

2017
Sustainability
Report

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MORE INNOVATION,
MORE TIME FOR
PEOPLE

Fidelidade Group

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Welcome

Dear Readers,

In the introduction to this new sustainability report of the Fidelidade Group, formalizing once again our corporate responsibility, I would like to share with you the societal dimensions that most influence our business vision and our relationship with Society.

We have entered an exponential stage of acceleration of knowledge and technology enabling us to better anticipate risks, as well as substantial increases in efficiency and accessibility, namely in health: when, in the year 2000, President Clinton presented the results of a decade of work and an investment of almost 4 trillion dollars to decode the human genome, we could not have imagined it would be possible to do it in 24 hours and at a cost of EUR 1,000 or less. But it is possible.

Artificial intelligence is present in our day-to-day activities, in the mobile phone in our pockets, and will revolutionize services and products, economic models, our mobility, among others. Artificial intelligence raises as much hopes as concerns. We must find a consensus about its purpose - at the service of what kind of society?

The insurance business is an integral part of this discussion: how to simultaneously take advantage of the evolution of technologies for processing mass data as well as increasingly mature data, of the increase in storage capacity and of the continuous development of new algorithm methodologies? What are the answers to the ethical dilemmas raised by this revolution? How to put these breakthroughs at the service of our customers?

On the one hand, it is the search for these answers, with our peers and stakeholders, that guides our strategy. On the other hand, we must consider the current issues, for which as a society we are still not ready: savings and health problems, with an ageing population, and natural catastrophes which will be much more frequent and cause enormous suffering if we cannot collectively mitigate their effects and anticipate their consequences.

This suffering, regardless of the level of technological development, as well as all our emotions will have the same expression and intensity. We will keep loving and caring for our children, grandchildren will keep loving their grandparents. We will still be amazed by masterpieces of the past such as the *Odyssey* or Hieronymus Bosch's

paintings, which we can admire at the Ancient Art Museum and that, 500 years later, the surrealists could not outperform.

We all search someone to trust. Both the essence of the human being and progress are the corner stone of our vision for Fidelidade: we should be technologically advanced and truly humane.

A technologically advanced insurance company uses information in an intensive manner. If I were to define an insurance company, I would say that it is a set of information organized in such a way to predict the future. The development of the insurance industry occurred exactly at the same time as the development of statistical science.

But it must also be a truly humane company. And what is that?

A humane company must be authentic, because there is no longer space for propaganda. Either you are or you are not. Our societies demand more and more transparency and it is this transparency that generates trust.

The company must be humble, because we are here to serve customers. Humility is compatible with taking pride in a work well accomplished, but incompatible with arrogance.

The company must set an example of citizenship. And, in this matter, insurance companies have an advantage. Not only do we have consideration for our customers, and naturally so, but we also have consideration for persons who are not our customers, who are customers of other insurance companies or even for the uninsured. We treat all of them with the same consideration and we seek to demonstrate it in thousands of cases every month, probably in a million cases over the last decade.

In sum, these are the foundations on which we have based the construction of our brand Fidelidade, which drives us to continue growing. Technology is a tool everyone may have access to; to practice human values is a daily commitment.

The Chairman of the Board of Directors of Fidelidade,
Jorge Magalhães Correia

The Fidelidade Group in 2017

Fidelidade's results in 2017 were quite positive, despite the claim rate increase arising from the catastrophic events that took place in our country, with a significant increase in all branches, in the Non-Life branch, and a very good performance in the investment area. To note also that since 2014 Fidelidade has generated EUR 891 million in fully retained benefits, with EUR 3,680 million reversed in favor of the company as payment of remunerations, compensations and taxes.

It was within this context that the Group pursued its strategy of innovation and development of the business in the national market to be able to have more time for people - a strategy transversal to all companies whose operation is reported in this report, based on the commitment to improve service efficiency and quality and on digitalization. 2017 was also a year marked by investment in the international market, seeking to position the Group as a reference player.

Companies featured in this report

Insurance companies operating in the Portuguese market:

FIDELIDADE
SEGUROS DESDE 1808

Fidelidade
General insurance company

via directa
COMPANHIA DE SEGUROS, SA

Via Directa (OK! teleseguros)
Direct insurance company

Related insurance companies, with the same shareholding structure, operating in a coordinated manner with Fidelidade, in a way to ensure the offer of products and services:

MULTICARE
FIDELIDADE

Multicare
Health insurance company

FIDELIDADE
ASSISTANCE

Fidelidade Assistência (Fidelidade Assistance)
Insurance company specialized in assistance services

Strategic shareholding interests in companies providing related services, in a logic of vertical integration of the insurance sector:

FIDELIDADE
PROPERTY

Fidelidade Property
Real Estate

G E P
GESTÃO DE PERITAGENS S.A.

GEP
Expert's opinions

safemode
Gestão de Segurança e Saúde nas Empresas

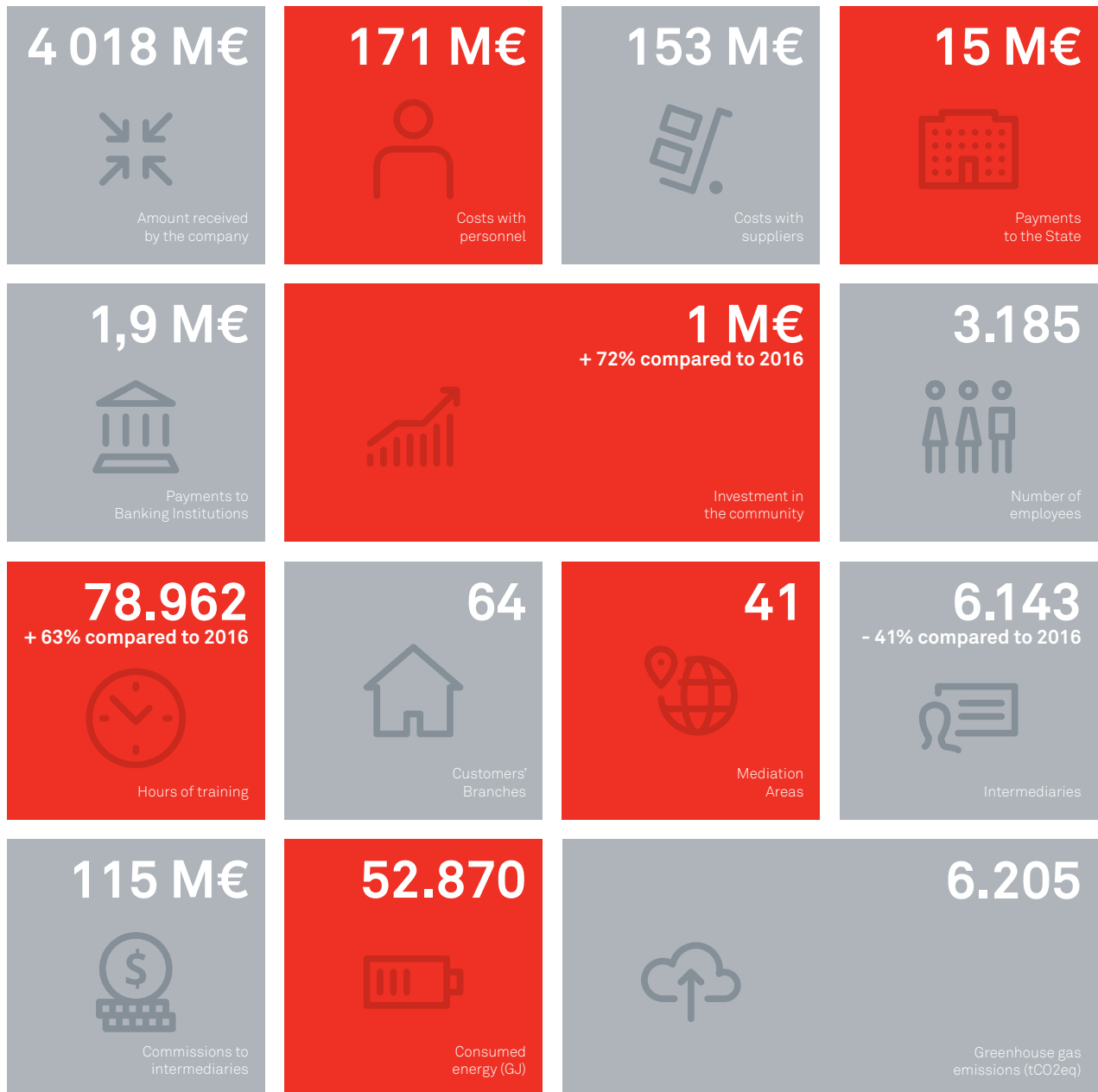
EAPS (Safemode)
Risk Assessment and Prevention

CAR
SERVICE
FIDELIDADE

CETRA (Fidelidade Car Service)
Car repair

Key Indicators

2017¹



¹ Consolidated amounts related to the companies considered within the scope of this report: Fidelidade, Multicare, Via Directa, Fidelidade Assistance, EAPS, GEP, Fidelidade Car Service, Fidelidade Property.

What Happened

NEW PRODUCTS

Launch of the new service **Medicina Online**

7,268 uses in the last quarter of 2017, after the commercial launch, of which 5,886 were medical appointments. During this period, the following referrals were performed: 3% referrals to ER, 57% house calls and 40% stay at home with therapeutic indications.

Launch of **OK Gestual**

In Portugal, in a universe of 115 thousand deaf citizens, 70 thousand have a driver's license and drive, but they cannot get direct access to insurance services.

Launch of **OK! Saúde GO**

Seeking to promote a healthier lifestyle, the OK! Saúde GO was created, a program associated to the OK! Saúde insurance.

Launch of **OK! Auto elétricos**

OK! Auto elétricos is the new OK! teleseguros insurance for the vehicles of the future.

Launch of **Simplified Risk Assessments**

A project seeking to meet the need of better knowing the risk of more customers - about 700 risk assessments performed by the companies' GNEs, with the production of reports and recommendations to customers - and at the same time optimizing the commercial process - nearly EUR 900 thousand in premiums in 2017, regarding new or better adjusted property coverages.

TEAM OF THE FUTURE

Fyouture

3,177 employees involved

mlearning Platform

1,086 registered users, 6 open courses and 655 concluded quizzes

Trainees Program

7 trainees

1st Edition of the Mentoring Program

50 Mentors and 50 mentees

FidExperience

179 employees have exchange their workstations
98% evaluated the experience as very positive
97% would do it again

