contracts;
- the date on which a policyholder's first payment becomes due;

- for a group of onerous contracts, the date on which it becomes onerous.

### **d) Insurance contract measurement models**

The assessment of insurance contracts is based on a model that uses assumptions updated on each reporting date, and there are various calculation approaches.

#### **i) General model (GMM)**

This is the default method for valuing insurance contracts, except if the conditions are met for applying the Premium allocation approach or the Variable fee approach. The general model requires entities to value insurance contracts at the total of:

1. Fulfilment of cash flows, which include:
  - a. estimates of future cash flows that are within the contractual boundaries;
  - b. discounted in order to reflect the time value of the money, and the financial risks inherent to these flows; and
  - c. an adjustment of the risk of future cash flows for the uncertainty associated with non-financial assumptions.
2. Contractual Service Margin (CSM): which represents the expected unearned profit of the groups of insurance contracts and will be recognised in "Insurance contract revenues" in the Income Statement as the service is provided.



## ii) Premium allocation approach (PAA)

This is a simplified method of the general model, applicable to contracts with a period of cover equal to or less than one year, or for contracts with a longer duration in which the assessment of the remaining coverage liability does not differ significantly from that calculated by the general model.

The liability for incurred claims should be calculated by including all future cash flows arising from the fulfilment of incurred claims that have not been paid, using discount rates and the risk adjustment for non-financial risk.

On initial recognition, the asset/liability of insurance contracts for remaining coverage should consist of:

- premiums received on initial recognition;
- minus the cash flows from the acquisition of insurance on that date; and
- any amount resulting from derecognition on that date of the recognised asset or liability for the cash flows from the acquisition of the insurance.

On initial recognition, as well as throughout the period of cover of the contracts, an assessment is made to determine whether there are facts and circumstances that indicate that the contracts are onerous. A group of contracts is considered onerous in as much as the cash flows arising from their execution exceed their book value.

In these cases, a loss is recorded in the item "Insurance service expenses" in the Income Statement and the item "Insurance contract liabilities" is increased by the remaining cover, which is amortised over the term of the contracts.

By product type, the models adopted for measuring Company's insurance and reinsurance contracts are:

Segment	Type of product	Measurement model
Life insurance	Annuities	GMM
	Capitalisation	
	Risk <sup>(1)</sup>	
	Risk <sup>(2)</sup>	PAA
	Reinsurance	
Non-life insurance	Reinsurance	PAA
	Direct insurance	

<sup>(1)</sup> With a contractual limit exceeding one year;

<sup>(2)</sup> With contractual limit less than or equal to one year.

## Estimation of future cash flows

The calculation of estimates of future cash flows takes into account:

- the unbiased incorporation of all reasonable and supportable information available without excessive cost or effort on the amount, timing and uncertainty of these future cash flows. For this, the Company estimates the expected value for a wide range of possible outcomes;
- reflect the Company's perspective, provided that the estimates of the variables of relevant markets are consistent with the observable market prices for these same variables;
- the estimates reflect the conditions existing on the measurement date, including current assumptions about the future; and
- that the Company estimates the adjustment for the non-financial risk separately from the other estimates, as well as the adjustment for the time value of the money and the financial risk.

With regard to ceded reinsurance, the Company calculates the risk adjustment for the non-financial risk in order to represent the amount of risk transferred by the Company's underwriter of reinsurance contracts to the issuer of these contracts.

### Discount rate

The Company adjusts the estimates of future cash flows to reflect the time value of the money and the financial risks related with these cash flows using discount rates which, in accordance with the regulations:

- reflect the time value of the money, cash flow characteristics and the liquidity characteristics of the insurance contracts;
- are consistent with current observable market prices for financial instruments with cash flows whose characteristics are consistent with those of insurance contracts; and
- exclude the effect of the factors that influence the observable market prices that do not affect the future cash flows of insurance contracts.

The Company therefore opted to use the risk-free curve provided by EIOPA adding the volatility adjustment (bottom-up).

In addition, top-down methodology is used to obtain the discount rates to be applied to the new production of the groups of contracts, starting from a discount rate of a reference financial instrument with characteristics similar to those of the liability and eliminating the probability of default.

For the presentation of the financial costs and income of insurance contracts arising from the alteration of the discount rate, whether due to the effect of the time value of the money, or due to the effect of the financial risk, the Company opted for the accounting policy of splitting these financial costs and income between "Net financial income" and "Other comprehensive income", in order to

minimise accounting asymmetries in the valuation and recognition of financial investments under IFRS 9 and insurance contracts under IFRS 17.

By product typology, the approaches for determining the discount rates applied are:

Segment	Type of product	Approach
Life insurance	Annuities	Top-down
	Risk	Bottom-up
	Capitalisation with guaranteed rate	Stochastic approach
Non-life insurance	Reinsurance	Bottom-up
	Direct insurance	

### Non-financial risk adjustment

The adjustment of the non-financial risk reflects the compensation necessary to support the uncertainty as to the amount and timing of the associated cash flows, which arise from the non-financial risk. The determination of the adjustment of this risk is mostly based on information on the best estimate of liabilities and capital requirements, which are based on the calculation of the Value at Risk (VaR) and Cost of Capital (CoC), with a 75% confidence interval, of the obligations associated with the insurance contracts and, in the case of ceded reinsurance, of the risk transferred the Company to the issuer of the reinsurance contracts.

The Company opted to disaggregate the variations in the financial risk and non-financial risk, and so the change in value of the risk adjustment resulting from the effect of the time value of the money is recorded as insurance financial income.

## Contractual service Margin (CSM)

The CSM represents the expected unearned profit of the groups of insurance contracts that will be recognised as the service is provided. The CSM is, at the end of each reporting period, the amount determined at the start of the period, adjusted by:

- the effect of new contracts;
- interest credited to the CSM during the reporting period, calculated at the discount rates determined on the date of initial recognition;
- changes in the cash flows related with the remaining coverage, unless the increase exceeds the amount of the CSM, generating a loss, or if the reductions thereof are imputed to the loss component of the remaining coverage liability;
- the effect of exchange rate variations on the CSM; and
- the amount recognised in profit or loss for the period due to services rendered in this period.

The general criterion for releasing the CSM should be based primarily on the insurance service provided, depending on the type of the product, with the method considered reflecting the insurance cover provided in each period. For the purpose, the amount of benefits granted to policyholders at any given time will be taken into account, according to the different levels of cover.

In relation to ceded reinsurance, there is no expected unearned profit, but rather a net expense/revenue on the acquisition of the reinsurance contract. Therefore, on initial recognition the Company recognises a net expense/revenue on the acquisition by the Company of reinsurance contracts as a contractual service margin arrived at according to:

- the fulfilment of cash flows;
- the amount derecognised on the reporting date of any asset/liability previously recognised by the Company's cash flows from reinsurance contracts;
- new cash flows; and
- income recognised in the Income Statement of the year.

## Onerous contracts

The Company has grouped the contracts measured using the general model according to their cost, taking into account the fulfilment of the cash flows, acquisition costs and any other flows attributable to the insurance contracts. The valuation is normally made on a contract-by-contract basis. Contracts measured using the Premium allocation approach are, by default, assumed as not onerous on initial recognition, unless facts and circumstances indicate otherwise.

Like the Contractual Service Margin, which represents the estimated future profit of the insurance contract, the loss component is the estimated loss of the contract. These two elements are recognised in the accounts at different times: while the margin is deferred over the life of the contract according to its contractual limits, the loss component is recognised in the Income Statement as soon as its existence is known. So, during the life of a contract, the assumptions used to project future cash flows can change and, consequently, the expected profitability of a contract can increase or reduce. This means that a group of contracts initially classified as onerous can become more onerous or, conversely, in a subsequent measurement, the assumptions used in the cash flows can change in such a way that the loss previously recognised can be reversed.

### **Liabilities to subscribers of unit-linked products and insurance and capitalisation operations in investment units with guaranteed capital and income at the end of the contract**

Liabilities associated with investment contracts issued by the Company in which the risk is borne by the policyholder (unit-linked products) are valued at fair value, determined based on the fair value of the assets that comprise the investment portfolios allocated to each of the products, less the corresponding management charges, and recorded under "Financial Liabilities of the Deposit Component of Insurance Contracts and on Insurance Contracts and Operations Considered for Accounting Purposes as Investment Contracts".

Investment portfolios allocated to Unit-linked products are composed of financial assets, including fixed income securities, variable income securities, derivative instruments and deposits with credit institutions, which are recognised at fair value, with the corresponding unrealised gains and losses recognised in the Income Statement.

For insurance and unit capitalisation operations with capital and income guarantee at the end of the contract, provisions are created by the maximum between the value resulting from the product of the value of the reference unit by the number of units existing and the guaranteed capital and income at the end of the contract discounted until the date of calculation at the guaranteed rate. These liabilities are recorded under "Financial Liabilities of the Deposit Component of Insurance Contracts and on Insurance Contracts and Operations Considered for Accounting Purposes as Investment Contracts".

### **Liabilities to subscribers of other investment contracts**

Liabilities to subscribers of other regulated products, classified as investment contracts in accordance with IFRS 17, and which do not include profit sharing with discretionary component, are valued in accordance with the requirements of IFRS 9 and recorded under "Financial liabilities of insurance contracts and operations considered for accounting purposes as investment contracts".

### **Impairment of debtor balances related with insurance and reinsurance contracts**

With reference to each date of presentation of financial statements, the Company assesses the existence of evidence of impairment at the level of assets arising from insurance and reinsurance contracts, namely accounts receivable from insured persons, brokers, reinsurers and reinsureds.

If impairment losses are identified, the balance sheet value of the respective assets is reduced in the Income Statement for the year, with the cost being recognised in "Impairment losses (net of reversals)".

### **2.12. Fees**

The fees related to financial instruments, such as fees charged or paid on contracting of operations, are included in the amortised cost and recognised in the Income Statement throughout the operation, by the effective interest rate method.

Fees for services provided are normally recognised as earnings throughout the period of service provision or on a one-off basis if they relate to payment for the performance of single acts.

### **2.13. Critical accounting estimates and most relevant judgements in the application of accounting policies**

When applying the accounting policies described above, estimates must be made by the Company's Board of Directors. The estimates with the greatest impact on the financial statements include those presented below.

## Determination of impairment losses on financial assets

Impairment losses on financial assets are determined according to the methodology defined in Note 2.4. d). As regards the definition of the internal rating, a scoring methodology based on financial indicators intended to assess the solvency capacity of the issuer's financial commitments is used.

The internal rating assessment consists of analysing a variety of quantitative and qualitative factors to assess a company's creditworthiness, including its competitive advantage, scale and diversification, operational efficiency and profitability. These factors are assessed to determine the likelihood that a company will be able to meet its financial obligations. The main factors considered are as follows:

- **Competitive advantage.** The Company considers a company's strategic position and customer attractiveness. This includes factors such as its overall strategy, the uniqueness and quality of its products or services, its market share and any barriers to entry that exist in that industry. In addition, the company's technological advantage or vulnerability to technological substitution is also considered.
- **Scale, scope and diversification.** The concentration or diversification of a company's business activities is analysed. This includes factors such as product diversification and geographic diversification, which is combined with quantitative factors such as the size of the market in which it operates and its revenues.
- **Operational efficiency.** The Company assesses the quality and flexibility of a company's asset base and its ability to manage its cost base. This includes factors such as cost structure, manufacturing processes and working capital management.

- **Profitability.** Various quantitative metrics such as projections or the volatility of profitability over time are combined.

This assessment results in a concrete assessment, a preliminary internal rating, which may also be adjusted in both directions with other qualitative factors, such as the composition of the management team and its governance or the influence of a majority shareholder, a group or the State.

For repack issues, and to the extent that we can look into the underlying assets, we use the average rating of the issues considered in the vehicle. Accordingly, the determination of impairment takes into account the conclusions of the specific evaluation conducted by the Company on the basis of knowledge regarding the situation of the issuers of the financial instruments in question.

The Company considers that impairment determined on the basis of this methodology adequately reflects the risk associated with its portfolio of financial assets, taking into account the rules defined by IFRS 9.

Note 36 presents a sensitivity analysis for the calculation of Expected Credit Losses, with the respective impact if the internal rating is not considered, that is, if these obligations are considered "not rated".

## Impairment of investments in subsidiaries, associates and joint ventures

The Company assesses annually with reference to the end of the year the recoverable amount of investments in subsidiaries, associates and joint ventures. Whenever possible, the recoverable value is assessed on the basis of valuation methods based on discounted future cash flow models, considering the strategy for each entity, market conditions and the time value and business risks, for which certain assumptions or judgements are used to establish estimates of fair value. In other cases, the recoverable amount is determined based on the Equity of each company.

Alternative methodologies and the use of different assumptions and estimates could result in a different level of valuation of investments in subsidiaries, associates and joint ventures, with an impact on the Company's results.

To determine the future cash flows of each entity, when using the discounted cash flows method under the impairment test, the calculation is based on the business model approved by the management of each entity, for a period of 5 years. Cash flows are then discounted at a discount rate that adequately reflects the risk of each business and the market in which the company operates, ranging between 4.9% and 19.0% for December 2023.

For periods after the business model, cash flows are based on a perpetuity that reflects the long-term growth rates expected for each entity based on expected growth rates of inflation, ranging between 1.5% and 3.5% for December 2023.

Below is additional information regarding discount rates and perpetual growth rates by geography:

Region	Sector	Discount rate	Perpetual growth rate
Europe	Insurance, Healthcare and	4,9% - 8,5%	1,5% - 2,0%
	Asset Management		
Africa	Insurance	15,2% - 19,0%	2,0%
Asia	Insurance	9,3%	2,0%
Latin America	Insurance	6,8% - 13,2%	2,0% - 3,5%

In order to assess the sensitivity of the recoverable amount to the main assumptions identified, sensitivity tests were carried out, mainly at the discount rate and at the perpetual growth rate. A 0.5 percentage point increase in the discount rate and a 0.5 percentage point decrease in the perpetual growth rate do not result in a potential impairment loss.

## Valuation of Investment Properties

Investment Properties are assessed each balance sheet date to ensure that their balance sheet value does not differ significantly from their fair value. The Company established a maximum reference period of 2 years between evaluations carried out by qualified expert evaluators.

Investment properties are valued to obtain an estimate of their presumed transaction price, which is normally the market value (fair value). In other words, for the price for which the property can be sold, on the assessment date, by a private contract between an independent seller and buyer. It is understood that the asset is the object of a public offer on the market, that its conditions allow a regular and orderly sale, and that there is a normal period for negotiating the sale, taking into account the nature of the asset. If there are any rental agreements, the assessment of the estimated transaction price takes the rental value into consideration.

The evaluation techniques used are:

- a. Market approach: consists of the valuation of the property by comparison, that is, according to transactions and/or effective proposals for acquisition in relation to properties that have identical physical and functional characteristics, and whose location is within the same area of the real estate market;
- b. Cost approach: consists of applying the principle that a buyer will not pay more for one asset than the cost to obtain another of equal utility, either by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. This approach provides an indication of value by calculating the current replacement or reproduction cost of the asset, making deductions for deterioration and all other relevant forms of obsolescence;

c. Income approach: considers the information related to the income and operating expenses of the property under evaluation, determining the value through a capitalisation process. In this method, taking into account the principle of replacement of the asset, it is assumed that at a given rate of return required by the market, the flow of revenue generated by the property will lead to the achievement of its most probable value. Thus, the estimate of the value of the property results from the conversion of the income generated by it (usually net revenue) through the application of a given capitalisation rate or discount rate, or even both, which reflect a measure of the expected return on investment.

As set out in IFRS 13, valuations of properties maximise the use of observable market data. However, since most valuations also consider unobservable data, the fair value of the Company's properties is classified as Level 3 in the fair value hierarchy defined by IFRS 13.

#### **Determination of liabilities on insurance and reinsurance contracts**

The Company's liabilities for insurance and reinsurance contracts are determined based on the methodologies and assumptions described in Note 2.11. The calculation of liabilities reflects a quantified estimate of the impact of future events on the Company's accounts, based on actuarial assumptions, claims history and other accepted methods in the sector.

Given the nature of the insurance activity, the determination of liabilities for insurance contracts for incurred claims and other liabilities for insurance and reinsurance contracts is highly subjective, and the actual amounts to be disbursed in the future may be significantly different from the estimates made. Note 43 discloses additional information on assumptions in risk assessment and sensitivity analyses.

The Company considers, however, that the liabilities on insurance and reinsurance contracts recognised in the financial statements adequately reflect the best estimates at the balance sheet date of the amounts to be disbursed by the Company.

#### **2.14. Adoption of standards (new or revised) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC), as endorsed by the European Union**

##### **2.14.1. Adopted Standards (New or Revised)**

During the course of 2023, the Company adopted in the preparation of its financial statements the standards and interpretations issued by the IASB and IFRIC, respectively, provided that they are endorsed by the European Union, with application in financial periods beginning on or after 1 January 2023. The changes with relevance to the Company were as follows:

Standard / Interpretation	Date of issuance	EU Regulation	Applicable in financial years beginning on or after
IAS 12 - Income Taxes: International tax reform - Second Pillar model rules (Amendment)	08-11-2023	2023/2468	01-01-2023
IFRS 17 - Insurance Contracts: Initial application of IFRS 17 and IFRS 9 - Comparative Information (Amendment)	08-09-2022	2022/1491	01-01-2023
IAS 12 - Income Taxes: Deferred Taxes related to Assets and Liabilities resulting from a single transaction (Amendment)	11-08-2022	2022/1392	01-01-2023
IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of accounting policies (Amendment)	02-02-2023	2022/357	01-01-2023
IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors: Definition of accounting estimates (Amendment)	02-03-2022	2022/357	01-01-2023
IFRS 17 - Insurance Contracts (Amendment)	19-11-2021	2021/2036	01-01-2023

The Company has reviewed the disclosures of accounting policies in the light of the amendment to IAS 1, with adoption at 1 January 2023, and has defined the concept of materiality when making decisions on disclosures of accounting policies as the fact that the accounting policies have a materially relevant impact on the financial statements presented and that they add value to the understanding of the financial statements, in addition to the notes already presented and the accounting standards in force.



## 2.14.2. Standards, Interpretations, Amendments and Revisions That Will Take Effect in Future Exercises

The following standards, interpretations, amendments, and revisions, with mandatory application in future financial years, have been, until the date of approval of these financial statements, endorsed by the European Union:

Standard / Interpretation	Date of issuance	EU Regulation	Applicable in financial years beginning on or after
IAS 1 - Presentation of Financial Statements: Classification of liabilities as current or non-current and non-current liabilities with covenants	19-12-2023	2023/2822	01-01-2024
IFRS 16 - Leases: Lease liabilities on a sale and leaseback (Amendment)	20-11-2023	2023/2579	01-01-2024

The Company is analysing its implementation and it is not possible at this date to determine the impact on the financial statements.

## 2.14.3. Standards, Interpretations, Amendments and Revisions not yet Endorsed by the European Union

The following standards, interpretations, amendments, and revisions, with mandatory application in future financial years, have not been endorsed by the European Union until the date of approval of these financial statements:

Standard / Interpretation	Date of issuance	Applicable in financial years beginning on or after
IAS 21 - Effects of Changes in Exchange Rates: Lack of Interchangeability (Amendment)	15-08-2023	01-01-2025
IAS 7 - Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Financing Agreements (Amendment)	25-05-2023	01-01-2024

These standards have not been endorsed by the European Union and, as such, have not been applied by the Company for the year ended 31 December 2023, and it is not possible at this time to assess the impact on the financial statements.

## 2.15. Changes in Accounting Policies

### a) Adoption of IFRS 9 - "Financial Instruments" - and changes resulting from the Adoption of IFRS 17 - "Insurance Contracts"

IFRS 9 replaced IAS 39 - "Financial Instruments: Recognition and Measurement" for annual periods after 1 January 2018. In order to ensure consistency in the insurance industry between the application of IFRS 9 and IFRS 17, the IASB issued an amendment to IFRS 4 with effect from 1 January 2018 which allowed insurance companies to defer the application of IFRS 9 for periods after 1 January 2023, thus aligning the effective dates of IFRS 9 and IFRS 17.

In addition, insurers that adopted IFRS 9 were also allowed to apply the overlay approach to designated financial assets. At 1 January 2023, the Company ceased to apply the overlay approach that it had adopted since 1 January 2020, when it adopted IFRS 9 for the first time. This effect was recognized retrospectively, with an impact on Retained Earnings, as disclosed in Note 2.15.2

On the date of initial application of IFRS 17, the Company opted to designate strategic investments in equity instruments as Financial assets at fair Value through other comprehensive income in accordance with paragraph 5.7.5 of IFRS 9, which were previously classified as Financial assets at fair Value through profit or loss. This designation and classification has been applied retrospectively. The assets corresponding to this classification correspond to the following amounts:

(amounts in euros)

	2022	2021
REN, PL	88,645,526	89,524,946
AGEAS, BB	85,116,526	93,582,969
NEW CHINA LIFE INSURANCE, HK, HKD	143,294,900	146,915,585
CHONGQING RURAL COMMERCIAL, HK, HKD	18,528,798	18,097,680
SHENZHEN EXPRESSWAY CORP, HK, HKD	1,092,493	-
	<b>336,678,243</b>	<b>348,121,181</b>

## b) Adoption of IFRS 17 - "Insurance Contracts"

Fidelidade adopted the standard IFRS 17 – "Insurance contracts" from 1 January 2023. The implementation of this standard results in significant changes in terms of the recognition, measurement, presentation, disclosure and accounting of insurance and reinsurance contracts.

The Company therefore restated the Statement of Financial Position opening on 1 January 2022 and closing on 31 December 2022 and the Income Statement of the year ended on that date, in order to apply the standard retrospectively and make the financial information for 2022 comparable, as if the Standard had always been in force.

The impact of the transition comes mainly from the valuation of long-term insurance contract liabilities from an expected present value perspective, thus being impacted by the discount rates applied to each reporting period. Other elements that affect the impact of the transition relate to the reclassification of determined Financial Assets portfolios, in order to reduce accounting asymmetries between assets and liabilities. Consequently, the impacts on accumulated other comprehensive income and on retained earnings result mainly from long-term contracts.

### 2.15.1. Principles of the Transition to IFRS 17

In the transition to IFRS 17, the standard requires that the Company apply a retrospective approach to recognise insurance and reinsurance contracts in force on this date as if the standard had always been in force. For this, it requires the use of a full retrospective approach. If this is impracticable, a modified approach or fair value approach is permitted, the application of the latter being conditional on the availability of reasonable and supportable information without undue cost or effort in order to be able to apply the modified approach.

The analysis of the impracticability of recognising and measuring insurance and reinsurance contracts using a retrospective approach is made based on the requirements of IFRS 17, taking into consideration the availability of systems, data, and complete historical information.

Given the type of products held by the Company and also the requirements of applicability of each of the measurement models, the Company will only apply two of the three models contemplated in the regulations – the premium allocation approach and the general model. The conditions for the application of the variable fee approach (VFA) were not met due to the discretionary nature of the distribution to Policyholders granted in products with profit sharing.

Therefore, for products entered in the accounts using the GMM method, the transition approach used is that of fair value, given that the Company is limited in the historic information necessary to recognise and measure these contracts as if the standard had always been in force.

In the case of products measured by the PAA, the approach used is full retrospective, and is being applied to contracts with a duration of less than or equal to 1 year, since it is possible to obtain the historic information necessary for the respective recognition on the date of transition.

As the PAA is a simplified method it allows us to use information/determination similar to the "Unearned premium reserve" of IFRS 4 to ascertain the income to be released in the item "Insurance/reinsurance liabilities" of the Financial Position on a pro-rata temporis basis.

The GMM, being the general method, in the transition it is necessary to measure and recognise insurance and reinsurance contracts as if these had always been in force. If this is not feasible, the approach used (fair value) requires them to be measured and recognised with the fair value information on the date of the transition, calculating the contractual service margin or loss component of the remaining coverage liability through the difference between:

- the fair value of each group of insurance and reinsurance contracts in accordance with IFRS 13; and
- the cash flows linked to the fulfilment of the contracts in accordance with IFRS 17, or rather, the current value of cash flows relating to their fulfilment plus a risk adjustment for the non-financial risk.

So, to ascertain the fair value at which the transfer of liabilities of the portfolio of insurance contracts would take place between participants in the market on the date of measurement under current market conditions, the present value of the liabilities was calculated based on the implied cost of capital approach for each portfolio up to its end.

For the purpose, the solvency capital requirement of each portfolio on the transition date was projected using the structure of the estimated cash flows and was then multiplied by the cost of capital arrived at for each portfolio.

Lastly, the current value was obtained using the same discount curve used to calculate the contractual service margin. The second component of the calculation corresponds to the current value of the estimated future cash flows on the transition date plus a risk adjustment for the non-financial risk.

## **2.15.2. Impacts of the Transition to IFRS 17**

### **Derecognition of IFRS 4 balances**

All assets and liabilities measured under IFRS 4 were derecognised in the transition, to be replaced by the equivalent balances under IFRS 17.

### **Recognition of the cash flows linked to the fulfilment of the contracts IFRS 17**

The measurement of the liabilities from insurance contracts is arrived at based on the groups of contracts, using the contractual obligations necessary for the fulfilment of an insurance contract (e.g. premiums, costs, claims). These are entered in the accounts within the cash flow component of the insurance contract liabilities.

### **Recognition of income to be released from IFRS 17**

The income to be released is recorded through an insurance contract liability associated with the income to be recognised in the future, to be released in the Income Statement during the period of cover of the group of contracts.

### **Tax effect**

The tax effect on the balance sheet arises from the full adoption of IFRS 9, namely by cancelling the application of the overlay approach to designated financial assets and the redesignation of financial instruments, the temporary differences from the cancellation of the impacts of IFRS 4 balance sheet balances and recognition of balance sheet balances under IFRS 17.

The change in accounting policy related to Financial Instruments arising from the adoption of IFRS 17 led to impacts on the composition of the Company's equity on 31 December of 2022 and on the result of the year ended on this date.

The reconciliation of equity on 1 January 2022 and on 31 December of 2022 and the reconciliation of the net result of the year ended on 31 December of 2022 are presented in the following table:

(values in euros)

	Equity		Result
	01/01/2022	31/12/2022	31/12/2022
Balances prior to the change in accounting policy	2.812.082.290	2.228.673.518	112.443.017
Impact of change in accounting policy			
Adjustment of asset redesignation, net of tax effect	-	-	7.825.963
Adjustment of the overlay approach, net of tax effect	-	-	( 32.664.500 )
Adjustment of insurance contracts, net of tax effect	( 281.731.943 )	( 14.145.897 )	( 19.504.097 )
	<b>( 281.731.943 )</b>	<b>( 14.145.897 )</b>	<b>( 44.342.633 )</b>
Balances after change in accounting policy	2.530.350.347	2.214.527.621	68.100.384

Below is a reconciliation of the tax effect on assets and liabilities on 1 January 2022 and on 31 December of 2022:

(values in euros)

	Assets		Liabilities	
	01/01/2022	31/12/2022	01/01/2022	31/12/2022
Balances prior to the change in accounting policy	148.438.554	384.714.884	137.145.214	167.583.019
Impact of change in accounting policy				
Adjustment of the redesignation of assets	-	-	-	-
Overlay approach adjustment	( 6.685.587 )	( 97.453.171 )	( 6.685.587 )	( 97.453.171 )
Adjustment of insurance contracts	137.787.535	151.564.707	( 3.737.130 )	145.433.562
	<b>131.101.949</b>	<b>54.111.535</b>	<b>( 10.422.717 )</b>	<b>47.980.390</b>
Balances after change in accounting policy	279.540.503	438.826.419	126.722.497	215.563.409

Below is the impact on the financial position on 1 January 2022 and on 31 December of 2022:

(values in euros)

	Restated	01-01-2022 Adjustments	Original
<b>ASSETS</b>			
Financial assets at fair value through profit or loss	3.189.488.013	( 348.121.181 )	3.537.609.194
Financial assets at fair value through other comprehensive income	8.354.934.774	348.121.181	8.006.813.593
Technical provisions for ceded reinsurance			
Provision for unearned premiums	-	( 82.555.208 )	82.555.208
Mathematical provision for life insurance	-	( 27.004.267 )	27.004.267
Claims provision	-	( 253.812.077 )	253.812.077
Other technical provisions	-	( 22.544.992 )	22.544.992
Life reinsurance contract assets			
Remaining coverage	27.333.377	27.333.377	-
Incurred claims	9.394.640	9.394.640	-
Non-life reinsurance contract assets			
Remaining coverage	82.226.097	82.226.097	-
Incurred claims	273.844.319	273.844.319	-
Other debtors for insurance operations and other operations			
Accounts receivable for direct insurance operations	80.951.679	( 83.268.430 )	164.220.109
Accounts receivable for other reinsurance operations	26.081.569	( 414.955 )	26.496.524

(continuation)

(values in euros)

	Restated	01-01-2022 Adjustments	Original
Accounts receivable for other operations	20.250.322	-	20.250.321
Tax Assets			
Deferred tax assets	279.521.127	131.101.949	148.419.178
Accruals and deferrals	12.995.241	( 219.738 )	13.214.978
		<b>54.080.716</b>	

(values in euros)

	Restated	01-01-2022 Adjustments	Original
<b>LIABILITIES</b>			
Technical Provisions			
Provision for unearned premiums	-	( 321.833.928 )	321.833.928
Mathematical provision for life insurance	-	( 1.797.846.377 )	1.797.846.377
Claims provision			
Life insurance	-	( 113.423.958 )	113.423.958
Workers' Compensation	-	( 1.009.412.309 )	1.009.412.309
Others	-	( 798.775.053 )	798.775.053
Provision for profit sharing	-	( 62.290.771 )	62.290.771
Provision for interest rate commitments	-	( 17.780.388 )	17.780.388



(continuation)

(values in euros)

	Restated	01-01-2022 Adjustments	Original
Provision for portfolio stabilisation	-	( 25.803.587 )	25.803.587
Provisions for claims rate deviations	-	( 32.960.468 )	32.960.468
Provision for unexpired risks	-	( 43.924.719 )	43.924.719
Other technical provisions	-	( 23.211.963 )	23.211.963
Financial liabilities at fair value through profit or loss	312.638.571	-	312.638.571
Life insurance contract liabilities			
Remaining coverage	2.209.061.079	2.209.061.079	-
Incurred claims	140.346.650	140.346.650	-
Non-life insurance contract liabilities			
Remaining coverage	287.291.707	287.291.707	-
Incurred claims	2.027.267.115	2.027.267.115	-
Financial liabilities of the deposit component of insurance contracts and on insurance contracts and operations considered for accounting purposes as investment contracts	8.027.190.374	10.238.412	8.016.951.962
Other creditors for insurance operations and other operations			
Accounts payable for direct insurance operations	87.605.705	( 17.951.640 )	105.557.345
Accounts payable for other reinsurance operations	78.297.486	( 7.618.125 )	85.915.611
Accounts payable for other operations	61.698.719	-	61.698.719

(continuation)

(values in euros)

	Restated	01-01-2022 Adjustments	Original
Tax liabilities			
Deferred tax liabilities	76.952.074	( 10.422.717 )	87.374.791
Other provisions	67.559.952	( 55.136.302 )	122.696.254
		<b>335.812.659</b>	

(values in euros)

	Restated	01-01-2022 Adjustments	Original
<b>EQUITY</b>			
Revaluation reserves			
From adjustments in fair value of debt instruments at fair value through other comprehensive income	84.239.656	23.971.448	60.268.208
Exchange differences	12.473.260	12.473.260	-
From adjustments in fair value of equity instruments at fair value through other comprehensive income	( 54.005.321 )	( 53.296.930 )	( 708.391 )
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income	26.583.442	1.690.142	24.893.300
Deferred tax reserve	( 4.462.015 )	26.515.957	( 30.977.971 )
Overlay approach adjustment	-	( 59.380.408 )	59.380.408
Retained earnings	31.183.170	( 233.705.413 )	264.888.583
		<b>( 281.731.943 )</b>	

(values in euros)

	Restated	31-12-2022 Adjustments	Original
<b>ASSETS</b>			
Financial assets at fair value through profit or loss	3.531.228.551	( 336.678.243 )	3.867.906.794
Financial assets at fair value through other comprehensive income	6.421.410.575	336.678.243	6.084.732.332
Technical provisions for ceded reinsurance			
Unearned premium reserve	-	( 103.120.209 )	103.120.209
Mathematical provision for life insurance	-	( 29.569.744 )	29.569.744
Claims provision	-	( 269.835.673 )	269.835.673
Other technical provisions	-	( 34.958.549 )	34.958.549
Life reinsurance contract assets			
Remaining coverage	29.892.889	29.892.889	-
Incurred claims	12.806.297	12.806.297	-
Non-life reinsurance contract assets			
Remaining coverage	102.797.064	102.797.064	-
Incurred claims	294.694.601	294.694.601	-
Other debtors for insurance operations and other operations			
Accounts receivable for direct insurance operations	90.740.444	( 85.850.607 )	176.591.051
Accounts receivable for other reinsurance operations	17.140.549	76.886	17.063.663

(continuation)

(values in euros)

	Restated	31-12-2022 Adjustments	Original
Accounts receivable for other operations	81.620.314	86.386	81.533.928
Tax Assets			
Deferred tax assets	432.641.633	54.111.535	378.530.097
Accruals and deferrals	14.487.513	( 3.628 )	14.491.141
		<b>( 28.872.751 )</b>	

(values in euros)

	Restated	31-12-2022 Adjustments	Original
<b>LIABILITIES</b>			
Technical Provisions			
Provision for unearned premiums	-	( 359.525.471 )	359.525.471
Mathematical provision for life insurance	-	( 1.613.365.329 )	1.613.365.329
Claims provision			
Life insurance	-	( 111.248.039 )	111.248.039
Workers' Compensation	-	( 978.284.702 )	978.284.702
Others	-	( 803.262.896 )	803.262.896
Provision for profit sharing	-	( 26.194.124 )	26.194.124
Provision for interest rate commitments	-	( 16.561.158 )	16.561.158

(values in euros)

	Restated	31-12-2022 Adjustments	Original
Provision for portfolio stabilisation	-	( 24.110.995 )	24.110.995
Provisions for claims rate deviations	-	( 35.173.070 )	35.173.070
Provision for unexpired risks	-	( 41.162.650 )	41.162.650
Other technical provisions	-	( 35.787.913 )	35.787.913
Life insurance contract liabilities			
Remaining coverage	1.804.405.160	1.804.405.160	-
Incurred claims	125.756.849	125.756.849	-
Non-life insurance contract liabilities			
Remaining coverage	320.423.975	320.423.975	-
Incurred claims	1.806.487.268	1.806.487.268	-
Financial liabilities of the deposit component of insurance contracts and on insurance contracts and operations considered for accounting purposes as investment contracts	7.716.559.719	9.699.037	7.706.860.682
Other creditors for insurance operations and other operations			
Accounts payable for direct insurance operations	92.209.444	( 18.584.175 )	110.793.618
Accounts payable for other reinsurance operations	91.904.499	( 7.382.712 )	99.287.210
Tax liabilities			
Deferred tax liabilities	174.169.496	47.980.390	126.189.106
Other provisions	32.952.074	( 58.836.302 )	91.788.376
		<b>( 14.726.855 )</b>	

(values in euros)

	Restated	31-12-2022 Adjustments	Original
<b>EQUITY</b>			
Revaluation reserves			
From adjustments in fair value of debt instruments at fair value through other comprehensive income	( 650.299.888 )	( 898.772 )	( 649.401.116 )
Exchange differences	27.102.849	27.102.849	-
From adjustments in fair value of equity instruments at fair value through other comprehensive income	( 87.405.906 )	( 80.939.236 )	( 6.466.670 )
Allowance for expected credit losses in debt instruments at fair value through other comprehensive income	7.163.384	( 703 )	7.164.087
Reserve for the financial component of insurance contracts	471.517.325	471.517.325	-
Reserve for the financial component of reinsurance contracts	( 13.097.380 )	( 13.097.380 )	-
Deferred tax reserve	70.198.168	( 124.112.422 )	194.310.590
Overlay approach adjustment	-	( 15.681.970 )	15.681.970
Retained earnings	9.000.812	( 233.692.955 )	242.693.767
Income for the year	68.100.384	( 44.342.633 )	112.443.017
		<b>( 14.145.897 )</b>	

	Restated	31-12-2022 Adjustments	Original
<b>INCOME STATEMENT</b>			
Earned premiums, net of reinsurance			
Gross premiums written	-	( 2.066.322.458 )	2.066.322.458
Reinsurance ceded premiums	-	756.667.276	( 756.667.276 )
Provision for unearned premiums (change)	-	51.256.677	( 51.256.677 )
Provision for unearned premiums, reinsurers' share (change)	-	( 27.375.572 )	27.375.572
Claims costs, net of reinsurance			
Amounts paid			
Gross amounts	-	1.420.091.072	( 1.420.091.072 )
Reinsurers' share	-	( 405.304.408 )	405.304.408
Claims provision (change)			
Gross amount	-	( 26.628.509 )	26.628.509
Reinsurers' share	-	( 16.583.365 )	16.583.365
Other technical provisions, net of reinsurance	-	( 3.291.809 )	3.291.809
Mathematical provision for life insurance, net of reinsurance			
Gross amount	-	( 192.886.605 )	192.886.605
Reinsurers' share	-	( 2.593.098 )	2.593.098
Profit sharing, net of reinsurance	-	( 12.066 )	12.066
Net operating costs and expenses			
Acquisition costs	-	442.940.166	( 442.940.166 )

(continuation)

(values in euros)

	Restated	31-12-2022 Adjustments	Original
Deferred acquisition costs (change)	-	( 11.119.006 )	11.119.006
Administrative expenses	-	121.299.579	( 121.299.579 )
Commissions and reinsurance profit sharing	-	( 88.824.981 )	88.824.981
Insurance contracts revenues			
Measured using the premium allocation approach	1.921.375.634	1.921.375.634	-
Not measured using the premium allocation approach			
Release of the expected value of claims occurred and expenses attributable to insurance contracts	75.732.316	75.732.316	-
Changes in risk adjustment (non-financial risk) for expired risk	2.053.002	2.053.002	-
Release of contractual service margin for transferred services	58.710.936	58.710.936	-
Insurance service expenses			
Claims occurred and other expenses attributable to insurance contracts	( 1.260.943.289 )	( 1.260.943.289 )	-
Acquisition costs attributable to insurance contracts	( 351.107.729 )	( 351.107.729 )	-
Changes that relate to incurred claims	( 117.274.310 )	( 117.274.310 )	-
Changes that relate to remaining coverage	( 3.158.166 )	( 3.158.166 )	-
Reinsurance contract revenues			
Claims occurred and other expenses attributable to insurance contracts - part of reinsurers	410.368.698	410.368.698	-
Changes that relate to incurred claims - part of reinsurers	32.977.970	32.977.970	-
Effect of changes in the reinsurer's default risk	716.202	716.202	-
Reinsurance service expenses			
Measured using the premium allocation approach - part of reinsurers	( 637.555.460 )	( 637.555.460 )	-



(continuation)

(values in euros)

	Restated	31-12-2022 Adjustments	Original
Insurance finance income from insurance contracts	6.455.749	6.455.749	-
Insurance finance expenses from insurance contracts	(9.845.993)	(9.845.993)	-
Reinsurance finance expenses from reinsurance contracts	(901.113)	(901.113)	-
Financial Income			
Financial assets not recognised at fair value through profit or loss	186.995.584	31.865.485	155.130.099
Others	70.194.770	(31.865.485)	102.060.255
Financial expenses			
Others	(5.361.371)	52.946.853	(58.308.224)
Net income on financial assets and liabilities not recognised at fair value through profit or loss			
Financial liabilities at amortised cost	(6.547.756)	125.774	(6.673.530)
Net income on financial assets and liabilities recognised at fair value through profit or loss	(218.170.510)	27.387.653	(245.558.163)
Exchange differences	59.175.154	(14.629.589)	73.804.743
Impairment losses (net of reversals)			
Others	18.359.214	2.536.132	15.823.082
Overlay approach adjustment	-	(43.772.485)	43.772.485
Non-attributable expenses	(163.130.349)	(163.130.349)	-
Current income tax - Current taxes	(24.230.055)	2.175.350	(26.405.405)
Current income tax - Deferred taxes	7.484.179	13.100.685	(5.616.506)
		<b>(44.342.633)</b>	

### 3. CASH AND CASH EQUIVALENTS AND SIGHT DEPOSITS

At 31 December 2023 and 2022, this heading was composed as follows:

(values in euros)

	2023	2022
<b>Cash</b>		
Headquarters	171.561	217.301
Delegations	173.736	-
	<b>345.297</b>	<b>217.301</b>
<b>Sight deposits</b>		
Domestic currency	214.851.126	280.955.760
Foreign currency	10.182.191	( 14.124.676 )
	<b>225.033.317</b>	<b>266.831.084</b>
	<b>225.378.614</b>	<b>267.048.385</b>

For the purposes of the Cash Flows Statement, the heading "Cash and cash equivalents and sight deposits" includes the amounts recorded in the balance sheet with a maturity of less than three months from the date of acquisition, readily convertible into cash and with reduced risk of change in value and cash and deposits with credit institutions, which are not associated with an investment nature.

Fidelidade contracts futures on currencies and interest rate futures with margin account deposits. The valuation component of these deposits related to futures is reflected in the heading "Financial assets at fair value through

profit or loss". In addition, these contracts also require an initial margin that is recorded under the headings "Financial assets at amortised cost" or "Financial assets at fair value through profit or loss" in the case of Unit-linked portfolios.

The deposit component recorded under this heading may be negative in the case of significant daily devaluations. The amounts shall be repaid on the next working day.

#### 4. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

At 31 December 2023 and 2022, this heading was composed as follows:

(values in euros)

Operating sector/Entity	Country	Effective share %	2023		Balance Sheet Value
			Gross amount	Impairment (Note 35)	
<b>Subsidiaries</b>					
<b>Insurer</b>					
Multicare - Seguros de Saúde, S.A.	Portugal	100,00%	113.205.508	-	113.205.508
Fidelidade Assistência - Companhia de Seguros, S.A.	Portugal	100,00%	75.922.290	-	75.922.290
Via Directa - Companhia de Seguros, S.A.	Portugal	100,00%	41.000.000	-	41.000.000
Companhia Portuguesa de Resseguros, S.A.	Portugal	100,00%	14.315.928	-	14.315.928
Fidelidade Angola - Companhia de Seguros, S.A.	Angola	69,25%	13.203.495	-	13.203.495
Garantia - Companhia de Seguros de Cabo Verde, S.A.	Cabo Verde	55,89%	6.260.184	-	6.260.184
Fidelidade Macau - Companhia de Seguros, S.A.	Macao	99,99%	17.889.052	-	17.889.052
Fidelidade Macau Vida - Companhia de Seguros, S.A.	Macao	99,99%	18.811.806	-	18.811.806
Fidelidade Moçambique - Companhia de Seguros, S.A.	Mozambique	70,00%	47.070.607	-	47.070.607
			<b>347.678.870</b>	<b>-</b>	<b>347.678.870</b>

(continuation)

(values in euros)

Operating sector/Entity	Country	Effective share %	2023		Balance Sheet Value
			Gross amount	Impairment (Note 35)	
<b>Real Estate</b>					
Fidelidade - Property Europe, S.A.	Portugal	100,00%	1.554.059.925	-	1.554.059.925
Fidelidade - Property International, S.A.	Portugal	100,00%	96.664.012	( 9.528.746 )	87.135.266
Fidelidade - Sociedade Gestora de Organismos de Investimento Coletivo, S.A.	Portugal	100,00%	1.500.000	-	1.500.000
EA One Holding, Inc.	USA	73,24%	51.150.305	-	51.150.305
			<b>1.703.374.243</b>	<b>( 9.528.746 )</b>	<b>1.693.845.496</b>
<b>Health</b>					
Luz Saúde, S.A.	Portugal	99,86%	526.240.020	-	526.240.020
Clínica Fisiátrica das Antas, Unipessoal, Lda.	Portugal	100,00%	1.584.757	( 545.182 )	1.039.576
			<b>527.824.778</b>	<b>( 545.182 )</b>	<b>527.279.596</b>
<b>Insurance holding companies</b>					
FID LatAm SGPS, S.A.	Portugal	100,00%	750.000	( 196.673 )	553.327
FID Peru, S.A.	Peru	99,88%	232.392.342	-	232.392.342
FID Chile, SpA	Chile	100,00%	47.590.203	-	47.590.203
the prosperity company AG	Liechtenstein	70,00%	27.513.859	-	27.513.859
			<b>308.246.404</b>	<b>( 196.673 )</b>	<b>308.049.731</b>
<b>Other sectors</b>					
Cetra - Centro Técnico de Reparação Automóvel, S.A.	Portugal	100,00%	2.273.053	-	2.273.053
E.A.P.S. - Empresa de Análise, Prevenção e Segurança, S.A.	Portugal	100,00%	849.880	-	849.880
GEP - Gestão de Peritagens, S.A.	Portugal	100,00%	100.000	-	100.000

(continuation)

(values in euros)

Operating sector/Entity	Country	Effective share %	2023		Balance Sheet Value
			Gross amount	Impairment (Note 35)	
FID Loans 1 (Ireland) Limited	Ireland	100,00%	240.000.000	-	240.000.000
FID I&D, S.A.	Portugal	100,00%	3.345.000	( 978.317 )	2.366.683
Tenax Capital Limited	United Kingdom	80,00%	5.838.692	-	5.838.692
Fid Real Assets, SGPS, S.A.	Portugal	100,00%	1.314.000	( 104.641 )	1.209.359
Veterinários Sobre Rodas, Lda	Portugal	88,00%	5.668.041	-	5.668.041
			<b>259.388.665</b>	<b>( 1.082.958 )</b>	<b>258.305.707</b>
			<b>3.146.512.960</b>	<b>( 11.353.559 )</b>	<b>3.135.159.400</b>
<b>Associates</b>					
<b>Other sectors</b>					
Audatex Portugal - Peritagens Informatizadas Derivadas de Acidentes, S.A. (a)	Portugal	34,78%	641.091	-	641.091
Serfun Portugal, SGPS, S.A.	Portugal	49,00%	1.147.479	( 77.665 )	1.069.814
			<b>1.788.569</b>	<b>( 77.665 )</b>	<b>1.710.904</b>
			<b>3.148.301.529</b>	<b>( 11.431.224 )</b>	<b>3.136.870.305</b>

Operating sector/Entity	Country	Effective share %	2022		Balance Sheet Value
			Gross amount	Impairment (Note 35)	
<b>Subsidiaries</b>					
<b>Insurer</b>					
Multicare - Seguros de Saúde, S.A.	Portugal	100,00%	113.205.508	-	113.205.508
Fidelidade Assistência - Companhia de Seguros, S.A.	Portugal	100,00%	75.922.290	-	75.922.290
Via Directa - Companhia de Seguros, S.A.	Portugal	100,00%	41.000.000	-	41.000.000
Companhia Portuguesa de Resseguros, S.A.	Portugal	100,00%	14.315.928	( 250.343 )	14.065.585
Fidelidade Angola - Companhia de Seguros, S.A.	Angola	69,25%	13.203.495	-	13.203.495
Garantia - Companhia de Seguros de Cabo Verde, S.A.	Cabo Verde	55,89%	6.260.184	-	6.260.184
Fidelidade Macau - Companhia de Seguros, S.A.	Macao	99,99%	17.889.052	-	17.889.052
Fidelidade Macau Vida - Companhia de Seguros, S.A.	Macao	99,99%	18.811.806	-	18.811.806
Fidelidade Moçambique - Companhia de Seguros, S.A.	Mozambique	70,00%	47.070.607	-	47.070.607
			<b>347.678.870</b>	<b>( 250.343 )</b>	<b>347.428.528</b>
<b>Real Estate</b>					
Fidelidade - Property Europe, S.A.	Portugal	100,00%	1.515.559.925	-	1.515.559.925
Fidelidade - Property International, S.A.	Portugal	100,00%	134.664.012	( 21.937.698 )	112.726.314
Fidelidade - Sociedade Gestora de Organismos de Investimento Coletivo, S.A.	Portugal	100,00%	1.500.000	-	1.500.000
EA One Holding, Inc.	USA	57,00%	24.932.979	-	24.932.979
			<b>1.676.656.916</b>	<b>( 21.937.698 )</b>	<b>1.654.719.219</b>

(continuation)

(values in euros)

Operating sector/Entity	Country	Effective share %	2022		Balance Sheet Value
			Gross amount	Impairment (Note 35)	
<b>Health</b>					
Luz Saúde, S.A.	Portugal	99,86%	526.240.020	-	526.240.020
Clínica Fisiátrica das Antas, Unipessoal, Lda.	Portugal	100,00%	1.600.000	-	1.600.000
			<b>527.840.020</b>	<b>-</b>	<b>527.840.020</b>
<b>Insurance holding companies</b>					
FID LatAm SGPS, S.A.	Portugal	100,00%	600.000	( 280.582 )	319.418
FID Peru, S.A.	Peru	99,88%	229.163.279	-	229.163.279
FID Chile, SpA	Chile	100,00%	42.473.172	( 1.476.521 )	40.996.651
the prosperity company AG	Liechtenstein	70,00%	27.513.859	-	27.513.859
			<b>299.750.310</b>	<b>( 1.757.102 )</b>	<b>297.993.208</b>
<b>Other sectors</b>					
Cetra - Centro Técnico de Reparação Automóvel, S.A.	Portugal	100,00%	2.717.053	-	2.717.053
E.A.P.S. - Empresa de Análise, Prevenção e Segurança, S.A.	Portugal	100,00%	849.880	-	849.880
GEP - Gestão de Peritagens, S.A.	Portugal	100,00%	100.000	-	100.000
FID III (HK) LIMITED	Hong Kong	100,00%	-	-	-
FID Loans 1 (Ireland) Limited	Ireland	100,00%	300.000.000	-	300.000.000
FID I&D, S.A.	Portugal	100,00%	1.395.000	( 1.154.633 )	240.367

(continuation)

(values in euros)

Operating sector/Entity	Country	Effective share %	2022		Balance Sheet Value
			Gross amount	Impairment (Note 35)	
Tenax Capital Limited	United Kingdom	80,00%	5.838.692	-	5.838.692
Fid Real Assets, SGPS, S.A.	Portugal	100,00%	535.000	-	535.000
			<b>311.435.625</b>	<b>( 1.154.633 )</b>	<b>310.280.992</b>
			<b>3.163.361.742</b>	<b>( 25.099.775 )</b>	<b>3.138.261.966</b>
<b>Associates</b>					
<b>Other sectors</b>					
Audatex Portugal - Peritagens Informatizadas Derivadas de Acidentes, S.A.	Portugal	34,78%	641.091	-	641.091
Serfun Portugal, SGPS, S.A.	Portugal	49,00%	1.147.479	( 68.134 )	1.079.345
			<b>1.788.569</b>	<b>( 68.134 )</b>	<b>1.720.435</b>
			<b>3.165.150.311</b>	<b>( 25.167.909 )</b>	<b>3.139.982.402</b>



**During fiscal year 2023, the following changes occurred:**

During 2023 there were reimbursements of supplementary contributions from Fidelidade – Property International, S.A. in the total amount of 38,000,000 Euros.