FidTalk

11 sessions
118 participants

SERVICE AND PROXIMITY

Fidelidade

8.1 Customer satisfaction with settlement of Motor claims with Material Damages (out of 10)

7.5 Customer satisfaction with the settlement of Motor claims with Personal Injuries (out of 10)

8.4 Customer satisfaction with the settlement of Home Multi-Risk claims (out of 10)

Multicare

8.3 Customer satisfaction (out of 10)

Ok! teleseguros

8.1 Customer satisfaction (out of 10)

Fidelidade Assistance

8.8 Overall satisfaction (out of 10)

9.2 Real Time Survey (out of 10)

Safemode

4.16 Customer satisfaction index (out of 5)

GEP

6.7 Satisfaction with the service provided by GEP in Investigation of Claims (out of 10)

7.1 Satisfaction with the service provided by Auto Appraisal (out of 10)

7.1 Satisfaction with the service provided by Property Appraisal (out of 10)

Car Service

80% Customer satisfaction
0.6% Complaints

BE FIDELIDADE CULTURE



Inovação Newsletter

30 Issues
88 Articles
Over 17 thousand views

ITALK

48 applications

Volunteer Work

795 hours of volunteer work,
143 supported institutions

SOCIAL ECONOMY PARTNERS



Fidelidade Comunidade Award

EUR 500 thousand awarded
21 winning applications
580 received applications

ENTREPRENEURSHIP, ART AND CULTURE



2nd Edition of Protechting

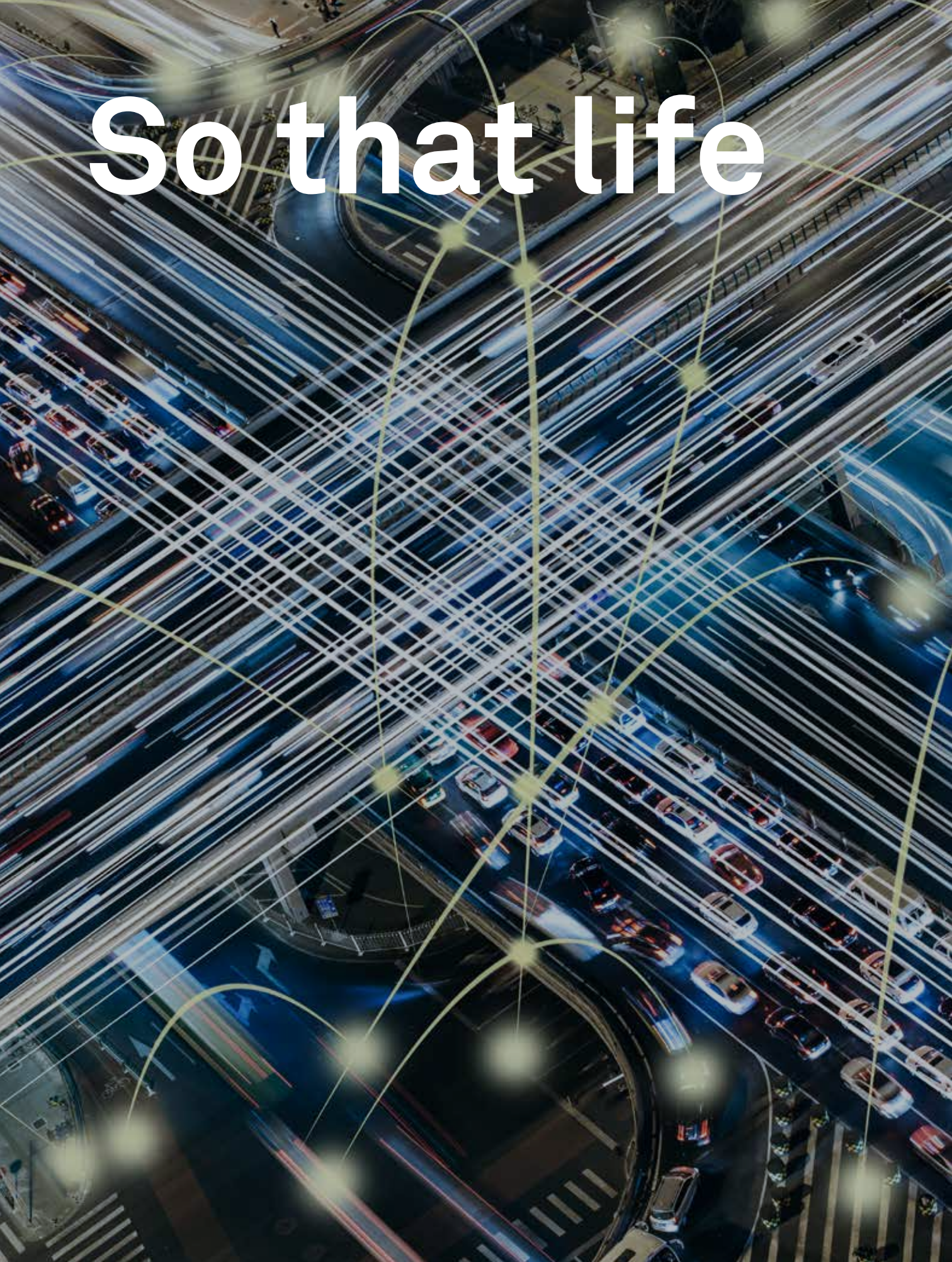
119 applications from national
and international startups from
33 countries
EUR 10,000 for support (and
possibility of investment
raising)

US IN THE WORLD



515 employees in the
international area
5 branches
3 invested insurance
companies

So that life





won't stop

SO THAT LIFE WON'T STOP

The insurance sector, by nature, helps people, communities and companies to understand, manage and limit risks, protecting their assets. The contribution of the Fidelidade Group to society is an extension of this principle. So that life won't stop.

Our Guidelines

“The new Fidelidade as always” sums up our repositioning, which highlights the adaptation to the digital world and seeks to put the company at the service of people and to simplify their interactions

Increasing our interactions with customers and focusing on prevention are the two guiding principles of our strategy, within a context in which the balance between current business results and transformation processes marks the Group's agenda. Digitalization and technology play a very important role in the search for solutions compatible with these principles.

The insurance area of the Fidelidade Group operates in the Portuguese insurance market with products of all branches, through a multi-brand strategy and the largest commercial network in the country, with an ever-growing presence in remote channels.

Nowadays, we do not just want to sell insurances in a different way; we intend to assess risk and process claims in a different way. All this leads to a greater proximity towards our customers and to the creation of relationships based on greater frequency and relevance for people, and with added value and acknowledgement in the long term. We are more than an insurance group; we are a group of companies that provide solutions to their customers.

The Fidelidade Group leads the Portuguese insurance market: 2.2 million customers.

Thus, the Fidelidade Group pursues its strategy of continuous strengthening and consolidation of the critical questions that emerged in the previous strategic cycle, and of renewal in the identification of business development axes, with a large focus on transformation initiatives, with cross-departmental and cross-company collaborations.



Consolidation of the position in the national market

Innovation of the offer, with the release of new products (such as telematic-based products, internalization of labor medicine and greater focus on prevention)

Commercial approach: (re) energizing of sales channels (for example, through a sales team motivation program)



Digital transformation and Analytics

New value proposals (such as the release of a telemedicine innovative offer)

Analytics models (such as a health retention model)



Expansion of the international business

Diversification of business activities through the entry of Fidelidade in new markets, with the purpose of having a relevant international presence, leveraged by the shareholding vision



Optimization of Investment Management

Adjustment of the investment management model to market context

Strengthening of the organization

Innovation and transformation

Innovation is one of the core values of the Fidelidade Group, always attentive to new things, inspiring itself collectively and motivating the individual participation of its employees in the creation of new solutions in line with the Group's business DNA.

A leading Group must therefore understand the trends of the context in which it operates and identify the new directions of the market, in order to come up with ideas for innovation projects. Nowadays, in Fidelidade we think and work "innovation" bearing this clear purpose in mind. Within this innovation impetus, innovative trends are identified which support the incubation of ideas, along with the startup scouting, enabling the development and a swifter materialization of innovative projects. From this process, the so-called use cases are selected, directed to internal development based on multidisciplinary teams.

A leading group must envision and prepare the future, triggering result-oriented transformation initiatives. From the selection of the use cases generated in innovation, we turn to the process of proof of concept and then to the final testing of innovative and sustainable ideas and projects.

The great motivation of innovation and transformation processes nowadays in Fidelidade is to prepare the future with new offers integrated in the ecosystems in which it operates, thereby becoming more relevant to people, bridging the gaps between the several axes usually addressed by insurance companies: home, mobility, social and health. In other words, the starting point is always the creation of value for customers and the resolution of their problems. Some of the examples being worked on consider issues such as longevity, sharing economy, among others.



The Fidelidade Group has clearly been evidencing its ambition of evolving from a more local player based in Portugal under a very strong brand, with distinctive competences in technical terms and in multi-brand management, into a reference international player. An evolution based on the creation of critical mass, on the construction of an excellence identity in the insurance sector of international markets where it already operates and on the international expansion into attractive, stable markets, with a growth potential, in which the strong skills of the Group may become a solid competitive advantage, thereby adding value for customers and partners in said markets.

*As a part of this evolution, I hereby highlight the four major pillars of the Group's strategy. Beginning with the development of our core business, which leverages our omnichannel strategy, based on an organizational transformation, pursuing the current process of optimization with a commercial focus, with a more directed development and an even more innovative offer, but also through a great process of efficiency, an omnichannel strategy and the creation of an organizational structure more and more agile, enabling to respond to increasing business challenges. Digital transformation is another key vector, not only in terms of the development of new business models in adjacent areas - namely the services area and the home, mobility and health ecosystems - which facilitate the transition from an insurance Group into a Group providing customer-centric services, but also in terms of the use of new technologies in the optimization of current back-office processes and in the search of an excellence-customer experience, leveraging our already great quality of service and focus on people. **Naturally, a prudent and sustained international expansion is also a priority, changing the still essentially Portuguese profile of Fidelidade and positioning the company as a relevant player in selected markets in Africa and Latin America. Last, but not least, the necessary that can change the company's profile and position Fidelidade as a relevant player, and the optimization of investments and of the capital structure must continue to be the central core axes of our strategy, as they are fundamental for the company's sustainability.***

*Trying to transform the business and the company "from the inside", ensuring the involvement of our employees and partners is always perhaps a longer and more arduous work, but we have to do it; that is our goal. We must prepare our own future and that of the company. **Transformation is the great organizational challenge, for which we must involve and prepare the organization's future, ensuring a more agile organization, more focused on people, whether they are our customers, employees, or all the people we provide support to when they need it the most. So that life won't stop! Now and in the future! Preparing people for this new reality will enable us to shape our own future and the future of Fidelidade.***

Rogério Campos Henriques, Fidelidade Board Member

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Transformation is the great organizational challenge, for which we must involve and prepare the organization's future



Our priorities

The topics of the agenda must reflect the priorities of our strategy, allied to the challenges within the context of the society

In 2016 we consulted once again the interested parties with the purpose of revisiting their concerns and expectations. Based on this broad work, a new matrix of relevant topics² was created, to which we now add the challenge of climate changes. These are the main drivers that relate the challenges of our business to the sustainability of the society in which we live. Our performance reflects distinct maturity stages. An unequivocal sign of the way we face challenges and seek to improve every day, with our customers at the center of our work.

The contents of this document reflect the way the WECARE attitude, which guides our Group, fits into the value chain, whether in the management of our companies, whether in the creation of products and services that integrate the concerns of society.

Along with performance, we formed teams that support the management of associated topics, namely in a logic of involvement and reporting:

- Team «Gente com Ideias»(people with ideas), who mobilize and involve employees around these topics.
- Focal Points team, who collect performance information from all the companies covered by this report.

²Please, consult the Materiality Matrix in force in the 2014-2015-7 Sustainability Report, page 30.



Transparency

Transparency promotes the efficiency of the entire financial system and ensures the follow-up and identification of risks and the provision of the best service to customers.

Commitments:

To lead the continuous improvement of the practices of the sector in Portugal, namely concerning the new ethical questions raised by digitalization, namely within the context of the General Data Protection Regulation.



Longevity

The challenge of quality of life and of the economic model in a society where in 2050 about 40% of the population will be over 60, is the central element of the longevity subject.

Commitments:

To follow up scientific and technological research.
To strengthen our customers' social protection.
To contribute to the mitigation of vulnerabilities and of social exclusion.



Responsible Investment

Responsible investment combines environmental, social and governance (ASG) factors seeking to ensure return on investment and to benefit society through the process of influence in the behavior of companies.

Commitments:

To change the investment policy of the Fidelidade Group, according to the United Nations-supported Principles of Responsible Investment.



Community Investment

Apart from the essence of the insurance business, it is important for the company to take on a greater commitment and impact on the development of society and of more vulnerable populations.

Commitments:

To consolidate the structured approach of response to the needs of the Portuguese society, through the Fidelidade Comunidade Award, launched in 2007.



New business models

Digital is changing the relationship between insurance companies and their customers in terms of knowing the insured persons, creating lots of opportunities and raising new questions about the ethical use of big data.

Commitments:

To reach a balance between the different channels, never losing the proximity to the insured persons.
To keep up with technological evolutions.
To encourage the debate about information use.



Prevention

Prevention in the several insurance branches and activities is a key aspect of the development of the sector, which will be crucial within the new demographic and societal context.

Commitments:

To be a reference player in matters of prevention, whether through new products and services, whether through the promotion of responsible behaviors.



Professional and personal development

The preparation of teams for a suitable professional performance, capable of generating development, and the creation of conditions to improve quality of life, within the context of business development, are subjects included in the society's challenges and in the group's priorities.

Commitments:

To provide guidance and tools that contribute to the development of the employees.
To keep working towards the creation of a corporate culture for the Group, in which sharing, involvement and pro-activity are more and more acknowledged and in which the growth and development of people occur based on relationships of trust among employees, between employees and their superiors and between employees and the Organization.
To define the policy of integration of people with disabilities in the Fidelidade Group.



Climate changes

NEW

Natural catastrophes are currently at the top of national priorities, with the need to improve prevention and action. There is a broad consensus within the scientific community that climate changes will cause an increase in the frequency and intensity of natural catastrophes.

Commitments:

To contribute to the study of the main risks to which Portuguese society is exposed in order to help defining suitable prevention and mitigation policies.
To reduce the gap between insured and insurable values/ amounts, through a thorough evaluation of the risks of our customers and propose the most adequate coverages.
To work collectively and according to a long-term vision towards a safer country and the reduction of exposure to catastrophic risks and means appropriate to recover from damages that cannot be avoided.



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*Thoroughly
assessing the risks
of our customers and
proposing the most
adequate coverages can
prevent a great deal of
suffering and provide
help so that life won't
stop*

The big fires of last year, with devastating consequences in terms of casualties and large damages to homes, trade and industries and, naturally, to the environment, have placed at the top of national priorities the need for better prevention and actions against natural catastrophes.

There is a broad consensus within the scientific community that climate changes will cause an increase in the frequency and intensity of natural catastrophes.

Gas emissions from fossil fuels being the greatest responsible for global warming, most States have signed the 2015 Paris agreement, undertaking to limit global temperature increases to 2° C above the pre-industrial temperature. Several studies estimate that, in order to not surpass said value, no more than 600 billion tons of CO2 should be emitted in coming years. As currently we emit 40 billion every year, the challenge is huge and the goal can only be achieved by setting a vast range of measures with great impact on the goods we produce and consume on a daily basis.

Extreme phenomena arising from climate changes (hurricanes, floods and fires) together with earthquakes will certainly be some of the greatest challenges of the insurance sector in the 21st century.

One of the responsibilities of insurance companies is to contribute to the study of the main risks to which Portuguese society is exposed in order to help defining suitable prevention and mitigation policies. Within this scope, and among other actions, APS and the Science School of the Universidade de Lisboa have drawn up the Charts of Floods and Risks in Climate Change Scenarios (CIRAC) and several works were developed regarding seismic risks.