During 2023, the Company reduced the share capital of FID Loans 1 (Ireland) Limited by a total amount of 60,000,000 Euros, without changing the shareholding.

In March 2023 there was a reinforcement of supplementary contributions from FID LatAm SGPS, S.A. in the amount of 150,000 Euros.

During 2023 there were reinforcements of supplementary contributions from Fidelidade – Property Europe, S.A. in the total amount of 38,500,000 Euros.

On 9 June 2023, the Company FID III (HK) LIMITED was deregistered.

In June 2023 there was a reduction in the share capital of the company Clínica Fisiátrica das Antas, Unipessoal, Lda. in the amount of 15,243 Euros.

In July 2023 there was a reimbursement of supplementary contributions from Cetra - Centro Técnico de Reparação Automóvel, S.A. in the amount of 444,000 Euros.

In September 2023, the Company acquired a further 16.24% of EA One Holding, Inc. for 26,217,326 euros, now holding a 73.24% stake in the company's share capital.

In 11 October 2023, the Company acquired 1 share in the company Veterinários Sobre Rodas, Lda, for the value of 5,668,041 Euros, taking its stake in the share capital of the company to 100%.

In December 2023, the Company increased the share capital of FID Peru, S.A., in the amount of 3,229,062 Euros.

In December 2023, the Company increased the share capital of FID Chile, SpA, in the amount of 5,117,031 Euros.

In December 2023 there was a reinforcement of supplementary contributions from FID I&D, S.A. in the amount of 1,950,000 Euros.

In December 2023 there was a reinforcement of supplementary contributions from Fid Real Assets SGPS, S.A. in the amount of 779,000 Euros.

## 5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

At 31 December 2023 and 2022, this heading was composed as follows:

(values in euros)

	2023	2022
<b>Investments related to Unit-linked contracts</b>	<b>2.800.861.123</b>	<b>2.362.209.855</b>
<b>Debt instruments</b>		
From public debt	146.100	97.840
From other issuers	160.758.610	215.548.998
	<b>160.904.710</b>	<b>215.646.838</b>
<b>Equity instruments</b>	19.058.810	39.813.754
Other financial instruments		
Investment units	740.082.132	800.063.287
	<b>740.082.132</b>	<b>800.063.287</b>
<b>Derivative instruments with positive fair value</b>		
<i>Interest rate swaps</i>	-	40.030
<i>Currency swaps</i>	341.511	-
Currency futures	19.522.946	66.847.572
Interest rate futures	-	5.693.596

	2023	2022
Exchange forwards	9.267.035	21.960.157
Other derivatives	153.293.903	18.953.462
	<b>182.425.395</b>	<b>113.494.817</b>
	<b>3.903.332.170</b>	<b>3.531.228.551</b>

Investments related to Unit-linked contracts correspond to assets managed by the Company whose risk is borne by the policyholder. Accordingly, the assets are recognised at fair value, and the liability to the insured is recognised in the "Financial liabilities of the deposit component of insurance contracts and on insurance contracts and operations considered for accounting purposes as investment contracts" accounting heading.

As of 31 December 2023 and 2022, the heading includes fixed income securities with embedded derivatives in the amounts of 160,758,610 Euros and 215,548,998 Euros, respectively. These securities are recognised at their fair value, which is assessed on the basis of the prices indicated by the respective issuing bodies for the whole amount of the instrument, in line with the market conditions in operation at the reference date of the financial statements.

On 31 December 2023 and 2022, the Company recognised losses from the depreciation of these investments in the amount of (2,229,148) Euros and (7,520,598) Euros, respectively.

At 31 December 2023 and 2022, the investments related to Unit-linked contracts were as follows:

(values in euros)

	2023	2022
<b>Debt instruments</b>		
From public debt	224.322.053	112.746.421
From other public issuers	96.933.906	4.679.192
From international financial bodies	-	19.427.581
From other issuers	1.231.507.841	992.512.825
From group companies <sup>(1)</sup>	32.808.326	24.301.100
	<b>1.585.572.126</b>	<b>1.153.667.119</b>
<b>Equity instruments</b>	<b>25.897.610</b>	<b>124.998.673</b>
<b>Other financial instruments</b>		
Investment units	1.069.212.822	967.624.435
Others	7.109.247	6.261.757
	<b>1.076.322.069</b>	<b>973.886.192</b>
<b>Transactions to be settled</b>	<b>( 2.868.563 )</b>	<b>( 4.612.102 )</b>
<b>Other deposits</b>	<b>377.036</b>	<b>872.055</b>
<b>Derivative instruments with positive fair value</b>		
<i>Interest rate swaps</i>	-	84.812
Interest rate futures	817.500	1.467.530

(continuation)

(values in euros)

	2023	2022
<i>Exchange forwards</i>	468.608	1.821.190
Other derivatives	114.274.737	110.024.386
	115.560.845	113.397.918
	<b>2.800.861.123</b>	<b>2.362.209.855</b>
<b>Other assets</b>		
Sight deposits	47.799.153	105.057.787
	<b>47.799.153</b>	<b>105.057.787</b>
	<b>2.848.660.276</b>	<b>2.467.267.642</b>

<sup>(1)</sup> The instruments included in Group companies correspond to securities of companies in the FOSUN.

## 6. DERIVATIVES

The Company performs operations with derivative products as part of its activity, essentially with the aim of reducing its exposure to currency fluctuations and interest rates.

The Company monitors the risks of its derivative activities through procedures for approving transactions, defining exposure limits by product and counterparty, and monitoring the evolution of their results.

At 31 December 2023 and 2022, these operations were valued in line with the criteria in Note 2.4.c). On these dates, the notional amount and the book value had the following breakdown:

(values in euros)

	Notional Amount			2023			
				Derivatives at fair value through profit or loss		Book Value	
	Derivatives at fair value through profit or loss	Hedge Derivatives	Total	Assets <sup>(1)</sup> (Note 5)	Liabilities (Note 18)	Hedge Derivatives Assets	Total
<b>Cobertura de justo valor</b>							
Swaps de divisas	842.923.264	-	842.923.264	341.511	( 34.793.570 )	-	( 34.452.059 )
Futuros sobre divisas	1.178.375.000	131.625.000	1.310.000.000	19.522.946	( 869.081 )	3.167.533	21.821.398
Futuros de taxa de juro	110.200.000	-	110.200.000	817.500	( 2.259.953 )	-	( 1.442.453 )
Forwards cambiais	853.503.497	-	853.503.497	9.735.644	( 6.343.521 )	-	3.392.123
	<b>2.985.001.761</b>	<b>131.625.000</b>	<b>3.116.626.761</b>	<b>30.417.601</b>	<b>( 44.266.125 )</b>	<b>3.167.533</b>	<b>( 10.680.991 )</b>
<b>Other Derivatives</b>	<b>2.623.428</b>	<b>-</b>	<b>2.623.428</b>	<b>267.568.639</b>	<b>( 265.956.367 )</b>		<b>1.612.272</b>
	<b>2.987.625.189</b>	<b>131.625.000</b>	<b>3.119.250.189</b>	<b>297.986.240</b>	<b>( 310.222.492 )</b>	<b>3.167.533</b>	<b>( 9.068.719 )</b>

(values in euros)

	2022						
	Derivatives at fair value through profit or loss	Notional Amount		Book Value			
		Hedge Derivatives	Total	Derivatives at fair value through profit or loss		Hedge Derivatives	
				Assets <sup>(1)</sup> (Note 5)	Liabilities (Note 18)	Assets	Total
<b>Fair value hedge</b>							
<i>Interest rate swaps</i>	668.155	-	668.155	124.842	-		124.842
<i>Currency swaps</i>	833.807.114	-	833.807.114	-	( 20.401.155 )		( 20.401.155 )
<i>Currency futures</i>	1.741.875.000	-	1.741.875.000	66.847.572	( 1.610.898 )		65.236.674
<i>Interest rate futures</i>	170.100.000	-	170.100.000	7.161.126	( 73.963 )		7.087.163
<i>Exchange forwards</i>	883.991.549	-	883.991.549	23.781.347	( 17.892.346 )		5.889.001
	<b>3.630.441.818</b>	<b>-</b>	<b>3.630.441.818</b>	<b>97.914.886</b>	<b>( 39.978.362 )</b>	<b>-</b>	<b>57.936.525</b>
<b>Other Derivatives</b>	<b>1.369.284</b>	<b>-</b>	<b>1.369.284</b>	<b>128.977.848</b>	<b>( 129.278.235 )</b>		<b>( 300.387 )</b>
	<b>3.631.811.102</b>	<b>-</b>	<b>3.631.811.102</b>	<b>226.892.735</b>	<b>( 169.256.597 )</b>	<b>-</b>	<b>57.636.138</b>

(1) The book value of derivatives incorporates the values included in the Unit-linked portfolios.

Interest rate swaps contracted by the Company and classified as derivatives at fair value through profit or loss are mainly intended to cover liabilities with life investment contracts, which, with the exception of Unit-linked contracts are valued at amortised cost (Note 17).

To mitigate the risk of exchange fluctuations of financial instruments, EUR/USD and EUR/GBP futures listed on the Chicago Mercantile Exchange (CME) and over-the-counter forwards were contracted, in order to ensure the exchange rate alignment of the currency of the assets with the currency of the liabilities. With regard to strategic long-term positions in bonds denominated in GBP, the Company contracted currency swaps to hedge the foreign exchange risk, in which such hedging includes the payment of coupons throughout the life of the bond and payment of the nominal value in GBP at maturity.

Currency futures contracted by the Company and classified as hedge derivatives correspond to the hedging of equity instruments classified under "Financial Assets at Fair Value through Other Comprehensive Income".

The Company contracts interest rate futures under corporate bond management mandates to hedge interest rate risk on securities denominated in EUR and USD. Additionally, interest rate futures in EUR are contracted to hedge Unit-linked portfolios in order to reduce the duration of these portfolios.

The other derivatives include a put option and a call option on all Fidelidade Moçambique – Companhia de Seguros S.A. shares held by Banco Internacional de Moçambique, S.A. at the date of exercise of the option, deducted from a whole number of shares closer to that representing 9.9% of the share capital of the company in question. The call option may be exercised by Fidelidade in the period from 1 January 2026 to 31 December 2026 and the Put Option may be exercised by Banco Internacional de Moçambique, S.A. in the period from 1 January 2027 to 31 December 2027. This item also includes total return swaps for Unit-linked products. These products are also linked to a financial reinsurance contract whose counterpart is Munich RE.

The Company manages hedge accounting based on its portfolio-by-portfolio exposure. During the years 2023 and 2022, the Company met the criteria necessary for the application of hedge accounting in accordance with the methodology described in Note 2.4.c)).



In the year 2023, the following movements in the "Revaluation Reserve" related to fair value hedge accounting of capital instruments were generated classified under "Financial Assets at Fair Value through Other Comprehensive Income":

(values in euros)

	<b>2023</b>
Variation in fair value	( 8.964.819 )
Fair value hedge	332.890
	<b>( 8.631.929 )</b>

The figures above include the gains reclassified between the "Revaluation reserve" and "Gains and losses from disposal of equity instruments at fair value through other comprehensive income" headings.

On 30 June 2016, the Company entered into a mandate contract with its subsidiaries Fidelidade – Property Europe, S.A., Fidelidade – Property International, S.A. and FPE (Lux) Holding S.à r.l. This contract empowers Fidelidade to, on behalf of its subsidiaries, identify, negotiate, and enter into any and all agreements and mechanisms deemed appropriate to hedge the currency risk to which they are subject. This option derives from the specificities and complexities of hedging operations that require non-resident technical expertise in the subsidiaries. With this option, Fidelidade protects foreign exchange risks at the subsidiaries and the economic effects of this hedging are passed on to these entities.

At 31 December 2023 and 2022, the Company has the following derivatives in its portfolio traded as part of the aforementioned mandate contract:

(values in euros)

	2023			
	Notional Amount	Book Value		Total
		Assets	Liabilities	
<b>Fair value hedge</b>				
Currency futures	46.000.000	326.305	-	326.305
Exchange forwards	489.078.530	4.992.795	( 235.215 )	4.757.581
	<b>535.078.530</b>	<b>5.319.100</b>	<b>( 235.215 )</b>	<b>5.083.885</b>

(values in euros)

	2022			
	Notional Amount	Book Value		Total
		Assets	Liabilities	
<b>Fair value hedge</b>				
Currency futures	35.250.000	529.129	-	529.129
Exchange forwards	571.063.656	13.462.519	( 790.176 )	12.672.342
	<b>606.313.656</b>	<b>13.991.647</b>	<b>( 790.176 )</b>	<b>13.201.471</b>

Due to the contract entered into, Fidelidade passed the following profit or loss on to its subsidiaries:

(values in euros)

	2023		2022	
	Net profit	Fees	Net profit	Fees
Currency futures	998.719	3.719	( 1.262.547 )	5.640
Exchange forwards	15.268.245	-	( 23.476.477 )	-
	<b>16.266.964</b>	<b>3.719</b>	<b>( 24.739.024 )</b>	<b>5.640</b>

The distribution of the Company's derivative financial instrument operations at 31 December 2023 and 2022, by period to maturity, was as follows:

(values in euros)

	2023					Total
	Up to 3 months	From 3 months to 6 months	From 6 months to 1 year	Between 1 and 5 years	No maturity	
<b>Fair value hedge</b>						
Currency swaps	-	-	552.293.614	290.629.650	-	842.923.264
Currency futures	1.294.375.000	6.250.000	9.375.000	-	-	1.310.000.000
Interest rate futures	110.200.000	-	-	-	-	110.200.000
Exchange forwards	686.558.671	82.266.295	7.819.102	76.859.428	-	853.503.497
	<b>2.091.133.671</b>	<b>88.516.295</b>	<b>569.487.716</b>	<b>367.489.078</b>	-	<b>3.116.626.761</b>
<b>Other Derivatives</b>					<b>2.623.428</b>	<b>2.623.428</b>
	<b>2.091.133.671</b>	<b>88.516.295</b>	<b>569.487.716</b>	<b>367.489.078</b>	<b>2.623.428</b>	<b>3.119.250.189</b>

(values in euros)

	2022					Total
	Up to 3 months	From 3 months to 6 months	From 6 months to 1 year	Between 1 and 5 years	No maturity	
<b>Fair value hedge</b>						
<i>Interest rate swaps</i>	-	-	668.155	-	-	668.155
<i>Currency swaps</i>	-	-	-	833.807.114	-	833.807.114
Currency futures	1.241.875.000	500.000.000	-	-	-	1.741.875.000
Interest rate futures	121.000.000	49.100.000	-	-	-	170.100.000
<i>Exchange forwards</i>	506.511.163	362.909.594	14.570.792	-	-	883.991.549
	<b>1.869.386.163</b>	<b>912.009.594</b>	<b>15.238.947</b>	<b>833.807.114</b>	-	<b>3.630.441.818</b>
<b>Other Derivatives</b>	-	-	-	-	<b>1.369.284</b>	<b>1.369.284</b>
	<b>1.869.386.163</b>	<b>912.009.594</b>	<b>15.238.947</b>	<b>833.807.114</b>	<b>1.369.284</b>	<b>3.631.811.102</b>

The distribution of the Company's derivative financial operations at 31 December 2023 and 2022, by counterparty type, was as follows:

(values in euros)

	2023		2022	
	Notional Amount	Book Value	Notional Amount	Book Value
<b>Interest rate swaps</b>				
Financial Institutions				
Caixa Geral Depósitos Group	-	-	668.155	124.842
	<b>-</b>	<b>-</b>	<b>668.155</b>	<b>124.842</b>
<b>Currency swaps</b>				
Financial Institutions				
Other Institutions	842.923.264	( 34.452.059 )	833.807.114	( 20.401.155 )
	<b>842.923.264</b>	<b>( 34.452.059 )</b>	<b>833.807.114</b>	<b>( 20.401.155 )</b>
<b>Currency futures</b>				
On the				
Chicago Mercantile Exchange	1.310.000.000	22.364.174	1.741.875.000	65.236.674
	<b>1.310.000.000</b>	<b>22.364.174</b>	<b>1.741.875.000</b>	<b>65.236.674</b>
<b>Interest Rate Futures</b>				
Financial Institutions				
Other Institutions	110.200.000	( 1.442.453 )	170.100.000	7.087.163
	<b>110.200.000</b>	<b>( 1.442.453 )</b>	<b>170.100.000</b>	<b>7.087.163</b>

(continuation)

(values in euros)

	2023		2022	
	Notional Amount	Book Value	Notional Amount	Book Value
<b>Exchange forwards</b>				
Financial Institutions				
Other Institutions	853.503.497	2.849.346	883.991.549	5.889.001
	<b>853.503.497</b>	<b>2.849.346</b>	<b>883.991.549</b>	<b>5.889.001</b>
<b>Other Derivatives</b>				
Financial Institutions				
Munich RE	2.623.428	1.613.259	1.369.284	( 179.366 )
Banco Internacional de Moçambique SA.	-	( 986 )	-	( 121.021 )
	<b>2.623.428</b>	<b>1.612.273</b>	<b>1.369.284</b>	<b>( 300.387 )</b>
	<b>3.119.250.189</b>	<b>( 9.068.719 )</b>	<b>3.631.811.102</b>	<b>57.636.138</b>

## 7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

At 31 December 2023 and 2022, this heading was composed as follows:

(values in euros)

	2023						
	Nominal value	Amortised cost	Expected credit loss (Note 35)	Exchange Valuation	Fair value reserve (Note 23)	Interest receivable	Balance Sheet value
<b>Debt instruments</b>							
From public debt	1.316.024.251	1.527.907.112	-	-	( 109.907.913 )	19.605.867	1.437.605.066
From other public issuers	247.985.000	246.127.016	-	-	( 10.152.989 )	1.222.411	237.196.438
From international financial bodies	12.567.000	12.743.237	( 361.453 )	-	29.087	150.099	12.560.970
From other issuers	4.295.808.615	4.239.847.866	( 78.207.264 )	67.687.785	( 211.010.819 )	34.992.932	4.053.310.500
From group companies <sup>(1)</sup>	47.300.000	47.313.252	-	-	( 572.442 )	1.458.496	48.199.306
	<b>5.919.684.866</b>	<b>6.073.938.483</b>	<b>( 78.568.717 )</b>	<b>67.687.785</b>	<b>( 331.615.076 )</b>	<b>57.429.805</b>	<b>5.788.872.280</b>
<b>Equity instruments</b>							
Shares	186.446.658	382.773.472	-	16.931.719	( 107.580.065 )	-	292.125.126
Others <sup>(2)</sup>	-	35.749.940	-	-	( 1.943.518 )	521.084	34.327.506
	<b>186.446.658</b>	<b>418.523.412</b>	<b>-</b>	<b>16.931.719</b>	<b>( 109.523.583 )</b>	<b>521.084</b>	<b>326.452.632</b>
	<b>6.106.131.524</b>	<b>6.492.461.895</b>	<b>( 78.568.717 )</b>	<b>84.619.504</b>	<b>( 441.138.659 )</b>	<b>57.950.889</b>	<b>6.115.324.912</b>

(values in euros)

	2022						
	Nominal value	Amortised cost	Expected credit loss (Note 35)	Exchange Valuation	Fair value reserve (Note 23)	Interest receivable	Balance Sheet value
<b>Debt instruments</b>							
From public debt	1.707.857.133	1.966.627.840	-	-	( 187.583.897 )	26.254.806	1.805.298.749
From other public issuers	113.277.500	117.044.354	-	-	( 17.189.362 )	688.553	100.543.545
From international financial bodies	9.067.000	9.402.082	( 862.234 )	-	( 244.670 )	73.817	8.368.995
From other issuers	4.547.155.184	4.470.364.318	( 77.617.991 )	113.863.534	( 437.816.082 )	33.925.164	4.102.718.943
From group companies <sup>(1)</sup>	43.300.000	43.318.576	-	-	( 7.465.877 )	1.020.321	36.873.020
	<b>6.420.656.817</b>	<b>6.606.757.170</b>	<b>( 78.480.225 )</b>	<b>113.863.534</b>	<b>( 650.299.888 )</b>	<b>61.962.661</b>	<b>6.053.803.252</b>
<b>Equity instruments</b>							
Shares	158.685.558	390.514.630	-	27.102.849	( 80.939.236 )	-	336.678.243
Others <sup>(2)</sup>	-	36.859.250	-	-	( 6.466.670 )	536.500	30.929.080
	<b>158.685.558</b>	<b>427.373.880</b>	<b>-</b>	<b>27.102.849</b>	<b>( 87.405.906 )</b>	<b>536.500</b>	<b>367.607.323</b>
	<b>6.579.342.375</b>	<b>7.034.131.050</b>	<b>( 78.480.225 )</b>	<b>140.966.383</b>	<b>( 737.705.794 )</b>	<b>62.499.161</b>	<b>6.421.410.575</b>

(1) The instruments included in Group companies correspond to securities of companies in the FOSUN.

(2) The others included in equity instruments correspond to perpetual equity instruments.

At 31 December 2023, and 2022, the equity instruments and other instruments under this heading correspond to equity instruments designated at fair value through other comprehensive income, and the Company has recognized income from these investments in the amount of 25,525,442 Euros and 35,299,485 Euros, respectively.



## 8. FINANCIAL ASSETS AT AMORTISED COST

At 31 December 2023 and 2022, this heading was composed as follows:

(values in euros)

	2023							
	Nominal value	Amortised cost	Expected credit losses (Note 35)	Exchange Valuation	Interest receivable	Balance sheet value	Market value <sup>(1)</sup>	Unrecognised potential capital gains or losses
<b>Debt instruments</b>								
From public debt	258.950.000	272.174.097	-	-	3.534.266	275.708.363	263.857.109	( 11.851.254 )
	<b>258.950.000</b>	<b>272.174.097</b>	<b>-</b>	<b>-</b>	<b>3.534.266</b>	<b>275.708.363</b>	<b>263.857.109</b>	<b>( 11.851.254 )</b>
<b>Other Loans</b>								
Deposits in ceding companies	-	1.158.060	-	( 8.764 )	-	1.149.296	1.149.296	-
Loans	26.000.000	24.990.388	-	3.087.366	-	28.077.754	28.077.754	-
Policy loans	-	945.663	-	-	237.104	1.182.767	1.182.767	-
	<b>26.000.000</b>	<b>27.094.111</b>	<b>-</b>	<b>3.078.602</b>	<b>237.104</b>	<b>30.409.817</b>	<b>30.409.817</b>	<b>-</b>
<b>Financial investments in credit institutions</b>								
Term deposits	-	161.709.672	-	-	69.387	161.779.059	161.779.059	-
Other deposits	-	48.339.633	-	( 517.098 )	-	47.822.535	47.822.535	-
Repos	-	45.000.000	-	-	12.333	45.012.333	45.012.333	-
	<b>-</b>	<b>255.049.305</b>	<b>-</b>	<b>( 517.098 )</b>	<b>81.720</b>	<b>254.613.927</b>	<b>254.613.927</b>	<b>-</b>
	<b>284.950.000</b>	<b>554.317.513</b>	<b>-</b>	<b>2.561.504</b>	<b>3.853.090</b>	<b>560.732.107</b>	<b>548.880.853</b>	<b>( 11.851.254 )</b>

(values in euros)

	2022							
	Nominal value	Amortised cost	Expected credit losses (Note 35)	Exchange Valuation	Interest receivable	Balance sheet value	Market value <sup>(1)</sup>	Unrecognised potential capital gains or losses
<b>Debt instruments</b>								
From public debt	516.820.000	535.715.744	-	-	4.311.301	540.027.045	517.156.360	( 22.870.685 )
	<b>516.820.000</b>	<b>535.715.744</b>	<b>-</b>	<b>-</b>	<b>4.311.301</b>	<b>540.027.045</b>	<b>517.156.360</b>	<b>( 22.870.685 )</b>
<b>Other Loans</b>								
Deposits in ceding companies	-	1.184.328	-	15.755	-	1.200.083	1.200.083	-
Loans	32.500.000	31.490.388	-	1.413.593	398	32.904.379	32.904.379	-
Policy loans	-	929.764	( 10.597 )	-	223.611	1.142.778	1.142.778	-
	<b>32.500.000</b>	<b>33.604.480</b>	<b>( 10.597 )</b>	<b>1.429.348</b>	<b>224.009</b>	<b>35.247.240</b>	<b>35.247.240</b>	<b>-</b>
<b>Financial investments in credit institutions</b>								
Term deposits	-	140.314.116	-	-	32.326	140.346.442	140.346.442	-
Other deposits	-	78.646.339	-	( 1.712.858 )	-	76.933.481	76.933.481	-
	<b>-</b>	<b>218.960.455</b>	<b>-</b>	<b>( 1.712.858 )</b>	<b>32.326</b>	<b>217.279.923</b>	<b>217.279.923</b>	<b>-</b>
	<b>549.320.000</b>	<b>788.280.679</b>	<b>( 10.597 )</b>	<b>( 283.510 )</b>	<b>4.567.636</b>	<b>792.554.208</b>	<b>769.683.523</b>	<b>( 22.870.685 )</b>

(1) (Corresponds to the market value calculated in accordance with the methodology described in Note 2.4.a).

## 9. PROPERTIES FOR OWN USE

In 2023 and 2022, the "Properties for own use" heading saw the following movements:

(values in euros)

	Property Rights	Own use Right-of-Use	Total
<b>Balances at 31 December 2021</b>			
Gross amount	37.513.874	48.870.471	86.384.345
Accumulated depreciation and impairment	( 8.926.278 )	( 24.432.337 )	( 33.358.615 )
	<b>28.587.596</b>	<b>24.438.134</b>	<b>53.025.730</b>
Additions			
By acquisitions made in the year	-	7.406.814	7.406.814
By subsequent expenditure	350.631	-	350.631
Additions/reversals of Impairment in the year (Note 35)	102.659	-	102.659
Depreciation for the year (Note 26)	( 614.594 )	( 10.067.480 )	( 10.682.074 )
Transfers	( 894.790 )	-	( 894.790 )
Disposals and write-offs (net)	( 379.527 )	( 23.562 )	( 403.089 )
Other movements	( 154.608 )	( 33.959 )	( 188.567 )
<b>Balances at 31 December 2022</b>			
Gross amount	36.239.489	55.382.347	91.621.835
Accumulated depreciation and impairment	( 9.242.121 )	( 33.662.401 )	( 42.904.522 )
	<b>26.997.368</b>	<b>21.719.946</b>	<b>48.717.314</b>

(continuation)

(values in euros)

	Property Rights	Own use Right-of-Use	Total
Additions			
By acquisitions made in the year	-	31.981.130	31.981.130
By subsequent expenditure	3.276.755	-	3.276.755
Additions/reversals of Impairment in the year (Note 35)	( 3.151.405 )	-	( 3.151.405 )
Depreciation for the year (Note 26)	( 418.104 )	( 13.353.349 )	( 13.771.453 )
Transfers	865.747	-	865.747
Disposals and write-offs (net)	( 12.633.199 )	( 733.622 )	( 13.366.821 )
Other movements	( 166.685 )	-	( 166.685 )
<b>Balances at 31 December 2023</b>			
Gross amount	22.562.070	66.935.943	89.498.012
Accumulated depreciation and impairment	( 7.791.593 )	( 27.321.836 )	( 35.113.429 )
	<b>14.770.477</b>	<b>39.614.106</b>	<b>54.384.583</b>

Properties for own use are valued at cost and subject to impairment tests in line with the option set out in IAS 16, as described in Note 2.7. Own-use buildings are depreciated throughout their useful life.

If the Company had opted to value properties for own use of property rights by the fair value, its balance sheet value would be 14,851,275 Euros in 2023 and 30,270,300 Euros in 2022.

## 10. INVESTMENT PROPERTIES

In the years 2023 and 2022, the movement occurred under the heading "Investment properties" was as follows:

(values in euros)

<b>Balances at 31 December 2021</b>	<b>59.786.319</b>
Additions	
By acquisition made in the year	26.395
By subsequent expenditure	1.621.155
Revaluation	
As a charge to the income statement (note 34)	( 295.030 )
As a charge to shareholders' equity	44.448
Transfers	894.790
Disposals and write-offs (net)	( 30.174.699 )
<b>Balances at 31 December 2022</b>	<b>31.903.379</b>
By acquisition made in the year	31.040
By subsequent expenditure	2.290.318

(continuation)

(values in euros)

Revaluation	
As a charge to the income statement (note 34)	( 1.004.508 )
Transfers	( 1.087.000 )
Disposals and write-offs (net)	( 21.072.549 )
<b>Balances at 31 December 2023</b>	<b>11.060.680</b>

Investment properties are also valued at fair value, in line with the treatment provided for in IAS 40 and mentioned in Note 2.6 and Note 2.13.

## 11. OTHER TANGIBLE ASSETS AND INVENTORIES

In 2023 and 2022, the “Other tangible assets” and “Inventories” headings saw the following movements:

(values in euros)

	2023									
	Opening balances		Additions	Depreciation for the year (Note 26)	Transfers	Disposals and write-offs (net)	Other movements	Closing balances		
	Gross amount	Accumulated depreciation and impairment						Gross amount	Accumulated depreciation and impairment	Net amount
Equipment										
Administrative equipment	19.909.953	(19.649.649)	266.715	(320.435)	-	(2.379)	-	18.873.210	(18.669.005)	204.205
Machinery and tools	8.867.781	(8.483.023)	14.478	(312.820)	-	-	-	8.855.065	(8.768.648)	86.417
IT Equipment	17.785.103	(14.685.627)	1.380.887	(1.558.212)	-	(856)	-	15.635.290	(12.713.995)	2.921.295
Indoor facilities	26.838.529	(19.779.147)	-	(1.133.607)	173.261	-	-	26.780.727	(20.681.692)	6.099.035
Transport equipment	2.481	(2.481)	-	-	-	-	-	2.481	(2.481)	-
Hospital equipment	15.964	(15.964)	-	-	-	-	-	11.156	(11.156)	-
Safety equipment	1.529.169	(1.459.755)	8.269	(27.786)	-	-	-	915.386	(865.489)	49.897
Other equipment	1.981.557	(1.980.489)	-	(1.072)	-	-	10.246	1.990.528	(1.980.285)	10.243
Artistic assets	1.960.305	-	37.758	-	-	-	-	1.998.063	-	1.998.063
Tangible assets in progress	1.489.771	-	144.743	-	(173.261)	-	-	1.461.254	-	1.461.254
	<b>80.380.614</b>	<b>(66.056.135)</b>	<b>1.852.850</b>	<b>(3.353.932)</b>	<b>-</b>	<b>(3.235)</b>	<b>10.246</b>	<b>76.523.160</b>	<b>(63.692.751)</b>	<b>12.830.409</b>

(continuation)

(values in euros)

	2023									
	Opening balances		Additions	Depreciation for the year (Note 26)	Transfers	Disposals and write-offs (net)	Other movements	Closing balances		
	Gross amount	Accumulated depreciation and impairment						Gross amount	Accumulated depreciation and impairment	Net amount
<b>Leased assets</b>										
Equipment										
IT Equipment	7.877.687	(5.566.629)	2.033.321	(1.107.068)	-	(5.485)	-	9.772.404	(6.540.577)	3.231.827
Transport equipment	5.037.017	(3.346.885)	2.110.932	(1.209.111)	-	(2.894)	-	6.983.797	(4.394.739)	2.589.058
	<b>12.914.703</b>	<b>(8.913.514)</b>	<b>4.144.253</b>	<b>(2.316.179)</b>	<b>-</b>	<b>(8.379)</b>	<b>-</b>	<b>16.756.201</b>	<b>(10.935.316)</b>	<b>5.820.885</b>
	<b>93.295.317</b>	<b>(74.969.649)</b>	<b>5.997.104</b>	<b>(5.670.111)</b>	<b>-</b>	<b>(11.614)</b>	<b>10.246</b>	<b>93.279.361</b>	<b>(74.628.067)</b>	<b>18.651.294</b>
Inventories	11.002	-	8.930	-	-	(19.932)	-	-	-	-
	<b>93.306.319</b>	<b>(74.969.649)</b>	<b>6.006.034</b>	<b>(5.670.111)</b>	<b>-</b>	<b>(31.546)</b>	<b>10.246</b>	<b>93.279.361</b>	<b>(74.628.067)</b>	<b>18.651.294</b>



(values in euros)

	2022									
	Opening balances		Additions	Depreciation for the year (Note 26)	Transfers	Disposals and write-offs (net)	Other movements	Closing balances		
	Gross amount	Accumulated depreciation and impairment						Gross amount	Accumulated depreciation and impairment	Net amount
Equipment										
Administrative equipment	19.608.060	( 19.291.825 )	308.209	( 363.061 )	-	-	( 1.079 )	19.909.953	( 19.649.649 )	260.304
Machinery and tools	8.889.441	( 7.915.441 )	26.944	( 613.751 )	-	-	( 2.434 )	8.867.781	( 8.483.023 )	384.759
IT Equipment	14.815.559	( 13.537.638 )	2.239.960	( 1.905.254 )	1.494.508	-	( 7.660 )	17.785.103	( 14.685.627 )	3.099.476
Indoor facilities	30.072.657	( 22.619.839 )	801.184	( 1.077.090 )	-	-	( 117.530 )	26.838.529	( 19.779.147 )	7.059.382
Transport equipment	2.481	( 2.481 )	-	-	-	-	-	2.481	( 2.481 )	-
Hospital equipment	15.964	( 15.964 )	-	-	-	-	-	15.964	( 15.964 )	-
Safety equipment	1.530.936	( 1.423.580 )	2.426	( 38.153 )	-	-	( 2.215 )	1.529.169	( 1.459.755 )	69.414
Other equipment	2.028.231	( 1.993.704 )	747	( 25.892 )	-	-	( 8.313 )	1.981.557	( 1.980.489 )	1.069
Artistic assets	1.960.305	-	-	-	-	-	-	1.960.305	-	1.960.305
Tangible assets in progress	3.415.875	-	33.473	-	( 1.494.508 )	-	( 465.068 )	1.489.771	-	1.489.771
	<b>82.339.508</b>	<b>( 66.800.472 )</b>	<b>3.412.943</b>	<b>( 4.023.201 )</b>	<b>-</b>	<b>-</b>	<b>( 604.299 )</b>	<b>80.380.614</b>	<b>( 66.056.135 )</b>	<b>14.324.479</b>

	2022									
	Opening balances		Additions	Depreciation for the year (Note 26)	Transfers	Disposals and write-offs (net)	Other movements	Closing balances		
	Gross amount	Accumulated depreciation and impairment						Gross amount	Accumulated depreciation and impairment	Net amount
<b>Leased assets</b>										
Equipment										
IT Equipment	5.392.187	(4.834.391)	2.485.500	(732.238)	-	-	-	7.877.687	(5.566.629)	2.311.058
Transport equipment	5.482.069	(2.831.707)	416.906	(883.197)	-	-	(493.940)	5.037.017	(3.346.885)	1.690.131
	<b>10.874.255</b>	<b>(7.666.098)</b>	<b>2.902.405</b>	<b>(1.615.434)</b>	-	-	<b>(493.940)</b>	<b>12.914.703</b>	<b>(8.913.514)</b>	<b>4.001.189</b>
	<b>93.213.764</b>	<b>(74.466.570)</b>	<b>6.315.348</b>	<b>(5.638.635)</b>	-	-	<b>(1.098.239)</b>	<b>93.295.317</b>	<b>(74.969.649)</b>	<b>18.325.669</b>
Inventories	1.644	-	19.631	-	-	(10.274)	-	11.002	-	11.002
	<b>93.215.408</b>	<b>(74.466.570)</b>	<b>6.334.979</b>	<b>(5.638.635)</b>	-	<b>(10.274)</b>	<b>(1.098.239)</b>	<b>93.306.319</b>	<b>(74.969.649)</b>	<b>18.336.670</b>

At 31 December 2023, the heading "Tangible assets" includes fully amortised assets, but which are still in use, in the gross amount of 67,702,103 Euros.

## 12. OTHER INTANGIBLE ASSETS

In the years 2023 and 2022, the movement in the heading other intangible assets was as follows:

(values in euros)

	2023									
	Opening balances		Additions	Depreciation for the year (Note 26)	Transfers	Outros		Closing balances		Net amount
	Gross amount	Accumulated depreciation and impairment				Depreciation adjustments	Disposals and write-offs (net)	Gross amount	Accumulated depreciation and impairment	
Automatic data processing systems										
(software)	77.903.994	(60.607.373)	346.587	(4.188.971)	3.603.278	3.524	-	81.853.859	(64.792.821)	17.061.038
Other Intangible assets	4.550.060	(63.724)	-	(752.475)	-	-	(732.460)	3.671.108	(669.706)	3.001.402
Intangible assets in progress	43.419.742	-	16.864.401	-	(3.603.278)	-	-	56.680.866	-	56.680.866
	<b>125.873.796</b>	<b>(60.671.097)</b>	<b>17.210.988</b>	<b>(4.941.446)</b>	<b>-</b>	<b>3.524</b>	<b>(732.460)</b>	<b>142.205.832</b>	<b>(65.462.527)</b>	<b>76.743.305</b>

(values in euros)

	2022								
	Opening balances		Additions	Amortisations in the year (Nota 26)	Transfers	Disposals and write-offs (net)	Closing balances		Net amount
	Gross amount	Accumulated depreciation and impairment					Gross amount	Accumulated depreciation and impairment	
Automatic data processing systems (software)	76.282.512	(56.725.648)	197.730	(3.939.361)	2.561.098	(1.079.710)	77.903.994	(60.607.373)	17.296.620
Other intangible assets	-	-	-	(63.724)	4.550.060	-	4.550.060	(63.724)	4.486.337
Intangible assets in progress	33.550.590	-	16.992.212	-	(7.111.158)	(11.902)	43.419.742	-	43.419.742
	<b>109.833.102</b>	<b>(56.725.648)</b>	<b>17.189.942</b>	<b>(4.003.084)</b>	<b>-</b>	<b>(1.091.612)</b>	<b>125.873.796</b>	<b>(60.671.097)</b>	<b>65.202.699</b>

At 31 December 2023 and 2022, the figures recorded in "Intangible assets in progress" refer to costs incurred with the development of new IT applications (software).

In the years 2023 and 2022, the Company directly recognised in the Income Statement external expenses related to research, development and maintenance of automatic data processing systems, in the amounts of 27,298,215 Euros and 25,985,751 Euros, respectively.

### 13. INSURANCE AND REINSURANCE CONTRACTS

On 31 December of 2023 and 2022, the values of insurance contract assets and insurance contract liabilities are broken down as follows:

(values in euros)

	Non-life insurance							Total Non-Life	Total
	Life insurance	Accidents and Health	Fire	Motor	Third-party liability	Others			
<b>31 December 2023</b>									
<b>Insurance contracts</b>									
Insurance contract liabilities	1.708.324.566	1.356.827.855	269.443.048	517.812.580	184.887.839	22.507.195	2.351.478.517	4.059.803.083	
<b>Reinsurance contracts</b>									
Assets from reinsurance contracts	41.891.340	163.302.792	151.042.530	14.796.530	111.810.824	8.826.259	449.778.935	491.670.275	
<b>31 December 2022</b>									
<b>Insurance contracts</b>									
Insurance contract liabilities	1.930.162.009	1.233.924.669	243.233.103	462.399.167	158.139.989	29.214.316	2.126.911.244	4.057.073.253	
<b>Reinsurance contracts</b>									
Assets from reinsurance contracts	42.699.186	148.428.222	136.351.416	12.606.747	86.843.720	13.261.559	397.491.665	440.190.851	

The movement in assets and liabilities of direct insurance and accepted reinsurance contracts, measured using the premium allocation approach, during the financial years 2023 and 2022, was the following:

(values in euros)

	2023				
	Remaining coverage	Liabilities for incurred claims Measured under premium allocation approach			Total
		Estimates of present value of future cash flows	Risk adjustments	Subtotal	
<b>Opening balance</b>	<b>330,503,452</b>	<b>1,817,690,384</b>	<b>58,124,902</b>	<b>1,875,815,286</b>	<b>2,206,318,738</b>
Insurance revenue	( 2,155,209,098 )	-	-	-	( 2,155,209,098 )
<b>Insurance service expenses</b>					
Incurred claims and other insurance service expenses	-	1,415,324,618	22,771,664	1,438,096,282	1,438,096,282
Amortisation of insurance acquisition cash flows	405,717,713	-	-	-	405,717,713
Adjustments to liabilities for incurred claims	-	45,149,394	( 18,540,958 )	26,608,436	26,608,436
	<b>405,717,713</b>	<b>1,460,474,012</b>	<b>4,230,706</b>	<b>1,464,704,717</b>	<b>1,870,422,431</b>
<b>Insurance service result, before reinsurance effect</b>	<b>( 1,749,491,385 )</b>	<b>1,460,474,012</b>	<b>4,230,706</b>	<b>1,464,704,717</b>	<b>( 284,786,668 )</b>
Financial component changes in the statement of profit or loss and other comprehensive income	-	93,318,448	2,526,091	95,844,539	95,844,539
Total changes in the statement of profit or loss and other comprehensive income	( 1,749,491,385 )	1,553,792,460	6,756,797	1,560,549,256	( 188,942,129 )
<b>Cash flows</b>					
Premiums received	2,162,814,347	-	-	-	2,162,814,347
Claims and other insurance service expenses paid, including investment components	-	( 1,335,586,362 )	-	( 1,335,586,362 )	( 1,335,586,362 )
Acquisition costs cash flows	( 405,454,743 )	-	-	-	( 405,454,743 )
<b>Total cash flows</b>	<b>1,757,359,604</b>	<b>( 1,335,586,362 )</b>	<b>-</b>	<b>( 1,335,586,362 )</b>	<b>421,773,242</b>
<b>Closing balance</b>	<b>338,371,671</b>	<b>2,035,896,481</b>	<b>64,881,699</b>	<b>2,100,778,180</b>	<b>2,439,149,851</b>

	2023				
	Liabilities for incurred claims Measured under premium allocation approach				Total
	Remaining coverage	Estimates of present value of future cash flows	Risk adjustments	Subtotal	
<b>Opening balance</b>	<b>300,717,548</b>	<b>2,042,139,077</b>	<b>60,061,767</b>	<b>2,102,200,844</b>	<b>2,402,918,392</b>
Insurance revenue	(1,921,375,634)	-	-	-	(1,921,375,634)
<b>Insurance service expenses</b>					
Incurred claims and other insurance service expenses	-	1,229,034,871	17,120,846	1,246,155,717	1,246,155,717
Amortisation of insurance acquisition cash flows	338,642,062	-	-	-	338,642,062
Adjustments to liabilities for incurred claims	-	98,997,212	(11,062,761)	87,934,451	87,934,451
	<b>338,642,062</b>	<b>1,328,032,083</b>	<b>6,058,086</b>	<b>1,334,090,168</b>	<b>1,672,732,231</b>
<b>Insurance service result, before reinsurance effect</b>	<b>(1,582,733,571)</b>	<b>1,328,032,083</b>	<b>6,058,086</b>	<b>1,334,090,168</b>	<b>(248,643,403)</b>
Financial component changes in the statement of profit or loss and other comprehensive income	-	(332,313,810)	(7,994,950)	(340,308,760)	(340,308,760)
Total changes in the statement of profit or loss and other comprehensive income	(1,582,733,571)	995,718,273	(1,936,865)	993,781,408	(588,952,163)
<b>Cash flows</b>					
Premiums received	1,962,980,931	-	-	-	1,962,980,931
Claims and other insurance service expenses paid, including investment components	-	(1,214,611,328)	-	(1,214,611,328)	(1,214,611,328)
Acquisition costs cash flows	(348,355,214)	-	-	-	(348,355,214)
<b>Total cash flows</b>	<b>1,612,519,475</b>	<b>(1,220,166,966)</b>	<b>-</b>	<b>(1,220,166,966)</b>	<b>392,352,509</b>
<b>Closing balance</b>	<b>330,503,452</b>	<b>1,817,690,384</b>	<b>58,124,902</b>	<b>1,875,815,286</b>	<b>2,206,318,738</b>

The line "Other cash flows" corresponds to the portfolio outflow associated with the integration of the previous Mozambican life and non-life branches in Fidelidade Moçambique (formerly known as Seguradora Internacional de Moçambique, S.A.)

The movement in assets and liabilities of ceded reinsurance contracts, measured using the premium allocation approach, during the financial years 2023 and 2022, was as follows:

(values in euros)

	2023				
	Liabilities for incurred claims				Total
	Remaining coverage	Estimates of present value of future cash flows	Risk adjustment	Subtotal	
<b>Opening balance</b>	<b>132,689,953</b>	<b>291,998,122</b>	<b>15,502,776</b>	<b>307,500,898</b>	<b>440,190,851</b>
Allocation of reinsurance premium paid	( 696,930,904 )	-	-	-	( 696,930,904 )
<b>Amounts recoverable from reinsurers</b>					
Recoveries of incurred claims and other insurance service expenses	-	449,250,844	7,731,016	456,981,860	456,981,860
Adjustments to assets for incurred claims	-	43,141,421	( 6,278,667 )	36,862,753	36,862,753
	-	<b>492,392,265</b>	<b>1,452,348</b>	<b>493,844,613</b>	<b>493,844,613</b>
Effect of changes in non-performance risk of reinsurers	-	2,302,391	-	2,302,391	2,302,391
<b>Net expenses from reinsurance contracts</b>	<b>( 696,930,904 )</b>	<b>494,694,655</b>	<b>1,452,348</b>	<b>496,147,004</b>	<b>( 200,783,900 )</b>
Financial component changes in the statement of profit or loss and other comprehensive income	-	4,952,455	346,408	5,298,863	5,298,863
<b>Total changes in the statement of profit or loss and other comprehensive income</b>	<b>( 696,930,904 )</b>	<b>499,647,110</b>	<b>1,798,756</b>	<b>501,445,866</b>	<b>( 195,485,037 )</b>
<b>Cash flows</b>					
Premiums paid	693,887,009	-	-	-	693,887,009
Amounts received	-	( 446,922,548 )	-	( 446,922,548 )	( 446,922,548 )
<b>Total cash flows</b>	<b>693,887,009</b>	<b>( 446,922,548 )</b>	<b>-</b>	<b>( 446,922,548 )</b>	<b>246,964,462</b>
<b>Closing balance</b>	<b>129,646,059</b>	<b>344,722,684</b>	<b>17,301,532</b>	<b>362,024,216</b>	<b>491,670,275</b>

	2022				
	Remaining coverage	Liabilities for incurred claims			Subtotal
Estimates of present value of future cash flows		Risk adjustment			
<b>Opening balance</b>	<b>109,559,474</b>	<b>268,634,875</b>	<b>14,604,084</b>	<b>283,238,959</b>	<b>392,798,433</b>
Allocation of reinsurance premium paid	( 637,555,460 )	-	-	-	( 637,555,460 )
<b>Amounts recoverable from reinsurers</b>					
Recoveries of incurred claims and other insurance service expenses	-	402,928,530	7,440,168	410,368,698	410,368,698
Adjustments to assets for incurred claims	-	38,763,367	( 5,785,397 )	32,977,970	32,977,970
	-	<b>441,691,896</b>	<b>1,654,772</b>	<b>443,346,668</b>	<b>443,346,668</b>
Effect of changes in non-performance risk of reinsurers	-	716,202	-	716,202	716,202
<b>Net expenses from reinsurance contracts</b>	<b>( 637,555,460 )</b>	<b>442,408,098</b>	<b>1,654,772</b>	<b>444,062,870</b>	<b>( 193,492,590 )</b>
Financial component changes in the statement of profit or loss and other comprehensive income	-	( 13,242,413 )	( 756,079 )	( 13,998,492 )	( 13,998,492 )
<b>Total changes in the statement of profit or loss and other comprehensive income</b>	<b>( 637,555,460 )</b>	<b>429,165,685</b>	<b>898,692</b>	<b>430,064,378</b>	<b>( 207,491,082 )</b>
<b>Cash flows</b>					
Premiums paid	661,163,351	-	-	-	661,163,351
Amounts received	-	( 404,734,454 )	-	( 404,734,454 )	( 404,734,454 )
Other cash flows	( 477,413 )	( 1,067,985 )	-	( 1,067,985 )	( 1,545,397 )
<b>Total cash flows</b>	<b>660,685,939</b>	<b>( 405,802,439 )</b>	<b>-</b>	<b>( 405,802,439 )</b>	<b>254,883,500</b>
<b>Closing balance</b>	<b>132,689,953</b>	<b>291,998,122</b>	<b>15,502,776</b>	<b>307,500,898</b>	<b>440,190,851</b>



The movement in the assets and liabilities of direct insurance and accepted reinsurance contracts, measured using the general model, during 2023 and 2022 was as follows:

(values in euros)

	2023			2023			Total
	Remaining coverage			Incurred claims			
	Excluding loss component	Loss component	Subtotal	Estimates of present value of future cash flows	Risk adjustment	Subtotal	
<b>Opening balance</b>	<b>1,791,167,517</b>	<b>3,158,166</b>	<b>1,794,325,683</b>	<b>51,591,254</b>	<b>4,837,577</b>	<b>56,428,831</b>	<b>1,850,754,515</b>
Changes in the statement of profit or loss and other comprehensive income							
Insurance revenue	138,867,161	-	138,867,161	-	-	-	138,867,161
Insurance service expenses							
Incurred claims and other insurance service expenses	-	-	-	58,992,622	4,222,525	63,215,148	63,215,148
Amortisation of insurance acquisition cash flows	5,506,383	-	5,506,383	-	-	-	5,506,383
Losses and reversals of losses on onerous contracts	-	4,993,567	4,993,567	-	-	-	4,993,567
Adjustments to liabilities for incurred claims	-	-	-	14,118,823	( 2,946,559 )	11,172,264	11,172,264
Other expenses	4,766,982	-	4,766,982	-	-	-	4,766,982
	<b>10,273,365</b>	<b>4,993,567</b>	<b>15,266,932</b>	<b>73,111,445</b>	<b>1,275,966</b>	<b>74,387,411</b>	<b>89,654,344</b>

(continuation)

(values in euros)

	2023						
	Remaining coverage			Incurred claims			Total
	Excluding loss component	Loss component	Subtotal	Estimates of present value of future cash flows	Risk adjustment	Subtotal	
Investment components and premium refunds	( 241,398,219 )	-	( 241,398,219 )	241,398,219	-	241,398,219	-
<b>Insurance service result, before reinsurance effect</b>	<b>( 369,992,015 )</b>	<b>4,993,567</b>	<b>( 364,998,448 )</b>	<b>314,509,664</b>	<b>1,275,966</b>	<b>315,785,631</b>	<b>( 49,212,817 )</b>
Net finance expenses from insurance contracts	34,905,310	-	34,905,310	17,935	1,797	19,732	34,925,042
Other changes in other comprehensive income	24,723,571	-	24,723,571	793,978	79,398	873,375	25,596,947
<b>Total changes in the statement of profit or loss and other comprehensive income</b>	<b>( 310,363,134 )</b>	<b>4,993,567</b>	<b>( 305,369,567 )</b>	<b>315,321,578</b>	<b>1,357,161</b>	<b>316,678,738</b>	<b>11,309,172</b>
Cash flows							
Premiums received	70,686,914	-	70,686,914	-	-	-	70,686,914
Claims and other insurance service expenses paid, including investment components	-	-	-	( 301,422,247 )	-	( 301,422,247 )	( 301,422,247 )
Acquisition costs cash flows	( 10,675,122 )	-	( 10,675,122 )	-	-	-	( 10,675,122 )
<b>Total cash flows</b>	<b>60,011,792</b>	<b>-</b>	<b>60,011,792</b>	<b>( 301,422,247 )</b>	<b>-</b>	<b>( 301,422,247 )</b>	<b>( 241,410,455 )</b>
<b>Closing balance</b>	<b>1,540,816,176</b>	<b>8,151,733</b>	<b>1,548,967,909</b>	<b>65,490,584</b>	<b>6,194,738</b>	<b>71,685,322</b>	<b>1,620,653,231</b>

	2022						
	Remaining coverage			Incurred claims			Total
	Excluding loss component	Loss component	Subtotal	Estimates of present value of future cash flows	Risk adjustment	Subtotal	
<b>Opening balance</b>	<b>1,791,167,517</b>	<b>3,158,166</b>	<b>1,794,325,683</b>	<b>51,591,254</b>	<b>4,837,577</b>	<b>56,428,831</b>	<b>1,850,754,515</b>
Changes in the statement of profit or loss and other comprehensive income							
Insurance revenue	138,867,161	-	138,867,161	-	-	-	138,867,161
Insurance service expenses							
Incurred claims and other insurance service expenses	-	-	-	58,992,622	4,222,525	63,215,148	63,215,148
Amortisation of insurance acquisition cash flows	5,506,383	-	5,506,383	-	-	-	5,506,383
Losses and reversals of losses on onerous contracts	-	4,993,567	4,993,567	-	-	-	4,993,567
Adjustments to liabilities for incurred claims	-	-	-	14,118,823	(2,946,559)	11,172,264	11,172,264
Other expenses	4,766,982	-	4,766,982	-	-	-	4,766,982
	<b>10,273,365</b>	<b>4,993,567</b>	<b>15,266,932</b>	<b>73,111,445</b>	<b>1,275,966</b>	<b>74,387,411</b>	<b>89,654,344</b>

(continuation)

(values in euros)

	2022						
	Remaining coverage			Incurred claims			Total
	Excluding loss component	Loss component	Subtotal	Estimates of present value of future cash flows	Risk adjustment	Subtotal	
Investment components and premium refunds	( 241,398,219 )	-	( 241,398,219 )	241,398,219	-	241,398,219	-
<b>Insurance service result, before reinsurance effect</b>	<b>( 369,992,015 )</b>	<b>4,993,567</b>	<b>( 364,998,448 )</b>	<b>314,509,664</b>	<b>1,275,966</b>	<b>315,785,631</b>	<b>( 49,212,817 )</b>
Net finance expenses from insurance contracts	34,905,310	-	34,905,310	17,935	1,797	19,732	34,925,042
Other changes in other comprehensive income	24,723,571	-	24,723,571	793,978	79,398	873,375	25,596,947
Total changes in the statement of profit or loss and other comprehensive income	( 310,363,134 )	4,993,567	( 305,369,567 )	315,321,578	1,357,161	316,678,738	11,309,172
Cash flows							
Premiums received	70,686,914	-	70,686,914	-	-	-	70,686,914
Claims and other insurance service expenses paid, including investment components	-	-	-	( 301,422,247 )	-	( 301,422,247 )	( 301,422,247 )
Acquisition costs cash flows	( 10,675,122 )	-	( 10,675,122 )	-	-	-	( 10,675,122 )
<b>Total cash flows</b>	<b>60,011,792</b>	<b>-</b>	<b>60,011,792</b>	<b>( 301,422,247 )</b>	<b>-</b>	<b>( 301,422,247 )</b>	<b>( 241,410,455 )</b>
<b>Closing balance</b>	<b>1,540,816,176</b>	<b>8,151,733</b>	<b>1,548,967,909</b>	<b>65,490,584</b>	<b>6,194,738</b>	<b>71,685,322</b>	<b>1,620,653,231</b>

Analysis by insurance component - Contracts not measured using the premium allocation approach

(values in euros)

	2023				2022			
	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
<b>Opening balance</b>	<b>1,510,654,643</b>	<b>28,721,044</b>	<b>311,378,828</b>	<b>1,850,754,515</b>	<b>1,824,699,283</b>	<b>27,296,936</b>	<b>409,051,940</b>	<b>2,261,048,159</b>
Changes in the statement of profit or loss and other comprehensive income								
Changes that relate to current services								
CSM recognised for services received	-	-	(59,401,119)	(59,401,119)	-	-	(58,710,936)	(58,710,936)
Change in risk adjustment for non-financial risk for risk expired	-	1,553,921	-	1,553,921	-	(1,706,364)	-	(1,706,364)
Experience adjustments	(7,531,453)	-	-	(7,531,453)	(48,825,716)	-	-	(48,825,716)
	<b>(7,531,453)</b>	<b>1,553,921</b>	<b>(59,401,119)</b>	<b>(65,378,651)</b>	<b>(48,825,716)</b>	<b>(1,706,364)</b>	<b>(58,710,936)</b>	<b>(109,243,016)</b>
Changes that relate to remaining coverage								
Contracts initially recognised in the year	(27,806,390)	3,435,866	25,609,925	1,239,401	(24,902,790)	3,987,259	21,962,842	1,047,311
Changes in estimates that adjust the CSM	(13,476,607)	(3,526,882)	17,003,490	1	56,004,036	6,734,976	(62,739,012)	-
Changes in estimates that do not adjust the CSM	3,739,087	15,080	-	3,754,167	2,010,363	100,492	-	2,110,855
	<b>(37,543,910)</b>	<b>(75,936)</b>	<b>42,613,415</b>	<b>4,993,569</b>	<b>33,111,609</b>	<b>10,822,727</b>	<b>(40,776,170)</b>	<b>3,158,166</b>

(continuation)

(values in euros)

	2023				2022			
	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
Changes that relate to incurred claims								
Adjustments to assets for								
incurred claims	14,118,824	(2,946,560)	-	11,172,264	29,921,679	(581,820)	-	29,339,859
	<b>14,118,824</b>	<b>(2,946,560)</b>	<b>-</b>	<b>11,172,264</b>	<b>29,921,679</b>	<b>(581,820)</b>	<b>-</b>	<b>29,339,859</b>
<b>Insurance service result</b>	<b>(30,956,539)</b>	<b>(1,468,575)</b>	<b>(16,787,704)</b>	<b>(49,212,818)</b>	<b>14,207,572</b>	<b>8,534,543</b>	<b>(99,487,106)</b>	<b>(76,744,991)</b>
Net finance expenses from								
insurance contracts	32,139,804	161,310	2,623,928	34,925,042	10,766,188	(34,482)	1,813,992	12,545,698
Other changes in other c								
omprehensive income	22,541,535	3,055,411	-	25,596,946	(133,288,067)	(7,075,952)	-	(140,364,019)
<b>Total changes in the statement of profit or loss and other comprehensive income</b>	<b>23,724,800</b>	<b>1,748,146</b>	<b>(14,163,776)</b>	<b>11,309,170</b>	<b>(108,314,307)</b>	<b>1,424,109</b>	<b>(97,673,114)</b>	<b>(204,563,312)</b>
Cash flows								
Premiums received	70,686,915	-	-	70,686,915	91,417,518	-	-	91,417,518
Claims and other insurance service expenses paid, including investment components	(10,675,122)	-	-	(10,675,122)	(12,520,549)	-	-	(12,520,549)
Acquisition costs cash flows	(301,422,244)	-	-	(301,422,244)	(284,627,299)	-	-	(284,627,299)
<b>Total cash flows</b>	<b>(241,410,451)</b>	<b>-</b>	<b>-</b>	<b>(241,410,451)</b>	<b>(205,730,330)</b>	<b>-</b>	<b>-</b>	<b>(205,730,330)</b>
<b>Closing balance</b>	<b>1,292,968,992</b>	<b>30,469,190</b>	<b>297,215,052</b>	<b>1,620,653,234</b>	<b>1,510,654,646</b>	<b>28,721,045</b>	<b>311,378,826</b>	<b>1,850,754,517</b>

Analysis of the effect of contracts initially recognized in the year:

(values in euros)

	Profitable contracts	Contracts Onerous	Total
<b>31 December 2023</b>			
Claims occurred and other expenses attributable to insurance contracts	61.523.399	6.371.646	67.895.045
Acquisition costs attributable to insurance contracts	7.619.946	92.720	7.712.666
Estimated present value of cash outflows	69.143.344	6.464.366	75.607.711
Estimated value of cash inflows	( 97.999.061 )	( 5.415.040 )	( 103.414.101 )
Risk adjustment	3.245.792	190.074	3.435.866
Contractual Service Margin	25.609.925	-	25.609.925
<b>Initially recognized losses</b>	<b>-</b>	<b>1.239.401</b>	<b>1.239.401</b>
<b>31 December 2022</b>			
Claims occurred and other expenses attributable to insurance contracts	72.247.574	3.949.435	76.197.009
Acquisition costs attributable to insurance contracts	13.362.074	11.476	13.373.551
Estimated present value of cash outflows	85.609.648	3.960.911	89.570.560
Estimated value of cash inflows	( 111.461.511 )	( 3.011.838 )	( 114.473.350 )
Risk adjustment	3.889.020	98.238	3.987.259
Contractual Service Margin	21.962.842	-	21.962.842
<b>Initially recognized losses</b>	<b>-</b>	<b>1.047.311</b>	<b>1.047.311</b>

The contractual service margin release pattern in the assets and liabilities of direct insurance and accepted reinsurance contracts, measured using the general model, during 2023 and 2022 was as follows:

(values in euros)

	Less than or equal to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
<b>31 December 2023</b>							
Insurance with profit sharing	42.735.168	32.132.562	14.862.456	14.137.181	11.551.219	84.807.268	200.225.854
Other life insurance	4.868.710	4.861.886	4.001.238	3.094.283	2.353.057	77.810.024	96.989.199
	<b>47.603.878</b>	<b>36.994.448</b>	<b>18.863.693</b>	<b>17.231.465</b>	<b>13.904.276</b>	<b>162.617.293</b>	<b>297.215.053</b>
<b>31 December 2022</b>							
Insurance with profit sharing	38.976.833	42.560.444	31.374.494	11.461.327	11.254.999	86.580.075	222.208.173
Other life insurance	5.590.121	4.486.849	3.869.925	3.096.417	2.374.412	69.752.932	89.170.655
	<b>44.566.955</b>	<b>47.047.293</b>	<b>35.244.419</b>	<b>14.557.744</b>	<b>13.629.412</b>	<b>156.333.007</b>	<b>311.378.828</b>



## 14. OTHER DEBTORS FOR INSURANCE OPERATIONS AND OTHER OPERATIONS

At 31 December 2023 and 2022, the breakdown of this heading was as follows:

(values in euros)

	2023	2022
<b>Accounts receivable for direct insurance operations</b>		
Premiums pending collection	37.557.377	29.497.500
Brokers	58.323.785	60.751.991
Co-insurers	10.224.226	6.744.185
Workers' compensation fund	2.797.351	2.070.478
Instituto de Financiamento de Agricultura e Pescas I.P. (IFAP)	2.466.681	413.761
	<b>111.369.420</b>	<b>99.477.914</b>
(Adjustments to premiums pending collection – Note 35)	( 11.137.912)	( 8.490.245)
(IFAP Adjustments – Note 35)	( 584.864)	( 247.225)
	<b>( 11.722.776)</b>	<b>( 8.737.470)</b>
	<b>99.646.644</b>	<b>90.740.444</b>
<b>Accounts receivable for other reinsurance operations</b>		
Reinsurers' current accounts	61.827.605	22.137.263
Reinsureds' current accounts	10.903.118	2.261.174
	<b>72.730.723</b>	<b>24.398.437</b>
(Adjustments for doubtful debts – Note 35)	( 7.688.511)	( 7.257.888)
	<b>65.042.212</b>	<b>17.140.549</b>

	2023	2022
<b>Accounts receivable for other operations</b>		
Aggregate tax	14.524.945	55.827.776
Mandate Contracts	2.741.247	13.688.905
Taxes to recover	2.449.799	4.765.438
Group companies	4.361.297	3.622.264
Internal adjustment accounts	2.838.264	1.927.526
Instituto de Financiamento de Agricultura e Pescas I.P. (IFAP)	2.357.963	1.691.447
Rental properties	2.187.071	1.622.995
Advance to suppliers	1.686.503	1.227.741
Clients – current accounts	5.113.901	957.954
Others	6.083.947	3.299.201
	<b>44.344.936</b>	<b>88.631.247</b>
(Adjustments for doubtful debts – Note 35)	( 6.888.513 )	( 7.010.932 )
	<b>37.456.423</b>	<b>81.620.314</b>
	<b>202.145.279</b>	<b>189.501.308</b>

The balances receivable from IFAP correspond essentially to bonuses and compensation for excess claims related to harvest insurance campaigns in 2023.

The balance of the heading “Aggregate tax” corresponds to the amount of tax receivable from Longrun resulting from the application of the Special Taxation Regime for Corporate Groups (STRCG).

## 15. TAX ASSETS AND LIABILITIES

The balances for tax assets and liabilities at 31 December 2023 and 2022 were as follows:

(values in euros)

	2023	2022
<b>Current tax assets</b>		
Income tax recover	11.035.854	-
Others		
Value-added tax	3.906.193	6.164.666
Others	19.376	20.121
	<b>14.961.422</b>	<b>6.184.787</b>
<b>Current tax liabilities</b>		
Income tax payable	-	( 10.916.478 )
Others		
Stamp duty	( 8.848.021 )	( 4.967.999 )
Motor insurance guarantee fund tax	( 2.256.963 )	( 2.067.797 )
Workers' compensation fund tax	( 4.799.494 )	( 4.559.925 )
National civil protection authority tax	( 2.402.021 )	( 2.539.406 )

(continuation)

(values in euros)

	2023	2022
Insurance and pension funds supervisory authority tax	( 2.551.987 )	( 2.347.162 )
National institute of medical emergency tax	( 3.795.266 )	( 3.253.985 )
Social Security	( 3.940.328 )	( 3.086.420 )
Withholdings	( 3.210.395 )	( 3.918.624 )
Others	( 4.594.204 )	( 3.736.117 )
	<b>( 36.398.680 )</b>	<b>( 41.393.912 )</b>
<b>Deferred tax assets</b>	<b>346.777.783</b>	<b>432.641.633</b>
<b>Deferred tax liabilities</b>	<b>( 133.139.048 )</b>	<b>( 174.169.496 )</b>
	<b>213.638.735</b>	<b>258.472.136</b>
	<b>192.201.478</b>	<b>223.263.010</b>

At 31 December 2023 and 2022, the balances relating to current tax assets and liabilities on income for the year, break down as follows:

(values in euros)

	2023	2022
Income tax estimate recognised as a charge to the Income Statement	21.705.085	( 16.760.880 )
Income tax estimate recognised as a charge to other comprehensive income	( 22.025.540 )	26.675.942
Withholding tax	1.546.233	2.290.182
Payments on account	-	35.556.087
Income tax on branches	( 244.451 )	( 186.994 )
Income tax from previous years	38.628.793	11.266.770
Tax liabilities	( 27.352.507 )	( 21.989.959 )
SIFIDE II	13.303.185	8.060.150
	<b>25.560.799</b>	<b>44.911.298</b>

With regard to the amounts relating to the application of the Special Taxation Regime for Groups of Companies, they are recorded in the balance sheet as amounts receivable or payable to Longrun as shown in Note 15.

On 31 December 2023 and 2022, the heading "Income tax estimate recognised as a charge to the Income Statement" corresponds to the amount of the estimate of CIT.

In 2023 and 2022, income tax recorded against other comprehensive income results from the variation of the fair value reserve of financial assets at fair value through other comprehensive income allocated to life insurance products with profit sharing, from the variation of actuarial deviations related to post-employment benefits granted to employees, as well as from the realised capital gains and losses on variable income securities with fair value variation by other comprehensive income.

At 31 December 2023, the heading "SIFIDE II" corresponds to the estimate of the tax benefit of the System of Tax Incentives for Research and Business Development (SIFIDE II) for the financial year of 2022 (5,600,280), of 2021 (3,243,363 Euros) and of 2020 (4,459,542 Euros).

In fact, in 2022, the Company incurred expenses related to Research and Development ("R&D") projects, in the amount of 12,616,246 Euros, and in May 2023, it made an application to SIFIDE II in the total amount of 5,600,280 Euros.

At 31 December 2023, the submitted application relating to year 2022 is still under assessment by Agência Nacional de Inovação, S.A. (ANI), with the Company accounting in 2023 the amount of 5,600,280 Euros, corresponding to 100% of the requested tax credit.

Movement under the deferred taxes heading during the years 2023 and 2022 was as follows:

(values in euros)

	2023			
	Opening balances	Change in		Closing balances
Other comprehensive income		Income statement		
<b>Assets</b>				
Valuation of financial assets at fair value through other comprehensive income	178.712.581	( 64.269.404 )	-	114.443.177
Financial assets at fair value through profit or loss	16.075.892	-	( 1.612.728 )	14.463.164
Expected credit losses	1	294.045	( 294.045 )	1
Properties				
Own use	7.587.303	-	( 3.045.024 )	4.542.280
Investment Properties	7.893.717	( 640.338 )	( 2.680.848 )	4.572.530
Provisions and impairment temporarily not accepted for tax purposes	52.759.105	( 401.264 )	167.756	52.525.598
Employee benefits	8.305.993	-	189.878	8.495.871
Tax losses carried forward	6.849.280	-	1.151.248	8.000.529
Transitional Regime - Insurance Contracts (IFRS9/IFRS17)	154.457.761	474.013	( 15.497.147 )	139.434.627
Time value of money	-	300.007	-	300.007
	<b>432.641.633</b>	<b>( 64.242.941 )</b>	<b>( 21.620.909 )</b>	<b>346.777.783</b>

(continuation)

(values in euros)

	2023			
	Opening balances	Change in		Closing balances
Other comprehensive income		Income statement		
<b>Liabilities</b>				
Valuation of financial assets at fair value through other comprehensive income	( 3.164.859 )	( 5.560.205 )	-	( 8.725.064 )
Financial assets at fair value through profit or loss	( 14.301.793 )	-	3.991.074	( 10.310.720 )
Properties				
Own use	( 10.554.234 )	-	4.193.680	( 6.360.554 )
Investment Properties	( 720.765 )	-	540.584	( 180.181 )
Transitional Regime - Insurance Contracts (IFRS9/IFRS17)	( 1.025.562 )	( 30.794.806 )	97.411	( 31.722.957 )
Time value of money	( 144.402.283 )	68.562.710	-	( 75.839.573 )
	<b>( 174.169.496 )</b>	<b>32.207.700</b>	<b>8.822.749</b>	<b>( 133.139.048 )</b>
	<b>258.472.136</b>	<b>( 32.035.241 )</b>	<b>( 12.798.160 )</b>	<b>213.638.735</b>

(values in euros)

	2022			
	Opening balances	Change in		Closing balances
Other comprehensive income		Income statement		
<b>Assets</b>				
Valuation of financial assets at fair value through other comprehensive income	19.875.041	158.837.540	-	178.712.581
Financial assets at fair value through profit or loss	33.123.208	-	( 17.047.316 )	16.075.892
Expected credit losses	1	5.958.776	( 5.958.776 )	1
Properties				
Own use	8.127.475	-	( 540.172 )	7.587.303
Investment Properties	18.881.091	( 228.272 )	( 10.759.102 )	7.893.717

(values in euros)

	2022			
	Opening balances	Change in		Closing balances
Other comprehensive income		Income statement		
Provisions and impairment temporarily not accepted for tax purposes	56.415.823	( 2.202.465 )	( 1.454.253 )	52.759.105
Employee benefits	7.790.491	-	515.502	8.305.993
Leases	37.853	-	( 37.853 )	-
Tax losses carried forward	-	-	6.849.280	6.849.280
Transitional Regime - Insurance Contracts (IFRS9/IFRS17)	139.367.392		15.090.369	154.457.761
Other temporary differences	13.546	-	( 13.546 )	-
	<b>283.631.922</b>	<b>162.365.578</b>	<b>( 13.355.867 )</b>	<b>432.641.633</b>
<b>Liabilities</b>				
Valuation of financial assets at fair value through other comprehensive income	( 33.299.878 )	30.135.019	-	( 3.164.859 )
Financial assets at fair value through profit or loss	( 34.237.984 )	-	19.936.190	( 14.301.793 )
Properties				
Own use	( 11.377.452 )	-	823.218	( 10.554.234 )
Investment Properties	( 1.773.890 )	320.589	732.537	( 720.765 )
Transitional Regime - Insurance Contracts (IFRS9/IFRS17)	( 373.664 )	-	( 651.899 )	( 1.025.562 )
Time value of money	-	( 144.402.283 )	-	( 144.402.283 )
	<b>( 81.062.868 )</b>	<b>( 113.946.675 )</b>	<b>20.840.046</b>	<b>( 174.169.496 )</b>
	<b>202.569.054</b>	<b>48.418.904</b>	<b>7.484.179</b>	<b>258.472.136</b>

In 2023, the tax rate for deferred taxes was 31.5%, except for the part corresponding to tax losses, which are measured at a rate of 21%.



Following the adoption of the IFRS 17 - Insurance Contracts accounting standard, Law 82-A/2023 of December 29 was published, which established a transitional regime for adapting the rules for determining taxable profit, set out in the IRC Code, to the new accounting regulations applicable to the insurance sector, applicable in the tax period beginning in 2023 and in each of the nine subsequent tax periods.

## 16. ACCRUALS AND DEFERRALS (ASSETS)

At 31 December 2023 and 2022, the breakdown of this heading was as follows:

(values in euros)

	2023	2022
<b>Accrued income</b>		
Estimate of profit commissions	5.000.000	4.260.391
Others	106.201	235.516
<b>Deferred expenses</b>		
Software licences	10.245.514	6.209.467
Maintenance and repairs	1.508.050	1.958.525
Portuguese Insurers Association subscriptions	356.914	365.062
Insurance	244.341	50.229
Specialist work	140.803	721.168
Rents and leases	37.547	37.880
Fees on the issue of financial products	-	357.232
Others	1.183.335	292.044
	<b>18.822.706</b>	<b>14.487.513</b>

## 17. FINANCIAL LIABILITIES OF THE DEPOSIT COMPONENT OF INSURANCE CONTRACTS AND ON INSURANCE CONTRACTS AND OPERATIONS CONSIDERED FOR ACCOUNTING PURPOSES AS INVESTMENT CONTRACTS

Information on movements in this account heading for 2023 and 2022 is set out below:

(values in euros)

	2023					
	Opening balance	Emissions	Reimbursements	Income and expenditure	Portfolio recomposition	Closing balance
<b>Valued at fair value</b>						
Unit-linked contracts						
Unit-linked individual capitalisation	2.102.209.406	277.618.428	( 125.332.042 )	175.027.563	( 682.225 )	2.428.841.130
<i>Unit-linked group capitalisation</i>	721.245	-	-	( 721.245 )	-	-
<i>Unit-linked PPR</i>	364.336.990	58.410.213	( 29.797.057 )	28.371.833	( 1.502.834 )	419.819.145
	<b>2.467.267.641</b>	<b>336.028.641</b>	<b>( 155.129.099 )</b>	<b>202.678.151</b>	<b>( 2.185.058 )</b>	<b>2.848.660.275</b>
<b>Valued at amortised cost</b>						
Other investment contracts						
Life individual PPR fixed rate	3.628.450.267	132.542.803	( 1.351.111.481 )	53.218.620	1.550.747	2.464.650.955
Life individual fixed rate	1.615.520.713	888.052.431	( 514.956.670 )	32.132.892	10.381.562	2.031.130.927
Life group fixed rate	883.224	38.378	-	31.616	-	953.218
Capitalisation Op. Individual Fixed Rate	4.437.874	-	( 1.463 )	( 4.434.892 )	-	1.518
	<b>5.249.292.078</b>	<b>1.020.633.612</b>	<b>( 1.866.069.615 )</b>	<b>80.948.235</b>	<b>11.932.309</b>	<b>4.496.736.619</b>
	<b>7.716.559.719</b>	<b>1.356.662.252</b>	<b>( 2.021.198.714 )</b>	<b>283.626.386</b>	<b>9.747.250</b>	<b>7.345.396.894</b>

	2022					
	Opening balance	Emissions	Reimbursements	Income and expenditure	Portfolio recomposition	Closing balance
<b>Valued at fair value</b>						
Unit-linked contracts						
<i>Unit-linked individual capitalisation</i>	1.447.057.443	976.251.559	( 98.320.361 )	( 222.177.509 )	( 601.726 )	2.102.209.406
<i>Unit-linked group capitalisation</i>	721.245	-	-	-	-	721.245
<i>Unit-linked PPR</i>	312.491.275	98.980.283	( 20.051.238 )	( 25.723.881 )	( 1.359.449 )	364.336.990
	<b>1.760.269.963</b>	<b>1.075.231.842</b>	<b>( 118.371.599 )</b>	<b>( 247.901.390 )</b>	<b>( 1.961.176 )</b>	<b>2.467.267.641</b>
<b>Valued at amortised cost</b>						
Other investment contracts						
Life individual PPR fixed rate	4.369.811.692	151.827.823	( 897.902.113 )	3.287.222	1.425.643	3.628.450.267
Life individual fixed rate	1.891.856.281	388.672.441	( 668.837.983 )	3.227.959	602.016	1.615.520.713
Life group fixed rate	816.882	37.080	-	29.261	-	883.224
Capitalisation Op. Individual Fixed Rate	4.435.555	-	( 994 )	3.313	-	4.437.874
	<b>6.266.920.410</b>	<b>540.537.344</b>	<b>( 1.566.741.090 )</b>	<b>6.547.755</b>	<b>2.027.659</b>	<b>5.249.292.078</b>
	<b>8.027.190.374</b>	<b>1.615.769.186</b>	<b>( 1.685.112.689 )</b>	<b>( 241.353.635 )</b>	<b>66.483</b>	<b>7.716.559.719</b>

"Other investment contracts" corresponds, for the most part, to liabilities with contracts which guarantee the insured person a fixed yield throughout the whole of the contract, and these are recognised at amortised cost.

## 18. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS AND OTHER FINANCIAL LIABILITIES

At 31 December 2023 and 2022, these headings were composed as follows:

(values in euros)

	2023	2022
<b>Financial liabilities at fair value through profit or loss</b>		
Fair value hedge (Note 6)	44.266.125	39.978.362
Other derivatives (Note 6)	265.956.367	129.278.235
	<b>310.222.492</b>	<b>169.256.597</b>
<b>Other financial liabilities</b>		
Subordinate liabilities	503.325.647	502.164.558
Deposits received from reinsurers		
Life	2.222.085	1.773.745
Non-life	184.456.733	147.849.004
	<b>186.678.818</b>	<b>149.622.749</b>
Leases	44.191.653	23.541.553
	<b>734.196.117</b>	<b>675.328.860</b>
	<b>1.044.418.609</b>	<b>844.585.457</b>

The heading "Other derivatives" includes a put option and a call option on all shares of Fidelidade Moçambique – Companhia de Seguros S.A. and return swaps for Unit-linked products.

The heading "Subordinate liabilities" refers to the issuance of debt by the Company on 4 June 2021, in the amount of 500,000,000 Euros, with a maturity of 10 years, with a 5-year call option and a remuneration rate of 4.25%.

The movements occurred in finance liabilities during the year 2023 were as follows:

(values in euros)

<b>Balance at 31 December 2022</b>	<b>23.541.553</b>
<b>Increase for the year</b>	<b>37.352.666</b>
Additions	34.885.244
Interest	1.033.039
Others	1.434.383
<b>Decrease for the year</b>	<b>( 16.702.566 )</b>
Payments	( 16.702.566 )
<b>Balance at 31 December 2023</b>	<b>44.191.653</b>

In the years ended 31 December 2023 and 2022, lease liabilities have the following maturities:

(values in euros)

	2023				Total
	Up to 1 year	1 to 2 years	3 to 5 years	Over 5 years	
Leases	13.807.229	7.247.758	12.361.473	10.775.193	44.191.653
	<b>13.807.229</b>	<b>7.247.758</b>	<b>12.361.473</b>	<b>10.775.193</b>	<b>44.191.653</b>

(values in euros)

	2022				Total
	Up to 1 year	1 to 2 years	3 to 5 years	Over 5 years	
Leases	11.489.230	6.392.877	4.085.305	1.574.142	23.541.553
	<b>11.489.230</b>	<b>6.392.877</b>	<b>4.085.305</b>	<b>1.574.142</b>	<b>23.541.553</b>

The amounts recorded during the year are recognised in accordance with the principles defined in IFRS 16 - "Leases".

## 19. OTHER CREDITORS FOR INSURANCE OPERATIONS AND OTHER OPERATIONS

At 31 December 2023 and 2022, the breakdown of this heading was as follows:

(values in euros)

	2023	2022
<b>Accounts payable for direct insurance operations</b>		
Policyholders	42.946.338	42.284.969
Brokers	47.851.079	45.837.717
Co-Insurers	6.007.555	4.086.758
	<b>96.804.972</b>	<b>92.209.444</b>
<b>Accounts payable for other reinsurance operations</b>		
Reinsurers' current accounts	92.265.621	89.377.915
Reinsureds' current accounts	2.148.189	2.526.584
	<b>94.413.810</b>	<b>91.904.499</b>
<b>Accounts payable for other operations</b>		
Suppliers current account	9.220.026	9.428.387
Internal adjustment accounts	3.915.464	3.399.502

(continuation)

(values in euros)

	2023	2022
Transactions to be settled	4.820.287	2.070.873
Group companies	376.023	2.016.300
Others	8.147.544	6.158.454
	<b>26.479.344</b>	<b>23.073.516</b>
	<b>217.698.125</b>	<b>207.187.459</b>

The heading "Internal adjustment accounts" records several transactions carried out in the last days of December, whose financial settlement occurred in the first days of the following month.



## 20. ACCRUALS AND DEFERRALS (LIABILITIES)

At 31 December 2023 and 2022, the breakdown of this heading was as follows:

(values in euros)

	2023	2022
<b>Deferred income</b>		
Rents and leases	116.984	178.298
	<b>116.984</b>	<b>178.298</b>
<b>Accrued expenses</b>		
Commissions payable	77.675.299	67.343.109
Holidays and allowances payable	18.379.631	16.900.653
Company performance awards	10.360.257	11.246.585
Deferred payments – Marketing	4.917.129	7.889.671
Invoices under review	4.862.735	6.263.234
Specialist work	3.625.899	1.948.281
Optional career benefits	3.089.601	2.378.351
Variable remuneration, including charges	1.379.112	1.282.487
Insurance	621.396	4.522.793

(continuation)

(values in euros)

	2023	2022
Audit	1.592.717	926.461
Advertising	245.853	1.169.037
Municipal property tax	133.976	284.787
Other employee costs	69.151	181.030
Others	4.512.489	7.584.786
	<b>131.465.245</b>	<b>129.921.266</b>
	<b>131.582.228</b>	<b>130.099.564</b>

The heading "Commissions payable" includes:

- Estimation of over commissions, in the amounts of 43,719,712 Euros and 35,999,518 Euros, for the years 2023 and 2022, respectively;
- Estimated commissions payable to CGD, in the amounts of 27,984,331 Euros and 26,242,212 Euros, for the years 2023 and 2022, respectively.

## 21. OTHER PROVISIONS

The movement in the heading of "Other provisions" for 2023 and 2022 is set out below:

(values in euros)

	2023				Closing balances
	Opening balances	Reinforcements	Replacements and cancellations	Actuarial deviations by equity	
Provisions for taxes	7.125.986	1.661.740	( 240.245 )	-	8.547.481
Provisions for the cost of employee benefits (Note 28)					
Health benefits	18.329.897	-	( 225.277 )	( 793.133 )	17.311.487
Provision for restructuring	2.668.327	2.757.778	( 2.668.327 )	-	2.757.778
Provision for judicial contingencies	2.516.366	254.806	( 2.600.268 )	-	170.904
Others	2.311.497	-	( 1.407.384 )	-	904.113
	<b>32.952.074</b>	<b>4.674.324</b>	<b>( 7.141.501 )</b>	<b>( 793.133 )</b>	<b>29.691.764</b>

	2022						Closing balances
	Opening balances	Reinforcements	Replacements and cancellations	Uses	Others	Actuarial deviations by equity	
Provisions for taxes	7.125.154	2.881.566	(2.880.734)	-	-	-	7.125.986
Provisions for the cost of employee benefits (Note 28)							
Health benefits	25.903.684	-	(598.391)	-	-	(6.975.396)	18.329.897
Provision for restructuring	10.141.774	-	(7.473.446)	-	-	-	2.668.327
Provision for judicial contingencies	8.093.049	-	(5.576.682)	-	-	-	2.516.366
Others	16.296.292	-	(9.287.011)	(9)	(4.697.776)	-	2.311.497
	<b>67.559.952</b>	<b>2.881.566</b>	<b>(25.816.264)</b>	<b>(9)</b>	<b>(4.697.776)</b>	<b>(6.975.396)</b>	<b>32.952.074</b>

Fidelidade has established a provision, framed within the employee restructuring and rejuvenation programme that consists of the hiring of new qualified employees and of the negotiated departure of a group of employees before the normal retirement age.

In 2022, 214 employees left, which led to 7,473,446 Euros being cancelled. In the same period, 260 employees were hired.

In 2023, 185 employees left, which led to 2,668,327 Euros being cancelled. In the same period, 193 employees were hired.

The other amounts recognised in the heading "Others" are intended to cover other contingencies resulting from the Company's activity.

In 2023 and 2022, the "Other Provisions" heading includes the use of 1,231,874 Euros and 11,805,011 Euros respectively, which are recorded under the heading "Impairment Losses (net of reversals)".

The column "Others" refers to the liability associated with the Corporate Bodies' Long-Term Benefit Agreement in the amount of 4,697,776 Euros, which was reclassified from the heading "Other provisions - Others" to the heading "Liability for Employee Benefits", in January 2022.

The heading "Provisions for the cost of employee benefits - Health benefits" is intended to cover the liabilities assumed by the Company in relation to health benefits attributed to its employees.

## **22. CAPITAL AND OTHER EQUITY INSTRUMENTS**

The share capital in the amount of 509,263,524 Euros consists of 161.7 million shares with the nominal unit value of 3.15 Euros and is fully paid up.

Other equity instruments are supplementary contributions. According to the legislation in force, the refund depends on the resolution of the shareholders, which can only be approved if, as a result of it, the Company's net situation does not become lower than the sum of the share capital and the legal reserve.

In the financial year 2015, 13,300 own shares were acquired, in compliance with the provisions of heading 9 of the agenda of the General Meeting of 31 March 2015, at a unit price of 11.20 Euros, totalling 148,960 Euros. This acquisition was completed on 22 December 2015.

In May 2018, there was a capital increase of 76,230,000 Euros with an Issue Premium of 67,276,000 Euros.

In September 2020, there was a capital increase of 38,912,643 Euros by new contributions in kind, with subscription reserved for the holders of shares in the companies Multicare and Fidelidade Assistência.

In October 2020, there was an increase by new contributions in cash, in the remaining amount of 12,970,881 Euros. The capital was increased with an Issue Premium of 63,042,599 Euros.

The Company's shareholder structure at 31 December 2023 and 2022 was as follows:

(values in euros)

Shareholders	2023		2022	
	Number of Shares	% Share	Number of Shares	% Share
Longrun Portugal, SGPS, S.A.	137.402.839	84,9892%	137.402.839	84,9892%
Caixa Geral de Depósitos, S.A.	24.250.644	15,0000%	24.250.644	15,0000%
Employees and former employees of Fidelidade - Companhia de Seguros, S.A.	4.177	0,0026%	4.177	0,0026%
Own shares	13.300	0,0082%	13.300	0,0082%
	<b>161.670.960</b>	<b>100%</b>	<b>161.670.960</b>	<b>100%</b>

Since 15 May 2014, with the acquisition of 80% of Fidelidade's share capital by Longrun, the Company became part of the Fosun Group.

The income per share at 31 December 2023 and 2022 was as follows:

(values in euros)

	2023	2022
Net income for the year	83.588.918	68.100.384
Number of shares (at end of year)	161.670.960	161.670.960
Income per share (in Euros)	0,52	0,42

In the 2023 financial year, Fidelidade distributed reserves and retained earnings to its shareholders in the amount of 219,207,787 Euros.

## 23. RESERVES, RETAINED EARNINGS AND INCOME FOR THE YEAR

At 31 December 2023 and 2022, reserves and retained earnings were composed as follows:

(values in euros)

	2023	2022
Revaluation reserves		
For fair value adjustments		
Debt instruments at fair value through other comprehensive income (Note 7)	( 331.615.076 )	( 650.299.888 )
Equity instruments at fair value through other comprehensive income (Note 7)	( 109.523.583 )	( 87.405.906 )
	<b>( 441.138.659 )</b>	<b>( 737.705.794 )</b>
Revaluations of properties for own use	110.757	407.026
Provision for expected credit losses on debt instruments valued at fair value through other comprehensive income (Note 35)	6.475.391	7.163.384
Fair value hedging instruments	1.350.007	-
Exchange differences on equity instruments at fair value through other comprehensive income	16.931.719	27.102.849
	<b>( 416.270.785 )</b>	<b>( 703.032.535 )</b>
Tax reserve		
Debt instruments at fair value through other comprehensive income	82.198.287	182.584.003
Equity instruments at fair value through other comprehensive income	23.475.233	12.167.665
Properties for own use	189.316	829.654
Provision for expected credit losses on debt instruments at fair value through other comprehensive income	( 1.756.046 )	( 1.972.764 )



(continuation)

(values in euros)

	2023	2022
Actuarial gains and losses		
Retirement pensions	25.224.745	25.198.328
Health benefits	1.438.560	1.688.397
Gains and losses from the sale of equity instruments at fair value through other comprehensive income	606.321	168.417
Fair value hedging instruments	( 425.252 )	-
Exchange differences on equity instruments at fair value through other comprehensive income	( 5.700.192 )	( 6.063.250 )
Reserve for the financial component of insurance contracts	( 112.957.367 )	( 148.527.957 )
Reserve for the financial component of reinsurance contracts	3.201.351	4.125.675
	<b>15.494.956</b>	<b>70.198.168</b>
Profit or loss from the sale of equity instruments at fair value through other comprehensive income	( 4.799.661 )	( 801.983 )
Reserve for the financial component of insurance contracts	357.989.487	471.517.325
Reserve for the financial component of reinsurance contracts	( 10.163.019 )	( 13.097.380 )
Other reserves		
Legal reserve	258.793.938	247.549.636
Issue premiums	382.666.154	382.666.154

(continuation)

(values in euros)

	2023	2022
Actuarial gains and losses		
Retirement pensions	( 35.512.959 )	( 35.429.096 )
Health benefits	( 4.566.858 )	( 5.359.990 )
Other reserves	1.214.101.562	1.214.101.562
	<b>1.815.481.839</b>	<b>1.803.528.267</b>
Retained earnings	( 153.300.563 )	9.000.812
Income for the year	83.588.918	68.100.384
	<b>1.688.021.174</b>	<b>1.705.413.057</b>

In accordance with the legislation in force, at least 10% of net profits for each year must be transferred to the legal reserve, until it totals the amount of share capital. The legal reserve may not be distributed, but may be used to increase the share capital or to offset accumulated losses.

The profit/loss of 2022 and 2021 was applied as indicated below:

(values in euros)

	2022	2021
Application of income for the year		
Legal reserve	11.244.302	21.228.291
Retained earnings	( 118.642.638 )	190.088.095
Gains and losses from the sale of equity instruments at fair value through other comprehensive income	801.983	1.394.347
Tax reserve	( 168.417 )	( 427.822 )
Dividends	219.207.787	-
	<b>112.443.018</b>	<b>212.282.911</b>

## 24. INSURANCE CONTRACT REVENUES

In the years 2023 and 2022, this heading was composed as follows:

(values in euros)

	Life insurance	Seguros não vida					Total	Total
		Accidents and Health	Fire and Other Damages	Motor	Third-party liability	Others		
<b>31 December 2023</b>								
<b>Contracts not measured using the premium allocation approach</b>								
<b>Amounts related to changes in remaining coverage liabilities</b>								
Release of contractual service margin for transferred services	59.401.119	-	-	-	-	-	-	59.401.119
Changes in risk adjustment (non-financial risk) for expired risk	2.668.605	-	-	-	-	-	-	2.668.605
Release of the expected value of claims occurred and expenses attributable to insurance contracts	76.797.438	-	-	-	-	-	-	76.797.438
	<b>138.867.161</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>138.867.161</b>
<b>Contracts measured using the premium allocation approach</b>	<b>180.962.396</b>	<b>840.183.780</b>	<b>365.703.540</b>	<b>617.980.318</b>	<b>96.702.706</b>	<b>53.676.358</b>	<b>1.974.246.702</b>	<b>2.155.209.098</b>
<b>Total insurance contract revenues (Note 13)</b>	<b>319.829.557</b>	<b>840.183.780</b>	<b>365.703.540</b>	<b>617.980.318</b>	<b>96.702.706</b>	<b>53.676.358</b>	<b>1.974.246.702</b>	<b>2.294.076.259</b>

(continuation)

(values in euros)

	Seguros não vida						Total	Total
	Life insurance	Accidents and Health	Fire and Other Damages	Motor	Third-party liability	Others		
<b>31 December 2022</b>								
<b>Contracts not measured using the premium allocation approach</b>								
Amounts related to changes in remaining coverage liabilities								
Release of contractual service margin for transferred services	58.710.936	-	-	-	-	-	-	58.710.936
Changes in risk adjustment (non-financial risk) for expired risk	2.053.002	-	-	-	-	-	-	2.053.002
Release of the expected value of claims occurred and expenses attributable to insurance contracts	75.732.316	-	-	-	-	-	-	75.732.316
	<b>136.496.255</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>136.496.255</b>
<b>Contracts measured using the premium allocation approach</b>	<b>182.443.747</b>	<b>729.860.349</b>	<b>333.173.520</b>	<b>548.422.971</b>	<b>65.261.001</b>	<b>62.214.046</b>	<b>1.738.931.887</b>	<b>1.921.375.634</b>
<b>Total insurance contract revenues (Note 13)</b>	<b>318.940.002</b>	<b>729.860.349</b>	<b>333.173.520</b>	<b>548.422.971</b>	<b>65.261.001</b>	<b>62.214.046</b>	<b>1.738.931.887</b>	<b>2.057.871.889</b>

## 25. FEES FROM INSURANCE CONTRACTS AND OPERATIONS CONSIDERED FOR ACCOUNTING PURPOSES AS INVESTMENT CONTRACTS OR SERVICE CONTRACTS

In the years 2023 and 2022, the commissions received for insurance contracts and operations considered for accounting purposes as investment contracts amounted to 1,368,760 Euros and 1,171,456 Euros, respectively.