In these studies, the high number of risks without coverage is underlined. In Lisbon, the second city in Europe most exposed to seismic risk after Istanbul, only 11% of the buildings in Fidelidade's portfolio have this coverage.

Another responsibility, surely the most important one, is reducing the gap between insured and insurable values/amounts. Unfortunately, seismic risks are not the only ones that are not properly covered. In the fires of June and October in central Portugal, the gap between insurable risks and insured risks was evident. If the amounts paid by insurance companies reached EUR 300 million, calculations performed with Fidelidade's sample show that the estimate of actual damages was of EUR 600 million. This difference is explained by the insufficiency of insured capitals (underinsurance), the inexistence of insurance for some assets (for example, assets entrusted by third parties) or of appropriate coverages (for example, the absence of coverages for operating losses in most companies hit by the fires and/or for machines).

Only through a collective action, supported by a long-term vision of the State, able to coordinate the efforts of public authorities and of the civil society, namely insurance companies, can make this a safer country, so that their citizens are less exposed to catastrophes, and have access to suitable means to recover from damages, when they cannot be avoided.

However, there are some things we can do: thoroughly assessing the risks of our customers and proposing the most adequate coverages can prevent a great deal of suffering and provide help so that life won't stop, even under the most extreme circumstances.

José Alvarez Quintero, Fidelidade Board Member

Contribution for the sustainable development goals

The Sustainable Development Goals (SDGs) defined by the United Nations must be implemented within the next 15 years, up to 2030. They are currently an inevitable landmark of today's world issues and are considered as the Global Strategy for Sustainable Development. Their ambitious character requires of every Member State an articulated action between government entities, the private sector and civil society organizations and a joint determination of national priorities.

Companies play their own role in the contribution for reaching these Goals, whether in terms of the maintenance

of their license to operate and in the management of associated risks, whether in terms of identification of growth opportunities for products and services in line with this global strategy and with corporate attitudes that effectively respect their local presence.

The Fidelidade Group intends to be part of these solutions and offer its contribution, promoting the alignment of the principles and commitments of the SDGs in its strategies and performance. To that end, the group has begun to conceive the development and definition of said contribution, with the involvement of the interested parties.



Involvement of interested parties

Co-developing, sharing and involving are the catchwords of the Fidelidade Group's activities. The management of our relationship with interested parties is not something new, but it certainly is understood in a broader sense and with a clearer vision of value creation for society.

Due to their importance and apart from the most informal processes of feedback and expectations collection, surveys are performed focused on the identification of the main questions for the Group's interested parties, with the periodicity considered to be relevant for the context. These include the surveys focused on the identification of areas of improvement by the employees themselves, as well as the assessment of the organizational climate.

In this report, the importance of a broad policy of involvement of stakeholders is clear, such as: the release of products conceived with the involvement of key partners, as is the case of OK! Gestual; the design and preparation of the New Model of Talent Management of the Group, that called for the involvement of several groups of employees with different roles to ensure and support its shared implementation; or also the Fidelidade Comunidade Award, broadly publicized with social economy influencers, seeking to extend its reach with clarification sessions for competitors or even the inclusion of experts in the jury of the initiative.

We highlight in 2017 the Pensar Maior (Think Bigger) initiative, an event directed to the stakeholders of the Fidelidade Group, namely intermediaries, brokers and employees, which enabled to share with nearly 3,000 people the results of 2016 and project the trends for coming years. Pensar Maior considered the ongoing transformation, a digital change, but revolving around people.

Our interested parties
Customers and stakeholders directly involved in the chain value (agents, brokers, suppliers), employees and the community (third-sector entities and institutional entities) are the groups of interested parties of central importance in our activities.

Transforming





and innovating

TRANSFORMING AND INNOVATING

The Fidelidade Group targets its continuous investment towards the development of products and services that thoroughly meet the expectations and needs of its customers, within the context of a society where change hits us in a fast and, many times, disruptive way. And customers are at the centre. Because we want to give you more.

New Products and Services

The new digital channels enable real-time communication, by telephone or video-call, between customers and those who can assist them

Many are the challenges posed to the organization which, for that purpose, mobilizes its teams in order to create a portfolio of products and services simultaneously effective, convenient, accessible, innovative, integrated and easy to understand and use.

Our ultimate goal is to protect people, providing them with the best solutions for every situation and for every step of their life path, in a corporate ecosystem where it is essential to guarantee the Group's competitiveness and sustainability and to ensure stability and growth conditions for all its stakeholders.

The General Data Protection Regulation (GDPR) is one of the biggest changes ever regarding the way personal data must be processed. It is applicable to companies, but also to any natural person, organization, public authority, agency or other bodies that process personal data and/or have business with the EU. It enters into force on 25 May 2018 in the European Union (EU) and prevails over any national laws.

To note the importance of the use of digital information and communication technologies, whether in the interaction with customers, whether in internal organizational processes executed in all stages of the life cycle of service provision. In many of the new releases, the possibilities provided by technology are an inseparable part of the features of the products and of the service provision.

The products and services hereafter were provided in 2017 and are the best evidence and demonstration of the Group's positioning.

The Fidelidade Group considers as a priority the defense of its customers' data protection and undertakes to improve the quality of information of those data, beyond the law. Being aware that the insurance business is largely based on data management, the Group is committed to reflecting on the balance between the defense of customers' data privacy and the information needs inherent to the insurance business. Because customers are at the center of the business.

More health and wellbeing



Pay As You Live

OK! teleseguros is the first insurance company in Portugal to ever launch a program that rewards customers who adopt a healthier lifestyle. Based on the «Pay As You Live» concept, OK! Saúde GO is associated to the OK! Saúde insurance and seeks to promote behaviors that contribute to a healthier lifestyle, to adjust the value of the insurance premium to the risk that customers represent to the insurance company and to reward those who actually adopt said behaviors.

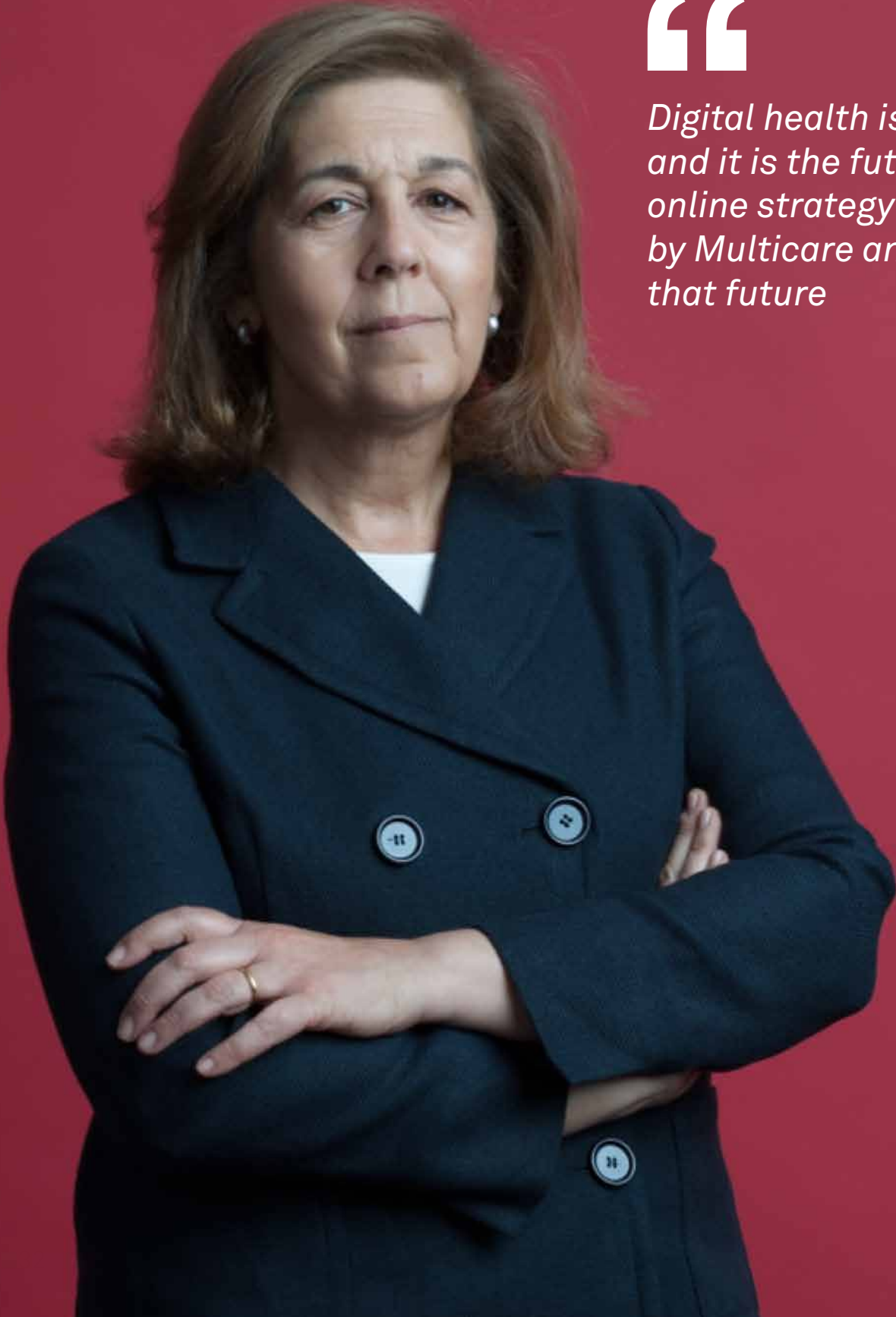
To note the digitalization of the OK! Saúde card, a very recent feature of the OK! teleseguros app, which enables customers to generate a digital card that replaces the physical card.

Medicina Online: one step closer to health

Medicina Online emerges as Multicare's pioneer project in the Portuguese market, presenting for the first time an assistance service provided by physicians, ensuring access to healthcare in a swifter, more comfortable and closer way. This service is available 24/7 and provides medical appointments, nutritional advice, promotion of healthier lifestyles and also referral to house calls or other services.

The service is provided to customers via telephone, online portal or also, alternatively, by video-call with the physician through an app. During the appointment, after the description of the situation and symptoms, the General and Family Medicine specialists may prescribe medication or tests and/or suggest the use of the most suitable response means, such as in-person medical care or other safeguard measures.

With Medicina Online, Multicare is one step closer to its customers, enabling a more efficient and timely health management, providing tools for the promotion of healthier lifestyles and for a more confident illness management.



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Digital health is growing and it is the future. The online strategy adopted by Multicare anticipates that future

Digital health is growing and it is the future. The online strategy adopted by Multicare anticipates that future. The use of digital services, devices and communication leads to a larger need for control, perception of individual responsibility and autonomy concerning health. These are the main assumptions in the relationship that Multicare intends to establish with its customers. That is why it was the first insurance company in Portugal to ever release a remote medical service, through the Medicina Online platform, thereby affirming its role as market leader.

Maria João Sales Luís, Director of Multicare

More inclusion

OK! Gestual: learning to listen those who cannot hear

OK! Gestual is an assistance service, free of charge, in Portuguese sign language developed by OK! teleseguros, with the support of the Portuguese Federation of Associations for the Deaf and seeks to improve the quality of life of the deaf population.

In Portugal, until now, there was no possibility of direct communication within the context of insurance service provision. With this product, in case assistance is necessary or in order to report a claim, customers have 24-hour access to the OK! teleseguros customer app. This service is also available through video-call or chat at okteleseguros.pt.

This initiative has received an honorable mention at the 2017 edition of the awards of the Portuguese Association for Business Ethics and triggered a series of other initiatives destined to raise society's awareness to the subject of inclusion. For instance, the company supported an inclusive children musical show – Fada Juju e Festa dos Sentidos.





Innovation centered on people, sustainability and social responsibility is an integral part of Via Directa's DNA. Considering that, in Portugal, there are nearly 115,000 deaf citizens of which 70,000 hold driver's licenses, OK! telesegueros, with the support of the Portuguese Federation of Associations for the Deaf, developed the OK! Gestual service, available 24/7.

This absolutely innovative service in Portugal is free of charge and ensured by employees who are licensed in Portuguese Sign Language, through video-call or chat. In case of assistance or claim, deaf customers have 24-hour access to the OK! telesegueros customer app, prepared to receive their requests.

With this project, OK! telesegueros seeks, above all else, to contribute to a more and more inclusive society and, at the same time, contribute to the achievement of the Sustainable Development Goals of the 2030 Agenda.

Miguel Vilarinho, Director of OK! telesegueros

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With this project, OK! teleseguros seeks, above all else, to contribute to a more and more inclusive society





A broader offer for the life of families

Adjusted to the steps of family life

The insurance Proteção Vital da Família was released, a broad and innovative life insurance directed to families. For the first time in the Group's portfolio, a product was created that aggregates coverages of several branches (assistance, health and life), granting greater comfort to customers.

The base coverage of Proteção Vital da Família includes in one single contract new coverages which adjust automatically throughout the several steps of the life of each family member. The easiness of this insurance is based on the fact that different products are subscribed to simultaneously, and it adapts to people's life path, thereby avoiding the termination of the contract only to enter into a more suitable one.



Taking into account the longevity of the population, it is essential to create in people the need to protect their future with quality.

Assistance insurances, such as Proteção Vital da Família, released by Fidelidade in 2017, seek to respond to this challenge. This insurance provides coverages directed to the entire family, according to their stage in life, and provides specific coverages for persons aged 65 or older, such as Medical Assistance, Preventive Medicine or Family Support.

So that the future can really be lived and life won't stop.

Sérgio Carvalho, Marketing Director of Fidelidade

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Taking into account the longevity of the population, it is essential to create in people the need to protect their future with quality



Protecting your home

Fidelidade Casa is a home multi-risk insurance that can be subscribed to by owners, landlords or tenants, customizable according to the protection needs of each profile. This product offers a wide range of coverages, unique in the national market, such as home remodeling, conservation and maintenance services, reconditioning after the expiry of a lease agreement, or adaptation works in case of an extra-occupational personal injury causing a disability, among others.



Electric mobility

OK! teleseguros is investing in the development of innovative solutions in the field of electric mobility and, within that scope, it released in 2017 the OK! Auto elétricos insurance for 100% electric vehicles. Towing up to the closest rapid charger, rental of vehicles at differentiated prices, protection for charging cables and discounts in products and services related to sustainable mobility are some of the advantages of this insurance.

In addition, a plan has been set out seeking the involvement and awareness of society, with the presence of the company in events that seek to promote a more intelligent mobility, offering a virtual reality experience that helps to clarify doubts and demystify some ideas, for example, about the autonomy of the vehicles.

OK! teleseguros has established a partnership with EcoKart Portugal –a Portuguese pioneer project that invests in the field of monitored sports without pollutant emissions and is developing a fleet of ecologic karts. This way, the company has strengthened its positioning, raising the awareness of citizens to environmental issues, simultaneously supporting social entities, through the initiative “Ecovoltas Solidárias”.

Geo-referencing for further safety

OK! teleseguros has released a set of personal injury insurances including the possibility of determining real-time location (geo-referencing) of the insured person, meant for practitioners of several sports, as is the case of cyclists.

Greater functionality and greater autonomy

In order to ensure an ever-growing proximity to its customers and grant them the possibility, through a simple, reliable and convenient access, of managing information and their products and services, a set of solutions was developed, based on digital channels, the Internet or through apps.

Pedagogy behind the wheel

OK! drive you is an app designed by OK! teleseguros that collects a set of data through the phone's GPS, enabling to characterize and evaluate users' driving style, taking into account factors such as speed, braking and accelerations during each trip, as well as the environmental impact. This app is available free of charge for the general public and its main goal is to promote conscious driving behaviors and, consequently, to contribute to road safety.

Nowadays, it is possible, both in Fidelidade and OK! teleseguros, to consider the individual claim rate history upon the simulation. It is a feature that enables, during the simulation of the value of the insurance, to import the claim rate history of the policyholder in the Portuguese Association of Insurers. This way, another piece of relevant data is available for risk assessment.

The Fidelidade Drive app also enables, from the moment it is installed in the users' phones, to know the risk associated to the driving style through indicators such as speed, tiredness, time of day, phone use and driving style. Evaluation is given in points, which can be deducted upon renewal of the policy or in the acquisition of premiums in a separate platform. This enables users to adjust and improve their driving.

A click away

The Fidelidade Group has been investing in the development of apps that encourage customers to manage their relationship with insurance companies in a more autonomous and direct manner. Consulting information and managing products and services is now easier for customers, according to their needs and convenience.

This is the case of the MyFidelidade app, a mobile app allowing to manage motor, health and home insurances, as well as to request auto assistance, follow-up claim processes and requests of reimbursement of health costs in real time.



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With the release of the assistance APP at the end of 2016, we enabled Customers to request assistance in a faster and more digital way!

Fidelidade Assistance APP – Innovation at the service of customers!

With the release of the assistance APP at the end of 2016, we enabled Customers to request assistance in a faster and more digital way! Based on geo-referencing technology, we cross-reference the Customers' location with the means available closest to the location. Having an impact on the reduction of the average time of service provision, the app also enables Customers to know the exact time of arrival and follow-up the trajectory of the towing truck.

Luís Alves, Director of Fidelidade Assistance

OK! teleseguros also provides to its customers all documents pertaining to their insurances, through the customer area, no longer sending them in paper. At the beginning of 2018, 62% of the entire customer portfolio had already had access to electronic invoices.

In addition, the company released the OK! teleseguros app, providing customers with the experience of a fully digital process, without other interveners, for the performance of simulations, assistance requests, claim reporting, obtaining payment information, consulting or changing existing insurances, searching in the OK! Saúde medical network, among other features. This app uses geo-referencing and is available free of charge for OK! teleseguros customers.



Fidelidade Car Service manages a digital ecosystem to monitor customers' opinions!

The current digital customer communication and interaction platforms are an essential tool for Fidelidade Car Service to continue disseminating and promoting its mission - to actively contribute to the excellence of the service that Fidelidade provides to its customers on a daily basis, and at the same time seeking an effective management of its customers' expectations.

Until 2017, Fidelidade Car Service did not have any interaction and did not even manage Customers' inputs in the digital channels at their disposal, namely, Google and Portal da Queixa, whether they were negative or positive. The negative comments made the Company vulnerable to this kind of perceptions, which apart from having an impact on the reputation of Fidelidade Car Service, limited the success of the referral of new customers, and the acknowledgement by the Company of customers that had been satisfied with the service provided.

In 2017, with conclusion expected during the 1st semester of 2018, through a Reverse SEO (Search Engine Optimization) process, conditions are met for the direct management of the current digital communication channels, for which Fidelidade Car Service has started a strategic project - Online Reputation Management, essentially seeking to ensure an effective multichannel management of the digital footprint of Fidelidade Car Service, that is, its digital reputation.

Through the creation of a digital ecosystem, whose dynamics is based on the management of communication channels, namely, the Portal da Queixa, Google, Facebook, LinkedIn and the institutional website of Fidelidade Car Service, it became possible to promote and drive a true proximity follow-up of Customers, as well as the management of their expectations, variables which, based on the quality of the work that Fidelidade Car Service seeks to produce, will naturally leverage the company's image and, therefore, Fidelidade's.

Proximity

Because technology must be even more at the service of people, we work to find the best solutions for our customers.

The management of customers of the Fidelidade Group is performed through an omnichannel platform, consisting of branches, intermediaries, brokers, CGD bank branches, CTT (post office), Internet and telephone, thus enabling to offer a vast network of distribution and geographical presence with more customized services, drawing the company closer to its customers. It is also at customer management level that the Group invests in prevention.

The Group's claim settlement is based on the operation of several services - assistance, expert's opinions, auto repair -, which is fundamental for customers' satisfaction and the renewal of their trust.

These solutions, further described in detail hereafter, ensure a greater structuring of the model of service provision and the increase of operating efficiency. Because the optimization of operations and the assurance of quality of the service provided throughout the value chain are factors which are always present in the development of the company's offer.

CUSTOMER MANAGEMENT

- Omnichannel platform
- Prevention

CLAIM SETTLEMENT

- Assistance
- Experts' Opinion
- Auto Repair



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*With this service,
Customers may always
be informed about
the several stages of
repair and have access
to all the information*

Fidelidade Car Service considers investment in technological innovation as a fundamental part to enhance the development and the competitiveness of any company, and in particular of organizations seeking to differentiate themselves on the market in which they operate, insofar as innovation leads to competitive advantages, which in turn translate into differentiated services and a more effective management of our customers' expectations. Thus, it is necessary to constantly invest in technology and to energize our best services through the adoption of processes that will actually add value to our services, streamline our organization, as well as our capacity to present to Customers solutions that will truly create value and are acknowledged by Customers.

Within this context, Fidelidade Car Service considered the adoption and implementation of the Fidelidade MyCar platform as an actual added value in the relationship with our Customers, insofar as through a digital platform, accessible by e-mail or smartphone, Fidelidade Car Service provides its Customers with an innovative and differentiated service, enabling them to follow-up the repair of their vehicles, since the first contact until their delivery after repair.

With this service, Customers may always be informed about the several stages of repair and have access to all the information, such as the expert's report and photos of the vehicle in each stage of repair. The excellent service quality we seek to provide on a daily basis allowed that, in 2017, in a universe of about 8,000 repairs, we have achieved a degree of satisfaction of 8 (out of 10) and a complaint rate of 0.6%.

Luís Albergaria, Director of Fidelidade Car Service

Working closer to intermediaries

During 2017, a set of initiatives was implemented involving agents, brokers and other partners composing the distribution network seeking, through the strengthening of their skills, to offer a greater quality of service and boost the business.



Accelerated Growth Program

Fórmula Alpha is a training program adapted for the segment of Alpha Intermediaries, in which intermediary employees and managers also participate. The main goals of this program, which will take place until the end of 2018, are the creation of a business model, the adoption of good practices and the commercial growth of the segment of intermediaries.

43 trained intermediaries and **24** intermediary employees



Recruitment and selection of intermediaries

119 assessment processes were carried out and 41 new intermediaries and persons directly involved in insurance mediation were successfully selected.

In addition, the calculation, control and payment of incentives within the scope of the Customer Managers program were performed.

119 processes and **41** new intermediaries



Training on distribution channels

The Annual Training Program of Fidelidade is an essential tool of support and preparation of distribution channels and for new challenges.

156 Training sessions, involving **1,353** intermediaries

65 Training sessions for a total of **149 employees** of Fidelidade's Commercial Network.

152 Training sessions, involving **2,168** CGD employees.

26 Training sessions for a total of **389** Banco CTT employees



Enhancement of channels

A new commercial platform is available, enabling, among other features, the access to the history of each customer and the contacts performed.

The creation of Facebook pages for intermediaries was also boosted. Social networks, Facebook in particular, are the communication and dissemination channels with the biggest potential for the network of Fidelidade Shops, optimizing contacts with customers and the local community, dissemination and, in a more indirect manner, attraction to new businesses.



Prevention and risk

Safemode has promoted the behavioral and technical training of its Corporate Business Managers (GNEs) on risk and prevention. This project started in 2017 regarding property/assets and was extended to other branches, such as Workers' Compensation in the beginning of 2018.

Prevention first

Prevention is one of the guiding focuses of Fidelidade's strategy. Risk awareness and prevention make the company's innovation stand out towards customers, with a positive impact on business sustainability. This new context is particularly challenging for Safemode, as the center of competences of the Group in terms of assessment and mitigation of risks concerning occupational accidents, property and environmental risks.

Risk assessment is now more simplified, as the digital platform developed by Safemode has evolved to the implementation stage. Corporate Business Managers (GNEs) of Fidelidade may now, when visiting SMEs, perform simplified risk assessments and adjust their commercial approach to the customers' actual needs, placing the actual risk of each customer as the differentiating factor in the design of the offer and pricing. This tool automatically generates a report with recommendations on risk mitigation for the company. In 2017, the GNEs were trained on the principles of risk assessment and performed about 700 assessments according to said model, with Safemode's support.

Another innovative concept under development is the creation of a platform to digitalize the risk qualification and quantification process for risk analysts, which will enable to assign a risk scoring to each company and to generate information for risk follow-up and management both for the insurance company and its customers.

2017 was also the year for the development of a new product in coordination with the Commercial and Business Departments of Fidelidade. Fidelidade Empresas, Pessoas e Produtividade consists of the combination of the sale of Workers' Compensation insurance and of the sale of the Labor Medicine and Occupational Health and Safety service, that is, it combines risk coverage services and prevention services. In order to serve Fidelidade's network, Safemode is reinforcing its response capability in the fields of occupational safety and health throughout the national territory.





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Safemode's purpose is to add value to the insurance business, to companies and to people, through risk prevention and management

Safemode's purpose is to add value to the insurance business, to companies and to people, through risk prevention and management.

The path to sustainability and social responsibility of companies by way of protection of people and assets and prevention is a goal to be collectively pursued.

It is in this intersection that investment in prevention becomes particularly relevant for Fidelidade. Multidisciplinary and combined strategies for the reduction of the frequency and seriousness of claims, based on the development of a risk culture with customers, on risk assessment and awareness and on the support to the implementation of risk mitigation measures, will result in benefits for all parties.

The simplified risk assessment platform provided to the commercial department, the development of an innovative scoring model, the joint offer of insurances with prevention solutions within the scope of occupational health and safety, the performance of risk specialists in articulation with the business, commercial and expert assessment departments of Fidelidade, are the affirmation of the path we are collectively pursuing.

Francisco Caetano, Director of Safemode

A more customized assistance to claimants

In 2016/2017, Fidelidade opened two own medical units (in Oporto and Lisbon), dedicated to the treatment of claimants of the Group. These Medical Clinics have an experienced and recognized clinical team, enabling them to provide the best medical care. In 2017 alone, 12,300 appointments were performed in both clinics.

A new model of clinical referral is also in force in cases of occupational accidents, based on a contact center consisting of physicians and nurses. The pilot project performed in 2016 tested the functioning of a contact center that collects the first data from the injured and immediately refers them based on the seriousness of the injury. This screening enables right from the start the selection of the healthcare unit more suitable to treat the injury. This new model allows a self care approach, which consists of following up the injured at their homes under surveillance by the medical team in the contact center, whenever there is no need of referral to a healthcare provider.