## 26. CLAIMS OCCURRED AND OTHER EXPENSES

In 2023 and 2022, the Company's operating costs by type were as follows:

(values in euros)

	2023	2022
Employee costs (Note 27)	180.953.549	166.909.704
External supplies and services		
Specialist work	63.949.850	65.909.482
Software licences	17.130.571	15.486.064
Advertising and promotion	12.908.929	16.575.321
Maintenance and repairs	6.104.433	5.631.133
Communication	5.958.291	5.593.390
Rents and leases	3.406.995	4.514.200
Travel and accommodation	2.887.576	2.635.127
Representation expenses	2.197.877	5.139.954
Expenses with premium collections	1.556.931	1.420.564
Cleaning, Hygiene and Comfort	1.554.961	1.550.046
Surveillance and security	1.183.959	1.369.990
Contributions	1.115.036	1.263.743
Insurance	970.350	866.211

(continuation)

(values in euros)

	2023	2022
Expenses with self-employed workers	916.965	667.119
Fuel	838.383	739.041
Expenditure on condominiums	592.217	566.976
Electricity	384.223	770.998
Workplace meals	326.453	274.486
Forms	308.701	253.367
Office supplies	181.567	161.055
Water	150.946	147.521
Litigation and notarial services	45.433	217.650
Others	1.670.020	2.603.110
	<b>126.340.667</b>	<b>134.356.545</b>
Taxes and charges	14.811.785	12.789.145
Depreciation and amortisation for the year (Notes 9, 11 and 12)	24.383.010	20.323.793
Other provisions	( 35.304 )	( 9.929.687 )
Fees	9.331.996	10.211.954
Interest paid	25.168.998	24.539.914
	<b>380.954.701</b>	<b>359.201.367</b>

In 2023 and 2022, the depreciation and amortisation headings for the year are as follows:

(values in euros)

	2023			2022		
	Non-leased assets	Leased assets	Total	Non-leased assets	Leased assets	Total
Properties (Note 9)	418,104	13,353,349	13,771,453	614,594	10,067,480	10,682,074
Depreciation of other tangible assets (Note 11)	3,353,932	2,316,179	5,670,111	4,023,201	1,615,434	5,638,635
Depreciation of other intangible assets (Note 12)	4,941,446	-	4,941,446	4,003,084	-	4,003,084
	<b>8,713,482</b>	<b>15,669,528</b>	<b>24,383,010</b>	<b>8,640,879</b>	<b>11,682,915</b>	<b>20,323,793</b>

In the years 2023 and 2022, there were also the following charges related to leases:

(values in euros)

	2023			2022		
	Depreciation of right-of-use assets	Expenses relating to short-term leases	Expenses relating to low-value assets	Depreciation of right-of-use assets	Expenses relating to short-term leases	Expenses relating to low-value assets
Properties	13,353,349	-	2,765,103	10,067,480	-	-
Machinery and Equipment	-	-	7,026	-	-	11,597
IT Equipment	1,107,068	-	160,283	732,238	-	166,311
Transport Equipment	1,209,111	18,130	-	883,197	7,058	-
Other Equipment	-	-	208,115	-	-	198,933
	<b>15,669,528</b>	<b>18,130</b>	<b>3,140,526</b>	<b>11,682,915</b>	<b>7,058</b>	<b>376,840</b>



In 2023 and 2022, the interest paid heading was set out as follows:

(values in euros)

	2023			2022		
	Leases	Other charges	Total	Leases	Other charges	Total
Properties 901,019	-	901,019	700,779	-	700,779	
IT Equipment	88,778	-	88,778	25,320	-	25,320
Transport equipment	43,242	-	43,242	17,421	-	17,421
Reinsurer deposits	-	1,719,189	1,719,189	-	1,429,909	1,429,909
Subordinate Liabilities	-	22,411,089	22,411,089	-	22,360,836	22,360,836
Others	-	5,681	5,681	-	5,648	5,648
	<b>1,033,039</b>	<b>24,135,959</b>	<b>25,168,998</b>	<b>743,520</b>	<b>23,796,393</b>	<b>24,539,914</b>

In 2023 and 2022, the headings of the Income Statement, where these costs are recorded, are as follows:

(values in euros)

	2023			2022		
	Directly attributable expenses	Non-attributable expenses	Total	Directly attributable expenses	Non-attributable expenses	Total
Claims - Amounts paid						
Direct	1,247,655,439	139,922	1,247,795,361	1,109,892,502	-	1,109,892,502
Allocated	54,967,736	5,125,353	60,093,089	56,423,042	9,102,097	65,525,139
Acquisition	-					
Direct	312,751,102	6,757,377	319,508,479	266,899,090	34,495,639	301,394,729
Allocated	103,239,976	50,050,106	153,290,082	84,208,639	26,621,545	110,830,184
Administrative						
Direct	11,574,391	23,749,054	35,323,444	11,130,217	797,181	11,927,398
Allocated	79,756,601	34,407,360	114,163,962	88,654,153	40,966,762	129,620,915
Financial Expenses						
Direct	-	4,221,286	4,221,286	-	34,812,918	34,812,918
Allocated	1,648,724	50,069,434	51,718,158	1,799,728	21,695,578	23,495,306
Total Direct Expenses	1,571,980,932	34,867,638	1,606,997,796	1,387,921,809	70,105,738	1,458,027,547
Total Allocated Expenses	239,613,037	139,652,255	379,116,065	231,085,562	98,385,982	329,471,544
	<b>1,811,593,969</b>	<b>174,519,893</b>	<b>1,986,113,862</b>	<b>1,619,007,372</b>	<b>168,491,720</b>	<b>1,787,499,091</b>

## 27. EMPLOYEE COSTS

In the years 2023 and 2022, this heading was composed as follows:

(values in euros)

	2023	2022
Salaries		
Corporate bodies	5,943,571	5,748,255
Personnel	116,147,478	106,816,330
Remuneration expenses	27,850,030	25,376,364
Post-employment benefits	10,142,219	3,489,401
Other long-term benefits	838,648	1,265,494
Employment termination benefits	5,452,856	6,765,692
Compulsory insurance	2,629,954	2,187,544
Social action costs	10,102,638	12,758,802
Other personnel expenses	1,846,154	2,501,823
	<b>180,953,549</b>	<b>166,909,704</b>

In 2023 and 2022, the heading "Salaries – Personnel" includes an estimate of optional career benefits in the amount of 569,868 Euros and 505,930 Euros, respectively.

The existence of transversal structures to some Group companies leads to the need to allocate common costs between the various companies, based on distribution keys subordinated to the cost-benefit principle. Consequently, in 2023 and 2022, personnel expenses include the impact arising from the following movements with related entities:

(values in euros)

	2023	2022
Costs with Company employees who perform work for		
Multicare - Seguros de Saúde, S.A.	( 3.783.150 )	( 3.410.317 )
Fidelidade - Property Europe, S.A.	( 653.892 )	( 586.171 )
Fidelidade Assistência - Companhia de Seguros, S.A.	( 312.076 )	( 293.884 )
GEP - Gestão de Peritagens Automóveis, S.A.	( 149.613 )	( 181.593 )
FID I&D, S.A.	( 548.273 )	( 412.803 )
Others	( 31.423 )	13.433
	<b>( 5.478.428 )</b>	<b>( 4.871.335 )</b>

In 2023 and 2022, the costs of post-employment benefits were as follows:

(values in euros)

	2023	2022
Post-employment benefits		
Defined benefit plan (Note 28)	3.565.503	1.244.229
Individual retirement plan	3.700.359	1.325.375
Transfer of personnel	( 113.801 )	( 67.448 )
Other employee costs	2.990.158	987.245
	<b>10.142.219</b>	<b>3.489.401</b>

In 2023 and 2022, the heading "Post-employment benefits - Transfer of personnel " corresponds to the cost of post-employment benefits for employees of the Company who were assigned to other entities in the Group.

In 2023 and 2022, the number of employees working for the Company by category was as follows:

	2023	2022
Senior management	59	52
Line management	350	350
Technicians	1,876	1,777
Administrative staff	636	675
Support workers	5	11
	<b>2,926</b>	<b>2,865</b>

## 28. RETIREMENT PENSIONS AND OTHER LONG-TERM BENEFITS

At 31 December 2023 and 2022, the headings "Assets for post-employment benefits and other long-term benefits" and "Liabilities for post-employment benefits and other long-term benefits" were as follows:

(values in euros)

	2023	2022
<b>Assets</b>		
Defined benefit plan	22.588.285	25.211.651
<b>Liabilities</b>		
Defined contribution plan	( 127.049 )	( 90.099 )
Other long-term benefits	( 7.220.033 )	( 5.963.270 )
	<b>( 7.347.082 )</b>	<b>( 6.053.370 )</b>
	<b>15.241.203</b>	<b>19.158.281</b>

For the 2023 financial year, in the "Defined contribution plan" Fidelidade had a cost of 3,696,867 Euros, with the amount of 127,049 Euros remaining pending payment, which corresponds to the December 2023 contributions that were paid in January 2024.

"Other long-term benefits" refer to the variable remuneration of the Governing Bodies, under the terms set out in the Remuneration Policy for the Company's Governing Bodies, and of the employees, as decided by the Personnel Committee and the Executive Committee. This remuneration is deferred and paid after 3 years from the date of allocation. In the year ended 31 December 2023, the reinforcement of this incentive plan was 1,256,762 Euros for payment in 2025 and the amount paid was 2,283,821 Euros.

### Defined contribution plan

Under the new collective employment agreements for the insurance activity, published on 15 January 2012, 29 January 2016 and 8 February 2019, all workers in active employment, with indefinite employment contracts, covered by these Instrument for Collective Labour Regulation (ICLR), are entitled to a pension plan ("IRP"), and this defined contribution plan that replaces the retirement pension system provided for in the previous ICLR.

In accordance with the ICLR rules in force, the capitalised amount of the payments into the IRP can be claimed by the employee, in accordance with the law, on the date he/she retires through the Social Security system due to disability or old age, and there is a capital guarantee on the amounts of the initial transfer and the contributions made by the Company and by the beneficiaries themselves.

In the event of the death of an employee, the capitalised amount of the payments reverts to the beneficiaries named by the employee or, where these are not named, to his/her legal heirs.

The Company's contributions to the current pension plan are made in accordance with the provisions of the Collective Employment Agreement, published on 8 February 2019 ("CEA 2019"), corresponding to the amount resulting from the application of the percentage of 3.25% on the employee's annual base salary

At 31 December 2023 and 2022, the liabilities and assets of the Pension Fund - "Fundo de Pensões PIR Fidelidade e Associadas" amounted to:

(values in euros)

<b>Liabilities at 31 December 2022</b>	<b>30.178.411</b>
Expenses for the year	3.696.867
<b>Liabilities at 31 December 2023</b>	<b>33.875.278</b>
<b>Assets at 31 December 2022</b>	<b>30.088.311</b>
Contributions to fund	3.659.917
<b>Assets at 31 December 2023</b>	<b>33.748.228</b>
<b>Differential</b>	<b>( 127.049 )</b>
Funding level	99,62%



## Defined benefit plan

In accordance with the collective employment agreement previously in force in the insurance sector (CEA 2008), the Company granted to its employees, admitted to the insurance activity until June 1995, cash benefits to complement the reforms granted by Social Security. Briefly, the amount of these benefits varies according to the employee's remuneration, the contributory history, the history of remuneration with incidence for Social Security and also, in case of disability, the seniority in the insurance activity. Currently, this Plan covers pension fund beneficiaries (retired) and employees who have transitioned to the pre-retirement situation and who at that time were covered by the CEA 2008.

In addition, the former Império Bonança also attributed the following benefits:

- Between 1999 and 2005, the Company assumed, in early retirement situations, the payment of a lifetime pension that corresponded to the difference between 80% of the last remuneration and the amount paid by Social Security;
- It assumed the commitment to extend the benefits set out in the collective employment agreement to employees hired up to June 2005 and also to grant to the beneficiaries of the pensions fund, the additional benefits guaranteed by the complementary plan, which was in force at the Millennium BCP Group, to which the Company belonged until 31 January 2005. The liabilities associated with the supplementary plan are financed through the related pension fund "Fundo de Pensões do Pessoal da Império Bonança";

- For a very restricted group of workers (currently 2 in active service), with "internal salary levels XVII", from the former Império, there is a commitment to, in the transition to retirement, be attributed a supplement to the Social Security pension, for 80% of the remuneration earned at the date of the transition to this situation. Any pension benefits arising from other pension schemes shall be deducted from the supplement to the Social Security pension.

Defined benefit plans are financed through closed-end pension funds. These funds include liabilities with retirement supplements, and liabilities relating to early retirement and pre-retirement. These plans make up the classification requirements of defined benefit plans, since they meet the criteria for determining the amount of pension an employee will receive during retirement, usually dependent on one or more factors such as age, years of service and remuneration at the date of retirement.

Liabilities recognised on the balance sheet relating to defined benefit plans correspond to the difference between the current value of liabilities and the fair value of the pension fund assets. The total amount of liabilities is determined annually by specialised actuaries using the Projected Unit Credit Method and actuarial assumptions considered appropriate (Note 28). The discount rate used to update the liabilities reflects market interest rates on prime corporate bonds, denominated in the currency in which the liabilities are paid and with similar maturity periods to the average periods for settlement of liabilities.

Gains and losses resulting from differences between the actuarial and financial assumptions used and the amounts actually verified with regard to the liabilities and expected income of the pension fund, as well as those resulting from changes in actuarial assumptions, are recognised directly in an equity item.

The cost in the year for retirement and survivors' pensions, the latter only provided for in the Império Bonança Staff Pension Fund, which includes the cost of current services, the cost of past services, the cost of payments and the net interest on the defined benefit liability (asset), is reflected at net value in "Employee Costs". The expense for the year with health charges is recognised in the heading "Other Provisions".

The impact of retiring employees before the normal retirement age defined in the actuarial study is directly reflected in "Employee Costs".

### Determination of liabilities with defined benefit plans

Liabilities for current payments of retirement pensions and past services of current employees, at 31 December 2023 and 2022, were determined by Fidelidade's life insurance actuarial department.

The assumptions and technical bases used in the calculation of liabilities were as follows:

	2023	2022
Actuarial method	Projected	Projected
	Unit Credit	Unit Credit
Mortality table		
Men	TV 73/77 (-2)	TV 73/77 (-2)
Women	TV 88/90 (-2)	TV 88/90 (-2)
Discount rate	4.25%	4.00%
Salary growth rate	2.40%	2.40%
Pension growth rate	0.75%	0.75%
Pre-retirement growth rate	1.25%	1.25%
Exits table	n/a	n/a

The comparison between the actuarial and financial assumptions used in determining pension costs for the years 2023 and 2022 and the values actually verified is presented in the following table

(values in euros)

	2023		2022	
	Assumptions	Real	Assumptions	Real
Salary growth rate	2.40%	7.90%	2.40%	2.63%
Pension growth rate	0.75%	2.10%	0.75%	0.39%

At 31 December 2023 and 2022, Fidelidade's liabilities for past services, based on the actuarial studies performed, and the funds and provisions available to hedge them, were as follows:

(values in euros)

	2023	2022
Liabilities for past services		
Active Employees	2,694,808	4,921,161
Retired and pre-retired	92,580,655	97,327,085
	95,275,463	102,248,246
Autonomous pension funds	87,641,194	95,935,565
Mathematical Provisions	30,222,554	31,524,332
	117,863,748	127,459,897
Differential	22,588,285	25,211,651
Funding level	123.71%	124.66%

Pursuant to ASF Regulatory Standard No.5/2007-R, of 27 April, insurance companies must ensure at the end of each year:

- a) The full funding of the present value of the liability with current pensions, including pre-retirement and early retirement benefits up to and after the normal retirement age; and
- b) The funding of at least 95% of the current amount of the liability for past services of active employees, excluding those who are pre-retired or in early retirement.

At 31 December 2023 and 2022, Fidelidade's liabilities for past services were fully funded.

The pension plan in question is non-contributory and independent of social security, being funded by the Company's pension fund, excluding the Ex Império pension fund (Levels XVII and XVIII) which is dependent on social security.

The Company's defined benefit pension funds have the following average durations:

Fidelidade Pension Fund	6.58 years
Mundial Confiança Pension Fund	4.87 years
Império Bonança Pension Fund	6.78 years
Ex-Império Pension Fund	10.99 years

At 31 December 2023 and 2022, the number of beneficiaries was as follows:

	2023	2022
Active Employees	1,074	813
Retired and pre-retired	1,589	1,661
Annuity holders	277	307
	<b>2,940</b>	<b>2,781</b>

The movements in the pension funds and in the mathematical provisions during 2023 and 2022 were as follows:

(values in euros)

<b>Balances at 31 December 2021</b>	<b>147,761,757</b>
Contributions	9,599
Variation in mathematical provisions	( 2,627,192 )
Pensions paid	( 14,236,345 )
(Payments)/ Receipts related to other benefits	( 514,557 )
Net income of pension funds	( 2,933,365 )
<b>Balances at 31 December 2022</b>	<b>127,459,897</b>

(continuation)

(values in euros)

Contributions	1.026.000
Variation in mathematical provisions	( 1.301.778 )
Pensions paid	( 13.306.468 )
(Payments)/ Receipts related to other benefits	( 865.950 )
Net income of pension funds	4.852.047
<b>Balances at 31 December 2023</b>	<b>117.863.748</b>

On 31 December 2023 and 2022, Fidelidade's Pension Funds were managed by CGD Pensões – Sociedade Gestora de Fundos de Pensões, S.A.

At 31 December 2023 and 2022, the pension fund assets were composed as follows, according to the respective valuation sources:

(values in euros)

	2023		2022	
	Price Market	Value of portfolio	Price Market	Value of portfolio
<b>Equity instruments</b>	<b>1,445,925</b>	<b>1,445,925</b>	<b>1,594,378</b>	<b>1,594,378</b>
<b>Debt instruments</b>				
From public debt	27,798,740	27,798,740	24,616,067	24,616,067
From other issuers	23,038,448	23,038,448	32,018,549	32,018,549
	50,837,188	50,837,188	56,634,616	56,634,616
Real estate	17,789,959	17,789,959	17,688,301	17,688,301
<b>Investment funds</b>				
Domestic shares	14,720	14,720	17,240	17,240
European shares	4,138,597	4,138,597	5,939,599	5,939,599
Other shares	40,272	40,272	22,477	22,477
Real estate	2,432,661	2,432,661	3,161,833	3,161,833
Bonds				
From other issuers	5,316,736	5,316,736	2,743,455	2,743,455
Treasury	2,577,401	2,577,401	-	-
Others	26,005	26,005	23,121	23,121
	14,546,392	14,546,392	11,907,725	11,907,725
<b>Others</b>	<b>3,021,730</b>	<b>3,021,730</b>	<b>8,110,545</b>	<b>8,110,545</b>
	<b>87,641,194</b>	<b>87,641,194</b>	<b>95,935,565</b>	<b>95,935,565</b>

On these dates, the pension fund portfolio contained the following assets issued or managed by entities in the CGD Group:

	2023	2022
<b>Debt instruments</b>	<b>105,539</b>	<b>97,848</b>
<b>Investment funds</b>		
Real estate	2,134,521	2,866,996
Others	26,005	23,121
	<b>2,160,526</b>	<b>2,890,117</b>
	<b>2,266,065</b>	<b>2,987,965</b>



The change in the difference between the Company's liabilities for past services and the respective cover, and the corresponding impact on the financial statements at 31 December 2023 and 2022, can be demonstrated as follows:

(values in euros)

	Liabilities	Hedge	Differential
<b>Position at 31 December 2021</b>	<b>135.639.515</b>	<b>147.761.757</b>	<b>12.122.242</b>
Current service expenses	159.913	-	( 159.913 )
Net defined benefit interest	1.171.172	1.315.445	144.273
Expenditure for the year	1.331.086	1.315.445	( 15.641 )
Increased liabilities due to early retirements	742.120	-	( 742.120 )
Other changes in the income statement	-	( 486.468 )	( 486.468 )
<b>Changes with impact on income statement (Note 27)</b>	<b>2.073.206</b>	<b>828.977</b>	<b>( 1.244.229 )</b>
Actuarial gains and losses			
return on plan assets not included in interest income	-	( 4.276.899 )	( 4.276.899 )
resulting from changes in financial assumptions	( 15.536.061 )	-	15.536.061
resulting from differences between the assumptions and the actual amount	( 3.064.877 )	-	3.064.877
<b>Changes with impact on shareholders' equity</b>	<b>( 18.600.938 )</b>	<b>( 4.276.899 )</b>	<b>14.324.039</b>
Contributions to the plan:			
paid by the Company	-	9.599	9.599
Change in mathematical provisions	( 2.627.192 )	( 2.627.192 )	-

(continuation)

(values in euros)

	Responsabilidades	Cobertura	Diferencial
Payments made by the plan:			
pensions paid	( 14.236.345 )	( 14.236.345 )	-
<b>Position at 31 December 2022</b>	<b>102.248.246</b>	<b>127.459.897</b>	<b>25.211.651</b>
Current service expenses	86.301	-	( 86.301 )
Net defined benefit interest	2.618.541	3.623.555	1.005.014
Costs for the year	2.704.842	3.623.555	918.713
Increased liabilities due to early retirements	3.624.573	-	( 3.624.573 )
Other changes in the income statement	-	( 859.643 )	( 859.643 )
<b>Changes with impact on income statement (Note 27)</b>	<b>6.329.415</b>	<b>2.763.912</b>	<b>( 3.565.503 )</b>
Actuarial gains and losses			
return on plan assets not included in interest income	-	1.222.185	1.222.185
resulting from changes in financial assumptions	( 967.083 )	-	967.083
resulting from differences between the assumptions and the actual amount	2.273.131	-	( 2.273.131 )
<b>Changes with impact on shareholders' equity</b>	<b>1.306.048</b>	<b>1.222.185</b>	<b>( 83.863 )</b>
Contributions to the plan			
paid by the Company	-	1.026.000	1.026.000
Change in mathematical provisions	( 1.301.778 )	( 1.301.778 )	-
Payments made by the plan:			
pensions paid	( 13.306.468 )	( 13.306.468 )	-
<b>Position at 31 December 2023</b>	<b>95.275.463</b>	<b>117.863.748</b>	<b>22.588.285</b>

## Medical Assistance

The Company contributes part of the cost of health insurance provided for its retired and pre-retired employees. In addition, the former Império Bonança also committed itself to providing whole life medical assistance benefits to those in Retirement or Pre-retirement who had switched to that status between June 1998 and July 2005, bearing almost all the respective costs.

At 31 December 2023 and 2022, these liabilities totalled 17,311,487 Euros and 18,329,897 Euros respectively, and were covered by provisions (Note 21). The actuarial deviations calculated on 31 December 2023 and 2022 related to this benefit were (793,133) Euros and (6,975,396) Euros, respectively.

Liabilities for past services with medical assistance were determined on the basis of actuarial studies performed by Fidelidade's life actuarial department, using actuarial assumptions identical to those presented above for liabilities with pensions.

## Sensitivity analysis

At 31 December 2023, the sensitivity of the defined benefit liabilities assumed by the Company, due to significant changes in the assumptions, excluding the liabilities covered by whole life annuities, corresponds to:

Cenários	2023	A	B	C
<b>Financial Assumptions</b>				
Discount Rate	4.25%	4.75%	3.75%	4.25%
Salary Growth Rate	2.40%	2.40%	2.40%	2.40%
Pre-Retirement Salary Growth Rate	1.25%	1.25%	1.25%	1.25%
Pension Growth Rate	0.75%	0.75%	0.75%	0.75%
<b>Demographic Assumptions</b>				
Mortality table				
> Women	TV 88/90 (-2)	TV 88/90 (-2)	TV 88/90 (-2)	TV 88/90 (-2)
> Men	TV 73/77 (-2)	TV 73/77 (-2)	TV 73/77 (-2)	TV 88/90 (-2)

(values in euros)

Liabilities as of 31 December 2023					
Scenarios		2022	A	B	C
Retirees	Old age	30,992,043	30,080,708	31,956,968	33,448,623
	Early Retirement	9,695,741	9,405,483	10,002,151	10,426,804
	Disability	4,380,610	4,169,170	4,610,735	4,566,637
Pensioners	Widower	3,326,838	3,217,336	3,443,753	3,346,464
	Orphan	81,530	76,343	87,316	81,530
Pre-retirees	Pension up to INR	10,517,874	10,402,433	10,636,036	10,546,780
	Costs up to retirement age	2,927,062	2,893,500	2,961,440	2,935,327
	Pension after INR				
	> CCT Plan	436,402	412,689	462,210	462,658
Active Workers	Complementary Plan	2,694,808	2,546,895	2,856,776	2,783,365
<b>Totals</b>		<b>65,052,908</b>	<b>63,204,557</b>	<b>67,017,385</b>	<b>68,598,188</b>

The preparation of the information included in the table above was based on the calculation method used for the assessment of liabilities used for accounting purposes, not including mathematical provisions in the amount of 30,222,554 Euros.

## 29. INSURANCE CONTRACTS FINANCIAL COMPONENT RESULT

(values in euros)

	2023								
	Life insurance	Accidents and Health	Fire and Other Damage	Non-life insurance			Total	Not allocated	Total
				Motor	Third-party liability	Others			
<b>Return on investments</b>									
Investment income and expenses	177.691.143	37.277.407	9.950.780	17.749.848	6.595.860	994.638	72.568.532	28.439.316	278.698.991
Net investment gains and exchange differences	(132.318.878)	(8.506.776)	(2.995.262)	(4.841.982)	(1.837.332)	(273.594)	(18.454.946)	7.429.451	(143.344.373)
Impairment losses (net of reversals)	2.515.480	(3.122.286)	43.520	57.861	59.417	11.214	(2.950.274)	(12.606)	(447.401)
Amounts recognized in other comprehensive income	320.324.765	(29.609.252)	0	0	1	(23.203.256)	(52.812.506)	14.449.830	281.962.089
	<b>368.212.509</b>	<b>(3.960.907)</b>	<b>6.999.038</b>	<b>12.965.728</b>	<b>4.817.945</b>	<b>(22.470.998)</b>	<b>(1.649.194)</b>	<b>50.305.991</b>	<b>416.869.306</b>
<b>Insurance contracts financial component result</b>									
Accrued interest	(34.891.597)	(3.095.108)	(1.735.842)	(2.605.215)	(262.192)	(248.736)	(7.947.093)	-	(42.838.690)
Effect of changes in interest rates and other financial assumptions	(26.750.685)	(73.172.757)	(3.365.549)	(8.060.373)	(1.828.300)	(350.173)	(86.777.153)	-	(113.527.838)
	<b>(61.642.282)</b>	<b>(76.267.865)</b>	<b>(5.101.391)</b>	<b>(10.665.588)</b>	<b>(2.090.493)</b>	<b>(598.909)</b>	<b>(94.724.246)</b>	<b>-</b>	<b>(156.366.528)</b>
<b>Reinsurance contracts financial component result</b>									
Accrued interest	12.816	1.256.370	945.875	4.695	121.755	22.990	2.351.685	-	2.364.502
Effect of changes in interest rates and other financial assumptions	202.309	566.167	2.768.104	171.682	(969.071)	195.171	2.732.052	-	2.934.361
	<b>215.125</b>	<b>1.822.537</b>	<b>3.713.979</b>	<b>176.377</b>	<b>(847.316)</b>	<b>218.161</b>	<b>5.083.738</b>	<b>-</b>	<b>5.298.863</b>
	<b>306.785.352</b>	<b>(78.406.236)</b>	<b>5.611.626</b>	<b>2.476.518</b>	<b>1.880.136</b>	<b>(22.851.746)</b>	<b>(91.289.702)</b>	<b>50.305.991</b>	<b>265.801.640</b>
<b>Represented by:</b>									
Amounts recognized in gains and losses	13.008.963	23.809.606	6.209.071	10.365.208	4.677.507	506.512	45.567.904	35.856.161	94.433.028
Amounts recognized in other comprehensive income	293.776.389	(102.215.842)	(597.445)	(7.888.690)	(2.797.371)	(23.358.258)	(136.857.606)	14.449.830	171.368.612
	<b>306.785.352</b>	<b>(78.406.236)</b>	<b>5.611.626</b>	<b>2.476.518</b>	<b>1.880.136</b>	<b>(22.851.746)</b>	<b>(91.289.702)</b>	<b>50.305.991</b>	<b>265.801.640</b>
<b>Insurance contracts financial component result</b>									
Amounts recognized in gains and losses	(34.891.597)	(3.095.108)	(1.735.842)	(2.605.215)	(262.192)	(248.736)	(7.947.093)	-	(42.838.690)
Amounts recognized in other comprehensive income	(26.750.685)	(73.172.757)	(3.365.549)	(8.060.373)	(1.828.300)	(350.173)	(86.777.153)	-	(113.527.838)
	<b>(61.642.282)</b>	<b>(76.267.865)</b>	<b>(5.101.391)</b>	<b>(10.665.588)</b>	<b>(2.090.493)</b>	<b>(598.909)</b>	<b>(94.724.246)</b>	<b>-</b>	<b>(156.366.528)</b>
<b>Reinsurance contracts financial component result</b>									
Amounts recognized in gains and losses	12.816	1.256.370	945.875	4.695	121.755	22.990	2.351.685	-	2.364.502
Amounts recognized in other comprehensive income	202.309	566.167	2.768.104	171.682	(969.071)	195.171	2.732.052	-	2.934.361
	<b>215.125</b>	<b>1.822.537</b>	<b>3.713.979</b>	<b>176.377</b>	<b>(847.316)</b>	<b>218.161</b>	<b>5.083.738</b>	<b>-</b>	<b>5.298.863</b>

	2022								
	Life insurance	Non-life insurance						Not allocated	Total
		Accidents and Health	Fire and Other Damage	Motor	Third-party liability	Others	Total		
<b>Return on investments</b>									
Investment income and expenses	169.252.753	39.320.024	8.990.628	18.602.870	5.652.849	981.792	73.548.163	9.028.066	251.828.982
Net investment gains and exchange differences	(104.760.795)	(27.843.991)	(5.266.510)	(15.037.542)	(4.009.046)	1.649.408	(50.507.681)	(7.917.563)	(163.186.039)
Impairment losses (net of reversals)	376.576	(3.468.337)	403.442	183.716	1.039.527	340.449	(1.501.202)	2.433	(1.122.193)
Amounts recognized in other comprehensive income	(711.532.703)	(40.935.350)	-	-	-	(41.566.695)	(82.502.045)	20.269.098	(773.765.650)
	<b>(646.664.169)</b>	<b>(32.927.654)</b>	<b>4.127.560</b>	<b>3.749.044</b>	<b>2.683.330</b>	<b>(38.595.046)</b>	<b>(60.962.766)</b>	<b>21.382.034</b>	<b>(686.244.901)</b>
<b>Insurance contracts financial component result</b>									
Accrued interest	(12.364.997)	6.736.248	544.059	1.166.021	444.231	84.195	8.974.753	-	(3.390.244)
Effect of changes in interest rates and other financial assumptions	141.510.490	296.902.976	5.242.296	16.015.025	11.228.272	618.266	330.006.835	-	471.517.325
	<b>129.145.493</b>	<b>303.639.224</b>	<b>5.786.355</b>	<b>17.181.046</b>	<b>11.672.503</b>	<b>702.460</b>	<b>338.981.588</b>	<b>-</b>	<b>468.127.081</b>
<b>Reinsurance contracts financial component result</b>									
Accrued interest	(26.101)	(293.255)	(371.807)	(54.341)	(124.208)	(31.400)	(875.011)	-	(901.113)
Effect of changes in interest rates and other financial assumptions	(200.930)	(4.113.670)	(3.978.117)	(932.766)	(3.616.064)	(255.833)	(12.896.450)	-	(13.097.380)
	<b>(227.031)</b>	<b>(4.406.924)</b>	<b>(4.349.924)</b>	<b>(987.107)</b>	<b>(3.740.272)</b>	<b>(287.234)</b>	<b>(13.771.461)</b>	<b>-</b>	<b>(13.998.492)</b>
	<b>(517.745.707)</b>	<b>266.304.645</b>	<b>5.563.991</b>	<b>19.942.983</b>	<b>10.615.562</b>	<b>(38.179.819)</b>	<b>264.247.362</b>	<b>21.382.034</b>	<b>(232.116.312)</b>
<b>Represented by:</b>									
Amounts recognized in gains and losses	52.477.436	14.450.689	4.299.812	4.860.724	3.003.353	3.024.444	29.639.021	1.112.936	83.229.393
Amounts recognized in other comprehensive income	(570.223.143)	251.853.956	1.264.179	15.082.259	7.612.209	(41.204.263)	234.608.341	20.269.098	(315.345.705)
	<b>(517.745.707)</b>	<b>266.304.645</b>	<b>5.563.991</b>	<b>19.942.983</b>	<b>10.615.562</b>	<b>(38.179.819)</b>	<b>264.247.362</b>	<b>21.382.034</b>	<b>(232.116.312)</b>
<b>Insurance contracts financial component result</b>									
Amounts recognized in gains and losses	(12.364.997)	6.736.248	544.059	1.166.021	444.231	84.195	8.974.753	-	(3.390.244)
Amounts recognized in other comprehensive income	141.510.490	296.902.976	5.242.296	16.015.025	11.228.272	618.266	330.006.835	-	471.517.325
	<b>129.145.493</b>	<b>303.639.224</b>	<b>5.786.355</b>	<b>17.181.046</b>	<b>11.672.503</b>	<b>702.460</b>	<b>338.981.588</b>	<b>-</b>	<b>468.127.081</b>
<b>Reinsurance contracts financial component result</b>									
Amounts recognized in gains and losses	(26.101)	(293.255)	(371.807)	(54.341)	(124.208)	(31.400)	(875.011)	-	(901.113)
Amounts recognized in other comprehensive income	(200.930)	(4.113.670)	(3.978.117)	(932.766)	(3.616.064)	(255.833)	(12.896.450)	-	(13.097.380)
	<b>(227.031)</b>	<b>(4.406.924)</b>	<b>(4.349.924)</b>	<b>(987.107)</b>	<b>(3.740.272)</b>	<b>(287.234)</b>	<b>(13.771.461)</b>	<b>-</b>	<b>(13.998.492)</b>

### 30. FINANCIAL INCOME

In the years 2023 and 2022, the heading "Income" is composed as follows:

(values in euros)

	2023			Total
	Interest	Dividends	Annuities	
<b>Investments allocated to liabilities for life insurance contracts</b>				
Financial assets at fair value through profit or loss	844.012	1.307.673	-	2.151.685
Financial assets at fair value through other comprehensive income	39.258.998	506.685	-	39.765.683
Financial assets at amortised cost	( 40.993 )	-	-	( 40.993 )
	<b>40.062.017</b>	<b>1.814.358</b>	<b>-</b>	<b>41.876.375</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>				
Investments in subsidiaries, associates and joint ventures	-	10.466.150	-	10.466.150
Financial assets at fair value through profit or loss	30.195.973	10.917.101	-	41.113.074
Financial assets at fair value through other comprehensive income	81.472.702	157.383	-	81.630.085
Financial assets at amortised cost	2.306.843	-	-	2.306.843
Sight deposits	1.174.371	-	-	1.174.371
	<b>115.149.889</b>	<b>21.540.634</b>	<b>-</b>	<b>136.690.522</b>
	<b>155.211.905</b>	<b>23.354.992</b>	<b>-</b>	<b>178.566.897</b>
<b>investments allocated to liabilities for non-life insurance contracts</b>				
Properties	-	-	3.053.647	3.053.647
Investments in subsidiaries, associates and joint ventures	-	3.740.457	-	3.740.457
Financial assets at fair value through profit or loss	5.524.753	16.615.243	-	22.139.996

(continuation)

(values in euros)

	2023			Total
	Interest	Dividends	Annuities	
Financial assets at fair value through other comprehensive income	22.071.383	21.654.523	-	43.725.905
Financial assets at amortised cost	18.899	-	-	18.899
	<b>27.615.035</b>	<b>42.010.222</b>	<b>3.053.647</b>	<b>72.678.904</b>
<b>Investments not allocated</b>				
Properties	-	-	1.955.637	1.955.637
Investments in subsidiaries, associates and joint ventures	-	17.686.674	-	17.686.674
Financial assets at fair value through profit or loss	201.194	-	-	201.194
Financial assets at fair value through other comprehensive income	2.452.887	-	-	2.452.887
Financial assets at amortised cost	7.932.722	-	-	7.932.722
Sight deposits	1.850.127	-	-	1.850.127
	<b>12.436.931</b>	<b>17.686.674</b>	<b>1.955.637</b>	<b>32.079.242</b>
	<b>195.263.871</b>	<b>83.051.888</b>	<b>5.009.284</b>	<b>283.325.043</b>



	2022			Total
	Interest	Dividends	Annuities	
<b>Investments allocated to liabilities for life insurance contracts</b>				
Financial assets at fair value through profit or loss	1,403,664	951,060	-	2,354,725
Financial assets at fair value through other comprehensive income	35,481,274	1,690,930	-	37,172,204
Financial assets at amortised cost	33,464	-	-	33,464
	<b>36,918,402</b>	<b>2,641,991</b>	<b>-</b>	<b>39,560,393</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>				
Investments in subsidiaries, associates and joint ventures	-	4,093,105	-	4,093,105
Financial assets at fair value through profit or loss	14,611,957	19,614,495	-	34,226,452
Financial assets at fair value through other comprehensive income	77,826,396	8,033,217	-	85,859,613
Financial assets at amortised cost	6,981,981	-	-	6,981,981
Sight deposits	124,353	-	-	124,353
	<b>99,544,687</b>	<b>31,740,816</b>	<b>-</b>	<b>131,285,504</b>
	<b>136,463,090</b>	<b>34,382,807</b>	<b>-</b>	<b>170,845,896</b>

	2022			Total
	Interest	Dividends	Annuities	
<b>investments allocated to liabilities for non-life insurance contracts</b>				
Properties	-	-	4,381,161	4,381,161
Investments in subsidiaries, associates and joint ventures	-	2,478,394	-	2,478,394
Financial assets at fair value through profit or loss	3,164,853	10,924,021	-	14,088,874
Financial assets at fair value through other comprehensive income	27,182,302	25,575,338	-	52,757,640
Financial assets at amortised cost	16,309	-	-	16,309
	<b>30,363,464</b>	<b>38,977,752</b>	<b>4,381,161</b>	<b>73,722,377</b>
<b>Investments not allocated</b>				
Properties	-	-	2,449,978	2,449,978
Investments in subsidiaries, associates and joint ventures	-	5,679,332	-	5,679,332
Financial assets at fair value through profit or loss	442,751	-	-	442,750
Financial assets at fair value through other comprehensive income	561,569	-	-	561,569
Financial assets at amortised cost	3,109,276	-	-	3,109,276
Sight deposits	379,174	-	-	379,174
	<b>4,492,770</b>	<b>5,679,332</b>	<b>2,449,978</b>	<b>12,622,080</b>
	<b>171,319,324</b>	<b>79,039,891</b>	<b>6,831,139</b>	<b>257,190,353</b>

In 2023 and 2022, the income obtained from subleasing right-of-use assets was 1,285,219 Euros and 1,226,917 Euros, respectively.

### 31. NET INCOME ON FINANCIAL ASSETS AND LIABILITIES NOT RECOGNISED AT FAIR VALUE THROUGH PROFIT OR LOSS

In the years 2023 and 2022, this heading was composed as follows:

(values in euros)

	Gains	2023 Loss	Net
<b>Investments allocated to liabilities for life insurance contracts</b>			
Financial assets at fair value through other comprehensive income	1.084.183	( 7.026.576 )	( 5.942.393 )
	<b>1.084.183</b>	<b>( 7.026.576 )</b>	<b>( 5.942.393 )</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>			
Financial assets at fair value through other comprehensive income	1.614.610	( 23.275.632 )	( 21.661.022 )
Financial assets at amortised cost	6.944	-	6.944
Financial liabilities at amortised cost	6.641.468	( 87.589.703 )	( 80.948.235 )
	<b>8.263.023</b>	<b>( 110.865.335 )</b>	<b>( 102.602.313 )</b>
	<b>9.347.206</b>	<b>( 117.891.912 )</b>	<b>( 108.544.706 )</b>
<b>investments allocated to liabilities for non-life insurance contracts</b>			
Financial assets at fair value through other comprehensive income	190.182	( 3.823.516 )	( 3.633.334 )
	<b>190.182</b>	<b>( 3.823.516 )</b>	<b>( 3.633.334 )</b>
<b>Investments not allocated</b>			
Investments in subsidiaries, associates and joint ventures	2.944.217	-	2.944.217
Financial assets at fair value through other comprehensive income	46.099	( 610.920 )	( 564.821 )
	<b>2.990.316</b>	<b>( 610.920 )</b>	<b>2.379.396</b>
	<b>12.527.704</b>	<b>( 122.326.347 )</b>	<b>( 109.798.644 )</b>

(values in euros)

	Gains	2022 Loss	Net
<b>Investments allocated to liabilities for life insurance contracts</b>			
Financial assets at fair value through other comprehensive income	7.108.745	( 4.882.424 )	2.226.321
	<b>7.108.745</b>	<b>( 4.882.424 )</b>	<b>2.226.321</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>			
Financial assets at fair value through other comprehensive income	15.962.052	( 14.479.971 )	1.482.081
Financial assets at amortised cost	454.172	( 189.573 )	264.599
Financial liabilities at amortised cost	900.754	( 7.448.510 )	( 6.547.756 )
	<b>17.316.977</b>	<b>( 22.118.053 )</b>	<b>( 4.801.076 )</b>
	<b>24.425.722</b>	<b>( 27.000.478 )</b>	<b>( 2.574.755 )</b>
<b>investments allocated to liabilities for non-life insurance contracts</b>			
Financial assets at fair value through other comprehensive income	3.068.463	( 4.622.642 )	( 1.554.179 )
	<b>3.068.463</b>	<b>( 4.622.642 )</b>	<b>( 1.554.179 )</b>
<b>Investments not allocated</b>			
Investments in subsidiaries, associates and joint ventures	198	( 36.294 )	( 36.096 )
Financial assets at fair value through other comprehensive income	-	( 25.653 )	( 25.653 )
Financial liabilities at amortised cost	-	-	-
	<b>198</b>	<b>( 61.947 )</b>	<b>( 61.749 )</b>
	<b>27.494.383</b>	<b>( 31.685.066 )</b>	<b>( 4.190.683 )</b>

### 32. NET INCOME ON FINANCIAL ASSETS AND LIABILITIES RECOGNISED AT FAIR VALUE THROUGH PROFIT OR LOSS

In the years 2023 and 2022, this heading was composed as follows:

(values in euros)

	Gains	2023 Loss	Net
<b>Investments allocated to liabilities for life insurance contracts</b>			
Financial assets and liabilities at fair value through profit or loss	16.121.669	( 11.551.630 )	4.570.040
	<b>16.121.669</b>	<b>( 11.551.630 )</b>	<b>4.570.040</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>			
Financial assets and liabilities at fair value through profit or loss	422.289.989	( 432.020.962 )	( 9.730.973 )
	<b>422.289.989</b>	<b>( 432.020.962 )</b>	<b>( 9.730.973 )</b>
	<b>438.411.658</b>	<b>( 443.572.591 )</b>	<b>( 5.160.933 )</b>
<b>investments allocated to liabilities for non-life insurance contracts</b>			
Assets and liabilities at fair value through profit or loss	29.627.375	( 30.703.255 )	( 1.075.881 )
	<b>29.627.375</b>	<b>( 30.703.255 )</b>	<b>( 1.075.881 )</b>
<b>Investments not allocated</b>			
Financial assets and liabilities at fair value through profit or loss	41.372.756	( 39.408.685 )	1.964.071
	<b>41.372.756</b>	<b>( 39.408.685 )</b>	<b>1.964.071</b>
	<b>509.411.789</b>	<b>( 513.684.531 )</b>	<b>( 4.272.743 )</b>

(values in euros)

	Gains	2022 Loss	Net
<b>Investments allocated to liabilities for life insurance contracts</b>			
Financial assets and liabilities at fair value through profit or loss	38.170.703	( 78.659.694 )	( 40.488.991 )
	<b>38.170.703</b>	<b>( 78.659.694 )</b>	<b>( 40.488.991 )</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>			
Financial assets and liabilities at fair value through profit or loss	643.199.903	( 727.423.959 )	( 84.224.056 )
	<b>643.199.903</b>	<b>( 727.423.959 )</b>	<b>( 84.224.056 )</b>
	<b>681.370.606</b>	<b>( 806.083.652 )</b>	<b>( 124.713.046 )</b>
<b>investments allocated to liabilities for non-life insurance contracts</b>			
Assets and liabilities at fair value through profit or loss	64.359.581	( 151.644.025 )	( 87.284.443 )
	<b>64.359.581</b>	<b>( 151.644.025 )</b>	<b>( 87.284.443 )</b>
<b>Investments not allocated</b>			
Financial assets and liabilities at fair value through profit or loss	49.153.181	( 55.326.201 )	( 6.173.020 )
	<b>49.153.181</b>	<b>( 55.326.201 )</b>	<b>( 6.173.020 )</b>
	<b>794.883.368</b>	<b>( 1.013.053.878 )</b>	<b>( 218.170.510 )</b>

### 33. EXCHANGE DIFFERENCES

In the years 2023 and 2022, this heading was composed as follows:

(values in euros)

	2023	2022
<b>Investments allocated to liabilities for life insurance contracts</b>		
Financial assets at fair value through profit or loss	( 336.898 )	( 1.608.144 )
Financial assets at fair value through other comprehensive income	( 12.531.484 )	19.630.465
Financial assets at amortised cost	( 231.313 )	257.734
Sight deposits	( 1.436.304 )	313.999
Others	( 4 )	( 44 )
	<b>( 14.536.003 )</b>	<b>18.594.010</b>
<b>Investments related to contracts considered for accounting purposes as investment contracts</b>		
Financial assets at fair value through profit or loss	( 1.883.364 )	9.290.399
Financial assets at fair value through other comprehensive income	( 713.020 )	( 12.583.702 )
Assets at amortised cost	( 269.182 )	607.007
Sight deposits	( 1.210.901 )	6.265.090
Others	( 770 )	275
	<b>( 4.077.236 )</b>	<b>3.579.069</b>
	<b>( 18.613.239 )</b>	<b>22.173.079</b>

(continuation)

(values in euros)

	2023	2022
<b>investments allocated to liabilities for non-life insurance contracts</b>		
Financial assets at fair value through profit or loss	( 2.334.465 )	7.823.968
Financial assets at fair value through other comprehensive income	( 10.615.323 )	30.530.089
Assets at amortised cost	76.119	950.497
Sight deposits	( 873.237 )	( 973.550 )
Others	1.175	( 62 )
	<b>( 13.745.732 )</b>	<b>38.330.941</b>
<b>Investments not allocated</b>		
Investments in subsidiaries, associates and joint ventures	-	125
Financial assets at fair value through profit or loss	12.295	( 3.670.867 )
Assets at amortised cost	1.270.139	( 2.034.693 )
Sight deposits	1.803.550	4.376.568
Others	-	( 1 )
	<b>3.085.985</b>	<b>( 1.328.866 )</b>
	<b>( 29.272.986 )</b>	<b>59.175.154</b>



### 34. NET INCOME ON THE SALE OF NON-FINANCIAL ASSETS WHICH HAVE NOT BEEN RECOGNISED AS NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

In the years 2023 and 2022, this heading was composed as follows:

(values in euros)

Realised gains and losses	2023			2022		
	Gains	Losses	Net	Gains	Losses	Net
<b>investments allocated to liabilities for non-life insurance contracts</b>						
Properties for own use	4,234,375	( 1,227,821 )	3,006,554	137,964	-	137,964
Investment properties	2,799,898	( 384,314 )	2,415,584	10,318,472	( 369,976 )	9,948,495
	<b>7,034,273</b>	<b>( 1,612,135 )</b>	<b>5,422,138</b>	<b>10,456,435</b>	<b>( 369,976 )</b>	<b>10,086,459</b>
<b>Investments not allocated</b>						
Properties for own use	345,245	( 369,658 )	( 24,413 )	-	-	-
Investment properties	95,518	( 3,508,040 )	( 3,412,522 )	134,092	( 119,850 )	14,242
	<b>440,763</b>	<b>( 3,877,698 )</b>	<b>( 3,436,936 )</b>	<b>134,092</b>	<b>( 119,850 )</b>	<b>14,242</b>
	<b>7,475,036</b>	<b>( 5,489,833 )</b>	<b>1,985,203</b>	<b>10,590,527</b>	<b>( 489,826 )</b>	<b>10,100,701</b>

(values in euros)

Unrealised gains and losses	2023			2022		
	Gains	Losses	Net (Note 10)	Gains	Losses	Net (Nota 10)
<b>investments allocated to liabilities for non-life insurance contracts</b>						
Investment properties	338,895	( 1,257,255 )	( 918,360 )	3,724,040	( 3,785,853 )	( 61,813 )
	338,895	( 1,257,255 )	( 918,360 )	3,724,040	( 3,785,853 )	( 61,813 )
<b>Investments not allocated</b>						
Investment properties	170,676	( 256,824 )	( 86,148 )	956,890	( 1,190,107 )	( 233,217 )
	<b>170,676</b>	<b>( 256,824 )</b>	<b>( 86,148 )</b>	<b>956,890</b>	<b>( 1,190,107 )</b>	<b>( 233,217 )</b>
	<b>509,571</b>	<b>( 1,514,079 )</b>	<b>( 1,004,508 )</b>	<b>4,680,930</b>	<b>( 4,975,960 )</b>	<b>( 295,030 )</b>

(values in euros)

Total	2023			2022		
	Gains	Losses	Net	Gains	Losses	Net
<b>investments allocated to liabilities for non-life insurance contracts</b>						
Properties for own use	4,234,375	( 1,227,821 )	3,006,554	137,964	-	137,964
Investment properties	3,138,794	( 1,641,569 )	1,497,224	14,042,511	( 4,155,829 )	9,886,683
	7,373,168	( 2,869,390 )	4,503,778	14,180,475	( 4,155,829 )	10,024,646
<b>Investments not allocated</b>						
Properties for own use	345,245	( 369,658 )	( 24,413 )	-	-	-
Investment properties	266,194	( 3,764,863 )	( 3,498,670 )	1,090,982	( 1,309,957 )	( 218,975 )
	<b>611,439</b>	<b>( 4,134,522 )</b>	<b>( 3,523,083 )</b>	<b>1,090,982</b>	<b>( 1,309,957 )</b>	<b>( 218,975 )</b>
	<b>7,984,607</b>	<b>( 7,003,912 )</b>	<b>980,695</b>	<b>15,271,457</b>	<b>( 5,465,786 )</b>	<b>9,805,671</b>

### 35. IMPAIRMENT LOSSES (NET OF REVERSALS)

Information on impairment losses movements in 2023 and 2022 is set out below:

(values in euros)

	Opening balances	Reinforcements	2023		Closing balances
			Recoveries and cancellations	Uses	
Impairment of investments in subsidiaries (Note 4)	25,099,775	649,823	( 14,396,039 )	-	11,353,559
Impairment of investments in associates (Note 4)	68,134	9,531	-	-	77,665
Expected credit loss on financial assets at fair value through other comprehensive income					
Debt instruments					
Stages 1 and 2 (Note 23)	7,163,384	2,486,637	( 3,174,630 )	-	6,475,391
Stage 3 (Note 7)	78,480,224	3,892,822	( 2,757,428 )	( 1,046,901 )	78,568,717
Expected credit loss on financial assets at amortised cost (Note 8)					
Other instruments	10,597	-	-	( 10,597 )	-
Impairment of own service properties (Note 9)	4,176,844	3,151,405	-	( 2,815,572 )	4,512,676
Adjustments to premiums pending collection (Note 14)	8,490,245	2,647,667	-	-	11,137,912
IFAP Adjustments (Note 14)	247,225	337,639	-	-	584,864
Adjustments for doubtful debts (Note 14)	14,268,820	308,204	-	-	14,577,024
	<b>138,005,250</b>	<b>13,483,727</b>	<b>( 20,328,097 )</b>	<b>( 3,873,071 )</b>	<b>127,287,810</b>

	Opening balances	Reinforcements	2022		Closing balances
			Recoveries and cancellations	Uses	
Impairment of investments in subsidiaries (Note 4)	35,895,040	2,158,814	( 2,551,478 )	( 10,402,600 )	25,099,775
Impairment of investments in associates (Note 4)	66,821	1,313	-	-	68,134
Expected credit loss on financial assets at fair value through other comprehensive income					
Debt instruments					
Stages 1 and 2 (Note 23)	26,583,442	3,648,191	( 23,068,249 )	-	7,163,384
Stage 3 (Note 7)	57,939,838	20,540,386	-	-	78,480,224
Expected credit loss on financial assets at amortised cost (Note 8)					
Other instruments	385,752	1,865	-	( 377,020 )	10,597
Impairment of own service properties (Note 9)	4,275,530	102,659	-	( 201,345 )	4,176,844
Adjustments to premiums pending collection (Note 14)	14,445,950	-	( 5,832,020 )	( 123,685 )	8,490,245
IFAP Adjustments (Note 14)	-	247,225	-	-	247,225
Adjustments for doubtful debts (Note 14)	14,818,954	-	( 680,717 )	130,583	14,268,820
	<b>154,411,328</b>	<b>26,700,454</b>	<b>( 32,132,465 )</b>	<b>( 10,974,067 )</b>	<b>138,005,250</b>

In 2023 and 2022, the heading "Impairment losses (net of reversals)" includes uses of 1,231,874 Euros and 11,805,011 Euros of "Other provisions" (Note 22), respectively.