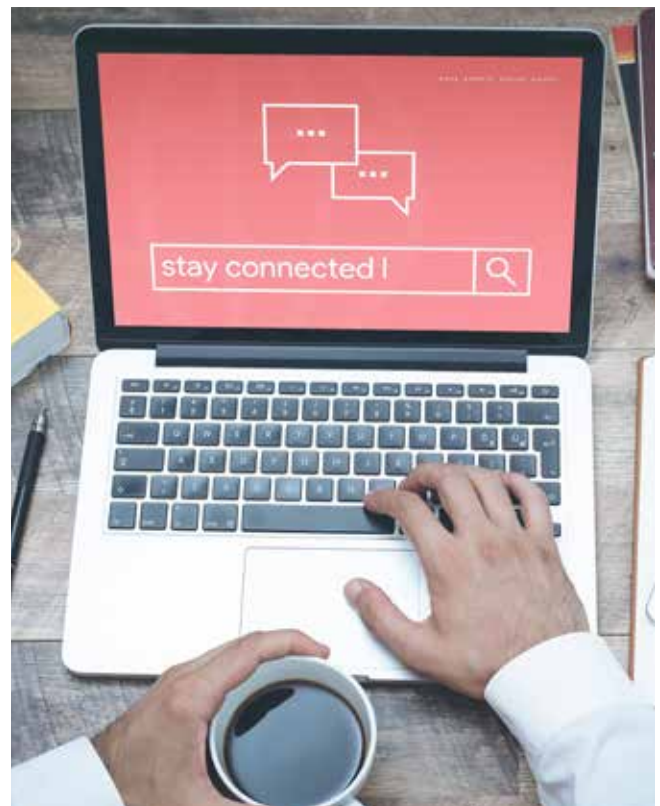
And because transparency and clarity of processes is valued, information was prepared to divulge the procedures to be followed immediately after the accident and explain the process, in cases of permanent disabilities, and consequently the reporting to the Labor Court.

In the meantime, initiatives have been identified and promoted on the MyFidelidade Empresas website, namely the registration of electronic reporting and a simplified form for the rapid opening of the claim process, in order to speed up communication and clinical referral.

2018 will focus mainly on prevention in close liaison with customers who will be advised about the risks upon subscription. Companies with a larger number of claims and with higher frequency will be approached at a first stage.

Swifter expert assessments

In 2017, a pilot project was developed by GEP, enabling to perform expert assessments in al three areas of the business (automobile, property and investigations) remotely, although keeping in direct contact with the expert. This way, in 2 hours, the assessment was concluded, saving time and resources of customers who intend to benefit from this service. The pilot was developed within the scope of the Protecting initiative, with the startup BDEO.





Our biggest challenge in the area of expert assessment, whether automobile or property assessment, is integrating new technological developments in the current operating model. The digitalization already underway in GEP will bring greater swiftness in the execution of services through innovative and facilitating solutions, adjustable to individual needs, in Portugal or other geographies, which will surely result in the increase of the levels of satisfaction and comfort of customers.

Digital expert assessment and the models of artificial intelligence, in the short term, will enhance savings and simultaneously create opportunities in new business areas.

Bruno Ferreira, Director of GEP

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The digitalization already underway in GEP will bring greater swiftness in the execution of services through innovative and facilitating solutions



WeCare Special Commitment

An attitude. A way of being and a way of living. We want to follow closely those who watch their lives change in the blink of an eye, supporting people and their families, helping to create new life projects.

People who underwent serious functional changes as a consequence of an accident must have the same autonomy and inclusion opportunities as every other citizen, their social and professional integration being essential, if possible. Fidelidade has been pursuing this vision over the past few years, through the WeCare Commitment, whose goal is to support the physical rehabilitation and social, professional and family reintegration of those who suffer accidents with serious physical consequences. Because this is a very important symbol of our philosophy and of our perspective of the role we play in society, we must share its progress in this document.

It is an integrated program of differentiated follow-up and proximity of the process of rehabilitation of an injured person, which optimizes the rehabilitation of the claimant through the search of means for family, social and professional reintegration. The WeCare intervention may occur at the beginning of the process, with permanent or occasional follow-up when a specific support area is identified. In the case of permanent processes, a WeCare report is sent to the Labor Court together with the clinical report of assessment of bodily injuries and information about any social and psychological work performed.

Through an intervention model supported by a multidisciplinary team, consisting of psychologists, social workers and external relations managers, a plan is developed which enables to act in an articulated manner in the management of the injured persons' needs, particularly in more complex clinical diagnoses including serious functional changes.

In the medium/long term, Fidelidade intends to optimize all the work already underway within the scope of quality of life through family, social and professional integration of injured persons; to continue establishing partnerships with institutions that help meet the emerging needs; to reinforce the message of prevention; and to optimize stories of resilience as an example for other injured persons.

523 Cases in 2017

175

with permanent follow-up

46

with intervention of home and/or motor vehicle adaptation

51

with specific intervention on professional reintegration

187

with psychology exclusive support

170

visits to the injured

Greater Efficiency in Management

An organization in permanent evolution and adaptation, developing new service models and new ways of structuring itself.

Simplifying and automating for greater efficiency and quality

Single Insurance Document

In 2017, the Single Insurance Document was made available, which combines the information previously provided in two documents and where customers may find all the information about the contract (insurance conditions) in a uniform, clear and simplified way. This process can be fully treated electronically, including the signature, excluding the need of printing them by the customer, the intermediary and the company and the proliferation of paper copies.

The training of intermediaries so that they are able to demonstrate the advantages of the new approach is underway and soon specific indicators will be created that measure the level of dematerialization of processes to the detriment of using paper documents.

Automatic processing

A pilot project has begun for the automatic processing of documents received in cases where documents possess features susceptible of being automatically captured, such as subscription forms, annulments or production outputs. The system registers the information and forwards it to the recipients, thereby avoiding the flow of paper documents and ensuring electronically their indexing and archiving in a digital format. This process allows to save internal resources and to improve the general effectiveness of information management.

The computer application GEP Robot is also in production, designed to reduce the number of repetitive and low-return tasks manually performed in GEP, which are now automatically performed by a robot.

Through GEP Robot, it was possible to optimize several tasks, namely the processing of distribution errors in the GepAver business application, all well as to automate the scheduling of all manual requests in the GepAver business application.

Requests with optimized response

In order to promote efficiency and optimization when responding to requests and complaints following a claim, a pilot project was developed whose goal is to implement a model of support to decision making about the various requests.

Through a set of question forms and decision trees, adjusted to the type of request, it is possible to collect information which is used to feed and optimize the model. Based on machine learning algorithms, the project ensures a more optimized and digital way of screening the incoming requests, thereby facilitating the decision process of the manager. It also enables to decentralize the notification of requests to different business segments, facilitating a more decentralized and efficient decision making and management of requests.

Responsible purchasing



The Fidelidade Group is adopting a Responsible Purchasing Policy seeking to promote the adoption of social and environmental sustainability criteria, together with economic criteria, in the process of procurement of goods and contracting of services. The new criteria must be articulated with the organization's strategy for the short and long terms and with the most relevant subjects and challenges of the sector, as well as with the expectations of the several interested parties.

In terms of selection of suppliers, the Fidelidade Group has been working on the definition of supplier selection criteria, including questions related to sustainability, namely questions about environmental performance. It is an ongoing work, seeking to optimize the management of the value chain, as well as to promote a more thorough

analysis of the Group's impacts on said value chain. In addition, and because the Fidelidade Group takes on its responsibility towards its suppliers, a prequalification and scoring model of suppliers is under development, allowing for the performance monitoring of the value chain, as well as the adoption of a more efficient process of screening of suppliers' offers, promoting the optimization of the Group's procurement service.

Still regarding the management of the value chain, the Group has been working on the process of consolidation and centralization of purchasing processes, on the management and consolidation of suppliers and on the biannual evaluation seeking the optimization of offers and the improvement of the service provided.

Management of real estate property

One of the premises of the strategy of the Fidelidade Group in the national real estate industry is the continuous optimization of the portfolio and the support to the Group's business. Within a context of reconfiguration of the profile of the Group's real estate portfolio, selected assets were sold that did not fit into said profile, and relevant rehabilitation projects are also underway. Simultaneously, projects of support to the commercial network are in course, with the execution and coordination of renovation works to the branches of Fidelidade and with the program for the opening of new franchised shops, as well as several renovation works to central buildings of Fidelidade.





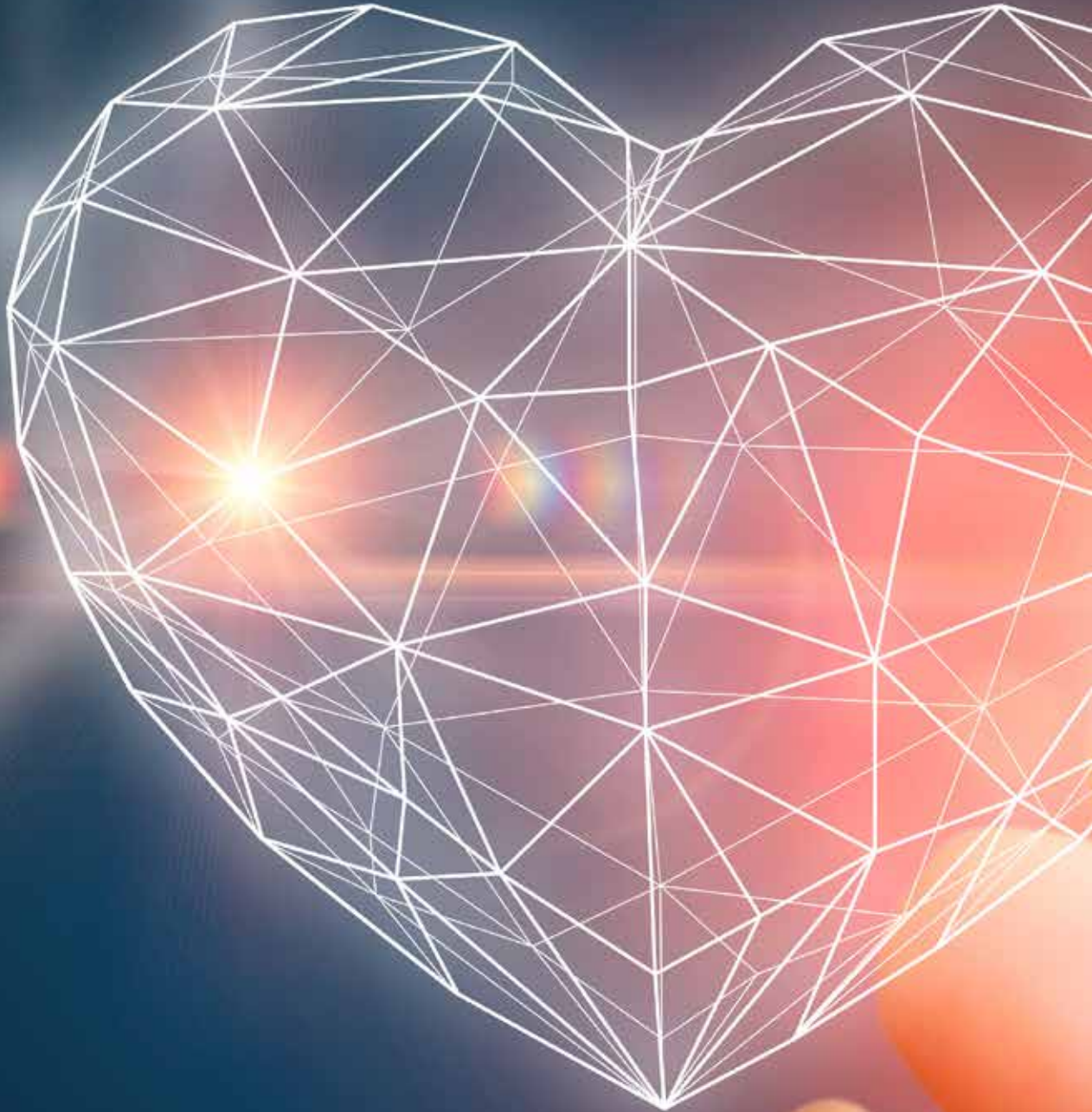
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The new regulatory demands have lead to a strategic reflection about the Group's investment policy

The new regulatory demands have lead to a strategic reflection about the Group's investment policy, resulting in a reconfiguration of the profile of its real estate portfolio, managed by Fidelidade Property, with the purpose of maximizing return on investment and strengthening its capacity of operation in the market.

Miguel Santana, Director of Fidelidade Property

Preparing





and Involving

PREPARING AND INVOLVING

The team of the future is necessarily different from the team of today; the professionalism and dedication will remain the same. These are the premises of the path to get there.



Team of the Future

*Acknowledging talent
and promoting meritocracy*



The sustainable growth we ambition for the Fidelidade Group makes the entire organization respond in a swift, effective and creative way to the challenges posed in current global and digital society.

This need leads the group's people to necessarily proceed to a permanent assessment of the adequacy of the competences and skills of its human resources and to an effort of adaptation to current needs, whether through training, rotation, reconversion or even through the incorporation of new and more specific fields of knowledge.

Our way of working also had to change, according to a project model of cross-sectional, collaborative and multidisciplinary nature, with well defined purposes and accountability and a systematic monitoring of results.

The existence of well prepared, informed, motivated teams, in line with common goals, is an essential factor for internal cohesion and the achievement of business strategic goals.

New Talent Management Model – FYOUTURE

In 2017, a process took place which involved and trained **3,177 employees** on the new talent management model – FYOUTURE. This model incorporates a new performance assessment and clearly invests in feedback as a personal and professional development tool.

Its basic principles are:

- Universality: applicable to all employees and covering all organizational levels;
- Simplicity and Coherence: single cross-sectional model, with simple, clear and uniform rules, implemented through a user-friendly computer system;
- Meritocracy and Differentiation: acknowledging those who contribute the most to results, through the definition of individual goals for all employees, in keeping with the ambitions of each Department/Company and the Fidelidade Group;
- Commitment and Alignment: ensuring the commitment of employees and the cross-sectional alignment and convergence of efforts towards the business cycle, the goals and the values of the Group;

This model promotes a culture oriented towards individual results, based on three pillars: Performance; Development; Potential, seeking to distinguish the employees with larger potential and to prepare succession plans (to begin in 2019).

To note that all employees have been trained according to the new model, as assessors and assessees. Each department has identified a model facilitating agent who clarifies any doubts and guides his other co-workers. Speed coach sessions were also created in order to, in the year of launch, help employees define goals, for which a goal library has contributed, including goals people can build on and specify their individual goals.

The end of 2017 and the beginning of 2018 is marked by the launch of a set of models enabling the integrated management of our people. The transformation process we are undergoing internally demands the development of new skills in the Organization. On the one hand, we need to create a culture of results and accountability and, on the other hand, we need to clearly invest in the development of our people.

The design of the new Job Model (JFM - Job Family Model) was the first milestone in the creation of the integrated people management model. The JFM results in a map of organized functions, through an architecture constituted by job families and subfamilies (which gather the set of functions whose nature of activities is similar) and by job groups (which gather the set of functions by their complexity, autonomy and responsibility and possible impact on the pursuance of the Organization's strategy). Not only does this model allow to clarify responsibilities, but also constitutes the first step towards the configuration of natural career pathways that may be followed in the group.

Almost simultaneously, the new model of development of our people was released. FYOUTURE is an instrument conceived to support and guide each one's performance and development, clarifying the responsibilities and contributions of each employee for the company's results, thereby supporting the implementation of the desired strategy and culture.

In all this process, the kick-start was to communicate the new job model, Job Family Model. This new model was based on the intervention of many people: DPE, heads of companies and departments, employees and their representatives. With the direct heads of departments, we defined the job chart and revisited the duties of each job. Job families are now clearer, which enables to understand which knowledge and skills are necessary to ensure for the job mission to be achieved. This is the first step towards identifying mobility and career pathways and, by getting to know our people, developing their skills for future challenges. This is the first step of many others that are now being developed, such as the final determination and publication of the new descriptions and levels of jobs.

This model enables to consider jobs in a cross-sectional way in the group. Integrated with jobs, a new way has been created of assessing and developing those of carry them out: people. We are still at the beginning of the launch of the new talent management model of the Fidelidade Group, a kind of year zero of a process set to be transformative and global, but we can already take stock of this first stage of FYOUTURE. We started by the Performance pillar - which seeks to differentiate individual performance and team performance, acknowledging those who most contribute to results.

At an early stage, FYOUTURE brings something new: self-definition of goals. This stage seeks to promote the employees' involvement in the definition of their annual goals and in the clarification of the way their work contributes to the achievement of results, both of their department/company and of the Group. It is a model that grants space to people, makes them feel responsible, so they reflect how they can individually contribute to the goals of their department and of the company in a positive manner.

The second pillar of this FYOUTURE model - FIDme - seeks the development of skills within the organization - it is based on a process not only of feedback, but above all of feedforward. Such a rich process requires everyone's involvement. That is why the launch of FYOUTURE started with training sessions for the entire Fidelidade universe in Portugal, including the active involvement of over 3,000 of our people, and the second stage of this training is already planned, also for all employees, seeking to underline the importance of being able to give, receive and ask for feedback.

Separation between goals and consequences is one of the greatest virtues of this model because it helps focusing in order to assess goals and results, to assess how our people are contributing to said results and focusing in how our people can improve from a behavioral standpoint towards a better performance.

FYOUTURE's success is based on trust, transparency, sharing and on the proximity between assessors and assessees. If relationships are based on trust, it will be easier to achieve commitment.

Joana Queiroz Ribeiro, Persons and Organization Director of Fidelidade (DPE)

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FYOUTURE's success is based on trust, transparency, sharing and on the proximity between assessors and assessees



Training and coaching

In 2017, several measures have been implemented and several cross-sectional development actions for employees of the Fidelidade Group have been performed, in order to continue preparing the team. We highlight performance management (in terms of the implementation of the FYOUTURE model of the Fyouture project), commercial subjects, English and leadership. Another novelty was the mlearning training. Mlearning is a web and mobile platform that resorts to the gamification method (learning using games). To note that the mlearning platform has 1,086 registered users, 6 open courses and 655 concluded quizzes.

The Trainees Program has been continued and the 1st edition of the Mentoring Program has been performed, according to which the group under 30, new at the company, may benefit from follow-up and integration by people who have been working at the company for a longer time. The 1st edition had 50 mentors and 50 mentees. The 2nd edition of this program is already under preparation.



Feedback as a source of inspiration

As we look to the development of the Group's culture and to communication improvement, two initiatives stand out that were designed to meet the employees' expectations: FidExperience and FidTalk. Feedback is at the heart of these initiatives as a principle for the creation of trust bonds and to streamline the way the organization manages and generates moments of communication and sharing.

FIDBACK is the engagement and social climate survey of the Fidelidade Group, whose main purpose is to identify the subjects employees consider to be positive and those that should be improved within the organization. The survey performed in 2015 helped identifying five improvement axes, among which the development of the culture and the improvement of communication of the Group.

Knowing other realities within the organization

FidExperience is an initiative that grants the employees of the Fidelidade Group the chance to be acquainted with a different reality, by spending 1 or 2 days in a different department or company of the Group. The main goal is to enable teams to better know other departments and functions, through a workplace exchange. The two editions of the project took place at a national level and produced great feedback. 179 people exchanged their workplace in 2017, among whom 98% considered the experience as Positive/Very Positive and 97% stated they would do it again.

Talking to the Chairman at the breakfast table

Knowing the company's strategy cannot work without a more informal conversation with top management. That was the thought of the 118 employees and of all those who in 2017 applied to join the Chairman of the Fidelidade Group during a breakfast, within the scope of the FidTalk initiative. Waiting lists have confirmed the interest for this initiative, which has enabled employees to pose questions about current and future topics about the organization's life, and has enabled the Chairman to clarify and disclose, underlining market trends, the challenges of digital world and the future vision for a company such as Fidelidade.



Attracting talent

The presence at 9 job fairs has reinforced the employer branding work with universities. These presences have also encouraged participation in Pitch BootCamp, whose number of participants grows more and more. This strategy of greater presence at universities strengthens the company's vision towards becoming more interesting with young people who are about to enter the labor market.

Be Fidelidade

Culture

Cohesion, transversality and involvement are key elements of the Be Fidelidade values and culture

Be Fidelidade newsletter, Inovação newsletter and the Intranet

Among the set of new tools that have been created so that the Group's initiatives be divulged in a cross-sectional way to all teams, companies and geographies, the highlight goes to the fortnightly newsletter Be Fidelidade, whose first issue was published in February 2017. This newsletter approaches subjects related to the main social and cultural trends around the world, important events and initiatives in the Group's life and about the people and the departments that carry them out.

Also in 2017, the first edition of the Inovação newsletter was published, which had 30 editions, 88 articles, over 17 thousand views and 31 employees contributed with their articles. The Inovação newsletter has provided to employees who subscribed to it a summary of relevant contents about consumer trends, new technologies, disruptive approaches to the insurance sector, innovative startups, as well as Fidelidade Updates, seeking to grant visibility to innovative projects of the Fidelidade Group. These two newsletters were combined into a single communication to employees, more systematic and convergent.

The new intranet has constituted a new internal communication channel, accessible to employees of the companies of the Group seeking to provide a corporate working environment and to involve people around common goals. We post in the intranet all relevant information from an organizational and business life standpoint, including the organizational structure, offer of products and services, internal mobility opportunities, initiatives, internal and sector news. It also has features that enable employees to manage their personal information and documentation, such as access to pay slips, to the training program and to the performance management area.

ITALK

ITALK is an internal competition that promotes the development and sharing of ideas about new products or initiatives. It is jointly organized by the Marketing and People and Organization departments and the Social Responsibility Bureau. It is a space open to all employees, regardless of the department they belong to or the job they perform, and seeks to stimulate the involvement and acknowledge the talent and the will to contribute to the company's success, promoting internal innovation.

In 2017, apart from the area of the website where all employees could divulge and know the proposed ideas, like and share, a rating by company and department was created in order to highlight the most innovative ones. Knowledge, tools and good innovation practices were shared through filmed workshops accessible by all. The finalists received training to perfect their proposals and make them implementable, and to prepare a persuasive pitch with startup specialists. In 2017, 48 applications to the ideas competition were received and three of the finalist ideas were awarded by a jury consisting of the Chairman of the Executive Committee, members of the Board of Directors and of the Heads of the competing Departments.

Workplace

The working structures and buildings of the Group are being subject to improvements, such as the creation of meal spaces (Calhariz and Malhoa) or changes to the service provided regarding meals. These measures seek the improvement of workplace conditions and the employees' well-being.

Tools

In terms of internal management, focusing on employees has enabled us to identify opportunities for the creation of tools and features in order to simplify the relationship with the company and streamline processes. Some of those features allow employees to address matters in a direct and swift manner, through self-service tools and the automation of a range of services. Also the employees service office hours are currently more extended, in order to facilitate contact and meet their needs.

Within the scope of the Family Responsible Company (FRC) certification of Fidelidade Assistance, every year a survey is performed to employees, in order to assess their knowledge and satisfaction concerning measures of conciliation of professional and personal lives in force in the company.

In 2017, it was verified that employees know and use said measures, 92% of them having stated that they are pleased with those initiatives.

In the ranking of most voted measures, with over 95% satisfaction rate, were:

- Breakfast at the workplace: breakfast interaction sessions are organized between employees and the Delegated Director. This way, contacts between employees and the Executive Committee of Fidelidade Assistance are informally enhanced.
- Transport during strikes: transport by taxi is arranged, from and to home, in days of strike of public transportations for employees who prove to use public transportations on a daily basis.

The Christmas Party is also very important, where the employees' children are invited to know the company, in a day of sharing in which the company's Christmas lunch also takes place.

To support in a customized manner employees in a clear situation of necessity or distress, such as over-indebtedness, family problems, serious illnesses, among others, is the mission of NOS – Apoio Social.

Within the Fidelidade Group, and within the scope of the protection and well-being of employees and their families in situations of necessity or distress, the NOS support program has been continued. It should be noted that over the last two years NOS has been extended to the pre-retired and retired people of the Group.

61
Support requests in 2017, 20%
more than in 2016

NOS has already supported nearly
300 employees.

The four areas of intervention of this program are:

- Social support: to the employees and their families, in situations of family crisis, in order to create solutions of social-family assistance, within the scope of addictions, domestic violence and mental illness.
- Financial support: over-indebtedness and management of the family budget with DECO.
- Legal support: legal counseling and partnership with law firms for the representation of employees.
- Psychological support: referral of employees and development of a national network of psychologists for referral of employees and their families.

With the purpose of obtaining the best solutions for the identified problems, several partnerships have been established, whether internally with the companies of the group, whether externally with specialized entities. For each request, the intervention solution is found under strict confidentiality.



Strengthening the society

A person wearing a dark suit and a white shirt is riding a bicycle. The person is seen from the waist down, with their hands on the handlebars and feet on the pedals. The bicycle is a dark-colored road bike. The background is a modern building with large glass windows, reflecting the sky. The lighting is bright, suggesting a sunny day. The overall image conveys a sense of active, professional life.



around us

STRENGTHENING THE SOCIETY AROUND US

Fidelidade Comunidade is the materialization of Fidelidade's social and solidarity commitment towards the communities where it operates. Because we can go the extra mile. Because we can have more and greater impact. Because we want to strengthen the society to which we belong.

Social Economy

Partners

The social role of the Fidelidade Group was subject to reflection and restructuring, with the purpose of optimizing our impact on community. Within the scope of the Fidelidade Comunidade program, these companies have adopted a strategy mainly based on the development of solutions that, apart from being relevant for business development, also enable to respond to questions of national interest and to situations that may cause great social inequalities, with impact on the vulnerability of populations.

Today, the company's social intervention is directed to subjects that, due to the nature of the insurance business, must guide a big part of the initiatives: follow-up and integration of people who have suffered serious accidents; financial education and literacy; entrepreneurship, poverty and social exclusion; health and healthier lifestyles.

Meeting the society's needs has been one of our greatest concerns, due to the importance of improving the tools we use to respond to the several requests. The Fidelidade Comunidade award is, without a doubt, a highlight for 2017, as for the first time the company has developed and publicly communicated a community support project, whose results we are very proud of and motivate us to improve in the future.