At 31 December 2023 and 2022 the breakdown by rating and stage of expected credit losses based on the gross balance sheet value was the following:

(values in euros)

	2023			
	12-month expected credit losses	Lifetime expected credit losses	Default	Total
<b>Financial assets at fair value through other comprehensive income</b>				
AAA	171,347,202	-	-	171,347,202
AA- to AA+	93,399,018	-	-	93,399,018
A- to A+	1,631,544,817	-	-	1,631,544,817
BBB- to BBB+	3,460,465,338	827,592	2,002,245	3,463,295,175
BB- to BB+	401,610,309	2,367,118	-	403,977,427
B- to B+	13,144,156	12,525,938	-	25,670,094
C	-	-	3,892,822	3,892,822
Not rated	-	-	74,314,442	74,314,442
	<b>5,771,510,840</b>	<b>15,720,648</b>	<b>80,209,509</b>	<b>5,867,440,997</b>
<b>Financial assets at amortised cost</b>				
A- to A+	243,978,773	-	-	243,978,773
BBB- to BBB+	31,729,590	-	-	31,729,590
	<b>275,708,363</b>	<b>-</b>	<b>-</b>	<b>275,708,363</b>

(values in euros)

	2022			
	12-month expected credit losses	Lifetime expected credit losses	Default	Total
<b>Financial assets at fair value through other comprehensive income</b>				
AAA	19,539,958	-	-	19,539,958
AA- to AA+	59,034,315	-	-	59,034,315
A- to A+	1,560,412,691	-	-	1,560,412,691
BBB- to BBB+	3,877,692,275	3,385,103	2,002,288	3,883,079,666
BB- to BB+	467,617,650	9,930,801	-	477,548,451
B- to B+	41,556,157	12,954,705	-	54,510,862
Not rated	-	511,641	77,645,893	78,157,534
	6,025,853,046	26,782,250	79,648,181	6,132,283,477
<b>Financial assets at amortised cost</b>				
BBB- to BBB+	540,027,045	-	-	540,027,045
	<b>540,027,045</b>	<b>-</b>	<b>-</b>	<b>540,027,045</b>

The movement occurred in expected credit losses based on the gross balance sheet value between 2023 and 2022 was as follows:

(values in euros)

	12-month expected credit losses	Lifetime expected credit losses	Default	Total
<b>Financial assets at fair value through other comprehensive income</b>				
Balance sheet value as of 31/12/2022	6,025,853,046	26,782,250	79,648,181	6,132,283,477
New assets originated or purchased	995,070,265	11,937,876	-	1,007,008,141
Assets derecognised or matured	(1,481,069,791)	(27,482,047)	(10,639,898)	(1,519,191,736)
Accrued capitalised interest	(20,416,626)	25,409	170,094	(20,221,123)
Change in fair value	286,791,425	(72,986)	4,847,551	291,565,990
Net exchange expense / (income)	(22,147,768)	(425,958)	(1,430,025)	(24,003,751)
Movement between 12mECL and LTECL	(12,569,711)	4,956,104	7,613,606	(1)
Balance sheet value as of 31/12/2023	5,771,510,840	15,720,648	80,209,509	5,867,440,997
<b>Financial assets at amortised cost</b>				
Balance sheet value as of 31/12/2022	540,027,045	-	-	540,027,045
Assets derecognised or matured	(258,490,427)	-	-	(258,490,427)
Accrued capitalised interest	(5,828,255)	-	-	(5,828,255)
Balance sheet value as of 31/12/2023	275,708,363	-	-	275,708,363

As of 31 December 2023 and 2022, the breakdown by rating and stage of expected credit losses based on expected credit losses was as follows:

(values in euros)

	2023			
	12-month expected credit losses	Lifetime expected credit losses	Default	Total
<b>Financial assets at fair value through other comprehensive income</b>				
AAA	1	-	-	1
AA- to AA+	12,922	-	-	12,922
A- to A+	552,869	-	-	552,869
BBB- to BBB+	2,781,620	126	361,453	3,143,199
BB- to BB+	1,700,917	106,548	-	1,807,465
B- to B+	692,899	627,489	-	1,320,388
C	-	-	3,892,822	3,892,822
Not rated	-	-	74,314,442	74,314,442
	<b>5,741,228</b>	<b>734,163</b>	<b>78,568,717</b>	<b>85,044,108</b>



(values in euros)

	2022			
	12-month expected credit losses	Lifetime expected credit losses	Default	Total
<b>Financial assets at fair value through other comprehensive income</b>				
AA- to AA+	11,681	-	-	11,681
A- to A+	600,948	-	-	600,948
BBB- to BBB+	2,818,817	14,534	862,233	3,695,584
BB- to BB+	2,168,157	428,914	-	2,597,071
B- to B+	875,249	165,817	-	1,041,066
Not rated	-	79,267	77,617,992	77,697,259
	<b>6,474,852</b>	<b>688,532</b>	<b>78,480,225</b>	<b>85,643,609</b>

The movement in expected credit losses based on expected credit losses in the years 2023 and 2022 was as follows:

(values in euros)

	12-month expected credit losses	Lifetime expected credit losses	Default	Total
<b>Financial assets at fair value through other comprehensive income</b>				
<b>Balance at 31 December 2022</b>	<b>6,474,852</b>	<b>688,532</b>	<b>78,480,225</b>	<b>85,643,609</b>
New assets originated or purchased	761,644	169,297	-	930,941
Assets derecognised or matured	( 935,673 )	( 252,842 )	( 1,876,143 )	( 3,064,658 )
Re-measurement of expected credit loss	( 527,846 )	518,583	1,543,479	1,534,216
Movement between 12mECL and LTECL	( 31,749 )	( 389,407 )	421,156	-
<b>Balance at 31 December 2023</b>	<b>5,741,228</b>	<b>734,163</b>	<b>78,568,717</b>	<b>85,044,108</b>

As of 31 December 2023, the amount recorded under the heading "Allowance for expected credit losses in debt instruments at fair value through other comprehensive income", referring to securities whose used reference rating corresponds to an internal rating amount to 301,715 Euros. The provision corresponding to these securities, if considered as unrated, would amount to 29,079,100 Euros.

### 36. OTHER TECHNICAL INCOME/EXPENSES, NET OF REINSURANCE

In the years 2023 and 2022, this heading was composed as follows:

(values in euros)

	2023			2022		
	Financial Income	Expenses	Net	Financial Income	Expenses	Net
<b>Related to life insurance</b>						
Co-insurance management fees	10,173	( 91 )	10,082	12,360	( 1,411 )	10,948
	<b>10,173</b>	<b>( 91 )</b>	<b>10,082</b>	<b>12,360</b>	<b>( 1,411 )</b>	<b>10,948</b>
<b>Related to non-life insurance</b>						
Co-insurance management fees	480,543	( 190,278 )	290,264	385,469	( 121,300 )	264,169
Others	1,283,986	( 169,118 )	1,114,868	1,207,130	( 286,374 )	920,756
	<b>1,764,529</b>	<b>( 359,397 )</b>	<b>1,405,132</b>	<b>1,592,599</b>	<b>( 407,674 )</b>	<b>1,184,925</b>
	<b>1,774,702</b>	<b>( 359,488 )</b>	<b>1,415,214</b>	<b>1,604,958</b>	<b>( 409,085 )</b>	<b>1,195,873</b>

### 37. OTHER INCOME/EXPENSES

In the years 2023 and 2022, this heading was composed as follows:

(values in euros)

	2023	2022
<b>Non-current income and gains</b>		
Pro-rata VAT Credit	2,775,371	8,094,875
Others	620,349	115,099
	<b>3,395,720</b>	<b>8,209,974</b>
<b>Financial income and gains</b>		
Exchange rate gains	8,914,373	20,337,057
Interest earned	1,003,942	60,094
Others	1,134,562	1,031,980
	<b>11,052,877</b>	<b>21,429,131</b>
<b>Income from other assets</b>		
Gains on other intangible assets	312,560	-
Gains on other tangible assets	188,660	85,642
	<b>501,220</b>	<b>85,642</b>
<b>Other non-technical income</b>		
Adjustments to balances	7,785,085	613,138
Provision of services	763,909	1,019,755
Others	166,854	188,465
	<b>8,715,848</b>	<b>1,821,358</b>

(continuation)

(values in euros)

	2023	2022
Other income	23,665,665	31,546,105
<b>Non-current expenses and losses</b>		
Patronage	-	( 487,150 )
Indemnities	( 51,000 )	( 1,150,000 )
Miscellaneous contributions	( 62,885 )	( 78,206 )
Corrections to previous years	( 85,996 )	( 441,535 )
Bad debts	( 222,483 )	( 569,936 )
Adjustments to balances	( 384,084 )	( 115,348 )
Offers to costumers	( 488,938 )	( 706,798 )
Donations	( 1,351,097 )	( 2,664,681 )
Fines and penalties	( 1,821,887 )	( 848,988 )
Others	( 97,285 )	( 575,850 )
	<b>( 4,565,655 )</b>	<b>( 7,638,492 )</b>
<b>Financial expenses and losses</b>		
Interest paid	( 286 )	( 102,146 )
Banking services	( 204,069 )	( 222,227 )
Exchange rate losses	( 9,738,384 )	( 19,991,784 )
Others	( 799,422 )	( 1,215,447 )
	<b>( 10,742,161 )</b>	<b>( 21,531,604 )</b>

(continuation)

(values in euros)

	2023	2022
<b>Losses in other assets</b>		
Losses on other tangible assets	( 748,245 )	( 56,814 )
	( 748,245 )	( 56,814 )
<b>Other expenses</b>	<b>( 16,056,061 )</b>	<b>( 29,226,910 )</b>

At 31 December 2023 and 2022, the breakdown of provision of services to customers was as follows:

(values in euros)

	2023	2022
<b>Provision of services</b>		
Helpdesk	-	8,428
Actuarial studies	89,413	93,211
Financial and accounting services	265,846	109,829
Other services provided	408,651	808,287
	<b>763,910</b>	<b>1,019,755</b>

The item "Other services provided" in 2022 essentially relates to the sale of the "Fixo" project to Fidelidade - Serviços de Assistência, S.A. in the amount of 610,895 Euros.

### 38. INCOME TAX

The costs/gains with income tax recognised in profits and losses, and the tax burden, measured as the ratio between the appropriation for income tax and the profit in the year before tax, may be represented as follows:

(values in euros)

	2023	2022
Current tax		
For the year	( 22,625,894 )	14,936,248
Autonomous taxation	920,809	1,824,632
	<b>( 21,705,085 )</b>	<b>16,760,880</b>
Others		
Branches	588,370	59,234
Excess / insufficient IRC estimate	1,336,019	( 1,071,792 )
Tax liabilities	5,362,548	8,816,590
SIFIDE II	( 5,243,035 )	( 4,268,954 )
Tax paid abroad	926,794	3,934,097
	<b>( 18,734,389 )</b>	<b>24,230,055</b>
Deferred tax	12,798,160	( 7,484,179 )
Total tax in income statement	( 5,936,229 )	16,745,876
Pre-tax profit	77,652,689	84,846,260
Tax burden	( 7.64% )	19.74%

Reconciliation between the nominal tax rate and the effective tax rate in 2023 and 2022 can be demonstrated as follows:

(values in euros)

	2023		2022	
	Rate	Tax	Rate	Tax
Income before tax		77,652,689		84,846,260
Income tax calculated at nominal rate	21.00%	16,307,065	21.00%	17,817,715
<b>Permanent differences to be deducted</b>				
Dividends from equity instruments	(14.90%)	( 11,572,417 )	(9.81%)	( 8,324,470 )
Capital gains and losses for tax purposes	(12.26%)	( 9,523,404 )	(1.39%)	( 1,179,956 )
Corrections related to previous years	(4.58%)	( 3,558,616 )	(1.15%)	( 978,752 )
<b>Permanent differences to be added</b>				
Tax liabilities	7.27%	5,646,516	7.30%	6,194,392
Others	1.92%	1,493,356	1.05%	888,976
<b>Tax benefits</b>				
Net job creation	(0.02%)	( 18,493 )	(0.14%)	( 115,980 )
International double taxation	(0.48%)	( 375,717 )	(1.20%)	( 1,021,741 )
SIFIDE II	(6.75%)	( 5,243,035 )	(5.03%)	( 4,268,954 )
Others	(0.22%)	( 168,457 )	(0.35%)	( 297,295 )



(continuation)

(values in euros)

	2023		2022	
	Taxa	Imposto	Taxa	Imposto
<b>Tax paid abroad</b>	<b>1.19%</b>	<b>926,794</b>	<b>4.64%</b>	<b>3,934,097</b>
<b>Autonomous taxation</b>	<b>1.19%</b>	<b>920,809</b>	<b>2.15%</b>	<b>1,824,632</b>
<b>Deferred tax assets and liabilities - Effect of tax rate change</b>	<b>(0.99%)</b>	<b>( 770,630 )</b>	<b>2.68%</b>	<b>2,273,213</b>
	<b>(7.64%)</b>	<b>( 5,936,229 )</b>	<b>19.74%</b>	<b>16,745,876</b>

The tax authorities have the possibility to review the tax situation for a defined period of time, which in Portugal is four years (except in years in which a tax loss is calculated) and may result due to different interpretations of the legislation, any corrections to the taxable profit of previous years. Given the nature of any corrections that may be made, it is not possible to quantify them at this time. However, in the opinion of the Company's Board of Directors, it is unlikely that any correction concerning the years referred to above will be significant for the attached financial statements.

### 39. SEGMENT REPORTING

The Company presents operating segments based on internally produced management information. Operating results are regularly reviewed by the main operational decision maker for the purpose of allocating resources to the segment and evaluating performance.

The results may be segmented by activity since there is distinct financial information.

An operating segment is an identifiable component that is intended to provide an individual product or service or a group of related products or services, within a specific economic environment, from which it may derive revenues and incur expenses, that are subject to risks and benefits that are distinguishable from others.

The Company considers the insurance segment as its main segment, exploring life and non-life insurance.

Life insurance includes the following sub-segments:

- "Risk and Profit Sharing", comprising contracts through which the insurer undertakes to pay the sum insured in the event of the death of the insured person (death insurance) or survival of the insured person (life assurance) and undertakes to pay a given sum insured at the end of the contracts and the right of the policyholder, insured or beneficiary to receive part of the results generated by the contract; and
- "Investment contracts" means financial instruments in the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts.

Non-life insurance includes the following lines of business:

- "Accidents and Health", intended to insure the workers in the event of injuries arising in the workplace and during working hours or on the way from or to work, which results in bodily injury, functional disorder or disease that leads to a reduction in working or earning capacity or death and that covers the risks related with the provision of healthcare in the form of agreed benefits, indemnity payments and combinations of the two types of benefits;
- "Motor", which covers the risks to which land motor vehicles (cars, motorcycles, etc.) are exposed, including third party liability arising from their circulation, as well as optional coverages, such as own damages, travel assistance and legal protection;
- "Fire and Other Damage", which covers risks related to losses of property caused by "Fire and other damage" to property;
- "Third-Party", which covers the risk of the insured having to indemnify third parties for damages resulting in bodily or material injuries for which the same is responsible, including "General Third-Party Liability", "Family Third-Party Liability" insurance, "Animals Third-Party Liability", "Operational Third-Party Liability", "Professional Third-Party Liability" and "Products Third-Party Liability"; and
- "Other", which covers the damages suffered by "Transported Goods", "Credit", "Surety" and miscellaneous insurance not mentioned above.

The distribution of income by lines of business in 2023 and 2022 was as follows:

(values in euros)

	2023								Total
	Life insurance Life risk and participating	Investment contracts	Accidents and health	Property	Motor	Non-life insurance Third party liabilities	Others	Non-technical	
<b>Profit and Loss</b>									
Insurance revenue									
Measured under premium allocation approach	180.962.396	-	840.183.780	365.703.540	617.980.318	96.702.706	53.676.358	-	2.155.209.098
Non-measured under premium allocation approach	138.867.161	-	-	-	-	-	-	-	138.867.161
Insurance service expenses	(224.633.467)	-	(756.543.130)	(295.519.815)	(565.981.290)	(87.131.009)	(30.268.063)	-	(1.960.076.774)
Recoverable from reinsurers	12.966.637	-	352.067.026	73.621.312	6.565.084	45.487.648	5.439.296	-	496.147.004
Reinsurance premium paid									
Measured under premium allocation approach - reinsurers	(18.553.408)	-	(414.901.612)	(142.934.933)	(50.254.340)	(45.447.221)	(24.839.390)	-	(696.930.904)
Insurance finance expenses for insurance contracts issued	(34.891.597)	-	(3.095.108)	(1.735.842)	(2.605.215)	(262.192)	(248.736)	-	(42.838.690)
Reinsurance finance income for reinsurance contracts held	12.816	-	1.256.370	945.875	4.695	121.755	22.990	-	2.364.502
Fees from insurance contracts and operations considered for accounting purposes as investment contracts or service contracts	-	1.368.760	-	-	-	-	-	-	1.368.760
Financial income	41.876.375	136.690.522	37.330.923	9.966.548	17.780.263	6.605.203	995.968	32.079.242	283.325.043
Financial expenses	(479.214)	(396.540)	(53.516)	(15.768)	(30.415)	(9.343)	(1.330)	(3.639.926)	(4.626.052)
Net gains from financial assets and liabilities through other comprehensive income	(5.942.393)	(102.602.313)	(3.421.215)	(44.032)	(23.619)	(120.585)	(23.883)	2.379.396	(109.798.644)
Net gains from financial assets and liabilities through profit and loss	4.570.040	(9.730.973)	1.756.571	(875.706)	(1.460.466)	(433.097)	(63.181)	1.964.071	(4.272.743)
Effect of movements in exchange rates	(14.536.003)	(4.077.236)	(6.842.132)	(2.075.524)	(3.357.897)	(1.283.650)	(186.530)	3.085.985	(29.272.986)
Net gains from non-financial assets that are not classified as non-current assets held for sale and discontinued operating units	-	-	750.497	945.206	2.195.876	538.831	73.369	(3.523.083)	980.695
Impairment losses (net of reversals)	2.257.579	10.120.518	(2.719.843)	(1.441.245)	(2.132.341)	(418.466)	(7.871)	2.417.912	8.076.243
Non-attributable costs	(3.998.144)	(68.720.280)	(11.074.484)	(9.648.265)	(17.489.758)	(2.654.998)	(380.062)	(55.927.849)	(169.893.841)
Other technical income/expenses	10.082	-	156.875	1.241.372	-	(2.778)	9.663	-	1.415.214
Other income/expenses	3	2.548	-	(14.213)	-	-	21.140	7.600.127	7.609.604
Current income tax	-	-	-	-	-	-	-	5.936.229	5.936.229
<b>Total profit and loss</b>	<b>78.488.862</b>	<b>(37.344.995)</b>	<b>34.851.002</b>	<b>(1.881.492)</b>	<b>1.190.896</b>	<b>11.692.803</b>	<b>4.219.739</b>	<b>(7.627.896)</b>	<b>83.588.918</b>
<b>Total assets</b>	<b>1.720.642.646</b>	<b>8.057.429.727</b>	<b>1.283.790.397</b>	<b>153.770.665</b>	<b>16.536.841</b>	<b>112.201.375</b>	<b>1.442.398.375</b>	<b>2.415.841.224</b>	<b>15.202.611.251</b>
<b>Total liabilities</b>	<b>1.715.581.351</b>	<b>7.436.988.257</b>	<b>1.527.045.501</b>	<b>328.901.466</b>	<b>540.499.549</b>	<b>189.169.558</b>	<b>26.611.440</b>	<b>1.240.678.391</b>	<b>13.005.475.513</b>
<b>Total lines of business</b>									<b>2.113.546.820</b>
<b>Share capital, reserves, retained earnings</b>									<b>(2.113.546.820)</b>

(values in euros)

	2022								
	Life insurance			Non-life insurance					
	Life risk and participating	Investment contracts	Accidents and health	Property	Motor	Third party liabilities	Others	Non-technical	Total
<b>Profit and Loss</b>									
Insurance revenue									
Measured under premium allocation approach	182.443.747	-	729.860.349	333.173.520	548.422.971	65.261.001	62.214.046	-	1.921.375.634
Non-measured under premium allocation approach	136.496.255	-	-	-	-	-	-	-	136.496.255
Insurance service expenses	(181.888.473)	-	(701.566.509)	(253.773.049)	(502.528.239)	(54.965.629)	(37.761.595)	-	(1.732.483.494)
Recoverable from reinsurers	19.769.453	-	326.436.850	63.420.762	2.480.532	23.376.642	8.578.632	-	444.062.870
Reinsurance premium paid									
Measured under premium allocation approach - reinsurers	(22.373.771)	-	(385.372.740)	(129.344.004)	(45.170.369)	(26.122.453)	(29.172.123)	-	(637.555.460)
Insurance finance expenses for insurance contracts issued	(12.364.997)	-	6.736.248	544.059	1.166.021	444.231	84.195	-	(3.390.244)
Reinsurance finance income for reinsurance contracts held	(26.101)	-	(293.255)	(371.807)	(54.341)	(124.208)	(31.400)	-	(901.113)
Fees from insurance contracts and operations considered for accounting purposes as investment contracts or service contracts	-	1.171.456	-	-	-	-	-	-	1.171.456
Financial income	39.559.553	131.285.504	39.397.330	9.016.677	18.655.634	5.668.330	984.406	12.622.919	257.190.353
Financial expenses	(569.717)	(1.022.587)	(77.306)	(26.049)	(52.764)	(15.481)	(2.614)	(3.594.853)	(5.361.371)
Net gains from financial assets and liabilities through other comprehensive income	2.226.321	(4.441.110)	(456.293)	(207.785)	(535.832)	(288.814)	(65.455)	(421.716)	(4.190.683)
Net gains from financial assets and liabilities through profit and loss	(40.488.991)	(84.224.056)	(47.057.703)	(10.948.115)	(28.584.162)	(7.649.127)	6.954.664	(6.173.020)	(218.170.510)
Effect of movements in exchange rates	18.587.971	3.579.069	19.670.005	5.889.391	14.082.452	3.928.895	(5.239.801)	(1.322.828)	59.175.154
Net gains from non-financial assets that are not classified as non-current assets held for sale and discontinued operating units	-	-	1.286.928	2.308.820	5.054.075	1.213.460	161.364	(218.975)	9.805.671
Impairment losses (net of reversals)	2.966.166	(2.645.780)	(1.297.329)	804.374	1.596.335	1.536.057	424.433	13.852.765	17.237.021
Non-attributable costs	(9.927.736)	(74.726.002)	(12.059.223)	(10.362.629)	(21.997.937)	(2.848.832)	(1.054.775)	(30.153.215)	(163.130.349)
Other technical income/expenses	10.948	-	(17.592)	1.197.767	959	4.252	(460)	-	1.195.873
Other income/expenses	-	481.611	(101)	(9)	1.632	(1)	(30.639)	1.866.703	2.319.196
Current income tax	-	-	-	-	-	-	-	(16.745.876)	(16.745.876)
<b>Total profit and loss</b>	<b>134.420.628</b>	<b>(30.541.894)</b>	<b>(24.810.343)</b>	<b>11.321.922</b>	<b>(7.463.034)</b>	<b>9.418.324</b>	<b>6.042.876</b>	<b>(30.288.095)</b>	<b>68.100.384</b>
<b>Total assets</b>	<b>1.958.337.659</b>	<b>8.364.239.631</b>	<b>1.317.494.677</b>	<b>138.845.522</b>	<b>15.228.380</b>	<b>87.434.434</b>	<b>1.311.817.838</b>	<b>2.231.203.784</b>	<b>15.424.601.925</b>
<b>Total liabilities</b>	<b>1.931.190.550</b>	<b>7.758.626.986</b>	<b>1.374.117.658</b>	<b>284.215.534</b>	<b>483.403.986</b>	<b>161.009.258</b>	<b>31.652.119</b>	<b>1.185.858.212</b>	<b>13.210.074.304</b>
<b>Total lines of business</b>									<b>2.146.427.238</b>
<b>Share capital, reserves, retained earnings</b>									<b>(2.146.427.238)</b>

## 40. RELATED PARTIES

As defined in IAS 24, subsidiaries, associates and joint ventures of the Fosun Group, Caixa Geral de Depósitos, S.A. and their respective management bodies are considered related parties of the Company.

Note 4 provides information on the structure of the Group, including details of subsidiaries and associates.

As of 31 December 2023 and 2022, the financial statements include the following balances and transactions with related parties, excluding management bodies:

(values in euros)

	2023					Total
	Longrun Portugal SGPS, S.A.	Caixa Geral de Depósitos, S.A.	Subsidiaries	Associates	Fosun International Holdings Ltd Group	
Assets	23.123.131	441.415.705	3.529.928.317	1.710.904	130.058.399	4.126.236.456
Liabilities	-	37.904.330	167.828.190	-	5.307.667	211.040.187
Financial Income	5.028	14.943.541	445.518.761	359.359	17.666.085	478.492.775
Expenses	-	(56.193.855)	(472.262.593)	(9.531)	(9.100.727)	(537.566.706)

(values in euros)

	2022					Total
	Longrun Portugal SGPS, S.A.	Caixa Geral de Depósitos, S.A.	Subsidiaries	Associates	Fosun International Holdings Ltd Group	
Assets	55.827.776	502.456.816	3.373.041.202	1.720.435	116.503.991	4.049.550.221
Liabilities	-	71.565.324	142.859.489	-	7.076.732	221.501.545
Financial Income	4.964	9.738.614	334.530.072	336.978	18.316.870	362.927.498
Expenses	(1.602)	(63.233.116)	(427.593.046)	(1.313)	(21.795.833)	(512.624.910)

The amounts recorded in assets and liabilities mostly relate to investments in subsidiaries and other entities of the Fosun group, bank deposits, and balances receivable/payable related to intragroup ceded and accepted reinsurance.

Income and expenses are mostly related to the business of intragroup ceded and accepted reinsurance and net investment income and gains.

Transactions with the related parties are performed on the basis of the market values on the respective dates.

## Remuneration of Corporate Bodies

The Remuneration Committee is responsible for approving the remuneration of the members of the Corporate Bodies, according to criteria established by the shareholder.

The remuneration and benefits paid to the members of the Corporate Bodies during the year 2023 were as follows:

(values in euros)

Board of Directors	Remuneration Fixed	Remuneration Variable	Meal Allowance	Charge Ins. Health	Charge Ins. Life
<b>Non-executive members</b>					
<b>Chairman</b>					
Jorge Manuel Baptista Magalhães Correia	444,500	254,740(1)	2,759	1,111	134
<b>Members</b>					
Carlos António Torroaes Albuquerque	27,096	-	-	-	-
Eduardo José Stock da Cunha	40,848	-	-	-	-
Lingjiang XU	40,848	-	-	-	-
Maria João Vellez Carozo Honório Paulino de Sales Luís	37,932	-	-	-	-
José Manuel Alvarez Quintero	52,500	303,825(1)	1,505	528	64

(continuation)

(values in euros)

Board of Directors	Remuneration Fixed	Remuneration Variable	Meal Allowance	Charge Ins. Health	Charge Ins. Life
<b>Executive members</b>					
<b>Chairman of the Executive Committee</b>					
Rogério Miguel Antunes Campos Henriques	481,250	377.711 <sup>(1)</sup>	2,759	2,026	134
<b>Members of the Executive Committee</b>					
António Manuel Marques de Sousa Noronha	391,176	341.854 <sup>(1)</sup>	2,759	1,111	134
Wai Lam William Mak	391,176	341.854 <sup>(1)</sup>	2,759	1,989	134
André Simões Cardoso	391,176	331.769 <sup>(1)</sup>	2,759	2,868	134
Hui CHEN	330,839	110.117 <sup>(2)</sup>	2,759	1,550	134
Juan Ignacio Arsuaga Serrats	391,176	135.673 <sup>(2)</sup>	2,759	1,550	134
Miguel Barroso Abecasis	391,176	86.278 <sup>(3)</sup>	2,759	2,429	134

Supervisory Board	Remuneration Fixed	Remuneration Variable	Meal Allowance	Charge Ins. Health	Charge Ins. Life
<b>Chairman</b>					
Jorge Manuel de Sousa Marrão	33,600	-	-	-	-
<b>Members</b>					
Teófilo César Ferreira da Fonseca	31,500	-	-	-	-
Pedro Antunes de Almeida	55,894	-	-	-	-
Vasco Jorge Valdez Ferreira Matias	24,394	-	-	-	-
Jorge Manuel de Sousa Marrão	33,600	-	-	-	-

<sup>(1)</sup> For the financial years 2019, 2020, 2021 and 2022.

<sup>(2)</sup> For the financial years 2020, 2021 and 2022.

<sup>(3)</sup> For the 2022 financial year..

The fees of Ernst & Young, SROC, S.A., the Company's Statutory Auditor, related to 2023, are 1,904,042 Euros, of which 1,723,559 Euros are related to the Statutory Audit and legal review of accounts and 180,484 Euros to compliance and assurance services.

Other assurance services basically include: (i) Certification of the annual solvency and financial position report, (ii) Independent review of the sustainability information contained in the Single Integrated Report, (iii) Opinion on procedures and controls in matters of ML&TF prevention, (iv) Opinion on the specific procedures for the prevention, detection and reporting of insurance fraud situations and (v) Opinion on the specific procedures for the remuneration policy.



## 41. DISCLOSURES RELATING TO FINANCIAL INSTRUMENTS

### FINANCIAL POSITION

At 31 December 2023 and 2022, the financial instruments had the following balance sheet value:

(values in euros)

	2023		Balance sheet value
	Recognised at fair value	Not recognised at fair value	
<b>Assets</b>			
Cash and cash equivalents and sight deposits	-	225,378,614	225,378,614
Investments in subsidiaries, associates and joint ventures	-	3,136,870,305	3,136,870,305
Financial assets at fair value through profit or loss	3,903,332,170	-	3,903,332,170
Hedge Derivatives	3,167,533	-	3,167,533
Financial assets at fair value through other comprehensive income	6,115,324,912	-	6,115,324,912
Financial assets at amortised cost	-	560,732,107	560,732,107
Accounts receivable from direct insurance and reinsurance operations	-	164,688,856	164,688,856
	10,021,824,614	4,087,669,881	14,109,494,496
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss	310,222,492	-	310,222,492
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	2,848,660,275	4,496,736,619	7,345,396,894

(continuation)

(values in euros)

	2023		Balance sheet value
	Recognised at fair value	Not recognised at fair value	
Deposits received from reinsurers	-	186,678,818	186,678,818
Other financial liabilities	-	44,191,653	44,191,653
Accounts payable for direct insurance and reinsurance operations	-	191,218,782	191,218,782
	<b>3,158,882,767</b>	<b>4,918,825,871</b>	<b>8,077,708,638</b>

(valores em euros)

	2022		Balance sheet value
	Recognised at fair value	Not recognised at fair value	
<b>Assets</b>			
Cash and cash equivalents and sight deposits	-	267,048,385	267,048,385
Investments in subsidiaries, associates and joint ventures	-	3,139,982,402	3,139,982,402
Financial assets at fair value through profit or loss	3,531,228,551	-	3,531,228,551
Financial assets at fair value through other comprehensive income	6,421,410,575	-	6,421,410,575
Financial assets at amortised cost	-	792,554,208	792,554,208
Accounts receivable from direct insurance and reinsurance operations	-	107,880,993	107,880,993
	<b>9,952,639,126</b>	<b>4,307,465,988</b>	<b>14,260,105,114</b>

(continuation)

(values in euros)

	2022		Balance sheet value
	Recognised at fair value	Not recognised at fair value	
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss	169,256,597	-	169,256,597
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	2,467,267,641	5,249,292,078	7,716,559,719
Deposits received from reinsurers	-	149,622,749	149,622,749
Other financial liabilities	-	23,541,553	23,541,553
Accounts payable for direct insurance and reinsurance operations	-	184,113,943	184,113,943
	<b>2,636,524,237</b>	<b>5,606,570,323</b>	<b>8,243,094,560</b>

## GAINS AND LOSSES

In the years ended on 31 December 2023 and 2022, the net gains and losses on financial instruments had the following breakdown:

(values in euros)

	2023		total
	income statement	As a charge to own capital	
Income from financial instruments			
Financial assets at fair value through profit or loss	65,605,948	-	65,605,948
Financial assets at fair value through other comprehensive income	167,574,561	-	167,574,561
Financial assets at amortised cost	10,217,471	-	10,217,471
Sight deposits	3,024,498	-	3,024,498
Other financial assets	36,902,565	-	36,902,565
Net income on financial assets and liabilities not recognised at fair value through profit or loss			
Financial assets at fair value through other comprehensive income	( 31,801,571 )	318,684,812	286,883,242
Financial assets at amortised cost	6,944	-	6,944
Financial liabilities at amortised cost	( 80,948,235 )	-	( 80,948,235 )
Others	2,944,217	-	2,944,217
Net income on financial assets and liabilities recognised at fair value through profit or loss			
Financial assets and liabilities at fair value through profit or loss	( 4,272,743 )	-	( 4,272,743 )

(continuation)

(values in euros)

	2023		
	income statement	As a charge to own capital	total
Exchange differences	( 29,272,986 )	-	( 29,272,986 )
Impairment losses (net of reversals)			
Financial assets at fair value through other comprehensive income	( 447,401 )	-	( 447,401 )
Others	8,523,644	-	8,523,644
Interest on subordinate liabilities	( 22,411,089 )	-	( 22,411,089 )
Interest on deposits received from reinsurers	( 1,719,189 )	-	( 1,719,189 )
	<b>123,926,635</b>	<b>318,684,812</b>	<b>442,611,447</b>

(values in euros)

	2022		
	income statement	As a charge to own capital	total
Income from financial instruments			
Financial assets at fair value through profit or loss	82,978,286	-	82,978,286
Financial assets at fair value through other comprehensive income	144,485,541	-	144,485,541
Financial assets at amortised cost	10,141,031	-	10,141,031
Sight deposits	503,527	-	503,527
Other financial assets	19,081,969	-	19,081,969
Net income on financial assets and liabilities not recognised at fair value through profit or loss			
Financial assets at fair value through other comprehensive income	2,128,569	( 734,539,544 )	( 732,410,975 )
Financial assets at amortised cost	264,599		264,599
Financial liabilities at amortised cost	( 6,547,756 )	-	( 6,547,756 )
others	( 36,096 )	-	( 36,096 )

(continuation)

(values in euros)

	2022		
	income statement	As a charge to own capital	total
Net income on financial assets and liabilities recognised at fair value through profit or loss			
Financial assets and liabilities at fair value through profit or loss	( 218,170,510 )	-	( 218,170,510 )
Exchange differences	59,175,154	-	59,175,154
Impairment losses (net of reversals)			
Financial assets at fair value through other comprehensive income	( 1,120,328 )	-	( 1,120,328 )
Financial assets at amortised cost	( 1,865 )	-	( 1,865 )
others	18,359,214		18,359,214
Interest on subordinate liabilities	( 22,360,836 )	-	( 22,360,836 )
Interest on deposits received from reinsurers	( 1,429,909 )	-	( 1,429,909 )
	<b>87,450,590</b>	<b>( 734,539,544 )</b>	<b>( 647,088,954 )</b>

In the years ended on 31 December 2023 and 2022, the income and expenses with interest, calculated according to the effective interest rate method, relating to financial assets and liabilities not recognised at fair value through profit or loss, had the following breakdown:

(values in euros)

	2023	2022
<b>Assets</b>		
Financial assets at fair value through other comprehensive income	145,255,970	141,051,541
Financial assets at amortised cost	10,217,471	10,141,031
Sight deposits	3,024,498	503,527
	<b>158,497,940</b>	<b>151,696,098</b>
<b>Liabilities</b>		
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	( 80,948,235 )	( 6,547,756 )
Subordinate liabilities	( 22,411,089 )	( 22,360,836 )
Deposits received from reinsurers	( 1,719,189 )	( 1,429,909 )
	<b>( 105,078,512 )</b>	<b>( 30,338,501 )</b>



## OTHER DISCLOSURES

### Fair value of financial instruments

At 31 December 2023 and 2022, the method for assessing the fair value of the financial instruments reflected in the Company's financial statements can be summarised as follows:

(values in euros)

	2023			Not recognised at fair value	Total
	Fair value calculation method				
	Level 1	Level 2	Level 3		
<b>Assets</b>					
Cash and cash equivalents and sight deposits	-	-	-	225,378,614	225,378,614
Investments in subsidiaries, associates and joint ventures	-	-	-	3,136,870,305	3,136,870,305
Financial assets at fair value through profit or loss	2,250,199,038	133,049,831	1,520,083,301	-	3,903,332,170
Hedge Derivatives	3,167,533	-	-	-	3,167,533
Financial assets at fair value through other comprehensive income	5,603,154,320	330,481,937	181,688,655	-	6,115,324,912
Financial assets at amortised cost	-	-	-	560,732,107	560,732,107
Accounts receivable from direct insurance and reinsurance operations	-	-	-	164,688,856	164,688,856
	<b>7,856,520,891</b>	<b>463,531,768</b>	<b>1,701,771,956</b>	<b>4,087,669,881</b>	<b>14,109,494,496</b>

(continuation)

(values in euros)

	2023			Not recognised at fair value	Total
	Fair value calculation method				
	Level 1	Level 2	Level 3		
<b>Liabilities</b>					
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	-	2,848,660,275	-	4,496,736,619	7,345,396,894
Financial liabilities at fair value through profit or loss	2,586,258	41,679,867	265,956,367	-	310,222,492
Deposits received from reinsurers	-	-	-	186,678,818	186,678,818
Other financial liabilities	-	-	-	44,191,653	44,191,653
Accounts payable for direct insurance and reinsurance operations	-	-	-	191,218,782	191,218,782
	<b>2,586,258</b>	<b>2,890,340,142</b>	<b>265,956,367</b>	<b>4,918,825,871</b>	<b>8,077,708,638</b>
	<b>7,853,934,633</b>	<b>( 2,426,808,374 )</b>	<b>1,435,815,589</b>	<b>( 831,155,989 )</b>	<b>6,031,785,858</b>

(values in euros)

	2022			Not recognised at fair value	Total
	Level 1	Level 2	Level 3		
<b>Assets</b>					
Cash and cash equivalents and sight deposits	-	-	-	267,048,385	267,048,385
Investments in subsidiaries, associates and joint ventures	-	-	-	3,139,982,402	3,139,982,402
Financial assets at fair value through profit or loss	1,987,018,182	202,237,537	1,341,972,832	-	3,531,228,551
Financial assets at fair value through other comprehensive income	5,932,685,482	322,425,243	166,299,850	-	6,421,410,575
Financial assets at amortised cost	-	-	-	792,554,208	792,554,208
Accounts receivable from direct insurance and reinsurance operations	-	-	-	107,880,993	107,880,993
	<b>7,919,703,664</b>	<b>524,662,780</b>	<b>1,508,272,682</b>	<b>4,307,465,988</b>	<b>14,260,105,114</b>
<b>Liabilities</b>					
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	-	2,467,267,641	-	5,249,292,078	7,716,559,719
Financial liabilities at fair value through profit or loss	1,684,862	38,293,501	129,278,234	-	169,256,597
Deposits received from reinsurers	-	-	-	149,622,749	149,622,749
Other financial liabilities	-	-	-	23,541,553	23,541,553
Accounts payable for direct insurance and reinsurance operations	-	-	-	184,113,943	184,113,943
	<b>1,684,862</b>	<b>2,505,561,142</b>	<b>129,278,234</b>	<b>5,606,570,323</b>	<b>8,243,094,560</b>
	<b>7,918,018,802</b>	<b>(1,980,898,362)</b>	<b>1,378,994,449</b>	<b>(1,299,104,334)</b>	<b>6,017,010,554</b>

The tables above present the classification according to the fair value hierarchy, as provided for by IFRS 13, of the financial instruments held by the Company on 31 December 2023 and 2022 that are valued at fair value, according to the following assumptions:

- Level 1 – Financial instruments measured on the basis of quoted prices in active markets to which the Company has access. Included in this category are securities valued on the basis of executable prices (with immediate liquidity) published by external sources.
- Level 2 – Financial instruments whose valuation is based on observable data, directly or indirectly, in active markets. Included in this category are securities valued on the basis of bids supplied by external counterparties and internal valuation techniques which only use observable market data.

- Level 3 – Financial instruments measured at fair value that do not fall under levels 1 and 2, when the information referred in the previous levels is not available. The Group uses prices available on Bloomberg, through a lower scoring methodology, and in this case the evaluation corresponds to indirect observations based on comparable assets with the same credit quality and the same maturity of the instrument. There are also some cases in which prices are provided by third parties such as market makers or through the NAV adjusted by the prices of subsequent corporate events (mainly investment funds).

The movement between 31 December 2022 and 2023 in the financial instruments classified within Level 3 of the fair value hierarchy can be broken down as follows:

(values in euros)

	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Financial liabilities at fair value through profit or loss
<b>Balance at 31 December 2021</b>	<b>472,654,542</b>	<b>893,044,760</b>	<b>(126,628,889)</b>
Acquisitions	-	459,118,430	(116,448,908)
Revaluations			
as a charge to the income statement	948,506	12,523,590	7,418,044
as a charge to shareholders' equity	(27,276,895)	(15,680,538)	-
ECL reinforcements / reversals in the year	(6,314,054)	-	-

(continuation)

(values in euros)

	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Financial liabilities at fair value through profit or loss
Transfers			
of investments to be held until maturity			
from level 2 to level 3	-	519,810	1,638,223
Disposals ( 273,712,249 )	( 7,553,220 )	104,743,296	
<b>Balance at 31 December 2022</b>	<b>166,299,850</b>	<b>1,341,972,832</b>	<b>( 129,278,234 )</b>
Acquisitions	-	58,835,854	( 125,846,988 )
Revaluations			
as a charge to the income statement	-	157,902,719	( 10,831,145 )
as a charge to shareholders' equity	15,487,739	-	-
ECL reinforcements / reversals in the year	1,427,407	-	-
Disposals ( 1,526,341 )	( 38,628,104 )	-	
<b>Balance at 31 December 2023</b>	<b>181,688,655</b>	<b>1,520,083,301</b>	<b>( 265,956,367 )</b>

As of 31 December 2023 and 2022, the balance sheet value and fair value of financial assets valued at amortised cost or at fair value were as follows:

(values in euros)

	2023		
	Balance Sheet Value	Fair value	Difference
<b>Assets</b>			
Cash and cash equivalents and sight deposits	225,378,614	225,378,614	-
Financial assets at fair value through profit or loss	3,903,332,170	3,903,332,170	-
Financial assets at amortised cost	560,732,107	548,880,853	11,851,254
Accounts receivable from direct insurance and reinsurance operations	164,688,856	164,688,856	-
	<b>4,854,131,746</b>	<b>4,842,280,492</b>	<b>11,851,254</b>

(values in euros)

	2022		
	Balance Sheet Value	Fair value	Difference
<b>Assets</b>			
Cash and cash equivalents and sight deposits	267,048,385	267,048,385	-
Financial assets at fair value through profit or loss	3,531,228,551	3,531,228,551	-
Financial assets at amortised cost	792,554,208	769,683,523	22,870,685
Accounts receivable from direct insurance and reinsurance operations	107,880,993	107,880,993	-
	<b>4,698,712,138</b>	<b>4,675,841,453</b>	<b>22,870,685</b>

The main assumptions used to calculate the fair value of these financial assets were:

- The fair value of financial investments recorded under the heading “Cash and cash equivalents and sight deposits” is similar to their balance sheet value, since they mainly correspond to short-term deposits;
- The fair value of term deposits recorded under the heading “Financial assets at fair value through profit or loss” is similar to their balance sheet value, since they mainly correspond to short-term deposits; and
- Under the heading “Financial assets at amortised cost” the fair value of mortgage loans was not calculated, given their immateriality and the fact that they are essentially loans made to employees, with real guarantees.

### **Financial risk management policies inherent to Fidelidade’s activity**

The Company’s objectives, rules and procedures on market risk management are governed by means of its Investments Policy.

This Policy, which is reviewed annually, without prejudice to any other reviews that must be carried out in light of the development of the legal framework, asset market trends or changes in the company’s investment guidelines and / or risk profile, defines:

- the main investment management guidelines and how the Company evaluates, approves, implements, controls, and monitors its investment activities and the risks arising from these activities;
- the activities related to the Company’s investment process, ranging from Strategic Asset Allocation (SAA) to Tactical Asset Allocation (TAA), including the decision process and control and reporting activities;
- the duties and responsibilities of those involved in the investment process.

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

Establishing an appropriate assets portfolio is, at any time, the result of a well-structured, disciplined, and transparent investment process, which includes the following components:

- an investment strategy designed to create value, yet in line with the Company’s business profile and risk appetite;
- an investment policy reflecting that strategy, implemented by investment managers with appropriate knowledge and resources;
- a continuous and independent control of the investment activity;
- appropriate reporting procedures;

Bearing these aspects in mind, the Company’s investment management cycle is composed of the following fundamental activities:

- **Define** – Definition and approval of the general investment management cycle, including the overall investment strategy, investment policies, asset and liability management and liquidity, as well as the strategic asset allocation (SAA);
- **Invest** – Carrying out all investment activities, in accordance with the defined strategies and policies (identification, evaluation and approval of investment opportunities, as well as execution, settlement and allocation of investments);
- **Monitor** – Monitoring the evolution of the asset’s portfolio in terms of performance, liquidity, and credit quality;

- **Manage** – Review of strategies, policies, benchmarks, and limits according to current and future market conditions/ expectations and internal risk capacity;
- **Control** – Ensure that all assigned strategies, policies, procedures, and responsibilities are adhered to.