Fidelidade Comunidade Award

Integrated in the Social Responsibility Program and based on the commitment of continuously supporting community, the Fidelidade Comunidade Award, in the amount of EUR 500 thousand, seeks to financially contribute to institutions that promote social inclusion and prevention in health - which are the essence of the Fidelidade Group's activities.

With the purpose of promoting the growth of the third sector, the Award organizes the response to requests from social institutions with objective criteria, focus of activity, follow-up and assessment of the selected applications. It is a national-wide initiative, for which legal persons governed by private law may apply, which includes two types of financial support: one for their projects and the other, more innovative, for their organizational efficiency and development.

The 1st edition of the Fidelidade Comunidade Award exceeded all expectations, having received 580 applications for the categories of employability of vulnerable and disabled people and/or people with permanent disabilities, active ageing and healthy lifestyles. Institutions had one month to apply for both types of financial support.

The assessment of applications took into consideration the effectiveness of the proposed solutions, the partnerships, the incorporation of monitoring and evaluation processes, risk identification, as well as the technical quality of the submitted applications. Apart from Fidelidade's team, this process of analysis was also carried out by a jury consisting of people with recognized expertise and skills in each field of intervention of the Award, among whom was also the Chairman of the Board of Directors of the Fidelidade Group, Jorge Magalhães Correia.

After the analysis and the negotiation period with the finalist entities, the awards were handed out to the winners and the monitoring process began.



Some of the results of the 1st edition:

- 580 applications received
- 73% of applications for support to projects of the organizations, of which 48% in the area of social inclusion and 52% in the area of prevention in health
- 27% of applications for support to the sustainability of the organizations, of which 55% in the area of social inclusion and 45% in the area of prevention in health
- 21 winning entities.

Within a spirit of involvement of the entire community of the Fidelidade Group, the employees and business partners were invited to be part of the awarding of a special mention, by voting for the winner of their own choice.

The 2nd edition was announced upon the official award ceremony of the 1st edition.

All the information about the Fidelidade Comunidade Award at www.premio.fidelidadecomunidade.pt

The results of the 1st edition of the Award were a matter of particular pride for us - we received almost 600 applications from all over the country, most of them coming from the Northern Portugal and from Lisbon and Tagus Valley.

Among the winners, there were projects that invest in the qualification of people with disabilities and mental illnesses and educational projects to raise the awareness of the school community regarding subjects such as nutrition, oral hygiene and education through art. In the area of Prevention in Health, there were projects that invest in the prevention of degenerative illnesses and in the provision of healthcare in the field of mental disability and health.

These results mean lots of things: the most sensitive areas in our country were well identified, the news about the Award reached everywhere and finally there is a lot of good work being carried out throughout Portugal!

In addition, we are especially pleased with the special contribution that the Award may grant to the sustainability of social entities. We set out to fund initiatives that would enable to improve the response efficiency and capacity of entities in their own fields of intervention and we hope to be able to support them in this respect. And this is also how we want to make a difference!

The Award is just the beginning of a regular relationship we intend to establish between Fidelidade and the winning entities. Understanding what they need and providing volunteer service of competences is what we intend to start doing right now.

For Fidelidade, the Award is also extremely relevant for the social responsibility of the Group as it symbolizes in a way a process of evolution of the way we look to and manage philanthropy in Fidelidade. We are investing in a more strategic philanthropy, more focused on investment in the medium-long term.

Ana Fontoura, Director of the Social Responsibility Bureau of the Fidelidade Group

“

The Award is just the beginning of a regular relationship we intend to establish between Fidelidade and the winning entities





Having received the “Special Prize”, the Liga dos Pequenos will increase the number of beneficiaries of the project and acquire more material that will allow to improve Snoezelen intervention. This prize will also enable to strengthen our activity in the area of prevention in health and social inclusion, through the reduction of differences in accessibility to differentiated methodologies (Snoezelen intervention) that promote the improvement of quality of life of children/young people/ families with special educational needs and/or handicaps.

Isabel Maia, Chairwoman of the Liga dos Pequenos, winning institution of the 1st Edition and of the Business Partners Special Prize



Fidelidade's support to the project "Oferece a tua mão" will enable Patient Innovation to reach out to more people. The goal is to make patients and caretakers benefit from innovative solutions created by other patients and caretakers in order to deal with their health problems. This project intends to facilitate the sharing of 3D printed prostheses with children who need them, and to enable volunteers all around the country to create 3D printed prostheses so that they reach more people.

Patient Innovation team, winning institution of the 1st Edition and of the Employees Special Prize



The Fidelidade Comunidade Award, instituted in 2017 by the Fidelidade Group, is another sign of its strategic boldness, in line with its time and with the future. With this Award, the Fidelidade Group consolidates its position as a reference of strategic philanthropy, partner of community-based social intervention and innovation, supporting and following up Social Economy organizations in their relentless mission of creating a collective well-being and promoting human development. A committed Group. A differentiated Award. A vibrant society. A better future. As a member of the jury, as a partner of the Fidelidade Group but, most of all, as a citizen, I appreciate this initiative.

Filipe Almeida, Member of the Jury of the Fidelidade Comunidade Award,
1st Edition

Corporate volunteering

The corporate volunteering program of the Fidelidade Group was reviewed, in order to become in line with the new vision of Fidelidade Comunidade. In 2018, it will already be directed towards this alignment, not only in terms of subjects, but also of initiative options. We intend to create synergies between the initiatives of the pool of volunteers of the Fidelidade Comunidade Award.

Corporate volunteering pool

In 2017, we continued investing in the corporate volunteering pool, in a total of EUR 925 invested and 795 hours of volunteer work by employees. A total of 143 institutions were supported.

143 employees have participated in volunteering initiatives, a 19% increase in respect of 2016.

Employees called to participate

OK! teleseguros was part of the 2017 edition of GIRO (GRACE, Intervir, Recuperar e Organizar), the largest national corporate volunteering initiative organized by the GRACE. The mission of this edition was to clear and replant seven areas of protected landscape.



Solidarity

Similarly to the corporate volunteering program, the granting of donations not eligible for the Fidelidade Comunidade Award was also reviewed, in order to ensure the alignment of the criteria and to systematize the process of decision of support. Up to the end of 2018, we will conclude this process and it will enter into operation, enhancing the transparency of the Group's policy in this matter.

Participation in several solidarity initiatives

OK! teleseguros continued solidarity actions involving also its employees in some of those initiatives. The Instituto do Coração, the Red Nose Operation, the Portuguese Association of People with Trisomy 21, the Passo Positivo Association, the Johnson Academy and Acreditar are some of the entities of the social sector with which the company has established partnerships in 2017.

Christmas Initiative Pé de Meia

Within the scope of the Christmas initiative Pé de Meia, the Fidelidade Group supported the Associação de Pais 21 with the first 200 Kit21, school kits for parents, students, teachers and auxiliaries about how to treat, deal with and teach children with trisomy 21, promoting the integration and school success of these children. With the partnership of the Directorate-General for Education, the kits will be adjusted and distributed through schools around the country. To note also the acquisition of a mobile van set to be a mobile shop for fund raising by the Red Nose Operation, which was possible only thanks to the contribution of the Fidelidade Group raised within the scope of the Christmas initiative Pé de Meia in 2016.

Book Club on the intranet

A Book Club was created on the intranet with the monthly suggestion of a topic and suggestions of books by topic, with the heading "The book of my life", seeking to promote reading and culture. This club also has a solidarity component concerning the virtual store. The virtual store includes books of Déjà Lu, which is a library of "book already read", whose profits go to the Portuguese Association of People with Trisomy 21.

Collection of books and games for Mozambique

At the request of Fidelidade Mozambique, a solidarity collection was organized which resulted in the raising of 5,000 games and books to be distributed through mobile libraries and school libraries in Mozambique.

The tragic events that took place in June and again in October, when fires of unprecedented dimensions devastated Central Portugal, are engraved in the memory of the Portuguese.

2017 was marked by the fires that resulted in more than 100 casualties and huge material damages in rural and urban areas.

The Fidelidade Group responded promptly and efficiently, deploying at the service of its customers and of populations the most adequate emergency means. Apart from local presence, a dedicated telephone line was created for assistance with requests related to those claims. The Contact Center in Évora was essential to ensure the opening of processes and contacts with customers, intermediaries and experts.

The process of record of damages was immediately deployed with the creation of two centers of support to the work of the experts assigned to the location, as were the processes of compensation to families and companies who withstood damages/injuries.

In July, the insurance companies operating in Portugal decided to constitute a Special Solidarity Fund to help the seriously injured and the families of the deceased. In October, upon the second wave of fires, it was decided to increase provisions to the fund. At the end of the year, and after a joint hard work by the Portuguese Association of Insurers together with Fidelidade and OK! telesseguros seeking to analyze and decide on compensation processes, compensations were provided in the amount of EUR 3,409 million.

These events made us reflect about the importance of divulging to populations and clarifying the benefits of having suitable and updated insurance coverages in order to protect themselves from risks to which they are exposed.

Within the scope of this Fund, 109 processes of deceased victims and 25 processes of seriously injured were analyzed, which were documented by experienced teams indicated by some of the associate companies of APS that, in the field, directly contacted all the potential beneficiaries of the Fund. At the end, compensations were provided to 157 family members of the deceased and to 25 people who suffered serious injuries.

Entrepreneurship, Art and Culture

Encouraging new ideas and businesses, incorporating them in the organization to make it richer and more diversified

Protechting 2.0: investing in the future and developing society

In early 2017, the 2nd edition of Protechting was launched, a program developed together with Fosun and the Fidelidade Group to encourage entrepreneurship and startup acceleration, to provide access to multiple projects and resources of potential interest and to facilitate the incorporation in the organization of new business ideas.

The main areas of interest in this edition were risk management, health-related projects and service provision in the insurance and financial sectors, through software or other technologies. 119 national and international startups from 33 countries submitted their applications and the application requirements demanded projects with an already confirmed model and business maturity.

Apart from having received a set of insurances, the selected teams had access to workshops and contacted national and international mentors. Startups have also the opportunity of integrating their business in the Fidelidade Group or in one of the companies of the Fosun Group. The winner of the program received a monetary prize in the amount of EUR ten thousand.

Bdeo, from Spain, stood out with an application meant to simplify the experts' assessment process, through which the reporting of damages of motor and home insurances is performed in real time through video and photographs, enabling a better communication and reduction of costs. Visor.ai, a Portuguese project, has demonstrated its skills in cost reduction and improving customer assistance and relationship. Amiko, from Italy, presented an innovative approach to respiratory illness through a digital platform, enabling to prevent and reduce the number of acute episodes, monitor illnesses, increase treatment compliance, optimize healthcare and reduce costs.

These three projects were awarded a trip to China, where they came into contact with some of the biggest world investors and took part in a roadshow and in the world final of Protechting Innostar. Bdeo won first place in this competition, evidencing the quality of the event in Portugal.



We live in a revolution in lifestyles, politics, music and also in the world of business and in how the companies of the future will be. Fidelidade is part of that. This program shows that Fidelidade and Fosun invest in the future, in new solutions and in the development of society.

Jorge Magalhães Correia, Chairman of the Board of Directors of Fidelidade, at the Protechting 2.0 award ceremony.



Presence at the Web Summit

The Web Summit was held in Lisbon in November 2017. In this highly relevant and topical event for society and within the context of innovation and business, Fosun and Fidelidade promoted the sharing of experiences and networking among startups, partners and investors. Two speakers represented the Fosun Group. Alex Gong, Senior Vice President & Global Partner of the Fosun Group presented the company's global strategy at the Startup University stage and Sally Zeng, Managing Director of Fosun Next Capital, took part in a discussion panel about "How East is won: scaling into China".



Accelerating careers with Pitch Bootcamp

The mission of Pitch Bootcamp is the development of professional skills in young people and a greater approximation between the academic and corporate worlds. Students and recent graduates, aware of the importance of managing their careers, have in this event an opportunity to develop effective attitudes and strategies to approach companies and highlight their qualities susceptible of creating value in the market. Pitch Bootcamp was organized by the Instituto Superior de Engenharia do Porto (ISEP), with the support of Fidelidade and a group of other companies and professionals. Throughout the last two years, Pitch Bootcamp has helped creating over 2,000 jobs. Thus, this initiative serves as a true career accelerator that gathers companies, Higher Education institutions and young talent. In 2017, Fidelidade was present in 12 editions.

Contemporary Art: support to reference projects and institutions

Chiado8 Arte Contemporânea is a space for the dissemination of contemporary art, located at the area of Chiado in Lisbon, which enhances culture and art, promoting exhibitions of prestigious artists. In 2017, Chiado8 has received over 5,200 visitors and hosted three exhibitions about different topics.

The Fidelidade Group also contributed by supporting reference institutions, such as the Fundação de Serralves, Fundação Arpad Szenes Vieira da Silva and Atelier Museu Júlio Pomar.