The following items are also decisive within the scope of the Company's investment activity:

### 1. Definition of the portfolio objective

The main objective of the Company's investment portfolio management is to optimise its return in a sound and prudent manner, ensuring that all stakeholders are protected, in particular the interests of policyholders, insured people and beneficiaries. Accordingly, the portfolio must be systematically optimised according to the nature of the business subscribed, the Company's risk appetite and its liquidity needs.

### 2. Rules for investment in assets

On one hand, the Company's assets are invested appropriately, considering both the nature and duration of the responsibilities assumed by the Company and the capacity to ensure the security, quality, availability, liquidity, and profitability of the portfolio as a whole.

On the other hand, the assets are well diversified in order to avoid excessive concentration of risk in the portfolio as a whole.

Lastly, the assets are invested in order to guarantee a regular cash return, thereby enabling the Company to adequately manage its liquidity.

### 3. Asset classes

As a general rule, the Company's portfolio is mainly composed of liquid assets (in line with the liquidity criteria set out in the ALM and Liquidity Policy), participation units in investment funds and real estate.

The asset classes eligible for investment by the Company are:

- Treasury (cash, deposits and equivalent);
- Fixed income (medium and long-term debt instruments);
- Variable income (instruments that provide variable gains);
- Real estate (including, whether for own use or for investment);
- Alternative investments

Derivatives can be used, exceptionally, and in a simple format (swaps, forwards, futures, etc.), to hedge specific positions or for asset-liability management purposes.

### 4. Exposure limits

In order to allow the Company, in the face of changes in the markets, to pursue its investment objectives without, however, taking excessive levels of risks, a set of targets and maximum and minimum limits were defined, according to the following criteria:

- Asset class;
- Credit quality and duration;
- Operating sector;
- Geography;
- Concentration by position;
- Currency.



## 5. Risk management and control process

The Risk Management Division (DGR) is responsible for controlling and monitoring the allocation of assets, in view of the targets and limits established.

In this sense, the procedures are defined, along with those responsible for them, when there are non-compliances with the targets and/or established limits.

**With regard to asset losses control mechanisms**, DGR provides information on the evolution of the most important risks related with investments, in particular, their impact on the solvency capital requirements.

Thus, based on the evolution of the time weighted return (TWR) and the estimates of the solvency capital requirement, the DGR regularly reports

the estimated coverage of the solvency position, and the procedures to be adopted when certain alert levels are reached are defined.

A regular **reporting process** has been set up for the various levels of the Company involved in investment management, in order to enable adequate supervision and the activation of risk mitigation management mechanisms.

Accordingly, the information which should be produced has been defined, including the type of report, its content, its frequency, and the body responsible for producing it.

### Credit risk

On 31 December 2023 and 2022, the Company's exposure to credit risk was as follows:

(values in euros)

	2023		
	Gross book value	Impairment	Net book net
Sight deposits	225,033,317	-	225,033,317
Financial assets at fair value through profit or loss	1,746,476,836	-	1,746,476,836
Financial assets at fair value through other comprehensive income	5,788,872,280	-	5,788,872,280
Financial assets at amortised cost	560,732,107	-	560,732,107
Accounts receivable from direct insurance and reinsurance operations	184,100,143	( 19,411,287 )	164,688,856
Maximum exposure to credit risk	8,505,214,683	( 19,411,287 )	8,485,803,396

(values in euros)

	2022		
	Gross book value	Impairment	Net book net
Sight deposits	266,831,084	-	266,831,084
Financial assets at fair value through profit or loss	1,369,313,956	-	1,369,313,956
Financial assets at fair value through other comprehensive income	6,053,803,252	-	6,053,803,252
Financial assets at amortised cost	792,554,208	-	792,554,208
Accounts receivable from direct insurance and reinsurance operations	123,876,351	( 15,995,358 )	107,880,993
Maximum exposure to credit risk	8,606,378,851	( 15,995,358 )	8,590,383,493

## Credit quality

In the risk ratings presented, the corresponding rating was considered according to the methodology identified in Note 2.4.e). The following tables present the breakdown of the balance sheet value which is presented according to a scale equivalent to those of Standard & Poor's and Fitch.

The following table shows the breakdown of the balance sheet value of financial investments at 31 December 2023 and 2022:

(values in euros)

Asset class	2023			Total
	Country of origin			
	Portugal	Rest of the European Union	Others	
Deposits in Credit Institutions				
A- to A+	261,100	41,939,195	( 4,641,935 )	37,558,360
BBB- to BBB+	371,344,055	6,678,204	16,983,476	395,005,735
BB- to BB+	3,828	-	-	3,828
Not rated	553,862	1,890,161	-	2,444,023
	372,162,845	50,507,560	12,341,541	435,011,946
Deposits in ceding companies				
A- to A+	893,830	-	255,466	1,149,296
	893,830	-	255,466	1,149,296
	373,056,675	50,507,560	12,597,007	436,161,242

(values in euros)

Asset class	2022			Total
	Country of origin			
	Portugal	Rest of the European Union	Others	
Deposits in Credit Institutions				
AA- to AA+	-	-	110,650	110,650
A- to A+	424,785	24,440,854	2,061,995	26,927,634
BBB- to BBB+	407,168,349	4,431,335	9,944,582	421,544,266
BB- to BB+	431,446	-	3,406,227	3,837,673
B- to B+	1,747,840	-	-	1,747,840
Not rated	554,015	30,260,984	-	30,814,999
	<b>410,326,435</b>	<b>59,133,173</b>	<b>15,523,454</b>	<b>484,983,062</b>
Deposits in ceding companies				
A- to A+	-	-	292,216	292,216
Not rated	907,868	-	-	907,868
	<b>907,868</b>	<b>-</b>	<b>292,216</b>	<b>1,200,084</b>
	<b>411,234,303</b>	<b>59,133,173</b>	<b>15,815,670</b>	<b>486,183,146</b>

At 31 December 2023 and 2022, the balance sheet value of the debt instruments in the portfolio, net of impairment, has the following breakdown:

(values in euros)

Asset class	2023				Total
	Country of origin				
	Portugal	Rest of the European Union	North America	Others	
<b>Financial assets at fair value through profit or loss</b>					
Corporate					
AA- to AA+	-	2,279,568	1,096,058	-	3,375,626
A- to A+	21,960,051	32,222,399	3,718,756	5,585,051	63,486,257
BBB- to BBB+	16,034,652	204,142,862	72,831,532	52,477,247	345,486,293
BB- to BB+	29,444,565	128,076,354	25,661,326	21,397,576	204,579,821
B- to B+	-	-	2,396,128	8,451,296	10,847,424
Not rated	68,761,761	1,962,194	-	-	70,723,955
	136,201,029	368,683,377	105,703,800	87,911,170	698,499,376
Governments and other local authorities					
AAA	-	28,082,876	-	-	28,082,876
AA- to AA+	-	13,000,992	103,149	3,802,955	16,907,096
A- to A+	15,890,789	63,163,561	-	985,031	80,039,381
BBB- to BBB+	47,178,751	143,835,706	-	2,711,037	193,725,494
BB- to BB+	16,432,543	-	-	-	16,432,543
	<b>79,502,083</b>	<b>248,083,135</b>	<b>103,149</b>	<b>7,499,023</b>	<b>335,187,390</b>

(continuation)

(values in euros)

Asset class	2023				Total
	Country of origin				
	Portugal	Rest of the European Union	North America	Others	
Financial Institutions					
AAA	-	1,011,746	3,540,206	-	4,551,952
AA- to AA+	-	15,642,729	2,348,516	-	17,991,245
A- to A+	-	96,801,119	40,398,521	21,422,047	158,621,687
BBB- to BBB+	35,867,379	133,451,666	15,199,915	9,670,745	194,189,705
BB- to BB+	35,186,339	113,502,585	2,598,226	-	151,287,150
B- to B+	-	874,979	-	-	874,979
Not rated	-	-	91,762,426	51,557,087	143,319,513
	<b>71,053,718</b>	<b>361,284,824</b>	<b>155,847,810</b>	<b>82,649,879</b>	<b>670,836,231</b>
Other issuers					
AA- to AA+	-	41,953,839	-	-	41,953,839
	-	<b>41,953,839</b>	-	-	<b>41,953,839</b>
	<b>286,756,830</b>	<b>1,020,005,175</b>	<b>261,654,759</b>	<b>178,060,072</b>	<b>1,746,476,836</b>

Asset class	2022				Total
	Country of origin				
	Portugal	Rest of the European Union	North America	Others	
<b>Financial assets at fair value through profit or loss</b>					
<i>Corporate</i>					
AA- até AA+	-	3.906.800	1.103.903	-	5.010.703
A- até A+	-	16.899.159	1.490.155	6.425.051	24.814.365
BBB- até BBB+	34.554.290	167.918.309	38.970.109	40.123.752	281.566.460
BB- até BB+	34.164.051	157.764.117	36.203.894	10.578.766	238.710.828
B- até B+	-	-	-	8.129.009	8.129.009
Not rated	70.501.242	5.821.832	7.493.160	34.096.029	117.912.263
	<b>139.219.583</b>	<b>352.310.217</b>	<b>85.261.221</b>	<b>99.352.607</b>	<b>676.143.628</b>
<i>Governments and other local authorities</i>					
AAA	-	3.654.794	-	-	3.654.794
AA- até AA+	-	3.223.861	-	-	3.223.861
A- até A+	-	30.280.114	-	957.251	31.237.365
BBB- até BBB+	46.208.015	34.247.684	-	967.434	81.423.133
BB- até BB+	1.402.886	-	-	-	1.402.886
	<b>47.610.901</b>	<b>71.406.453</b>	<b>-</b>	<b>1.924.685</b>	<b>120.942.039</b>

(continuation)

(values in euros)

Asset class	2022				Total
	Country of origin				
	Portugal	Rest of the European Union	North America	Others	
Financial Institutions					
AAA	-	-	5.788.507	-	5.788.507
AA- até AA+	-	7.192.187	2.244.746	-	9.436.933
A- até A+	-	72.067.334	32.560.816	6.244.429	110.872.579
BBB- até BBB+	23.012.340	74.303.757	16.120.679	5.522.668	118.959.444
BB- até BB+	24.508.136	103.234.800	-	-	127.742.936
B- até B+	17.581.393	4.265.819	-	-	21.847.212
Not rated	-	-	106.696.722	51.456.375	158.153.097
	<b>65.101.869</b>	<b>261.063.897</b>	<b>163.411.470</b>	<b>63.223.472</b>	<b>552.800.708</b>
Other issuers					
AAA	-	19.427.581	-	-	19.427.581
	-	<b>19.427.581</b>	-	-	<b>19.427.581</b>
	<b>251.932.353</b>	<b>704.208.148</b>	<b>248.672.691</b>	<b>164.500.764</b>	<b>1.369.313.956</b>



Asset class	2023				Total
	Country of origin				
	Portugal	Rest of the European Union	North America	Others	
<b>Financial assets at fair value through other comprehensive income</b>					
<i>Corporate</i>					
AA- até AA+	-	4.954.964	2.267.153	3.802.382	11.024.499
A- até A+	-	67.409.666	38.382.483	169.009.820	274.801.969
BBB- até BBB+	314.332	462.856.767	418.933.012	398.131.087	1.280.235.198
BB- até BB+	19.444.360	30.829.489	149.096.056	78.441.548	277.811.453
B- até B+	-	-	2.231.652	23.438.442	25.670.094
	<b>19.758.692</b>	<b>566.050.886</b>	<b>610.910.356</b>	<b>672.823.279</b>	<b>1.869.543.213</b>
<i>Governments and other local authorities</i>					
AAA	-	145.773.774	-	-	145.773.774
AA- até AA+	-	820.669	-	13.442.914	14.263.583
A- até A+	110.417.481	88.410.739	-	4.089.840	202.918.060
BBB- até BBB+	31.928.538	1.265.131.066	4.549.617	8.943.502	1.310.552.723
BB- até BB+	9.592.634	-	-	-	9.592.634
	<b>151.938.653</b>	<b>1.500.136.248</b>	<b>4.549.617</b>	<b>26.476.256</b>	<b>1.683.100.774</b>

(continuation)

(values in euros)

Asset class	2023				Total
	Country of origin				
	Portugal	Rest of the European Union	North America	Others	
Financial Institutions					
AAA	-	4.670.111	2.779.709	7.203.428	14.653.248
AA- até AA+	-	8.193.949	38.284.388	5.822.245	52.300.582
A- até A+	-	350.791.770	153.837.766	649.195.256	1.153.824.792
BBB- até BBB+	20.246.882	329.374.246	74.234.842	446.649.039	870.505.009
BB- até BB+	63.257.019	4.328.120	2.955.265	46.032.935	116.573.339
	<b>83.503.901</b>	<b>697.358.196</b>	<b>272.091.970</b>	<b>1.154.902.903</b>	<b>2.207.856.970</b>
Other issuers					
AAA	-	10.920.179	-	-	10.920.179
AA- até AA+	-	15.810.353	-	-	15.810.353
BBB- até BBB+	-	-	-	1.640.792	1.640.792
	-	<b>26.730.532</b>	-	<b>1.640.792</b>	<b>28.371.324</b>
	<b>255.201.246</b>	<b>2.790.275.862</b>	<b>887.551.943</b>	<b>1.855.843.230</b>	<b>5.788.872.281</b>

(values in euros)

Asset class	2022				Total
	Country of origin				
	Portugal	Rest of the European Union	North America	Others	
<b>Financial assets at fair value through other comprehensive income</b>					
<i>Corporate</i>					
AA- até AA+	-	5.136.762	1.128.376	736.645	7.001.783
A- até A+	-	48.018.495	43.523.658	259.861.414	351.403.567
BBB- até BBB+	9.742.903	343.507.756	398.432.532	468.224.011	1.219.907.202
BB- até BB+	12.638.100	86.288.290	177.258.785	62.849.104	339.034.279
B- até B+	5.640.180	-	5.045.333	15.317.152	26.002.665
Not rated	511.641	-	-	27.901	539.542
	<b>28.532.824</b>	<b>482.951.303</b>	<b>625.388.684</b>	<b>807.016.227</b>	<b>1.943.889.038</b>
<i>Governments and other local authorities</i>					
AAA	-	4.297.723	-	-	4.297.723
AA- até AA+	-	893.385	-	4.170.701	5.064.086
A- até A+	-	61.574.523	-	4.895.809	66.470.332
BBB- até BBB+	327.387.250	1.486.029.747	3.499.128	7.882.958	1.824.799.083
BB- até BB+	13.138.653	-	-	-	13.138.653
	<b>340.525.903</b>	<b>1.552.795.378</b>	<b>3.499.128</b>	<b>16.949.468</b>	<b>1.913.769.877</b>

(continuation)

(values in euros)

Asset class	2022				Total
	Country of origin				
	Portugal	Rest of the European Union	North America	Others	
Financial Institutions					
AAA	-	4.475.426	2.646.137	891.730	8.013.293
AA- até AA+	6.763.786	5.873.582	29.742.643	4.588.435	46.968.446
A- até A+	-	353.176.360	140.232.938	649.129.495	1.142.538.793
BBB- até BBB+	5.481.033	296.058.300	87.421.777	447.409.981	836.371.091
BB- até BB+	70.691.711	8.366.796	2.844.790	43.472.222	125.375.519
B- até B+	28.508.198	-	-	-	28.508.198
	<b>111.444.728</b>	<b>667.950.464</b>	<b>262.888.285</b>	<b>1.145.491.863</b>	<b>2.187.775.340</b>
Other issuers					
AAA	-	7.228.942	-	-	7.228.942
BBB- até BBB+	-	-	-	1.140.055	1.140.055
	-	<b>7.228.942</b>	-	<b>1.140.055</b>	<b>8.368.997</b>
	<b>480.503.455</b>	<b>2.710.926.087</b>	<b>891.776.097</b>	<b>1.970.597.613</b>	<b>6.053.803.252</b>

(values in euros)

Asset class	2023		Total
	Portugal	Country of origin Rest of the European Union	
<b>Financial assets at amortised cost</b>			
Governments and other local authorities			
A- até A+	243.978.771	-	243.978.771
BBB- até BBB+	-	31.729.591	31.729.591
	<b>243.978.771</b>	<b>31.729.591</b>	<b>275.708.362</b>
	<b>243.978.771</b>	<b>31.729.591</b>	<b>275.708.362</b>

(values in euros)

Asset class	2023		Total
	Portugal	Country of origin Rest of the European Union	
<b>Financial assets at amortised cost</b>			
Governments and other local authorities			
BBB- até BBB+	249.104.270	290.922.775	540.027.045
	<b>249.104.270</b>	<b>290.922.775</b>	<b>540.027.045</b>
	<b>249.104.270</b>	<b>290.922.775</b>	<b>540.027.045</b>

## Liquidity risk

At 31 December 2023 and 2022, the estimated undiscounted cash flows of financial instruments, according to their contractual maturity, show the following breakdown:

(values in euros)

	2023									Total
	Up to 1 month	From 1 to 3 months	From 3 months to 6 months	From 6 months to 1 year	Between 1 and 3 years	Between 3 and 5 years	Between 5 and 10 years	More than 10 years	Indefinite	
<b>Assets</b>										
Cash and cash equivalents and sight deposits	225.378.614	-	-	-	-	-	-	-	-	225.378.614
Investments in subsidiaries, associates and joint ventures	-	-	-	-	-	-	-	-	3.113.799.972	3.113.799.972
Financial assets at fair value through profit or loss	17.701.339	10.421.343	20.012.487	24.991.902	507.808.924	953.323.635	122.239.946	308.955.860	1.237.386.003	3.202.841.440
Hedge Derivatives	-	-	-	-	-	-	-	-	43.927.448	43.927.448
Financial assets at fair value through other comprehensive income	17.412.967	55.168.766	282.139.670	477.247.224	2.513.447.783	2.117.008.334	690.308.368	209.862.599	1.107.877.374	7.470.473.085
Financial assets at amortised cost	146.484.642	46.833.164	1.976.915	88.424.213	136.758.363	17.159.300	67.490.900	-	-	505.127.498
Accounts receivable from direct insurance and reinsurance operation:	164.688.856	-	-	-	-	-	-	-	-	164.688.856
	<b>571.666.418</b>	<b>112.423.273</b>	<b>304.129.073</b>	<b>590.663.340</b>	<b>3.158.015.070</b>	<b>3.087.491.269</b>	<b>880.039.214</b>	<b>518.818.459</b>	<b>5.502.990.797</b>	<b>14.726 236 913</b>

(continuation)

(values in euros)

	2023									
	Up to 1 month	From 1 to 3 months	From 3 months to 6 months	From 6 months to 1 year	Between 1 and 3 years	Between 3 and 5 years	Between 5 and 10 years	More than 10 years	Indefinite	Total
<b>Liabilities</b>										
Financial liabilities at fair value										
through profit or loss	49.522.047	1.625.544	28.468.792	23.646.291	48.727.866	69.928.424	82.716.470	-	-	304.635.435
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as										
investment contracts	259.857.701	157.699.339	277.436.697	796.576.471	1.557.807.899	2.073.548.982	1.381.672.607	588.200.326	-	7.092.800.022
Deposits received from reinsurers	194.457	388.914	583.371	190.373.503	-	-	-	-	-	191.540.245
Other financial liabilities	( 50.694 )	-	-	13.940.787	7.247.758	8.943.255	14.055.837	-	-	44.136.943
Accounts payable for direct insurance and reinsurance operations	191.218.782	-	-	-	-	-	-	-	-	191.218.782
	<b>300.742.293</b>	<b>159.713.797</b>	<b>306.488.860</b>	<b>1.024.537.052</b>	<b>1.613.783.523</b>	<b>2.152.420.661</b>	<b>1.478.444.914</b>	<b>588.200.326</b>	<b>-</b>	<b>7.824.331.427</b>

(values in euros)

	2022									Total
	Up to 1 month	From 1 to 3 months	From 3 months to 6 months	From 6 months to 1 year	Between 1 and 3 years	Between 3 and 5 years	Between 5 and 10 years	More than 10 years	Indefinite	
<b>Assets</b>										
Cash and cash equivalents and sight deposits	267.048.385	-	-	-	-	-	-	-	-	267.048.385
Investments in subsidiaries										
associates and joint ventures	-	-	-	-	-	-	-	-	3.139.982.402	3.139.982.402
Financial assets at fair value										
through profit or loss	7.585.630	12.755.446	30.134.743	19.320.123	292.930.014	777.443.099	191.826.285	262.548.591	1.277.966.012	2.872.509.944
Hedge Derivatives	-	-	-	-	-	-	-	-	(88.451.920)	(88.451.920)
Financial assets at fair value through other comprehensive income	87.059.079	157.628.431	215.722.078	705.754.775	2.281.345.718	1.941.619.626	1.080.442.228	257.228.942	1.375.086.725	8.101.887.602
Financial assets at amortised cost	131.650.737	665.419.215	11.185.971	43.608.190	118.314.425	93.349.925	68.781.800	-	-	1.132.310.262
Accounts receivable from direct insurance and reinsurance operation	107.880.993	-	-	-	-	-	-	-	-	107.880.993
	<b>601.224.825</b>	<b>835.803.092</b>	<b>257.042.792</b>	<b>768.683.088</b>	<b>2.692.590.157</b>	<b>2.812.412.650</b>	<b>1.341.050.313</b>	<b>519.777.533</b>	<b>5.704.583.219</b>	<b>15.533.167.669</b>



(continuation)

(values in euros)

	2022									Total
	Up to 1 month	From 1 to 3 months	From 3 months to 6 months	From 6 months to 1 year	Between 1 and 3 years	Between 3 and 5 years	Between 5 and 10 years	More than 10 years	Indefinite	
<b>Liabilities</b>										
Financial liabilities at fair value										
through profit or loss	-	3.639.651	128.941.709	-	13.196.904	8.691.601	-	-	-	154.469.865
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as										
investment contracts	140.727	-	-	-	-	883.224	-	-	2.954.916	3.978.867
Deposits received from reinsurers	155.857	779.285	2.337.855	8.883.851	-	-	-	-	-	12.156.848
Other financial liabilities	673.381	-	-	10.814.164	8.235.539	2.242.643	1.574.142	-	-	23.539.869
Accounts payable for direct insurance and reinsurance operations	184.113.943	-	-	-	-	-	-	-	-	184.113.943
	<b>185.083.908</b>	<b>4.418.936</b>	<b>131.279.564</b>	<b>19.698.015</b>	<b>21.432.443</b>	<b>11.817.468</b>	<b>1.574.142</b>	<b>0</b>	<b>2.954.916</b>	<b>378 259 392</b>

The determination of the estimated cash flows of financial instruments was based on the principles and assumptions used by Fidelidade in the management and control of liquidity within its business, with the necessary adjustments in order to comply with the applicable disclosure requirements.

The main assumptions used in the calculation of the estimated flows were as follows:

- Cash and sight deposits were classified as demand liabilities, included in the maturity "Up to 1 month";
- The amounts included in the headings "Other debtors" and "Other creditors" are payable on demand, and classified with maturity of "Up to 1 month";
- The equity instruments were classified with "Indefinite" maturity;
- In debt instruments, the earliest of the following dates was considered as the contractual maturity: call, put or maturity;
- The amounts recorded under the heading "Deposits received from reinsurers" correspond to provisions withheld from reinsurers under the existing reinsurance treaty and are renewable for annual periods. The cash-flow estimates were calculated on the basis of the next due date;
- The "Hedge Derivatives" were classified with "Indefinite" maturity, as they are futures contracts and exchange forwards;
- For the calculation of the estimated cash flows of the "Financial liabilities at fair value through profit or loss", the maturity dates of the contracts were considered;

• In determining the estimated cash flows of the mathematical provision for life insurance and financial liabilities of the deposit component of insurance contracts and investment contracts, the following assumptions were considered:

- Mortality was determined according to the history of the last five years;
- The estimate of future outflows by redemption of capitalisation contracts was based on a generalised linear model with four factors: type of product, initial duration of the contract and difference between the market interest rate, parent company and technical rate;
- Expected yields were determined based on the rates of the interest rate curve, the duration of the liability and plus/minus unrealised gains;
- The expected costs were estimated based on the values recorded in the year.

## Market risk

### Interest rate risk

At 31 December 2023 and 2022, the breakdown of financial instruments by type of exposure to interest rate risk was as follows:

(values in euros)

	2023			Total
	Exposure to Fixed rate	Variable rate	Not subject to risk of interest rate	
<b>Assets</b>				
Cash and cash equivalents and sight deposits	-	225,033,317	345,297	225,378,614
Investments in subsidiaries, associates and joint ventures	-	-	3,136,870,305	3,136,870,305
Financial assets at fair value through profit or loss	1,232,858,178	513,960,170	2,156,513,822	3,903,332,170
Hedge Derivatives	-	-	3,167,533	3,167,533
Financial assets at fair value through other comprehensive income	5,373,580,402	415,291,879	326,452,631	6,115,324,912
Financial assets at amortised cost	437,487,421	-	123,244,686	560,732,107
Accounts receivable from direct insurance and reinsurance operations	-	-	164,688,856	164,688,856
	<b>7,043,926,001</b>	<b>1,154,285,366</b>	<b>5,911,283,129</b>	<b>14,109,494,496</b>

(continuation)

(values in euros)

	2023			Total
	Exposure to Fixed rate	Exposure to Variable rate	Not subject to risk of interest rate	
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss	34,793,570	-	275,428,922	310,222,492
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	4,496,736,619	2,848,660,275	-	7,345,396,894
Deposits received from reinsurers	-	186,678,818	-	186,678,818
Other financial liabilities	-	44,191,653	-	44,191,653
Accounts payable for direct insurance and reinsurance operations	-	-	191,218,782	191,218,782
	<b>4,531,530,189</b>	<b>3,079,530,746</b>	<b>466,647,703</b>	<b>8,077,708,638</b>

(values in euros)

	2022			Total
	Exposure to Fixed rate	Exposure to Variable rate	Not subject to risk of interest rate	
<b>Assets</b>				
Cash and cash equivalents and sight deposits	-	266,831,084	217,301	267,048,385
Investments in subsidiaries, associates and joint ventures	-	-	3,139,982,402	3,139,982,402
Financial assets at fair value through profit or loss	930,338,058	445,362,497	2,155,527,996	3,531,228,551
Financial assets at fair value through other comprehensive income	5,633,071,452	451,660,880	336,678,243	6,421,410,575
Financial assets at amortised cost	713,277,866	-	79,276,342	792,554,208
Accounts receivable from direct insurance and reinsurance operations	-	-	107,880,993	107,880,993
	<b>7,276,687,376</b>	<b>1,163,854,461</b>	<b>5,819,563,278</b>	<b>14,260,105,114</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss	20,401,155	-	148,855,442	169,256,597
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	5,249,292,078	2,467,267,641	-	7,716,559,719
Deposits received from reinsurers	-	149,622,749	-	149,622,749
Other financial liabilities	-	23,541,553	-	23,541,553
Accounts payable for direct insurance and reinsurance operations	-	-	184,113,943	184,113,943
	<b>5,269,693,233</b>	<b>2,640,431,943</b>	<b>332,969,384</b>	<b>8,243,094,560</b>

At 31 December 2023 and 2022, the sensitivity of the fair value of the Company's financial instruments with exposure to interest rate risk, to positive and negative changes of 50, 100 and 200 basis points (bps), respectively, was:

(values in euros)

	2023					
	Change +200 bp's	Change +100 bp's	Change +50 bp's	Change -50 bp's	Change -100 bp's	Change -200 bp's
<b>Assets</b>						
Financial assets at fair value through profit or loss	(6,140,543)	(3,132,237)	(1,582,331)	1,616,377	3,268,588	6,688,681
Financial assets at fair value through other comprehensive income	(374,272,177)	(201,875,004)	(105,758,181)	119,019,825	256,643,008	623,215,454
Financial assets at amortised cost	(14,132,295)	(7,221,220)	(3,650,557)	3,732,918	7,550,760	15,451,962
	<b>( 394,545,015 )</b>	<b>( 212,228,462 )</b>	<b>( 110,991,069 )</b>	<b>124,369,120</b>	<b>267,462,356</b>	<b>645,356,097</b>
<b>Liabilities</b>						
Other financial liabilities	417,603	211,297	106,283	( 107,576 )	( 216,469 )	( 438,299 )
	<b>417,603</b>	<b>211,297</b>	<b>106,283</b>	<b>( 107,576 )</b>	<b>( 216,469 )</b>	<b>( 438,299 )</b>

	2022					
	Change +200 bp's	Change +100 bp's	Change +50 bp's	Change -50 bp's	Change -100 bp's	Change -200 bp's
<b>Assets</b>						
Financial assets at fair value through profit or loss	(10,788,380)	(5,522,098)	(2,794,509)	2,864,768	5,803,496	11,919,850
Financial assets at fair value through other comprehensive income	(376,546,756)	(202,080,090)	(105,521,882)	117,777,584	252,683,510	606,440,753
Financial assets at amortised cost	(20,006,893)	(10,232,484)	(5,175,378)	5,297,593	10,721,509	21,965,589
	<b>( 407,342,029 )</b>	<b>( 217,834,672 )</b>	<b>( 113,491,769 )</b>	<b>125,939,946</b>	<b>269,208,515</b>	<b>640,326,192</b>
<b>Liabilities</b>						
Other financial liabilities	849,049	430,558	216,818	( 219,959 )	( 443,122 )	( 899,332 )
	<b>849,049</b>	<b>430,558</b>	<b>216,818</b>	<b>( 219,959 )</b>	<b>( 443,122 )</b>	<b>( 899,332 )</b>

The determination of the sensitivity of the fair value of financial assets was made considering the future cash flows discounted the respective YTM, with positive and negative variations of 50, 100 and 200 bps, in the respective yields.

## Currency risk

At 31 December 2023 and 2022, the financial instruments present the following detail by currency:

(values in euros)

	Euros	US Dollars	2023 Hong Kong Dollars	Other currencies	Total
<b>Assets</b>					
Cash and cash equivalents and sight deposits	215,196,452	( 5,970,715 )	261,481	15,891,395	225,378,614
Investments in subsidiaries, associates and joint ventures	2,669,149,759	51,150,305	-	416,570,241	3,136,870,305
Financial assets at fair value through profit or loss	3,713,405,616	175,193,393	4,584,004	10,149,156	3,903,332,170
Hedge Derivatives	-	3,167,533	-	-	3,167,533
Financial assets at fair value through other comprehensive income	4,108,680,303	976,444,690	129,558,519	900,641,400	6,115,324,912
Financial assets at amortised cost	346,081,174	184,343,981	-	30,306,952	560,732,107
Accounts receivable from direct insurance and reinsurance operations	155,285,994	8,744,049	-	658,814	164,688,856
	<b>11,207,799,299</b>	<b>1,393,073,235</b>	<b>134,404,004</b>	<b>1,374,217,958</b>	<b>14,109,494,496</b>
<b>Liabilities</b>					
Financial liabilities at fair value through profit or loss	( 549,073,468 )	4,550,242	-	854,745,719	310,222,492
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	7,345,396,894	-	-	-	7,345,396,894
Deposits received from reinsurers	186,678,818	-	-	-	186,678,818
Other financial liabilities	44,191,653	-	-	-	44,191,653
Accounts payable for direct insurance and reinsurance operations	189,087,119	2,072,174	-	59,489	191,218,782
	<b>7,216,281,015</b>	<b>6,622,416</b>	<b>-</b>	<b>854,805,207</b>	<b>8,077,708,638</b>



(values in euros)

	2022				
	Euros	US Dollars	Hong Kong Dollars	Other currencies	Total
<b>Assets</b>					
Cash and cash equivalents and sight deposits	253,991,995	-	438,243	12,618,147	267,048,385
Investments in subsidiaries, associates and joint ventures	2,708,301,797	24,932,979	-	406,747,626	3,139,982,402
Financial assets at fair value through profit or loss	2,981,622,793	347,600,659	174,010,055	27,995,044	3,531,228,551
Financial assets at fair value through other comprehensive income	4,302,391,120	1,278,737,927	-	840,281,527	6,421,410,575
Financial assets at amortised cost	590,460,650	173,483,823	-	28,609,735	792,554,208
Accounts receivable from direct insurance and reinsurance operations	107,020,828	100,461	-	759,704	107,880,993
	<b>10,943,789,182</b>	<b>1,824,855,851</b>	<b>174,448,298</b>	<b>1,317,011,784</b>	<b>14,260,105,114</b>
<b>Liabilities</b>					
Financial liabilities at fair value through profit or loss	( 662,754,906 )	5,709,357	-	826,302,145	169,256,597
Financial liabilities of the deposit component of insurance contracts and insurance contracts and operations considered for accounting purposes as investment contracts	7,716,559,719	-	-	-	7,716,559,719
Deposits received from reinsurers	149,622,749	-	-	-	149,622,749
Other financial liabilities	23,541,553	-	-	-	23,541,553
Accounts payable for direct insurance and reinsurance operations	181,775,677	2,381,715	-	( 43,449 )	184,113,943
	<b>7,408,744,792</b>	<b>8,091,072</b>	<b>-</b>	<b>826,258,696</b>	<b>8,243,094,560</b>

As described in Note 6, the Company carries out operations with derivatives within of its activity, essentially with the aim of reducing its exposure to currency risk fluctuations EUR/USD, EUR/GBP, EUR/JPY, EUR/USD. Thus, the impact of the fair value sensitivity of the Company's financial instruments with exposure to exchange rate risk to positive and negative variations is reduced.

The headings "Other debtors" and "Other creditors" are broken down differently between Assets and Liabilities, when compared with the Financial Statements due to the fact that the currency distribution process can lead to a different breakdown of balances.

## **42. DISCLOSURES RELATING TO INSURANCE CONTRACT RISKS**

Below is a summary of the acceptance and risk management policies in force.

### **42.1. Underwriting of risks**

The principles of risk acceptance are described in the Underwriting Policy, approved on 01/24/2023, which responds to the requirements established for the management of underwriting risks in the Legal Regime for Access and Exercise of the Insurance and Reinsurance Activity (RJASR), approved by Law No. 147/2015, of 9 September.

The Underwriting Policy divides risks into two categories at a first level:

- Non-Acceptable Risks: those that, under no circumstances, the Company will be available to accept and that are listed in the Policy;
- Acceptable Risks: those that the Company may accept, after adequate evaluation of its characteristics, under the conditions defined by an entity with delegation to do so.

Taking into account the diversity of risk typology, the underwriting and management of acceptable risks is structured into two types of acceptance:

- Technical underwriting;
- Delegated acceptance in Internal and External Distribution Channels.

The delegation of powers model includes up to a maximum of 12 levels of acceptance (maximum of 9 technical levels, which includes the Subscription Policy Acceptance and Monitoring Committee (CAAPS), 4 levels of delegation in internal commercial channels and/or 1 level of delegated acceptance in external channels). However, an acceptance process is intended to be agile, so there should be no intervention of more than 4 levels. The process must, however, ensure knowledge of the risk by all levels of the structure involved.

Each level of acceptance has, according to its competences, specific methodologies, and procedures, allowing the interconnection and harmonisation between them.

In the second type of risk acceptance, committed to commercial networks, the competence delegated to internal and external distribution channels, duly framed by written standards and procedures, is based, in particular, on the following criteria:

- Products with standard clauses;
- Risks or activities with a stable claims history;
- Universe of homogeneous risk and easy identification;
- Small amounts of capital allowing dilution of higher risk;
- Risks with known and controllable accumulation, regarding cover and/or geographical spread;

- Premiums according to a product tariff, adjustable by delegated discount of reduced amplitude

It has at its disposal the following instruments: tariffs, simulators, underwriting manuals, algorithms that identify risks that require careful technical analysis and delegation of powers standards, product manuals, general conditions and pre-contractual information, insurance proposals, standardised declarations, technical questionnaires, and standards related to circuits and procedures.

The first type of risk acceptance, that of Technical Underwriting, corresponds to the Business Departments – structure bodies responsible for the management of business areas, from product design to claims management, through underwriting and portfolio management – and to the CAAPS, which have additional instruments for risk analysis.

The Business Departments are equipped with a multidisciplinary technical staff strongly specialised by insurance lines of business, assisted by specialists in actuaries integrated in a team that provides support in the estimation of technical risk to all the different Departments. When the characteristics of the risk so justify, they use risk analyses performed by specialist companies.

The acceptance of risks is based on strict technical standards, aiming at the identification of risks with high potential losses (severity and frequency), the application of adjusted contractual conditions and the definition of premiums appropriate to the specific risk, in order to obtain a sustained growth of the portfolio and a balanced technical result. All risks that are not covered by the Reinsurance Treaties are analysed by the Business Departments, and optional reinsurance is placed when the conditions for accepting the risk are considered to be met.

When the risks under analysis do not fall under the Reinsurers' Pricing Manuals or under the acceptance conditions defined by the company, they are sent to the Reinsurers' Underwriting Offices so that proposals for conditions of acceptance of these risks are presented.

The Business Departments also have at their disposal technical and actuarial reports and analyses that allow them to have a knowledge of the evolution of the technical operation of the line of business and the behaviour of the risk by coverage and main characteristics of the insurable objects.

There is a set of situations, with particularly high risk and/or with a high degree of uncertainty identified in the Risk Acceptance Policy, which are not delegated to the Business Divisions, and the competence for their acceptance is reserved to the Underwriting Policy Acceptance and Supervision Committee, which meets whenever it is necessary to assess risks with these characteristics.

#### **42.2. Technical management**

The technical management of the Lines of Business includes the design of products, the definition of clauses and prices, the definition and control of the underwriting policy, the selection and review of policy portfolio conditions, the assessment of risk accumulations and also the control of technical results, namely the monitoring of the evolution of processed revenue, the number of insurance contracts, the distribution of the portfolio by risk and guarantee segments, average premiums, risk characteristics, claims and the technical margin. For the control referred to above, reports with management indicators are periodically prepared and, on a recurring basis, information is prepared to provide the Reinsurance Division with elements of the portfolio profiles in order to support the negotiation of the Reinsurance Treaties.

With the specific objective of defining and reviewing tariff policies and adjusting discount delegation and portfolio management criteria, meetings are held on a monthly basis in which members of the Executive Committee and those responsible for the Business, Commercial, Operations, Marketing and Pricing areas participate.

### **42.3. Risk control management instruments**

#### **Internal risks of the organisation**

In order to control and minimise the internal risk of the organisation, the acceptance standards and procedures and the product manuals are published and are of general access and knowledge, and the application process is properly monitored by the competent areas.

#### **Portfolio profile studies**

Regular studies are prepared on the risk profile of the portfolios, by classes of capital / liabilities assumed, by types of activities, types of insured objects and coverages.

Studies are also regularly carried out into the claims rate behaviour of products according to the most important characteristics for defining the risk.

This type of study allows us to obtain a qualitative and quantitative analysis of the claims rate of the portfolio (by categories of insured capital, types of insured objects, types of activities, coverages), aiming at the measurement of existing delegations and the correction of possible distortions, as well as correlating the main factors of price formation and deciding on the alteration of products on sale or the creation of new ones.

#### **Periodic analysis of portfolio evolution**

The portfolio under management is subject to periodic monitoring of its evolution, analysing, in particular, the behaviour of the movement of policies, both in terms of the number of policies and in terms of new and cancelled production, changes in premiums/average rates and changes in the distribution of contracts between the various business segments.

These studies also include analysis of claims behaviour and monitor the respective frequency and rate of claims. This analysis is produced not only in terms of groups of business, but mainly in terms of products being managed.

In specific cases in the motor insurance line of business, extensive and detailed diagnoses are made regarding the portfolio's evolution, with the aim of identifying operational problems in the business, together with their causes, both from a commercial and technical perspective. As a result of these diagnoses, proposals are developed.

#### **Portfolio selection and remediation**

This function aims to improve the profitability of the portfolio under management, either by remedying loss-making risks (high frequency and/or loss ratio), or by introducing changes to the contractual conditions (coverages, deductibles, premiums), or by advising the Client (recommendation for implementation of prevention and safety measures that improve the quality of the risk).

This function also includes the assessment of irregularities that are detected in contracts or claims, which may lead to the implementation of measures that, depending on the severity of the irregularity, may lead to the cancellation of the contract or the insured's portfolio.

## Insurance risk concentrations

When regular studies are prepared on the risk profile of the portfolios, by classes of capital/liabilities assumed, by activities and objects to be insured and by coverages, indicators are obtained that allow to estimate the impact of possible changes to coverages, evaluate the impact of possible changes to the reinsurance treaties and the Company's retention policy. In some cases, specific studies are carried out to assess these impacts.

These studies are also focused on a specific coverage, a geographical area, the type of liabilities assumed or the type of insured object, allowing the determination and quantification of risk accumulations by classes, as well as the assessment of the impact of catastrophic claims scenarios on the portfolio.

## Net of reinsurance

### Risk concentration and mitigation

In order to control the risks assumed, the Company has underwriting and acceptance rules to select and control the level of exposure to which the Company is subject to.

In non-life lines of business, risk mitigation is mostly by means of specific reinsurance programmes for each type of risk, and high demands are placed on the quality of the reinsurers involved.

The following table presents the rating of the main reinsurers that was updated at the end of December 2023.

(values in euros)

Rating	% Reinsurers	
	2023	2022
A -	4,35%	7,7%
A	30,43%	34,6%
A +	34,78%	34,7%
AA -	21,74%	11,6%
AA	0,00%	3,8%
AA+	4,35%	3,8%
Not rated	4,35%	4,0%

There is an unrated reinsurer, with a share of 5% in Personal Accidents, Third Party Liability, Motor and Workers' Compensation lines of business.

There is a specific "Excess of Loss" treaty to guarantee catastrophic risks, with a retention of 63,000,000 Euros and a capacity of 600,000,000 Euros.

At Fidelidade 49.747% of the sums insured retained for cover for Seismic Phenomena are located in Zone I, and II, the most severe in terms of seismic risk.

### **Insurance Risks**

The Company underwrites contracts of all non-life lines segments, in which the most significant risks derive from:

- Changes in the length of life of pensioners in the Workers' Compensation line of business and in income rates associated with assets allocated to the respective mathematical provisions;
- Climate change and natural disasters;
- Inflation risk, in the lines of business that take longer to be fully regularised;
- In health insurance, the most significant risks stem from lifestyle changes and scientific and technological developments.

Exposure to these risks is mitigated through the diversification obtained given the size of the Company's policy portfolio and the scope of underwritten risks in all non-life lines segments. Variability of the risks is improved by the selection of risks to be underwritten and the implementation of underwriting strategies and policies which are defined so as to ensure that the risks are diversified in terms of the type of risk and the level of guarantees taken out.

In addition, claims review policies and claim management procedures are defined. These policies are regularly checked to ensure they reflect the practices in course and form the basis of the control carried out. Claims under management are periodically reviewed and all those suspected of being fraudulent are investigated. The Company carries out active and timely management of claims in order to reduce its exposure to unforeseen developments that may negatively impact its liabilities.

In the whole life benefits of the Workers' compensation line of business, the mortality table applied is regularly evaluated, in order to reflect the real length of life of the beneficiaries of these guarantees.

The Company also limits exposure to risk either by imposing maximum amounts of indemnifiable amounts across contracts or by using reinsurance programmes that limit exposure, namely to catastrophic events.

The assessment of exposure, in particular to seismic risk, is studied by the reinsurers of the insurer, and its conclusions are considered when acquiring and renewing reinsurance treaties.

## **Risk Assessment Assumptions**

### **Non-Life lines of business, except annuities**

The main assumption assumed in estimating the insurer's liabilities is that the future development of claims and indemnities will follow a pattern similar to the known past experience for these variables. These assumptions include assumptions regarding average claims costs, claims management costs, inflation factors and number of claims in each of the years of occurrence.

In addition, qualitative judgments are used to assess the adequacy of past trends and whether or not they can be applied to the future, such as:

- Changes in market conditions, such as clients' attitudes regarding reporting claims;
- Economic conditions;
- Internal factors, such as the composition of the portfolios of policies, policy guarantees, and procedures, and greater or lesser speed in managing claims;
- External factors, namely changes to legislation or rules and court decisions and relevant regulations or legislation that may affect the cost estimate.

### **Annuities and whole life assistance in the field of Workers' compensation line of business**

In the whole life assistance in the Workers' Compensation line of business, assumptions are made regarding the longevity of the beneficiaries of these benefits, discount rates and management charges.

### **Sensitivity analysis**

Sensitivity analyses were performed for reasonable changes in assumptions, with all other variables constant, identifying the impact on earnings. The impact of the sensitivity analysis on reinsurance corresponds to the proportional effect of the current reinsurance coverage.

The sensitivity analysis was performed for the Portuguese insurance business:

(values in euros)

	2023				
	Accidents and Health	Fire and Other Damage	Motor	Third-party liability	Others
Revenue from insurance contracts - Measured using the premium allocation approach	840,183,780	365,703,540	617,980,318	96,702,706	53,676,358
Impact on results:					
Impact of expenses with insurance contracts +1%	( 3,901,166 )	( 2,448,888 )	( 6,086,533 )	( 282,524 )	( 208,895 )
Impact of expenses with insurance contracts -1%	3,941,048	2,385,034	5,949,782	319,716	219,836
Combined ratio impact +1%	( 4,109,392 )	( 2,460,906 )	( 6,179,961 )	( 380,538 )	( 250,215 )
Combined ration impact +1%	4,150,417	2,394,199	6,036,175	418,298	261,128

(values in euros)

	2022				
	Accidents and Health	Fire and Other Damage	Motor	Third-party liability	Others
Revenue from insurance contracts - Measured using the premium allocation approach	729,860,349	333,173,520	548,422,971	65,261,001	62,214,046
Impact on results:					
Impact of expenses with insurance contracts +1%	( 2,148,066 )	( 1,812,360 )	( 3,637,024 )	( 528,528 )	( 407,971 )
Impact of expenses with insurance contracts -1%	2,523,830	1,833,726	3,956,589	478,690	380,750
Combined ratio impact +1%	( 1,913,608 )	( 1,915,729 )	( 3,662,765 )	( 586,131 )	( 437,328 )
Combined ration impact +1%	2,271,788	1,944,398	3,983,166	540,578	412,321



#### 42.4. Reinsurance policies

The decisive factors for limiting or transferring the risk insured are the nature of the business and the amounts of the risks to be insured, and a distinction is made mainly between those which are considered mass lines of business (Motor, Workers' Compensation, Personal Accidents and Multi-risks Home Insurance) and those which are dealt with more on a case-by-case basis, such as the remaining lines of business of Property, Engineering and Machinery, Marine, Transported Goods, Third Party Liability and Other risks.

Compliance with Underwriting Standards is intrinsically associated with the contracts available and in force in Reinsurance, being decisive for the acceptance or refusal of risks and their pricing.

Risks involving significant amounts insured or serious situations are subject to prior analysis and their acceptance is strictly interdependent with and supported by Reinsurance.

In compliance with its Reinsurance policy, the Company has resorted to the transfer of risks via Proportional and Non-Proportional Reinsurance Treaties, as well as Optional Reinsurance, and other Reinsurance modalities when they are necessary for adequate Reinsurance protection from accepted risks.

In the Fire and Other Damage, Engineering and Aviation lines of business, the Company works with Proportional Treaties.

The coverage of Reinsurance in the main asset classes, as well as the respective retention, takes into account the relationship between the portfolio structure in terms of insurance capital and the respective premium volume of each line of business and also takes into account the statistical monitoring of the profitability of that portfolio, the Retention/Premiums ratio at the end of an annuity or cycle and the Company's financial capacity, considered sufficiently important for the absorption of frequent claims.

The accumulations resulting from the "Coverage of Seismic Phenomena and Risks of Nature", of a catastrophic nature in the Withholdings, are reinsured in Excess of Losses, and the Withholdings is determined by the Company's financial capacity.

In determining the Event Retention, the low frequency of the occurrence of disasters of this type in Portugal is taken into account, so the retention reflects what is technically expected from the point of view of the impact of a catastrophe on the Company's capital and its absorption over a defined period, working in a scenario with a return period of 500 years, which is unusual in markets with catastrophic exposure.

Accumulations resulting from natural disasters that do not relate to seismic phenomena are protected by an Excess Loss Treaty, with Retention and Capacity defined based on the history of events that have occurred in the last 15 years and the Company's financial capacity.

The Motor, Workers' compensation, Personal Accidents, Marine Hull, Transported Goods and Third-Party Liability lines of business are protected by Excess Loss treaties, which is more appropriate to the nature of the risks and the portfolio as well as the Company's financial capacity. To establish the priority, the statistical behaviour of the claims rate and quotes for different levels of this are taken into consideration.

The selection criteria for Reinsurers shall take into account their reliability and financial solvency, their ability to provide services. The selection process requires their constant observation and monitoring.

The information obtained in the International Market, namely that disclosed by the Rating Agencies, are fundamental references for the follow-up of the Reinsurers' good financial health.

Thus, we use as a selection factor of the Reinsurers, the rating analysis assigned to each Reinsurer by the S&P Rating Agency or another equivalent (A.M. Best, Fitch, or Moody's). The minimum rating required for a Reinsurer to be part of our Panel of Reinsurers is "A-".

## 42.5. Life insurance

In the Life Insurance line of business there are three major groups of insurance contracts, covered by IFRS 17, in relation to which the nature of risks covered is characterised as follows:

### Risk products

For these products, the greatest risk factor is mortality, with a large number of contracts that have also associated the risk of disability, and part of them being transferred to Reinsurers.

### Annuity products

The greatest risk factor for these products is length of life.

## Capitalisation products

The greatest risk factor for these products is interest rate risk.

Only the contracts with profit sharing are covered by IFRS 17, so the income awarded to the insured people has a fixed component and a variable component which depends on the profitability of a given portfolio of assets partially dependent on the Company's discretion.

## Análise de sensibilidade

Sensitivity analyses were performed for reasonable changes assumptions, with all other variables constant, identifying the impact on earnings before tax.

The sensitivity analysis was performed for the Portuguese insurance business:

(values in euros)

2023	Base	Lapse +10%	Lapse -10%	Longevity +10%	Longevity -10%	Mortality +10%	Mortality -10%
Revenue from insurance contracts	62.833.133	62.518.477	63.142.811	63.001.796	62.017.591	66.788.524	61.077.190
Impact on results	-	314.656	( 309.678 )	( 168.662 )	815.542	( 3.955.390 )	1.755.943

### **43. CAPITAL MANAGEMENT**

The new solvency regime (Solvency II), approved by Directive 2009/138/EC of the European Parliament and of the Council, of 25 November, and transposed into Portuguese Law by Law 147/2015, of 9 September, came into force on 1 January 2016.

The Solvency II rules are divided into three pillars.

#### **Pillar I - Quantitative requirements**

The Solvency II rules define criteria for determining own funds eligible through an economic assessment of the assets and liabilities. They also define two levels of capital requirements: The Solvency Capital Requirement (SCR) and the Minimum Capital Requirement (MCR).

The SCR is calculated taking into account all the risks that an insurance companies may be exposed to, namely market risks, credit risks, specific insurance risks and operational risks. The SCR aims to guarantee the existence of eligible funds in an amount which is sufficient to absorb significant losses resulting from risks which insurance companies may be exposed.

The MCR establishes the minimum level of own funds that must be kept, so as not to jeopardise the insurance companies' compliance with its liabilities.

If it is detected that the SCR or the MCR are no longer being complied with or if there is a risk of non-compliance in the following three months, even if circumstantial or temporary non-compliance, it shall immediately inform the ASF. In the event of failure to comply with the SCR, it shall send this Authority a recovery plan within two months and take the measures necessary to ensure that, within six months, a level of own funds eligible to cover the SCR has been restored or the Company's risk profile has been reduced.

In the event of failure to comply with the MCR or where a risk of non-compliance is detected, it shall send to the ASF, within one month, a short-term financing plan, with a view to avoiding non-compliance or restoring the eligible own funds, at least to the level of the MCR, or with a view to reducing the Company's risk profile.

#### **Pillar II - Qualitative requirements and supervision**

This pillar establishes qualitative requirements related to the existence and maintenance of effective governance systems, including adequate risk management, internal control and systems that ensure the suitability and qualification of people who effectively direct insurance undertakings, supervise them or are responsible for key functions (risk management, internal audit, compliance and actuarial).

One of the main requirements of this pillar is the own risk and solvency assessment (ORSA), which must be performed at least once a year. Through this exercise, the insurance companies must conduct a prospective assessment of the sufficiency of the capital available to achieve its business objectives, considering its risk profiles and conduct a solvency analysis considering stress scenarios. The resulting report must be sent to the ASF.

#### **Pillar III - Prudential reporting and public disclosures**

Pillar III sets out the obligations for disclosing public information and information to the Supervisor.

In this context, the objectives of capital management in Fidelidade comply with the following general principles:

- Comply with the legal requirements to which Fidelidade is obliged;

- Generate adequate profitability, create value for the shareholder and provide remuneration for the capital invested;
- Sustain the development of the operations that Fidelidade is legally authorised to practice, maintaining a solid capital structure, capable of responding to the growth of the activity and the risks arising from it.

To achieve the objectives described, Fidelidade has defined a set of policies and processes.

On the one hand, it has implemented a risk management system that is an integral part of the Company's daily activities, and an integrated approach is applied to ensure that its strategic objectives (customer interests, financial strength, and process efficiency) are maintained. This integrated approach also ensures the creation of value by identifying the appropriate balance between risk and return, while ensuring the Company's obligations to its stakeholders.

Risk management aids the Company in identifying, assessing, managing, and monitoring risks, enabling appropriate and immediate actions to be adopted in the event of material changes in its risk profile.

In this sense, the Company, in order to draw its risk profile, identifies the various risks to which it is exposed, then proceeds to its assessment. Risk assessment is based on a standard formula used to calculate the solvency capital requirement. For other risks not included in that formula, the Company chooses to use a qualitative analysis in order to classify the foreseeable impact on its capital needs.

On the other hand, the ORSA enables risk, capital and return to be related, in a prospective vision, in the context of the Company's business strategy.

The ORSA exercise, coinciding with the time horizon of the Company's strategic planning (never less than 3 years), assumes a fundamental role in the Company's Capital Management, supporting its main activities, namely:

- Assessment, together with risk management, of the risk appetite structure in relation to the business and capital management strategy;
- Contribute to the start of the strategic planning process by carrying out a capital adequacy assessment in the most recent period;
- Monitoring capital adequacy in line with the regulatory capital requirements and internal capital needs.

Taking into account the results obtained in the ORSA, and if the capital requirements differ from those defined, both in terms of the regulations and other limits defined internally, corrective actions to be implemented are prepared, in order to restore the capital level to the adequate or intended level.

Lastly, the obligations regarding public information, in particular, the obligation to disclose an annual "Solvency and Financial Condition Report", enable detailed information to be provided on the Company's activities and performance, governance system, risk profile, solvency assessment and capital management.

Given the time lag between the disclosure of these financial statements and the prudential information contained in the "Solvency and Financial Condition Report", it is important to state that the Company complies comfortably with both the regulatory capital requirements and the risk appetite defined internally, considering the preliminary data reported to the ASF on a quarterly basis and the information available on this date.

In order to respond to compliance with policies and processes, the Company has implemented an appropriate governance system involving, among other things, an organisational structure that incorporates several bodies that perform key functions in risk management and internal control: Risk Management Division, Compliance Division, Audit Division, Capital Planning and Financial Optimization, Office Risk Committee, Underwriting Policy Acceptance and Supervisory Committee and Life and Non-Life Products Committee, and Assets and Liabilities Management Committee.

#### **44. SUBSEQUENT EVENTS**

In the General Meeting of Shareholders held on 22 December 2023, the Shareholders of Luz Saúde, S.A. approved the following resolutions, among others:

- i. a share capital increase up to the maximum nominal amount of 23,885,563 Euros by issuing 23,885,563 new ordinary shares with a nominal value of 1 Euro to be paid in cash through a private share offer;
- ii. the admission to trading on the regulated market managed by Euronext Lisbon, of all shares representing the share capital of the company, including the shares to be issued.

Following the capital increase of Luz Saúde, S.A., Fidelidade - Companhia de Seguros, S.A. will dilute its current shareholder position, while maintaining a majority shareholding in the company after the conclusion of these operations, which are expected to take place during 2024.

# REPORT AND OPINIONS ON THE SEPARATE ACCOUNTS





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## Certificação Legal das Contas

### RELATO SOBRE A AUDITORIA DAS DEMONSTRAÇÕES FINANCEIRAS SEPARADAS

#### Opinião

Auditámos as demonstrações financeiras anexas da Fidelidade – Companhia de Seguros, S.A. (a Companhia), que compreendem a Demonstração da Posição Financeira Separada em 31 de dezembro de 2023 (que evidencia um total de 15.202.611.251 euros e um total de capital próprio de 2.197.135.738 euros, incluindo um resultado líquido de 83.588.918 euros), a Demonstração dos Resultados Separada, a Demonstração do Rendimento Integral Separada, a Demonstração de Variações do Capital Próprio Separada e a Demonstração dos Fluxos de Caixa Separada relativas ao ano findo naquela data, e as notas anexas às demonstrações financeiras incluindo informações materiais sobre a política contabilística.

Em nossa opinião, as demonstrações financeiras anexas apresentam de forma verdadeira e apropriada, em todos os aspetos materiais, a posição financeira separada da Fidelidade – Companhia de Seguros, S.A. em 31 de dezembro de 2023, o seu desempenho financeiro separado e os seus fluxos de caixa separados relativos ao ano findo naquela data, de acordo com os princípios geralmente aceites em Portugal para o setor segurador estabelecidos pela Autoridade de Supervisão de Seguros e Fundos de Pensões (“ASF”).

#### Bases para a opinião

A nossa auditoria foi efetuada de acordo com as Normas Internacionais de Auditoria (ISA) e demais normas e orientações técnicas e éticas da Ordem dos Revisores Oficiais de Contas. As nossas responsabilidades nos termos dessas normas estão descritas na secção “Responsabilidades do auditor pela auditoria das demonstrações financeiras” abaixo. Somos independentes da Companhia nos termos da lei e cumprimos os demais requisitos éticos nos termos do código de ética da Ordem dos Revisores Oficiais de Contas.

Estamos convictos de que a prova de auditoria que obtivemos é suficiente e apropriada para proporcionar uma base para a nossa opinião.

#### Matérias relevantes de auditoria

As matérias relevantes de auditoria são as que, no nosso julgamento profissional, tiveram maior importância na auditoria das demonstrações financeiras do ano corrente. Essas matérias foram consideradas no contexto da auditoria das demonstrações financeiras como um todo, e na formação da opinião, e não emitimos uma opinião separada sobre essas matérias.

Descrevemos de seguida as matérias relevantes de auditoria do ano corrente:

1. Aplicação inicial da IFRS 17, que o estabelece princípios aplicáveis ao reconhecimento, à mensuração, à apresentação e à divulgação de contratos de seguro.

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
Conforme divulgado na nota 2.15, às demonstrações financeiras separadas, a Companhia aplicou a IFRS 17 (“Norma”) a 1 de janeiro de 2023, com data de transição a 1 de janeiro de 2022. É uma Norma complexa, que representa uma transformação significativa do reporte financeiro relativo aos contratos de seguro e de resseguro, nomeadamente ao nível da demonstração da posição financeira separada, da demonstração dos resultados separada, da	A nossa abordagem ao risco de distorção material incluiu uma resposta específica que se traduziu numa abordagem de procedimentos substantivos, designadamente os seguintes: <ul style="list-style-type: none"> <li>▶ Análise das políticas e orientações internas da Companhia que suportam a implementação da IFRS 17, incluindo a sua plenitude e conformidade com o disposto na Norma;</li> <li>▶ Verificação da correta aplicação das políticas e orientações internas da Companhia que suportam a implementação da</li> </ul>

Sociedade Anónima - Capital Social 1.340.000 euros - Inscrição n.º 178 na Ordem dos Revisores Oficiais de Contas - Inscrição N.º 20161480 na Comissão do Mercado de Valores Mobiliários  
Contribuinte N.º 505 988 283 - C. R. Comercial de Lisboa sob o mesmo número  
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Fidelidade - Companhia de Seguros, S.A  
Certificação Legal das Contas  
31 de dezembro de 2023

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
demonstração do rendimento integral separada, das notas que compreendem informações materiais sobre a política contabilística e outras informações explicativas e da informação comparativa para os períodos precedentes.  A Norma é baseada em princípios, que exige à Gestão, a partir da data de transição, julgamentos significativos, a decisão sobre opções contabilísticas e sobre abordagens e métodos utilizados para mensurar os contratos de seguro, incluindo a utilização de pressupostos e técnicas de estimativa.  A consideração desta matéria como relevante para a auditoria tem por base a sua novidade, complexidade e materialidade nas demonstrações financeiras separadas.	IFRS 17, incluindo a sua consistência desde a data de transição; <ul style="list-style-type: none"> <li>▶ Sobre a transição: <ul style="list-style-type: none"> <li>○ Análise de razoabilidade sobre a avaliação da Gestão sobre a impraticabilidade de aplicação da abordagem retrospectiva total;</li> <li>○ Para os grupos de contratos incluídos na abordagem retrospectiva modificada ou de justo valor, análise das opções da Gestão sobre as alterações permitidas pela IFRS 17 à abordagem retrospectiva total, contando com o envolvimento dos nossos especialistas internos em atuariado; e</li> <li>○ Para os grupos de contratos incluídos na abordagem de justo valor, testes de revisão analítica, recálculos e análise das metodologias de determinação do seu justo valor, na data de transição, com o envolvimento dos nossos especialistas internos em atuariado.</li> </ul> </li> <li>▶ Análise das divulgações no Anexo às demonstrações financeiras separadas relativas a esta matéria, tendo por base os requisitos dos princípios contabilísticos aceites em Portugal para o setor segurador estabelecidos pela ASF.</li> </ul>

2. Mensuração dos Passivos de Contratos de Seguro relativos a serviços futuros pelo modelo geral de mensuração

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
As demonstrações financeiras separadas da Companhia em 31 de dezembro de 2023 incluem, no seu passivo, e mais detalhadamente divulgado nas notas 2.11 e 13 às demonstrações financeiras separadas, passivos de contratos de seguro relativos a serviços futuros, mensurados pelo modelo geral de mensuração, no montante de 1.549 m€, representando 12% do passivo. Este saldo agrega o valor atual estimado dos fluxos de caixa, no ajustamento de risco, na margem de serviços contratuais e na componente de perda.  A consideração desta matéria como relevante para a auditoria tem por base a sua materialidade nas demonstrações financeiras separadas e o facto de corresponder a uma estimativa contabilística com um grau de julgamento significativo, requerendo a utilização de metodologias de cálculo relativamente complexas que exigem a utilização de diversos pressupostos sobre	A nossa abordagem ao risco de distorção material incluiu uma resposta específica que se traduziu numa abordagem combinada de avaliação de controlos e procedimentos substantivos, designadamente os seguintes: <ul style="list-style-type: none"> <li>▶ Entendimento dos procedimentos de controlo interno da Companhia e execução de procedimentos de auditoria específicos para avaliar a eficácia operacional dos controlos identificados como relevantes na mensuração dos Passivos de contratos de seguro relativos a serviços futuros, pelo modelo geral de mensuração;</li> <li>▶ Testes de revisão analítica, recálculos e análise das metodologias de projeção dos valores atuais estimados dos fluxos de caixa, de determinação do ajustamento de risco e do cálculo da margem de serviços contratuais, incluindo os pressupostos financeiros, demográficos e outros subjacentes ao cálculo;</li> <li>▶ Com o envolvimento dos nossos especialistas internos em atuariado procedemos à análise das metodologias e pressupostos utilizados pela Companhia para a mensuração destes Passivos, incluindo a análise da consistência com os utilizados no período anterior e tendo</li> </ul>

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
cenários futuros para a mensuração das diferentes componentes destes passivos, nomeadamente do valor atual estimado dos fluxos de caixa, do ajustamento de risco e da margem de serviços contratuais. A utilização de metodologias de cálculo e/ou pressupostos diferentes na mensuração destas componentes, mas em igual conformidade com a IFRS 17, poderão resultar em valores diferentes dos Passivos de contratos de seguro relativos a serviços futuros, pelo modelo geral de mensuração.	<p>por referência as especificidades dos produtos, os requisitos regulamentares e as práticas no sector segurador; e</p> <ul style="list-style-type: none"> <li>Análise das divulgações no Anexo às demonstrações financeiras separadas relativas a esta matéria, tendo por base os requisitos dos princípios contabilísticos aceites em Portugal para o sector segurador estabelecidos pela ASF.</li> </ul>

### 3. Mensuração dos Passivos de Contratos de Seguro relativos a serviços passados

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
<p>As demonstrações financeiras separadas da Companhia em 31 de dezembro de 2023 incluem, no seu passivo, e mais detalhadamente divulgado nas notas 2.11 e 13 às demonstrações financeiras separadas, passivos de contratos de seguro relativos a serviços passados, no montante de 2.172 m€, representando 17% do passivo. Esta saldo decompõe-se em: 2.101 m€ relativos ao valor atual estimado dos fluxos de caixa e 71 m€ relativos ao ajustamento de risco.</p> <p>A consideração desta matéria como relevante para a auditoria tem por base a sua materialidade nas demonstrações financeiras separadas e o facto de corresponder a uma estimativa contabilística com um grau de julgamento significativo, requerendo a utilização de metodologias de cálculo relativamente complexas que exigem a utilização de diversos pressupostos sobre os sinistros ocorridos, nomeadamente do respetivo valor atual estimado dos fluxos de caixa e do ajustamento de risco. A utilização de metodologias de cálculo e/ou pressupostos diferentes na mensuração destas componentes, mas em igual conformidade com a IFRS 17, poderão resultar em valores divergentes dos Passivos de contratos de seguro relativos a serviços passados.</p>	<p>A nossa abordagem ao risco de distorção material incluiu uma resposta específica que se traduziu numa abordagem combinada de avaliação de controlos e procedimentos substantivos, designadamente os seguintes:</p> <ul style="list-style-type: none"> <li>Entendimento dos procedimentos de controlo interno da Companhia e execução de procedimentos de auditoria específicos para avaliar a eficácia operacional dos controlos identificados como relevantes na mensuração dos Passivos de contratos de seguros relativos a serviços passados;</li> <li>Testes de revisão analítica, recálculos e análise das metodologias de projeção dos valores atuais estimados dos fluxos de caixa e de determinação do ajustamento de risco, incluindo os pressupostos financeiros e outros subjacentes ao cálculo;</li> <li>Com o envolvimento dos nossos especialistas em atuariado, procedemos à análise das metodologias e pressupostos utilizados pela Companhia para a mensuração destes Passivos, incluindo a análise da consistência com os utilizados no período anterior e tendo por referência as especificidades dos produtos, os requisitos regulamentares e as práticas no sector segurador; e</li> <li>Análise das divulgações no Anexo às demonstrações financeiras separadas relativas a esta matéria, tendo por base os requisitos dos princípios contabilísticos aceites em Portugal para o sector segurador estabelecidos pela ASF.</li> </ul>

### 4. Mensuração do Rédito de contratos de seguro, pelo modelo geral de mensuração

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
<p>As demonstrações financeiras da Companhia em 31 de dezembro de 2023 incluem, na sua Demonstração dos Resultados Separada, e mais detalhadamente divulgado nas notas 2.11 e 24 às demonstrações financeiras separadas, rédito de contratos de seguros, mensurados pelo modelo geral de mensuração, no montante de 139 m€. Esta saldo inclui 59 m€ relativos à libertação da margem de serviços contratuais pelos serviços transferidos, 77 m€ relativos à libertação do valor esperado dos sinistros ocorridos e gastos atribuíveis a contratos de seguros e 3 m€ relativos a variações no ajustamento de risco (risco não financeiro) pelo risco expirado.</p> <p>A consideração desta matéria como relevante para a auditoria tem por base a sua materialidade nas demonstrações financeiras separadas e o facto de corresponder a uma estimativa contabilística com um grau de julgamento significativo, requerendo a utilização de metodologias de cálculo relativamente complexas que exigem a utilização de diversos pressupostos sobre cenários futuros e na determinação das unidades de cobertura previstas no período, que impactam o montante da margem de serviços contratuais reconhecido nos resultados do período, dos gastos de serviços de seguros incorridos no período (expressos pelas quantias esperadas no início do período) e das alterações do ajustamento pelo risco para o risco não financeiro. A utilização de metodologias de cálculo e/ou pressupostos diferentes na mensuração destas componentes, mas em igual conformidade com a IFRS 17, poderão resultar em valores divergentes do Rédito de contratos de seguro, pelo modelo geral de mensuração.</p>	<p>A nossa abordagem ao risco de distorção material incluiu uma resposta específica que se traduziu numa abordagem combinada de avaliação de controlos e procedimentos substantivos, designadamente os seguintes:</p> <ul style="list-style-type: none"> <li>Entendimento dos procedimentos de controlo interno da Companhia e execução de procedimentos de auditoria específicos para avaliar a eficácia operacional dos controlos identificados como relevantes na mensuração do Rédito de contratos de seguro, pelo modelo geral de mensuração;</li> <li>Testes de revisão analítica, recálculos e análise das metodologias de projeção dos valores atuais estimados dos fluxos de caixa, de determinação do ajustamento de risco e do cálculo da margem de serviços contratuais, incluindo os pressupostos financeiros, demográficos e outros assim como julgamentos sobre as unidades de cobertura, subjacentes ao cálculo;</li> <li>Com o envolvimento dos nossos especialistas internos em atuariado procedemos à análise das metodologias e pressupostos utilizados pela Companhia para a mensuração deste Rédito, incluindo a análise da consistência com os utilizados no período anterior e tendo por referência as especificidades dos produtos, os requisitos regulamentares e as práticas no sector segurador; e</li> <li>Análise das divulgações no Anexo às demonstrações financeiras separadas relativas a esta matéria, tendo por base os requisitos dos princípios contabilísticos aceites em Portugal para o sector segurador estabelecidos pela ASF.</li> </ul>

### 5. Valorização dos Instrumentos Financeiros ao justo valor

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
Conforme detalhado na Nota 41, o ativo e passivo incluem Instrumentos Financeiros valorizados ao justo valor no montante de 10.022 m€ e 3.159 m€, respetivamente, os	A nossa abordagem ao risco de distorção material na valorização dos Instrumentos Financeiros ao justo valor incluiu uma resposta específica que se traduziu numa abordagem



Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
<p>quais representam cerca de 66%do total do ativo e 24%do total do passivo.</p> <p>A determinação do justo valor dos instrumentos financeiros foi prioritariamente baseada em cotações em mercados ativos. No caso dos instrumentos com reduzida liquidez nesses mercados foram utilizados modelos de avaliação e outras informações que envolvem julgamentos, tais como informação disponibilizada por entidades especializadas, pressupostos observáveis e não observáveis no mercado e outras estimativas.</p> <p>Os valores totais de instrumentos nestas circunstâncias, reconhecidos no ativo e passivo da Companhia, ascendem a cerca de 1.702 m€ (11%do ativo) e 266 m€ (2%do passivo), respetivamente, os quais foram classificados na hierarquia de justo valor prevista no referencial contabilístico como nível 3 (Nota 41).</p> <p>A consideração desta matéria como relevante para a auditoria teve por base a sua materialidade nas demonstrações financeiras separadas e o risco de julgamento associado às metodologias e pressupostos utilizados, uma vez que o recurso a diferentes técnicas e pressupostos de avaliação podem resultar em diferentes estimativas do justo valor dos instrumentos financeiros.</p>	<p>combinada de avaliação de controlos e procedimentos substantivos, designadamente os seguintes:</p> <ul style="list-style-type: none"> <li>▶ Entendimento dos procedimentos de controlo interno da Companhia e execução de procedimentos de auditoria específicos para avaliar a eficácia operacional dos controlos identificados como relevantes na valorização dos instrumentos financeiros ao justo valor;</li> <li>▶ Testes de revisão analítica sobre as rubricas das demonstrações financeiras separadas relativas a instrumentos financeiros e recálculo do justo valor os instrumentos financeiros por comparação das cotações utilizadas pela Companhia (quando aplicável) com as observadas em fontes de informação externas;</li> <li>▶ Análise das metodologias e pressupostos utilizados pela Companhia na determinação do justo valor, tendo por referência as especificidades da sua política de investimentos, os requisitos regulamentares e as práticas no setor; e</li> <li>▶ Testes à plenitude e consistência das divulgações sobre Instrumentos Financeiros ao justo valor nas demonstrações financeiras separadas com os respetivos dados contabilísticos e requisitos dos princípios contabilísticos aceites em Portugal para o setor segurador estabelecidos pela ASF.</li> </ul>

#### 6. Imparidade em Investimentos em Filiais, Associadas e Empreendimentos conjuntos

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
<p>As demonstrações financeiras separadas da Companhia em 31 de dezembro de 2023 incluem na sua demonstração da posição financeira separada e mais detalhadamente divulgado na Nota 4, Investimentos em Filiais, Associadas e Empreendimentos Conjuntos, líquido de imparidade, no montante de 3.137 m€, representando 21%do ativo.</p> <p>Estes ativos são sujeitos a testes de imparidade pelo menos anualmente. Esta avaliação de imparidade é um processo que requer julgamentos e baseia-se em pressupostos quanto às condições económicas no mercado e financeiras das filiais (tais como taxas de desconto, inflação, taxas de crescimento/margens de lucro e</p>	<p>A nossa abordagem ao risco de distorção material no reconhecimento e mensuração da imparidade em Investimentos em Filiais, Associadas e Empreendimentos Conjuntos incluiu uma resposta específica que se traduziu numa abordagem combinada de avaliação de controlos e procedimentos substantivos, designadamente os seguintes:</p> <ul style="list-style-type: none"> <li>▶ Entendimento dos procedimentos de controlo interno existentes no processo de avaliação de perdas por imparidade nos referidos investimentos;</li> <li>▶ Análise dos pressupostos utilizados nos modelos de avaliação aprovados pela Órgão de Gestão, nomeadamente as projeções de fluxos de caixa, a taxa de desconto, a taxa de inflação, a taxa de crescimento na perpetuidade e as análises de sensibilidade, apoiados por especialistas internos em avaliações de negócios;</li> </ul>

Descrição dos riscos de distorção material mais significativos	Síntese da nossa resposta aos riscos de distorção material mais significativos
<p>projeções de informação financeira prospetiva, entre outras).</p> <p>A consideração desta matéria como relevante para a auditoria teve por base o risco de julgamento associado aos modelos de avaliação e pressupostos utilizados, uma vez que o recurso a diferentes técnicas e pressupostos de avaliação podem resultar em estimativas diferentes de perdas por imparidade.</p>	<ul style="list-style-type: none"> <li>▶ Avaliação da consistência dos pressupostos usados na construção do plano de negócios face a anos anteriores, face a dados históricos e comparação com dados externos. Teste aos cálculos aritméticos dos modelos utilizados; e</li> <li>▶ Testes à plenitude e consistência das divulgações sobre Investimentos em Filiais, Associadas e Empreendimentos Conjuntos nas demonstrações financeiras separadas com os respetivos dados contabilísticos e requisitos dos princípios contabilísticos aceites em Portugal para o setor segurador estabelecidos pela ASF.</li> </ul>

#### Responsabilidades do órgão de gestão e do órgão de fiscalização pelas demonstrações financeiras

O órgão de gestão é responsável pela:

- ▶ preparação de demonstrações financeiras que apresentem de forma verdadeira e apropriada a posição financeira, o desempenho financeiro e os fluxos de caixa da Companhia de acordo com os princípios geralmente aceites em Portugal para o setor segurador estabelecidos pela Autoridade de Supervisão de Seguros e Fundos de Pensões;
- ▶ elaboração do Relatório Único Integrado de Gestão nos termos legais e regulamentares aplicáveis;
- ▶ criação e manutenção de um sistema de controlo interno apropriado para permitir a preparação de demonstrações financeiras isentas de distorções materiais devido a fraude ou a erro;
- ▶ adoção de políticas e critérios contabilísticos adequados nas circunstâncias; e
- ▶ avaliação da capacidade da Companhia de se manter em continuidade, divulgando, quando aplicável, as matérias que possam suscitar dúvidas significativas sobre a continuidade das atividades.

O órgão de fiscalização é responsável pela supervisão do processo de preparação e divulgação da informação financeira da Companhia.

#### Responsabilidades do auditor pela auditoria das demonstrações financeiras

A nossa responsabilidade consiste em obter segurança razoável sobre se as demonstrações financeiras como um todo estão isentas de distorções materiais devido a fraude ou a erro, e emitir um relatório onde conste a nossa opinião. Segurança razoável é um nível elevado de segurança mas não é uma garantia de que uma auditoria executada de acordo com as ISA detetará sempre uma distorção material quando exista. As distorções podem ter origem em fraude ou erro e são consideradas materiais se, isoladas ou conjuntamente, se possa razoavelmente esperar que influenciem decisões económicas dos utilizadores tomadas com base nessas demonstrações financeiras.

Como parte de uma auditoria de acordo com as ISA, fazemos julgamentos profissionais e mantemos ceticismo profissional durante a auditoria e também:

- ▶ identificamos e avaliamos os riscos de distorção material das demonstrações financeiras, devido a fraude ou a erro, concebemos e executamos procedimentos de auditoria que respondam a esses riscos, e obtemos prova de auditoria que seja suficiente e apropriada para proporcionar uma base para a nossa opinião. O risco de não detetar uma distorção material devido a fraude é maior do que o risco de não detetar uma distorção material devido a erro, dado que a fraude pode envolver conluio, falsificação, omissões intencionais, falsas declarações ou sobreposição ao controlo interno;
- ▶ obtemos uma compreensão do controlo interno relevante para a auditoria com o objetivo de conceber procedimentos de auditoria que sejam apropriados nas circunstâncias, mas não para expressar uma opinião sobre a eficácia do controlo interno da Companhia;

- ▶ avaliamos a adequação das políticas contabilísticas usadas e a razoabilidade das estimativas contabilísticas e respetivas divulgações feitas pelo órgão de gestão;
- ▶ concluímos sobre a apropriação do uso, pelo órgão de gestão, do pressuposto da continuidade e, com base na prova de auditoria obtida, se existe qualquer incerteza material relacionada com acontecimentos ou condições que possam suscitar dúvidas significativas sobre a capacidade da Companhia para dar continuidade às suas atividades. Se concluirmos que existe uma incerteza material, devemos chamar a atenção no nosso relatório para as divulgações relacionadas incluídas nas demonstrações financeiras ou, caso essas divulgações não sejam adequadas, modificar a nossa opinião. As nossas conclusões são baseadas na prova de auditoria obtida até à data do nosso relatório. Porém, acontecimentos ou condições futuras podem levar a que a Companhia descontinue as suas atividades;
- ▶ avaliamos a apresentação, estrutura e conteúdo global das demonstrações financeiras, incluindo as divulgações, e se essas demonstrações financeiras representam as transações e os acontecimentos subjacentes de forma a atingir uma apresentação apropriada;
- ▶ comunicamos com os encarregados da governação, incluindo o órgão de fiscalização, entre outros assuntos, o âmbito e o calendário planeado da auditoria, e as conclusões significativas da auditoria incluindo qualquer deficiência significativa de controlo interno identificada durante a auditoria;
- ▶ das matérias que comunicamos aos encarregados da governação, incluindo o órgão de fiscalização, determinamos as que foram as mais importantes na auditoria das demonstrações financeiras do ano corrente e que são as matérias relevantes de auditoria. Descrevemos essas matérias no nosso relatório, exceto quando a lei ou regulamento proibir a sua divulgação pública; e
- ▶ declaramos ao órgão de fiscalização que cumprimos os requisitos éticos relevantes relativos à independência e comunicamos-lhe todos os relacionamentos e outras matérias que possam ser percebidas como ameaças à nossa independência e, quando aplicável, quais as medidas tomadas para eliminar as ameaças ou quais as salvaguardas aplicadas.

A nossa responsabilidade inclui ainda a verificação da concordância da informação constante do Relatório Único Integrado de Gestão com as demonstrações financeiras.

## RELATO SOBRE OUTROS REQUISITOS LEGAIS E REGULAMENTARES

### Sobre o Relatório Único Integrado de Gestão

Dando cumprimento ao artigo 451.º, n.º 3, alínea e) do Código das Sociedades Comerciais, somos de parecer que o Relatório Único Integrado de Gestão foi preparado de acordo com os requisitos legais e regulamentares aplicáveis em vigor, a informação nele constante é concordante com as demonstrações financeiras auditadas e, tendo em conta o conhecimento e a apreciação sobre a Companhia, não identificámos incorreções materiais.

### Sobre os elementos adicionais previstos no artigo 10.º do Regulamento (UE) n.º 537/2014

Dando cumprimento ao artigo 10.º do Regulamento (UE) n.º 537/2014 do Parlamento Europeu e do Conselho, de 16 de abril de 2014, e para além das matérias relevantes de auditoria acima indicadas, relatamos ainda o seguinte:

- ▶ Fomos nomeados auditores da Fidelidade –Companhia de Seguros, S.A. pela primeira vez na assembleia geral de acionistas realizada em 15 de maio de 2014 para a revisão legal das contas de 2014. Fomos nomeados na assembleia geral de acionistas realizada em 31 de março de 2015 para o mandato compreendido entre 2015 e 2017. Em 29 de março de 2017, renunciámos ao mandato, compreendido entre 2015 e 2017, tendo sido nomeados na assembleia geral de acionistas realizada em 31 de março para o mandato compreendido entre 2017 e 2019. Fomos nomeados na assembleia geral de acionistas realizada em 30 de junho de 2020 para o mandato compreendido entre 2020 e 2022. Na assembleia geral de acionistas realizada em 31 de março de 2023, fomos nomeados para um último mandato abrangendo apenas o exercício de 2023;

- ▶ O órgão de gestão confirmou-nos que não tem conhecimento da ocorrência de qualquer fraude ou suspeita de fraude com efeito material nas demonstrações financeiras. No planeamento e execução da nossa auditoria de acordo com as ISA mantivemos o ceticismo profissional e concebemos procedimentos de auditoria para responder à possibilidade de distorção material das demonstrações financeiras devido a fraude. Em resultado do nosso trabalho não identificámos qualquer distorção material nas demonstrações financeiras devido a fraude;
- ▶ Confirmamos que a opinião de auditoria que emitimos é consistente com o relatório adicional que preparámos e entregámos ao órgão de fiscalização da Companhia nesta data; e
- ▶ Declaramos que não prestámos quaisquer serviços proibidos nos termos do artigo 5.º do Regulamento (UE) n.º 537/2014 do Parlamento Europeu e do Conselho, de 16 de abril de 2014 e que mantivemos a nossa independência face à Companhia durante a realização da auditoria.

Lisboa, 22 de abril de 2024

Ernst & Young Audit & Associados –SROC, S.A.  
Sociedade de Revisores Oficiais de Contas  
Representada por:

Ricardo Nuno Lopes Pinto - ROC n.º 1579  
Registado na CMM com o n.º 20161189

**FIDELIDADE – COMPANHIA DE SEGUROS, S.A.**  
**RELATÓRIO E PARECER DO CONSELHO FISCAL**  
**EXERCÍCIO DE 2023**

Em cumprimento das disposições legais aplicáveis, dos estatutos e do mandato que nos foi conferido, apresentamos o relatório da atividade fiscalizadora e o parecer sobre os documentos de prestação de contas, elaborados pelo Conselho de Administração e da sua responsabilidade.

Acompanhámos, durante o exercício, a atividade da sociedade, desenvolvendo todas as diligências necessárias ao cumprimento dos deveres a que estamos obrigados, e verificámos a regularidade dos registos contabilísticos e o cumprimento das normas legais e estatutárias aplicáveis, tendo procedido às verificações consideradas adequadas.

Obtivemos do Conselho de Administração, demais órgãos sociais e direções da Companhia, com os quais reunimos sempre que considerado conveniente, regular informação e esclarecimento sobre o funcionamento da sociedade e andamento dos seus negócios, designadamente quanto: às políticas e estratégias definidas pelo Conselho de Administração, ao cumprimento das disposições legais, regulamentares e estatutárias, à adequação das políticas, critérios e práticas contabilísticas e ao processo de preparação da informação financeira. Adicionalmente, fomos informados da eficácia do quadro de controlo interno, gestão de riscos, atuariado, conformidade e auditoria interna, bem como sobre as políticas no âmbito da Norma Regulamentar n.º 4/2022-R de 26 de abril da ASF.

Em particular, no acompanhamento da revisão legal de contas reunimos com a SROC, sempre que considerado adequado, com o objetivo de analisar e discutir questões várias da vida da sociedade e acompanhar, nomeadamente, o planeamento da revisão legal das contas, o decurso dos trabalhos, o reporte financeiro, a implementação das IFRS 17 e as matérias relevantes de auditoria.

Apreciamos o Relatório Único Integrado de Gestão que inclui o reporte sobre o governo societário, a informação não financeira, as demonstrações financeiras individuais e consolidadas e a proposta de aplicação do resultado individual apresentada pelo Conselho de Administração, bem como a Certificação Legal de Contas, com que concordamos.

Em face de quanto antecede, o Conselho Fiscal emite o seguinte

**PARECER**

- Que seja aprovado o Relatório Único Integrado de Gestão e demais documentos de prestação de contas individuais do exercício, tal como apresentados pelo Conselho de Administração;
- Que seja aprovada a proposta de aplicação de resultados constante do Relatório Único Integrado de Gestão;

O Conselho Fiscal agradece, ao Conselho de Administração e aos restantes órgãos sociais, a boa colaboração recebida ao longo do exercício.

Lisboa, 22 de abril de 2024.

O CONSELHO FISCAL,

  
Jorge Manuel de Sousa Marrão – Presidente  
Teófilo César Ferreira da Fonseca – Vogal  
Pedro Antunes de Almeida – Vogal

**DECLARAÇÃO DE RESPONSABILIDADE COMPLEMENTAR AO  
RELATÓRIO E PARECER DO CONSELHO FISCAL DA  
FIDELIDADE – COMPANHIA DE SEGUROS, S.A.  
RELATIVO AO EXERCÍCIO DE 2023**

Em cumprimento do estabelecido no n.º 6 do artigo 420.º do Código das Sociedades Comerciais, os membros do Conselho Fiscal declaram que, tanto quanto é do seu conhecimento, as contas individuais e demais documentos de prestação de contas do exercício, foram elaborados em conformidade com as normas contabilísticas aplicáveis, dando uma imagem verdadeira e apropriada do ativo e do passivo, da situação financeira e dos resultados da empresa.

Declaram, ainda, que, tanto quanto é do seu conhecimento, o Relatório de Gestão expõe fielmente a evolução dos negócios, do desempenho e da posição da empresa, contendo o referido relatório menção aos principais riscos e incertezas da atividade.

Lisboa, 22. de abril de 2024.

O CONSELHO FISCAL

Jorge Manuel de Sousa Marrão – Presidente

Teófilo César Ferreira da Fonseca – Vogal

Pedro Antunes de Almeida – Vogal



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Fidelidade - Companhia de Seguros, S.A.  
Independent Limited Assurance Report  
(Translation from the original Portuguese language.  
In case of doubt, the Portuguese version prevails.)  
31 December 2023

(Translation from the original Portuguese language. In case of doubt, the Portuguese version prevails)

## Independent Limited Assurance Report

To the Board of Directors of  
Fidelidade - Companhia de Seguros, S.A.

### Scope

We have been engaged by Fidelidade - Companhia de Seguros, S.A. ("Fidelidade") to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, to report on the disclosures identified in the Annex "8.2 GRI Table", which include the sustainability information included in the Integrated Management Report 2023 for the companies identified in "Table I - Non-financial information", in the section "Reporting Scope" of the chapter "7. About the Report" (the "Sustainability Information"), for the year ended 31 December 2023.

### Criteria applied

Fidelidade prepared the Sustainability Information in accordance with the sustainability reporting standards of the Global Reporting Initiative - GRI Standards (the "Criteria").

### Responsibilities of the Management

Fidelidade's management is responsible for selecting the Criteria, and for preparing the Sustainability Information in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining an appropriate internal control system, maintaining adequate records and making estimates that are relevant to the preparation of the Sustainability Information, such that it is free from material misstatement, whether due to fraud or error.

### Responsibilities of the Auditor

Our responsibility is to examine the Sustainability Information prepared by Fidelidade and to issue a limited assurance report based on the evidence obtained.

Our engagement was conducted in accordance with the International Standards for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information - ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and other technical standards and recommendations issued by the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*). These standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Sustainability Information is prepared in accordance with the Criteria.

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. In these circumstances, our independent review procedures comprised the following:

- ▶ Inquiries to management with the objective to understand the business context and the sustainability reporting process;
- ▶ Conducting interviews with personnel responsible for preparing the information in order to understand the processes for collecting, collating, reporting and validating of the Sustainability Information for the reporting period;
- ▶ Conducting analytical review procedures to support the reasonableness of the data;

- ▶ Execution, on a sample basis, of tests to the calculations carried out, as well as tests to prove the quantitative and qualitative information included in the report;
- ▶ Verification of the conformity of the Sustainability Information with the results of our work and with the Criteria applied.

We consider that the evidence obtained is sufficient and appropriate to provide the basis for our conclusion.

### Quality and Independence

EY applies the International Standard on Quality Management ISQM 1, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the *Ordem dos Revisores Oficiais de Contas'* Code of ethics and of the International Code of Ethics for Professional Accountants (including international independence standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

### Conclusion

Based on our work and evidence obtained, nothing has come to our attention that cause us to believe that the Sustainability Information, for the year ended 31 December 2023, has not been prepared, in all material respects, in accordance with the Criteria.

Lisbon, 22 April 2024

Ernst & Young Audit & Associados - SROC, S.A.  
Sociedade de Revisores Oficiais de Contas  
Represented by:

(signed)

Manuel Ladeiro de Carvalho Coelho da Mota - ROC nº 1410  
Registered with the Portuguese Securities Market Commission under license nr. 20161020

# CORPORATE GOVERNANCE REPORT



## INTRODUCTION

Fidelidade – Companhia de Seguros, S.A., (hereinafter “Company” or “Fidelidade”) prepares its Corporate Governance Report in a clear and transparent manner, according to the rules in force, observing the best practices and applicable recommendations, in order to make public the principles and regulatory regulations within the scope of Corporate Governance.

This Corporate Governance Report for the 2023 financial year was prepared in compliance with the provisions of article 70, paragraph 2, point b) of the Commercial Companies Code and point iv), point a) of paragraph 1 of article 35 of Regulatory Standard No. 4/2023 – R, of 11 July, of Autoridade de Supervisão de Seguros e Fundos de Pensões (“ASF”).

## INFORMATION ON SHAREHOLDER STRUCTURE, ORGANIZATION AND CORPORATE GOVERNANCE

### A. SHAREHOLDER STRUCTURE

#### I. Capital structure

##### 1. CAPITAL STRUCTURE

Fidelidade’s share capital, in the amount of 509,263,524.00 Euros, is represented by 161,670,960 nominative shares, with a par value of 3.15 euros each, fully subscribed and paid up. All the shares confer identical rights and are fungible with each other.

According to its bylaws, Fidelidade, in addition to the common shares, may issue preferred shares with no voting rights, up to the amount of 20% of the share capital. Fidelidade only issued ordinary shares.

The Company’s shareholder structure is as follows:

Shareholder	% of Capital	N.º of shares
Longrun Portugal, SGPS, S.A.	84.9892%	137,402,839
Caixa Geral de Depósitos, S.A.	15.0000%	24,250,644
Employees	0.0026%	4,177
Own Shares	0.0082%	13,300
<b>TOTAL:</b>	<b>100%</b>	<b>161,670,960</b>

## 2. RESTRICTIONS ON TRANSFERABILITY OF SHARES

There are no restrictions on the transferability of shares.

## 3. NUMBER OF OWN SHARES, PERCENTAGE OF CORRESPONDING SHARE CAPITAL AND PERCENTAGE OF VOTING RIGHTS TO WHICH THE OWN SHARES WOULD CORRESPOND

As of 31 December 2023, Fidelidade held 13,300 own shares, which correspond to 0.0082% of the share capital and percentage of votes.

## 4. REGIME SUBJECT TO THE RENEWAL OR REVOCATION OF DEFENSIVE MEASURES, IN PARTICULAR THOSE PROVIDING FOR THE LIMITATION OF THE NUMBER OF VOTES THAT MAY BE HELD OR EXERCISED BY A SINGLE SHAREHOLDER INDIVIDUALLY OR IN CONCERT WITH OTHER SHAREHOLDERS

The Company's bylaws do not include limitations on the number of votes that can be held or exercised by a single shareholder individually or jointly

## 5. SHAREHOLDER AGREEMENTS WHICH ARE KNOWN TO THE COMPANY AND WHICH MAY LEAD TO RESTRICTIONS ON THE TRANSFER OF SHARES OR VOTING RIGHTS

See paragraph 2 above.

## II. Shareholdings

## 6. IDENTIFICATION OF NATURAL OR LEGAL PERSONS HOLDING QUALIFYING HOLDINGS, INDICATING THE PERCENTAGE OF CAPITAL AND VOTES ATTRIBUTABLE AND THE SOURCE AND CAUSES OF IMPUTATION

Qualified holdings in the Company's capital stock as of 31 December 2023, indicating the percentage of capital and votes attributable and the source and causes of imputation are shown in the following Table:

Shareholder	N.º of Shares	% of Share Capital	% of Voting Rights	Source and Causes of Imputation
Longrun Portugal, SGPS, S.A.	137,402,839	84,9892%	84,9892%	Purchase
Caixa Geral de Depósitos, S.A.	24,250,644	15%	15%	Purchase



## 7. INDICATION OF THE NUMBER OF SHARES AND BONDS HELD BY MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

As of 31 December 2023, the members of the management and supervisory bodies did not hold shares in the Company.

As of 31 December 2023, the members of the management and supervisory bodies did not hold bonds in the Company.

## B. GOVERNING BODIES AND COMMITTEES

### I. General Meeting

#### a) Composition of the General Meeting Board

## 8. IDENTIFICATION AND POSITION OF THE MEMBERS OF THE GENERAL MEETING BOARD AND THEIR TERM OF OFFICE

The General Meeting Board had, on 31 December 2023, the following members:

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Position	Name
Chairman	Nuno Azevedo Neves
Secretary	Paula Cristina Rodrigues Morais

#### b) Exercise of voting rights

## 9. POSSIBLE RESTRICTIONS ON VOTING RIGHTS, SUCH AS LIMITATIONS ON THE EXERCISE OF VOTING DEPENDING ON THE OWNERSHIP OF A NUMBER OR PERCENTAGE OF SHARES, DEADLINES IMPOSED FOR THE EXERCISE OF VOTING RIGHTS OR SYSTEMS OF PROMINENCE OF PROPERTY RIGHTS

Pursuant to Article 10 of the Company's bylaws, 100 (one hundred) shares correspond to one vote. Shareholders holding a number of shares that does not reach that minimum number may group together, and be represented by one of the group members, to gather together the number necessary to exercise the vote.

Fidelidade's shareholders may only participate, discuss and vote at the General Meeting, in person or through a representative, if, on the registration date, corresponding to 0 hours (GMT) of the fifth trading day prior to the General Meeting, they hold shares that grant them, according to the law and the bylaws, at least one vote and that comply with the applicable legal formalities, as described in the corresponding call.

No shareholder may be represented by two or more persons.

Correspondence voting is not allowed.

## **10. INDICATION OF THE MAXIMUM PERCENTAGE OF VOTING RIGHTS THAT MAY BE EXERCISED BY A SINGLE SHAREHOLDER OR BY SHAREHOLDERS WHO ARE IN ANY OF THE RELATIONSHIPS DESCRIBED IN PARAGRAPH 1 OF ARTICLE 20 OF THE SECURITIES CODE**

The bylaws do not include any maximum percentage of voting rights that may be exercised by a single shareholder or by a shareholder who is in any of the relationships described in paragraph 1 of article 20 of the Securities Code.

## **11. IDENTIFICATION OF SHAREHOLDER RESOLUTIONS THAT, BY STATUTORY IMPOSITION, CAN ONLY BE TAKEN WITH A QUALIFIED MAJORITY, IN ADDITION TO THOSE LEGALLY PROVIDED FOR, AND INDICATION OF THESE MAJORITIES**

The resolutions of the General Meeting are taken by a majority vote of the shareholders present or represented at the General Meeting, whenever the law or the bylaws do not require a greater number (paragraph 3 of article 11 of the Statutes).

Resolutions relating to any amendments to the bylaws of the Company, including amendment of the corporate purpose, increase and reduction of the share capital, merger, spin-off, transformation and dissolution of the Company, the suppression or reduction of the preemptive right of the shareholders of the Company in increases in the share capital, the amortization of shares representing the share capital, the suspension or cessation of the exercise of the main activity included in the corporate purpose of the Company, the authorization to buy and sell own shares when it is not carried out on a pro-rata basis, as well as the appointment of the supervisory body of the Company and its external auditor when it is not one of the four largest international audit companies, can only be approved provided that the favourable vote of a majority corresponding to more than 95% of the voting rights representing the totality of the share capital is obtained.

## **II. Administration**

### **Board of Directors**

#### **Composition**

### **12. IDENTIFICATION OF THE ADOPTED GOVERNANCE MODEL**

Fidelidade's corporate governance structure comprises a Board of Directors that includes an Executive Committee and a supervisory body that integrates a Supervisory Board and a SROC (Statutory Auditor).

### **13. STATUTORY RULES ON THE APPOINTMENT AND REPLACEMENT OF MEMBERS OF THE BOARD OF DIRECTORS**

The members of the Board of Directors are elected by the General Meeting. The chairman and vice-chairman of the Board of Directors are chosen by the Board of Directors itself, except when they are appointed by the General Meeting of shareholders that elects the Board of Directors.

Vacancies or impediments occurring on the Board of Directors are filled by co-option until the first General Meeting makes the final decision.

### **14. COMPOSITION OF THE BOARD OF DIRECTORS, INDICATING THE MINIMUM AND MAXIMUM STATUTORY NUMBER OF MEMBERS, STATUTORY TERM OF OFFICE, NUMBER OF MEMBERS, DATE OF APPOINTMENT AND TERM OF OFFICE OF EACH MEMBER**

Pursuant to the bylaws of the Company, the Board of Directors is composed of a minimum of five and a maximum of seventeen members, elected for renewable three-year terms.

The Board of Directors, as of 31 December, 2023, is composed of seventeen members, appointed to hold office in the three-year period 2023/2025, of which ten are non-executive members and seven are executives, a situation that is reflected in the following Table:

Board of Directors (BD)	Position	Date of Appointment in Office	Term of Office	Observations
Jorge Manuel Baptista Magalhães Correia	Chairman	30-05-2023	2023/2025	Non-executive*
Rogério Miguel Antunes Campos Henriques	Vice-Chairman	30-05-2023	2023/2025	Executive
André Simões Cardoso	Member of the Board	30-05-2023	2023/2025	Executive
António José Alves Valente	Member of the Board	30-05-2023	2023/2025	Non-executive
António Manuel Marques de Sousa Noronha	Member of the Board	30-05-2023	2023/2025	Executive
Eduardo José Stock da Cunha	Member of the Board	30-05-2023	2023/2025	Non-executive
Hui CHEN	Member of the Board	30-05-2023	2023/2025	Executive
Jiefei WANG	Member of the Board	30-05-2023	2023/2025	Non-executive
Juan Ignacio Arsuaga Serrats	Member of the Board	30-05-2023	2023/2025	Executive
Lingjiang XU	Member of the Board	30-05-2023	2023/2025	Non-executive
Maria João Vellez Caroco Honório Paulino de Sales Luís	Member of the Board	30-05-2023	2023/2025	Non-executive
Miguel Barbosa Namorado Rosa	Member of the Board	30-05-2023	2023/2025	Non-executive
Miguel Barroso Abecasis	Member of the Board	30-05-2023	2023/2025	Executive
Tao LI	Member of the Board	30-05-2023	2023/2025	Non-executive
Wai Lam William MAK	Member of the Board	30-05-2023	2023/2025	Executive
Andrew John Zeissink	Member of the Board	28-06-2023	2023/2025	Non-executive
Carlos António Torroaes Albuquerque	Member of the Board	28-06-2023	2023/2025	Non-executive

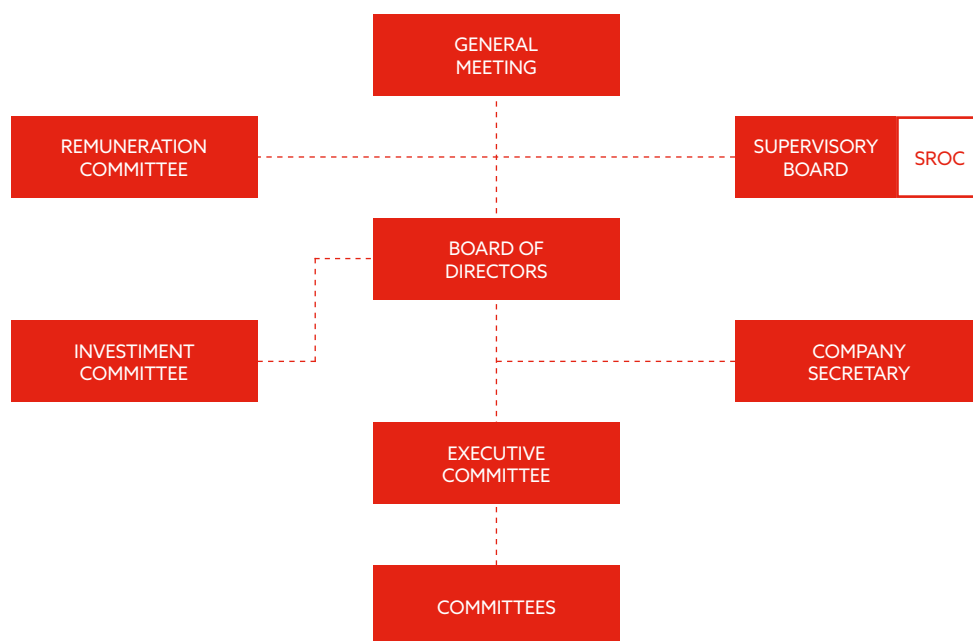
\* Non-executive Director although with the special charge of monitoring certain matters.

The Executive Committee has, as of 31 December, 2023, the following composition:

<b>Executive Committee (EC)</b>	<b>Position</b>	<b>Date of Appointment in Office</b>	<b>Term of Office</b>
Rogério Miguel Antunes Campos Henriques	Chairman	21-06-2023	2023/2025
António Manuel Marques de Sousa Noronha	Member of the Board	21-06-2023	2023/2025
Wai Lam William MAK	Member of the Board	21-06-2023	2023/2025
André Simões Cardoso	Member of the Board	21-06-2023	2023/2025
Hui CHEN	Member of the Board	21-06-2023	2023/2025
Juan Ignacio Arsuaga Serrats	Member of the Board	21-06-2023	2023/2025
Miguel Barroso Abecasis	Member of the Board	21-06-2023	2023/2025

## 15. ORGANISATION CHART ON THE DIVISION OF POWERS BETWEEN THE VARIOUS GOVERNING BODIES, INCLUDING INFORMATION ON DELEGATIONS OF POWERS

The following table represents the Corporate Governance structure of Fidelidade during the financial year 2023:



### Board of Directors

The Board of Directors, as the Company's governing body, has the broadest powers of management and representation of the Company. Pursuant to paragraph 1 of article 15 of the Company's Bylaws, the Board of Directors is responsible, in addition to the general duties conferred on it by law:

- a) To manage the corporate business and perform all acts and operations related to the corporate purpose that do not fall within the competence attributed to other bodies of the Company;
- b) Represent the Company in and out of court, actively and passively, being able to give up, compromise and confess in any claims, as well as enter into arbitration agreements;
- c) Acquire, sell or otherwise dispose of or encumber rights and movable and immovable property;
- d) Incorporate companies, subscribe, acquire, encumber and dispose of shareholdings;
- e) To establish the technical-administrative organization of the Company, the internal operating rules, namely on staff and their remuneration;
- f) Establish trustees with powers it deems appropriate, including those of substitutes.

The deliberations of the Board of Directors dealing with the following matters may only be taken by a majority of 6/7 of its members:

- a) Material change in the business, including the disposition of all or a substantial part of the assets of the Company;
- b) Execution, amendment or termination of any contract between the Company and any shareholder, as well as with companies that are in a controlling or group relationship pursuant to article 21 of the Securities Code with any shareholder;
- c) Definition of the voting sense to be adopted by the Company's representatives at general meetings and on the board of directors of commercial companies in which the Company holds a majority of the voting rights or the right to appoint a majority of the members of the management body, when a resolution concerns the following matters:
  - i. amendments to the bylaws, including amendment of the corporate purpose, increase and reduction of the share capital, merger, spin-off, transformation and dissolution of the Company;
  - ii. suppression or reduction of shareholders' preemptive rights in capital increases;
  - iii. amortization of shares representing the capital stock;
  - iv. suspension or termination of the exercise of main activity included in the corporate purpose;
  - v. authorization for the purchase and sale of own shares when it is not conducted on a pro-rata basis;

- vi. appointment of the supervisory body and its external auditor when it is not one of the four largest international audit firms;
- vii. material change in the business, including the disposition of all or a substantial part of the assets of the Company concerned;
- viii. execution, amendment or termination of any contract between the Company concerned and any shareholder of the Company, as well as with companies that are in a controlling or group relationship pursuant to article 21 of the Securities Code with any shareholder of the Company.

The Chairman of the Board of Directors has its own powers, and, pursuant to Article 16 of the bylaws:

- a) Represent the Board of Directors in and out of court;
- b) Coordinate the activity of the Board of Directors and convene and conduct the respective meetings;
- c) Ensure the correct execution of the Board of Directors' resolutions.

### **Executive Committee**

Without prejudice to the possibility of invoking powers on any matter delegated to the Executive Committee, the Board of Directors delegated to it the day-to-day management of the Company, comprising the following powers:

- a) All insurance and reinsurance operations and operations related to or complementary to insurance or reinsurance operations, in particular with regard to acts and contracts relating to salvage, the re-building and repair of buildings, the repair of vehicles, and the application of provisions, reserves and capital;

- b) Representation of the Company before supervisory entities and sectoral associations;
- c) Acquisition of services;
- d) Admissions, definition of levels, categories, remuneration conditions and other employee benefits, as well as assignment of management positions;
- e) Exercise of disciplinary power and application of any sanctions;
- f) Representation of the Company before the representative structures of the employees;
- g) Opening or closing branches or agencies;
- h) Designation of who shall represent the Company at the general meetings of the companies in which it holds interests, fixing the sense of vote expressed therein;
- i) Designation of the persons who shall hold the corporate positions for which the Company shall be elected, as well as the persons whom the Company shall appoint to hold corporate positions in companies in which it holds an interest;
- j) Issuance of binding instructions to companies that are with the Company in a group relationship constituted by total domain;
- k) Representation of the Company in or out of court, actively and passively, comprising the initiation of and reply to any judicial or arbitration proceedings, as well as the confession, withdrawal or transaction in any actions and the assumption of arbitration commitments;

- l) Constitution of agents, with or without power of attorney, for the practice of certain acts, or categories of acts, defining the extent of their mandates.

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

### **Investment Committee**

All investment decisions of the Company are subject to the supervision of the Investment Committee, and the Executive Committee shall report transactions conducted to the Investment Committee.

It is incumbent upon the Investment Committee to define the investment guidelines and decisions that require its prior approval.

The members of the Investment Committee are appointed by the Board of Directors, and their mandates shall coincide.

## **III. Supervision**

### **Supervisory Board and Statutory Auditor**

#### **Composition**

## 16. IDENTIFICATION OF THE SUPERVISORY BODY AND POWERS

The Company's supervision, pursuant to Article 413 (1) (a) of the Commercial Companies Code, is the responsibility of a Supervisory Board and a Statutory Auditor Firm, with the powers provided for by law and whose current mandate corresponds to the period 2023/2025.

The Company's Bylaws refer the powers of the Supervisory Board to those provided for by law.

## 17. COMPOSITION OF THE SUPERVISORY BOARD, INDICATING THE POSITION OF EACH MEMBER, DATE OF APPOINTMENT AND STATUTORY TERM OF OFFICE

The Supervisory Board is composed of three effective members and an alternate, with three-year terms, renewable, having, on 31 December, 2023, the following composition:

Members of the Supervisory Board	Position	Date of Appointment in Office	Term of Office
Jorge Manuel de Sousa Marrão	Chairman	30-05-2023	2023/2025
Teófilo César Ferreira da Fonseca	Member of the Board	30-05-2023	2023/2025
Pedro Antunes de Almeida	Member of the Board	30-05-2023	2023/2025
Carla Alexandra de Almeida Viana Gomes	Substitute (in the process of registering with the ASF)	07-12-2023	2023/2025



## IV. Statutory Auditor Firm

### 18. IDENTIFICATION OF THE AUDIT FIRM AND THE AUDIT PARTNER REPRESENTING IT

The Statutory Auditor Firm as of 31 December, 2023, is Ernst & Young Audit & Associados – SROC, S.A., represented by Ricardo Nuno Lopes Pinto, Statutory Auditor No. 1579, registered with the CMVM (Portuguese Securities Market Commission) under license No. 20161189.

### 19. INDICATION OF THE NUMBER OF YEARS IN WHICH THE AUDIT FIRM EXERCISES FUNCTIONS CONSECUTIVELY WITH THE COMPANY AND/OR GROUP

The Statutory Auditor Firm has been in office since 15 May 2014 and was reappointed on 30 May 2023 to hold office regarding financial year 2023.

### 20. DESCRIPTION OF OTHER SERVICES PROVIDED BY STATUTORY AUDITOR TO THE COMPANY

In addition to the statutory audit and audit work, Ernst & Young Audit & Associados – SROC, S.A. recurrently provides the following services required by law:

- Certification of the Annual Report on Solvency and Financial Situation under Regulatory Standard No. 2/2017-R, of 24 March from ASF;
- Opinion on the regular evaluation of the effectiveness of policies, procedures, and controls on the prevention of money laundering and financing of terrorism, as per paragraph 2 of article 35 of Regulatory Standard No. 4/2023-R of 11 July (in its present form) from ASF;

- Opinion on the Risk Management and Internal Control Systems, in terms of the mechanisms and procedures specifically adopted within the scope of the prevention, detection, and reporting policy for insurance fraud situations, as per paragraph 4 of article 36 of Regulatory Standard No. 4/2022-R of 26 April, from ASF; and
- Opinion on the suitability of the remuneration policy, as per paragraph 4 of article 90 of Regulatory Standard No. 4/2022-R of 26 April, from ASF.

In addition to the aforementioned work, Ernst & Young Audit & Associados – SROC, S.A. does not provide, on a recurring basis, any other type of services to the Company or to companies that are in a domain relationship with it. However, when other services are provided to the Company or to companies that are in a controlling relationship with it, this will occur in strict accordance with the legally defined procedures.

## C. INTERNAL ORGANIZATION

### I. Bylaws

### 21. RULES APPLICABLE TO THE AMENDMENT OF THE BYLAWS OF THE COMPANY

Any amendment to the bylaws of the Company shall require a resolution of the General Meeting with the favourable vote of a majority corresponding to more than 95% of the voting rights representing the entire share capital.

## II. Irregularity Reporting and corruption prevention mechanisms

### 22. IRREGULARITY REPORTING POLICY AND CORRUPTION PREVENTION MECHANISMS

Fidelidade has a culture of responsibility and compliance, from an early age recognizing the importance of the appropriate framework for the communication and processing of irregularities, as an instrument of good corporate practice.

Considering the entry into force, in 2022, of Law No. 93/2021, of 20 December, which approved the general regime for the protection of whistleblowers, transposing into the national legal order Directive (EU) 2019/1937 of the European Parliament and of the Council, of 23 October 2019, on the protection of whistleblowers from infractions and the implementation of internal reporting channels and procedures, a review of the already established means of receiving, processing and filing communications of irregularities, allegedly committed by members of the governing bodies and by employees of the Company or of the companies included in the Fidelidade Group, was carried out in the light of the legal obligations arising from the general regime for the protection of whistleblowers.

From the outset, the Irregularity Reporting Policy was approved, which is duly disclosed on the Company's website, as well as the Fidelidade Group's Whistleblowing Channel, materialized in the establishment of an internal platform, an electronic address and a postal address, intended to receive the irregularities provided for in the general regime for the protection of whistleblowers.

All employees with an employment relationship, regardless of modality, trainees and trainees, volunteers, former employees, mediators, service providers, suppliers, consultants, holders of shareholdings and persons belonging to administrative or management bodies or supervisory or supervisory bodies may report irregularities.

Reporting irregularities triggers a process of receiving, processing and investigating them, in accordance with the general principles and legal guarantees of the whistleblower (described in the Irregularities Communication Policy), which culminates in the production of a report, and the whistleblower receiving a response to the complaint made, under the terms and deadlines established in the Law and in the Irregularities Communication Policy. The Company ensures the training mechanisms, in relation to the Irregularity Reporting Policy, in order to build a culture of responsibility and professional, personal and business ethics.

It should also be noted that considering the entry into force, on 7 June, 2022, of Decree-Law No. 109-E/2021, of 9 December, which creates the National Anti-Corruption Mechanism and establishes the General Corruption Prevention Regime, the Company:

- Adopted a plan to prevent the risks of corruption and related infractions in order to identify risk-enhancing situations, including those of fraud and corruption, as well as listing the prevention measures aimed at minimizing their likelihood of occurrence and impact, as well as the respective persons responsible for their implementation.
- Consolidated the existing Code of Conduct, which contemplates and systematizes the general principles and rules of conduct applicable to all employees, disclosed internally through the institutional media.

### III. Internal control and risk management

#### 23. BODIES RESPONSIBLE FOR INTERNAL AUDIT AND/OR IMPLEMENTATION OF INTERNAL CONTROL SYSTEMS

The Legal Regime for Access and Exercise of Insurance and Reinsurance Activity (RJASR), approved by Law No. 147/2015, of 9 September, which transposes the Solvency II Directive into internal legal order, entered into force on 1 January, 2016.

In this context, the Company has implemented a global risk management system in order to meet the requirements set forth therein.

The implementation of this system, in addition to complying with the regulations applicable to the insurance activity, is understood as an opportunity to improve the risk assessment and management processes, thus contributing to the maintenance of the solidity and stability of the insurance group, where Fidelidade operates.

Thus, the risk management system is an integral part of the Company's daily activities, and an integrated approach is applied to ensure that its strategic objectives (customer interests, financial strength and process efficiency) are maintained.

On the other hand, the performance of the risk and solvency self-assessment exercise (ORSA) allows us to relate, in a prospective vision, risk, capital and return, in the context of the business strategy established by the Company.

Regarding the governance system, the Company has policies, processes and procedures appropriate to its business strategy and operations, ensuring a sound and prudent management of its activity. In terms of the organizational structure, the management of risk management and internal control systems shall also be ensured by the following bodies: Risk Management Department, Audit Department, Compliance Department, Risk Committee, Underwriting

Policy Acceptance and Monitoring Committee and Life and Non-Life Products Committee, and Assets and Liabilities Management Committee.

The other Structural Bodies are responsible for promoting the risk management and internal control process, in order to ensure that the management and control of operations are conducted in a healthy and prudent manner, and they are also responsible for ensuring the existence and updating of documentation related to their business processes, respective risks and control activities.

As part of the set of prudential recommendations from the supervisory authorities, in order to ensure the operational continuity of the processes, systems and communications, the Fidelidade Group has a Business Continuity Plan ("BCP") in order to ensure a structured damage assessment and an agile decision making on the type of recovery to be undertaken.

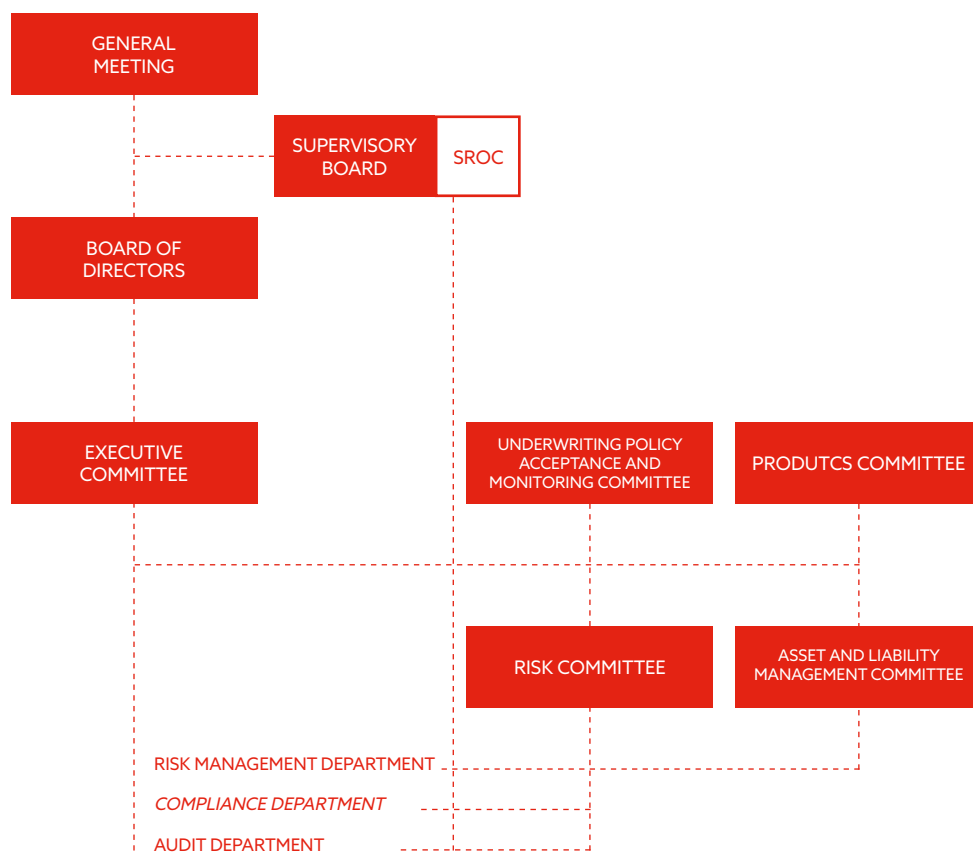
Regarding public information obligations, in 2023, the Company prepared and disclosed, on its website, the "2022 Solvency and Financial Situation Report" containing detailed information related to activities and performance, governance system, risk profile, valuation for solvency purposes and capital management for the year 2022. This report, together with the annual quantitative reporting statements submitted to the ASF, has been subject to certification by a statutory auditor and responsible actuary.

Also, during 2023, the Company conducted the annual self-assessment of risk and solvency ("ORSA") exercise, having reported its results to ASF by sending its supervisory report, and provided quarterly quantitative information for supervisory purposes.

Thus, the measures adopted during the preparation phase for the application of the Solvency II regime, as well as its consolidation over the first years of its validity, put Fidelidade at a comfortable level of compliance with this new regime.

## 24. EXPLANATION OF HIERARCHICAL AND/OR FUNCTIONAL DEPENDENCY RELATIONSHIPS VIS-À-VIS OTHER BODIES OR COMMITTEES OF THE COMPANY

The hierarchical and/or functional dependence of the Risk Management Department, the Audit Department and the Compliance Department, in relation to other bodies or committees of the Company, is reflected in the following Table:



## 25. EXISTENCE OF OTHER FUNCTIONAL AREAS WITH COMPETENCES IN RISK CONTROL

In addition to those areas with key functions within the scope of risk management and internal control systems, and the legal risk control carried out by the Legal Affairs Department, there is an information and communication system that supports decision-making and control processes, both internally and externally, within the competence of the Strategic Planning and Business Development Department and the Accounting and Financial Information Department that ensure the existence of substantive, current, coherent, timely and reliable information, allowing a global and comprehensive view of the financial situation, the development of the activity, compliance with the strategy and defined objectives, the identification of the Company's risk profile and the behaviour and prospects of market developments.

The financial reporting and management process is supported by the accounting and management support systems that record, classify, associate and file in a systematic, timely, reliable, complete and consistent manner all transactions conducted by the institution and subsidiaries, in accordance with the determinations and policies issued by the Executive Committee.

Thus, the Risk Management Department, the Compliance Department, the Audit Department, the Accounting and Financial Information Department and the Strategic Planning and Business Development Department ensure the implementation of the procedures and means necessary to obtain all the relevant information for the consolidation and information process at the Company level – both of an accounting nature, as well as to support the management and monitoring and control of risks – which must include, inter alia:

- The definition of the content and format of the information to be reported by the entities included in the scope of consolidation, in accordance with the accounting policies and guidelines defined by the management body, as well as the dates on which the reports are required;
- The identification and control of intra-Company transactions; and
- Ensuring that management information is consistent between the various entities, so that it is possible to measure and monitor the evolution and profitability of each business and verify compliance with the established objectives, as well as assess and control the risks that each entity incurs, both in absolute and relative terms.

## **26. IDENTIFICATION AND DESCRIPTION OF THE MAIN TYPES OF RISKS (ECONOMIC, FINANCIAL AND LEGAL) TO WHICH THE COMPANY IS EXPOSED IN THE EXERCISE OF THE ACTIVITY**

Reference is made here to the information provided in the Notes to the Separate and Consolidated Financial Statements.

## **27. DESCRIPTION OF THE PROCESS OF IDENTIFICATION, EVALUATION, MONITORING, CONTROL AND RISK MANAGEMENT**

The risk management system supports the Company in the identification, evaluation, management and monitoring of risks, allowing the adoption of appropriate and immediate actions in case of material changes in its risk profile.

In establishing its risk profile, the Company identifies the different risks to which it is exposed and then assesses those risks. Risk assessment is based on a standard formula used to calculate the solvency capital requirement. For other risks not included in that formula, the Company chooses to use a qualitative analysis in order to classify the foreseeable impact on its capital needs.

The ORSA exercise plays a key role in monitoring the Company's risk profile and capital adequacy according to regulatory capital requirements and internal capital needs.

## **IV. Website**

### **28. ADDRESS(ES)**

Fidelidade's website is as follows:

**[www.fidelidade.pt](http://www.fidelidade.pt)**

### **29. PLACE WHERE INFORMATION ON THE COMPANY, GOVERNING BODIES AND ACCOUNTABILITY DOCUMENTS IS FOUND**

The information on the Company, on the governing bodies and the accounting documents, is available on the Company's website, at the Internet address indicated above.

### **30. PLACE WHERE THE BYLAWS AND OPERATING REGULATIONS OF THE GOVERNING BODIES ARE FOUND**

The bylaws and regulations governing the functioning of bodies and committees are available at the Registered Office of the Company – Company Secretariat.

### **31. PLACE WHERE THE NOTICE FOR THE MEETING OF THE GENERAL MEETING AND ALL PREPARATORY AND SUBSEQUENT INFORMATION RELATED TO IT ARE DISCLOSED**

The notices for meetings of the General Meeting and all preparatory and subsequent information related thereto are available at the Registered Office of the Company – Company Secretariat.

### **32. PLACE WHERE THE HISTORICAL COLLECTION IS MADE AVAILABLE WITH THE RESOLUTIONS TAKEN AT THE MEETINGS OF THE GENERAL MEETINGS OF THE COMPANY, THE CAPITAL STOCK REPRESENTED AND THE RESULTS OF THE VOTES, WITH REFERENCE TO THE PREVIOUS 3 YEARS**

The historical collection with the resolutions taken at the meetings of the Company's General Meetings, the capital stock represented and the results of the votes, with reference to the previous 3 years, are available at the Company's Headquarters – Company Secretariat.

## **D. REMUNERATION**

### **I. Competence for determination**

### **33. INDICATION AS TO THE COMPETENCE FOR DETERMINING THE REMUNERATION OF GOVERNING BODIES, MEMBERS OF THE EXECUTIVE COMMITTEE AND DIRECTORS OF THE COMPANY**

The remuneration of the members of the governing bodies shall be determined by the Remuneration Committee.

The determination of the remuneration of other employees is the responsibility of the Executive Committee.

## **II. Remuneration Committee**

### **34. COMPOSITION OF THE REMUNERATION COMMITTEE**

The Remuneration Committee was appointed on 30 May 2023, to hold office until the end of the current mandate corresponding to the three-year period 2023-2025, with the following composition on 31 December 2023:

Cargo	Nome
Chairman:	Jiefei WANG
Members of the Board:	Ana Isabel dos Santos de Pina Cabral
	Pedro Antunes de Almeida

### **35. KNOWLEDGE AND EXPERIENCE OF MEMBERS OF THE REMUNERATION COMMITTEE IN THE FIELD OF REMUNERATION POLICY**

The members of the Remuneration Committee are people who, due to their professional experience and curriculum, have the knowledge and appropriate profile regarding remuneration policy, and there has been no use of services provided in this area by external consultants.

## **III. Structure of remuneration**

### **36. DISCLOSURE OF THE REMUNERATION POLICY OF THE GOVERNING BODIES**

The Remuneration Committee submitted to the General Meeting of 31 March 2023, the Remuneration Policy of the members of the respective management and supervisory bodies, which was unanimously approved by the shareholders present or represented.

The Remuneration Policy for the Governing Bodies was, in compliance with the provisions of paragraph c) of paragraph 6 of article 89 of Regulatory Standard No. 4/2022-R, of 26 April, subject to annual review, approved by resolution of the Remuneration Committee of 20 October, 2023, and has the following objectives and guidelines:

- Encourages effective risk management and control by maintaining an adequate capital base, avoiding excessive exposure to risk and potential conflicts of interest and ensuring consistency with the long-term objectives, values and interests of the Company, including the prospects for sustainable growth and profitability and the protection of the interests of policyholders and beneficiaries;
- It is appropriate to the size, nature, scope and complexity of the activity conducted or to be carried out by the by the Company and also in view of the risks assumed or to be assumed;
- It is structured in a clear, transparent manner with regard to its definition, implementation and monitoring;
- It ensures a competitive and equitable total remuneration, aligned with trends at national and European level, in particular with the Company's peers;
- It incorporates, as regards the executive directors, a fixed component, adjusted to the positions and responsibility of the directors, adequately balanced with a variable component with a short-term and medium-term portion, both conditioned to individual and organizational performance, in accordance with the achievement of concrete and quantifiable objectives, of a financial and non-financial nature, based on the long-term sustainability of the Company and on the effective management and control of the risks assumed by it, and aligned with the interests of the Company, its shareholders, as well as policyholders, insured and beneficiaries;

- Integrates indicators related to sustainability, in accordance with best practices, taking into account the strategic objective defined in this regard;
- The variable component takes into account the benefits to the organisation and, therefore, in exceptional cases, namely: (i) when there is no adequate capital base; (ii) its allocation unduly limits the Company's ability to strengthen its own capital; (iii) where it is found that its allocation does not comply with applicable laws, regulations or guidelines, it may not be allocated.
- On the other hand, variable remuneration is subject to reduction or reversal mechanisms whenever it is proven that an executive director with intent or gross negligence participated or was responsible for an action that resulted in significant losses for the Group. The application of the reversal mechanisms is supplementary to the reduction mechanism in such a way that in the event of a significant event the application of the reduction mechanism will be a priority and only when it is exhausted, insufficient or results from the verification that the executive director has contributed significantly to the Group's financial performance being negative, or to the application of regulatory sanctions or in the event of fraud, intent or serious negligence that has caused significant losses, recourse to the reversal mechanism should be considered.

Based on these principles, the remuneration of members of the governing bodies was structured as follows:

The Chairman of the General Meeting Board shall receive a fixed annual remuneration for the exercise of his office, paid in one lump sum by 30 June of each year. The Secretary of the General Meeting Board does not receive any remuneration.

The members of the Supervisory Board receive a fixed monthly remuneration, paid fourteen times a year.

The non-executive members of the Board of Directors will only receive, when so decided by the Remuneration Committee, a fixed remuneration, and the remuneration, if any, may be different between them and even some be remunerated and others not.

In order to allow the alignment of the interests of the executive directors with the long-term interests of the Company, the remuneration of the executive directors incorporates a fixed component, adjusted to the functions and responsibility of the directors, adequately balanced with a variable component with a short-term and medium-term portion, both conditioned to individual and organizational performance, in accordance with the achievement of concrete and quantifiable objectives, of a financial and non-financial nature, based on the long-term sustainability of the Company and on the effective management and control of the risks assumed by it, and aligned with the interests of the Company, its shareholders and as well as policyholders, insured and beneficiaries.

The fixed component of the executive directors' remuneration will tend to represent between 50% and 52% of the total annual remuneration. The remaining part of the annual remuneration, attributed as variable remuneration, when the respective assumptions are verified, comprises:

- a. A component associated with short-term performance, which will represent, at the time of allocation, between 38% and 50% of the annual fixed remuneration value; and
- b. A component associated with long-term performance, which will represent, at the time of its allocation, between 50% and 62% of the value of the annual fixed remuneration.

The fixed component of the remuneration is paid in cash, in 14 monthly instalments, including those corresponding to holiday and Christmas allowances in accordance with the legislation in force.

The variable component is divided into two instalments, called Short-Term Variable Remuneration ("STVR") and Long-Term Variable Remuneration ("LTVR"), being assigned after the approval of the accounts for each year and once the fulfilment of predefined objectives has been verified, both conditioned to the individual performance of each executive and organizational administrator.

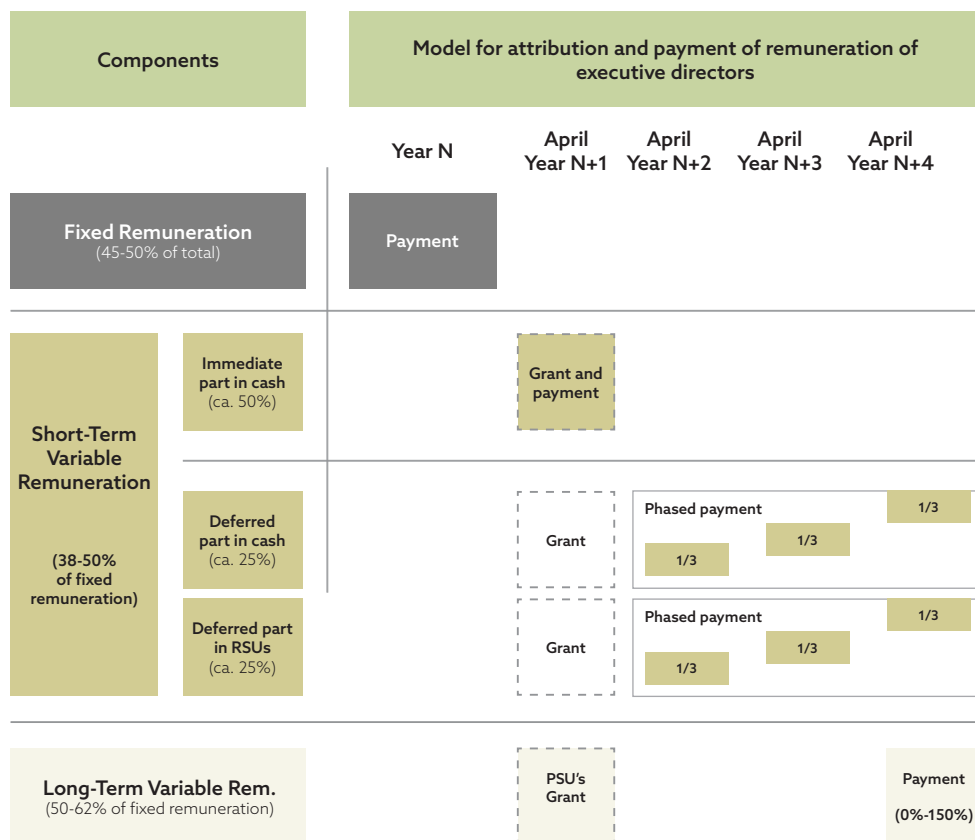
For the purposes of assigning the STVR, the annual budget of the insurance group, prepared on a consolidated basis, annually defines a set of financial indicators, as well as the respective targets to be achieved, based on the long-term sustainability of the Company and on the effective management and control of the risks assumed by it.

In addition to the financial indicators included in the budget, there are non-financial indicators, including Environmental, Social and Governance ("ESG") indicators, as well as operational and strategic indicators, set annually. The STVR is calculated at the beginning of each year, by the Remuneration Committee, according to the achievement of the targets defined for this set of indicators, with reference to 31 December of the previous year.

The STVR includes an immediate cash payment instalment, to take place in April of the year following the reference year, and a deferred payment instalment for a period of 3 years, which should tend to represent 50% of the STVR, and contemplate two forms of allocation: one in cash (tending to represent 25% of the STVR) and another in remuneration units ("Restricted Stock Units" or "RSU's") (tending to represent 25% of the STVR).



The table below summarizes the model for the attribution and payment of executive directors' remuneration:



The number of remuneration units to be allocated corresponds to the monetary value associated with this component divided by the value of the RSU at the date of allocation, calculated in accordance with the formula defined for this purpose, based on the indicators and the method for calculating them. In April of each subsequent year, to the one in which they were allocated, 1/3 of the units previously allocated are converted and paid in cash, according to their value at the end of the previous year's financial year.

The LTVR aims to strengthen the alignment of the interests of executive officers with the interests of the Company, as well as to retain and encourage officers to contribute to the long-term growth and results of the Company.

The LTVR shall represent indicatively between 50 and 60% of the Annual Fixed Remuneration, being attributed through remuneration units ("Performance Stock Units" or "PSUs"), whose unit value is calculated under the terms previously referred to the RSUs, but its payment is subject to future verification of additional medium-long term performance conditions.

The LTVR is calculated at the beginning of each year by the Remuneration Committee in terms identical to those defined for the STVR, depending on the achievement of the targets defined by reference to 31 December of the previous year.

The granting of the LTVR will be communicated to each executive director, through a Certificate issued by the Company, describing the following:

- The Granting Date;
- The total number of PSUs granted;
- The Vesting Date;

- The performance requirements that condition the exercise of the PSUs on the vesting date;
- Any other terms and conditions which, in the opinion of the Remuneration Committee, may be relevant.

The definitive number of PSUs to be vested at the end of the performance period (3 years) will be calculated based on the Return on Equity ("ROE"), considering the average ROE over this three-year period. The initial number of PSUs will be weighted by a performance multiplier, which is defined based on the Company's ROE, compared to a set of other reference insurance companies (peers), Non-Life and Life, with a global presence on the market, mostly European (excluding reinsurers), as defined in the Remuneration Policy of the Governing Bodies.

The PSUs will be automatically converted and paid in cash after 3 years ("Vesting Period") on the date of assignment, and therefore their concrete value will be calculated in year N+4, in which N is the year to which the LTVR in question refers.

If any executive director, during the period of deferral of the STVR or the LTVR, ceases to be a director for reasons not attributable to him or her, namely illness, death, incapacity, or for non-renewal of the mandate, the time of maturity of the amounts allocated for the date on which the termination of functions occurs shall be anticipated, and the RSUs and PSUs shall be previously allocated, converted and paid in cash on that date.

If during the period of deferral of the STVR or of the LTVR any executive director resigns from the position of director on his own initiative, except when this occurs in the context of normal rotation between the companies of the Group, or if the mandate ceases due to fault that is attributable to him or her, the component of the LTVR not yet acquired is cancelled.

In the event of a change in shareholding control that determines a change in the Group in which the Company is integrated, the managers benefiting from RSUs and PSUs may choose to bring forward to the date on which such change occurs the time of maturity of the accumulated amounts, with RSUs and PSUs, previously assigned, converted and paid in cash on that date.

Taking into account the objectives considered in the remuneration model, executive directors should not enter into contracts aimed at mitigating the risk inherent in the variability of their remuneration.

In addition, variable remuneration units or any rights related thereto may not be sold, assigned, transferred, pledged or encumbered in any way.

There are no other forms of remuneration, in relation to executive directors, other than the fixed and variable remuneration described above.

There are no other payments foreseen, in case of dismissal of directors, and any termination of office, by agreement, requires, as regards the amounts involved, approval by the Remuneration Committee.

The amounts allocated by the Company, when applicable, as profit sharing, are considered, for the purposes of the Remuneration Policy, for the calculation of short-term variable remuneration, although they do not have such a nature.

A set of non-remuneration benefits are also assigned to the executive directors, as follows:

- Use of mobile phones and computer equipment under the conditions at all times in force;
- Vehicle use: integrating, in addition to the use of a vehicle, under a rental agreement under the conditions at any time in force, associated costs and insurance;
- Health insurance: with the same coverage as those of the current "Premium" policy for employees of the Company;
- Life Insurance: with the same conditions as those applicable to the other employees of the Company;
- Personal Accident Insurance: with the coverage of death by accident and permanent disability by accident;
- Other contractual and extra-contractual conditions and benefits, in the exact terms in which, at any time, they are applicable to the Company's other employees.

The executive directors also benefit from a Supplementary Reform Plan, through an insurance contract, approved, on a proposal from the Remuneration Committee, at the General Meeting of 25 September 2020. The pension supplement for old age and invalidity and survival shall be that which results from the value of the contributions paid while performing functions as executive directors of the Company, plus their remuneration.

The information on the annual amount of remuneration received by the members of the governing bodies is contained in this Corporate Governance Report.

The above disclosed aspects, in compliance with the provisions of article 91 of Regulatory Standard No. 4/2022-R, of 26 April, regarding the Remuneration Policy of the Governing Bodies, must be complemented, with regard to employees, with the information contained in the Remuneration Policy of the Fidelidade Group Employees, whose content is reproduced herein, whose revision was approved by resolution of the Executive Committee of 20 December 2022 and which is available at [www.fidelidade.pt](http://www.fidelidade.pt)

#### IV. Disclosure of remuneration

### 37. INDICATION OF THE ANNUAL AMOUNT OF REMUNERATION RECEIVED, IN AGGREGATE AND INDIVIDUALLY, BY THE MEMBERS OF THE COMPANY'S MANAGEMENT BODIES, FROM THE COMPANY, INCLUDING FIXED AND VARIABLE REMUNERATION AND, IN RELATION TO THIS, MENTION OF THE DIFFERENT COMPONENTS THAT GAVE RISE TO IT

Non-executive members of the Board of Directors, when remunerated, only receive a fixed remuneration.

The annual amount of gross remuneration earned, in aggregate and individually, by non-executive members of the Company's management body, is shown in the following Table:

Non-executive members of the Board of Directors	Fixed Remuneration for 2023 (EUR)	Observations
Jorge Manuel Baptista Magalhães Correia	444,500	
Andrew John Zeissink	0	He waived the remuneration that was assigned to him
António Jose Alves Valente	0	He waived the remuneration that was assigned to him
Eduardo José Stock da Cunha	40,848	
Carlos António Torroaes Albuquerque	27,096	
Jieifei Wang	0	He waived the remuneration that was assigned to him
Lingjiang XU	40,848	
Maria João de Sales Luis	37,932	
Miguel Barbosa Namorado Rosa	0	He waived the remuneration that was assigned to him
Tao LI	0	He waived the remuneration that was assigned to him
José Manuel Alvarez Quintero	52,500	Amount paid up to the date of leaving office
<b>TOTAL</b>	<b>643,724</b>	

The annual amount of gross remuneration earned, in aggregate and individually, in the exercise of the position of executive director, is shown in the following Table:

Executive members of the Board of Directors	Fixed Remuneration for 2023 (EUR)	Observations
Rogério Miguel Antunes Campos Henriques	481,250	From 01.01.2023 till 31.12.2023
António Manuel Marques de Sousa Noronha	391,176	From 01.01.2023 till 31.12.202
Wai Lam William Mak	391,176	From 01.01.2023 till 31.12.2023
André Simões Cardoso	391,176	From 01.01.2023 till 31.12.2023
Hui CHEN	330,839	From 01.01.2023 till 31.12.2023
Juan Ignacio Arsuaga Serrats	391,176	From 01.01.2023 till 31.12.2023
Miguel Barroso Abecasis	391,176	From 01.01.2023 till 31.12.2023
<b>TOTAL</b>	<b>2,767,969</b>	

Members of the Board of Directors	Short-term immediate and deferred variable remuneration paid in 2023 and related to previous years (EUR)				Observações
	2019	2020	2021	2022	
Jorge Manuel Baptista Magalhães Correia *	37,264	20,968	-	-	
Rogério Miguel Antunes Campos Henriques	24,487	30,553	39,353	98,039	
António Manuel Marques de Sousa Noronha	22,358	27,341	34,633	86,278	
Wai Lam William Mak	22,358	27,341	34,633	86,278	
André Simões Cardoso	21,294	26,743	34,633	86,278	
Hui CHEN -	11,982	28,109	70,026		
Juan Ignacio Arsuaga Serrats	-	14,762	34,633	86,278	
Miguel Barroso Abecasis	-	-	-	86,278	
José Manuel Alvarez Quintero *	22,358	25,160			
<b>TOTAL</b>	<b>150,119</b>	<b>184,850</b>	<b>205,995</b>	<b>599,455</b>	

Members of the Board of Directors	Long-term variable remuneration paid in 2023 and related to previous years (EUR)				Observações
	2019	2020	2021	2022	
Jorge Manuel Baptista Magalhães Correia *	196,508	-	-	-	
José Manuel Alvarez Quintero *	256,307	-	-	-	
Rogério Miguel Antunes Campos Henriques	185,279	-	-	-	
António Manuel Marques de Sousa Noronha	171,243	-	-	-	
Wai Lam William Mak	171,243	-	-	-	
André Simões Cardoso	162,821	-	-	-	
Hui CHEN	-	-	-	-	
Juan Ignacio Arsuaga Serrat	-	-	-	-	
Miguel Barroso Abecasis	-	-	-	-	
<b>TOTAL</b>	<b>1,143,401</b>				

\* Remuneration paid in the exercise for performing duties as an executive director.

### 38. COMPENSATION PAID OR DUE TO FORMER EXECUTIVE DIRECTORS IN RESPECT OF THE TERMINATION OF THEIR DUTIES DURING THE FINANCIAL YEAR

No executive director ceased to hold office during the financial year 2023.

### 39. INDICATION OF THE ANNUAL AMOUNT OF REMUNERATION RECEIVED, IN AGGREGATE AND INDIVIDUALLY, BY THE MEMBERS OF THE SUPERVISORY BODIES OF THE COMPANY

The amount of gross remuneration earned in 2023, on an aggregate and individual basis, by the members of the Company's supervisory body, is shown in the following Table:

Members of the Supervisory Board	Amount (EUR)	Observations
Vasco Jorge Valdez Ferreira Matias	24,394	From 01.01.2023 till 31.05.2023
Jorge Manuel de Sousa Marrão	33,600	From 01.06.2023 till 31.12.2023
João Filipe Gonçalves Pinto	24,394	From 01.01.2023 till 31.05.2023
Teófilo César Ferreira da Fonseca	31,500	From 01.06.2023 till 31.12.2023
Pedro Antunes de Almeida	55,894	From 01.01.2023 till 31.05.2023
		From 01.06.2023 till 31.12.2023
Carla Alexandra de Almeida Viana Gomes	0	Substitute (still in the process of registering with the ASF)
<b>TOTAL</b>	<b>169,782</b>	

#### 40. INDICATION OF THE REMUNERATION IN THE REFERENCE YEAR OF THE CHAIRMAN OF THE GENERAL MEETING

The Chairman of the General Meeting Board shall receive a gross annual remuneration of EUR 10,000



## V. Agreements with remuneration implications

### **41. REFERENCE TO THE EXISTENCE AND DESCRIPTION, INDICATING THE AMOUNTS INVOLVED, OF AGREEMENTS BETWEEN THE COMPANY AND THE HOLDERS OF THE MANAGEMENT BODY PROVIDING FOR COMPENSATION IN THE EVENT OF DISMISSAL, UNJUSTIFIED DISMISSAL OR TERMINATION OF THE EMPLOYMENT RELATIONSHIP FOLLOWING A CHANGE OF SHAREHOLDING CONTROL OF THE COMPANY**

There are no agreements between the Company and the holders of the management body providing for compensation in the event of dismissal, unjustified dismissal or termination of the employment relationship following a change of control of the Company.

## VI. Stock options or stock options allocation plans

### **42. IDENTIFICATION OF THE PLAN AND ITS RECIPIENTS**

There are no plans with these characteristics.

### **43. OPTION RIGHTS GRANTED FOR THE ACQUISITION OF SHARES ('STOCK OPTIONS') TO WHICH THE COMPANY'S WORKERS AND EMPLOYEES ARE ENTITLED**

There are no option rights granted for the acquisition of shares to which the employees or members of the governing bodies are beneficiaries.

## E. TRANSACTION WITH RELATED PARTIES

### I. Control mechanisms and procedures

#### **44. MECHANISMS IMPLEMENTED BY THE COMPANY FOR THE PURPOSE OF CONTROLLING TRANSACTIONS WITH RELATED PARTIES**

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

#### **45. INDICATION OF THE TRANSACTIONS THAT WERE SUBJECT TO CONTROL IN THE REFERENCE YEAR**

All transactions with related parties have been subject to control.

#### **46. DESCRIPTION OF THE PROCEDURES AND CRITERIA APPLICABLE TO THE INTERVENTION OF THE SUPERVISORY BODY FOR THE PURPOSE OF THE PRIOR EVALUATION OF THE BUSINESS TO BE CONDUCTED BETWEEN THE COMPANY AND HOLDERS OF QUALIFIED INTERESTS OR ENTITIES THAT ARE IN A CONTROLLING OR GROUP RELATIONSHIP WITH THEM, PURSUANT TO ARTICLE 21 OF THE SECURITIES CODE**

The transactions to be carried out between the Company and holders of qualified interests or entities that are in a controlling or group relationship with them are subject to consideration and deliberation by a qualified majority of the Board of Directors, and these transactions, like all others carried out by the Company, are subject to the supervision of the Supervisory Board.

## II. Elements relating to transactions

### **47. INDICATION OF THE LOCATION OF THE ACCOUNTABILITY DOCUMENTS WHERE INFORMATION ON BUSINESS WITH RELATED PARTIES IS AVAILABLE**

Information on business with related parties is disclosed in the Notes to the Separate and Consolidated Financial Statements.

**FIDELIDADE**  
SEGUROS DESDE 1808