Us





in the world

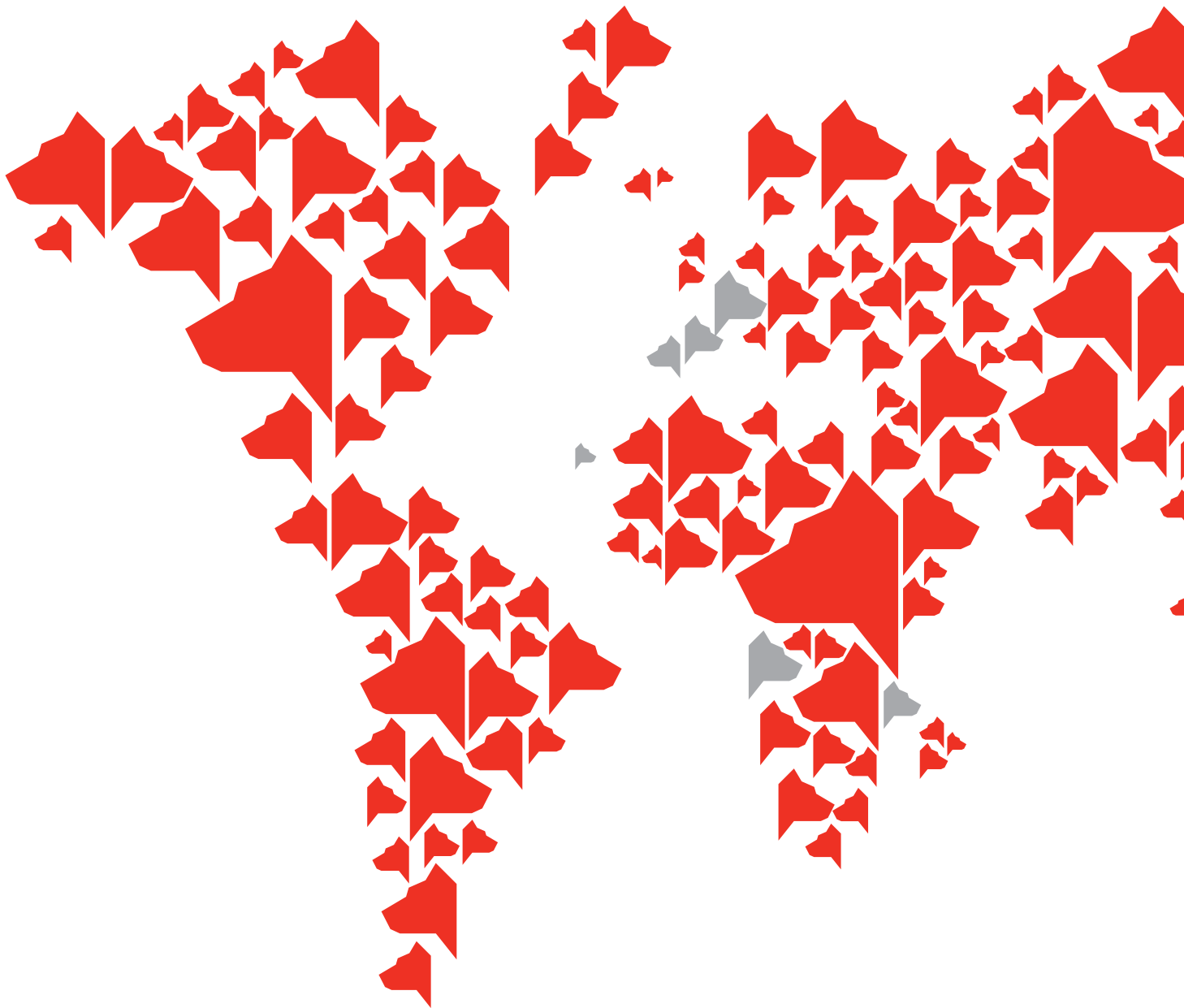
US IN THE WORLD

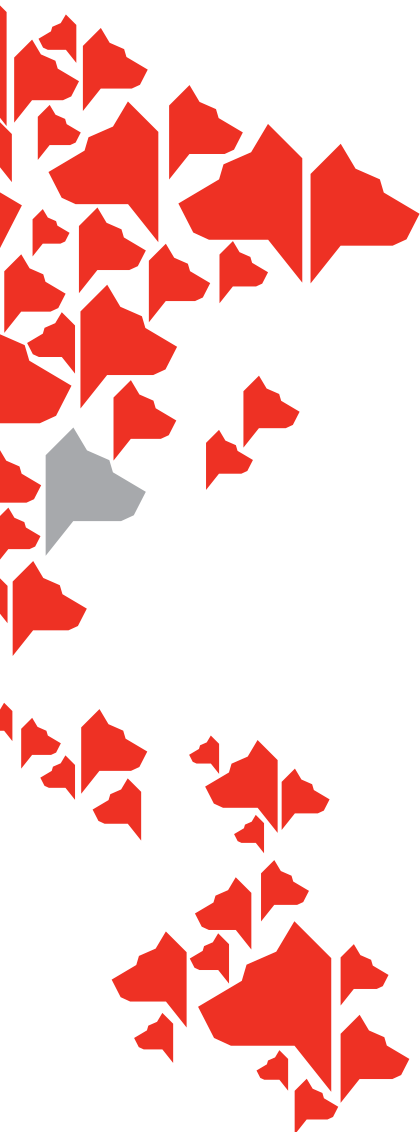
For the insurance area of the Fidelidade Group, the international business is one of the main pillars of sustained growth and of the achievement of medium and long term goals. An opportunity and a priority, aiming at reaching new geographies, new customers and new markets, ensuring the financial and operating sustainability of each operation.

Where we are

The Group operates in three continents (Europe, Africa and Asia) through its branches in Spain, France, Luxemburg, Macao (Life LoB) and Mozambique, and also has shareholding interests in insurance companies in the cases of Fidelidade Angola, Garantia in Cape Verde and Fidelidade Macao (Non-Life LoB).

In its first two steps, the process of internationalization of the Fidelidade Group was mainly focused on markets with which Portugal had greater economic, cultural and linguistic affinities. From 2014, with the new shareholding structure, the Chinese community also took on particular relevance within the scope of the development of the international business.





Considering the diversity of geographies and realities, the approach for each country is based on finding the response that best suits the communities and the market through the provision of products and solutions that meet their specific needs.

In addition to this concern of granting a local expression to each international operation, it is important to underline the launch in 2017 of a corporate model of support to said operations, ensuring the correct alignment of the activity of branches and subsidiaries with the global strategy defined by the Group. The goal is to take advantage of and incorporate the experience and processes of the parent company as a way of increasing effectiveness and efficiency, drawing teams closer and facilitating human resource turnover, thereby ensuring the articulation and success of international operations.

In sum, the Fidelidade Group considers international expansion as a priority and an opportunity for the development and diversification of its business, investing in new geographies and following up its customers in new markets, bearing always in mind the strict compliance with all financial and operating sustainability criteria.

Our presence in the world

1995-1997	1999	2011	2014
SPAIN, FRANCE AND LUXEMBURG <ul style="list-style-type: none">- Fidelidade as CGD's internationalization partner- Kick off of operations in Spain, France and Luxemburg	MACAO <ul style="list-style-type: none">- Beginning of operations in Macao, with the opening of two lines of business – Life and Non-Life	ANGOLA <ul style="list-style-type: none">- Expansion into Africa, through a majority shareholding interest in the share capital of insurance company Universal Seguros	MOZAMBIQUE AND CAPE VERDE <ul style="list-style-type: none">- Acquisition of a majority shareholding interest in the share capital of Garantia – Companhia de Seguros de Cabo Verde, market leader- Beginning of operations in Mozambique, with the opening of two lines of business – Life and Non-Life

Some initiatives – The cases of Cape Verde and Mozambique

The initiatives hereunder are among the range of practices already adopted in these geographies and represent many others that will take place in the various operations of the Group outside Portugal. They enable to illustrate the great proximity between the companies and the community and local institutions with which they share goals of protection and well-being of populations and of enhancement of culture and corporate activities.



It happens in Cape Verde, with Garantia

HEALTH AND HEALTHY LIFE

Health Fairs

In order to raise the population's awareness to the benefits of preventive health, Garantia has promoted Health Fairs in Praia (Santiago) and in Mindelo (São Vicente). In these fairs, cholesterol and glycemia tests, among others, are performed.

Less Alcohol, More Life

Garantia has signed a partnership protocol with the Presidency of the Republic, through which it became one of the main sponsors of the campaign "Menos Álcool mais Vida" [Less alcohol, more life]. Its main purpose is to promote the reduction of alcohol consumption and stimulate a healthier lifestyle.

CULTURE AND SPORTS

May 1 Festivities - Fogo Island

Garantia was actively involved in the cultural activities of the historical Casa das Bandeiras in Fogo Island, on the occasion of the May 1 Festivities.

Supporting the Tubarões Azuis

The company is a partner of the Capeverdean Football Federation, and supports the conditions for the practice of this sport.

SAFETY

5th Edition - National Week of Occupational Prevention and Safety

The company was once again one of the main partners of the General Inspection of Labor within the scope of the Week of Occupational Prevention and Safety, an annual event whose purpose is to alert to the importance of occupational safety.

ROAD PREVENTION

Road Prevention Fairs

Garantia has sponsored and was actively involved in Road Prevention and Safety Fairs, held in Praia, São Filipe and Assomada, promoted by the DGTR - Direção Geral de Transportes Rodoviários.

Road Safety for All

Garantia was the main partner of ADECO (Associação Defesa do Consumidor) in materializing the project "Segurança Rodoviária para Todos" [Road Safety for All], through which in Santiago, São Vicente, Santo Antão and Sal training sessions of good driving practices were provided.

SOLIDARITY

Christmas Charitable Gala

Once again, the company was a partner of the Fundação Infância Feliz within the scope of the event Christmas Charitable Gala, whose purpose is to collect funds to provide a happier childhood to children in need.

School Kit Distribution Campaign

Garantia is once more a partner of FICASE (Fundação Cabo-verdiana de Ação Social Escolar) in the distribution of school kits to children in need.

It happens in Mozambique, with Fidelidade Mozambique

SOLIDARITY

Offer of Books to the Pedagogical University for Fixed and Mobile Libraries

The Fidelidade Group in Portugal has organized the collection of books and educational games that were delivered to the Pedagogical University, to be used in the fixed and mobile libraries it manages.



REHABILITATION

Direct intervention in the rehabilitation of the space for the creation of a Fixed Library

Participation of Fidelidade Mozambique's employees in the rehabilitation of the space of a school in Vila da Namaacha for the creation of a fixed library in this district, which now serves over 3 thousand children.

PRODUCTS

Release of Health Insurance

Release of an innovative Health Insurance, with a system-based management, that filled a gap in the market.

Release of Travel Assistance Coverage

Creation of a completely innovative coverage, that did not exist in the market to date, ensuring assistance to the vehicle and transported persons in the entire Mozambican territory.

An advertisement for Fidelidade Seguros. It features a smiling man in a dark suit and white shirt, standing with his arms crossed. The background is a blurred office setting. The text on the advertisement includes:
FIDELIDADE
SEGUROS DESDE 1808
COLABORADORES SAUDÁVEIS E FELIZES NA SUA EMPRESA
É NA BOA
SEGURO DE SAÚDE
É CÔMODO, SIMPLES E DE CONFIANÇA.
800 800 088 | 21 489 720 | fidelidade.co.mz
MULTCARE
The advertisement also includes a small logo for MULTCARE and some fine print at the bottom.

Reliable Companies

During 2017, the Fidelidade Group's companies received various awards handed out by relevant entities in several areas of intervention, acknowledging the quality of work, the investment and enterprise capacity and innovation and merit culture that characterize the Group's commitment



AWARDS AND HONORS

OK! TELESEGUROS

is awarded the National Prize of the 2016/2017 European Business Awards in the category of Innovation at a national level

FIDELIDADE

was honored as the 2017 Trusted Brand in the category of insurance companies (Motor, Life and Property LoB) by the Selections of Reader's Digest for the 16th consecutive time

MULTICARE

was honored as the most reputable brand in the category of health insurances, by the Marktest Reputation Index, with a 64.75 index.

OK! TELESEGUROS

is awarded the Prize "Marktest Reputation - best Portuguese direct insurance company"

FIDELIDADE

is the Consumer's Choice for the third time, the preferred brand of the Portuguese, the choice being based on values such as trust and motivation.

FIDELIDADE

is awarded the Prize for "Best Big Insurance Company" in the Life and Non-Life LoB, in the Banking and Insurance category, by the Exame magazine.

FIDELIDADE

continues increasing its Marktest Reputation Index, having obtained in the 2017 edition a 67.35% rating, which makes it the most reputable insurance company compared to other companies and financial institutions.

FIDELIDADE PROPERTY

is awarded the Prize for "Best Urban Rehabilitation Project", in the Offices category, within the scope of the Portugal's Real Estate Exhibition, and the Award of the Construir magazine, for Best Office Building. These honors were granted due to the rehabilitation works carried out to the new registered office of Abreu Advogados, at Jardim do Tabaco.



CERTIFICATION RENEWAL

Renewal of the certification of the Quality Management System according to ISO 9001:2015 by OK! teleseguros, with zero non-conformities and zero improvements

Transition to the new ISO 9001:2015 by Fidelidade Assistance, within the scope of the certification of the Quality Management System, with zero non-conformities

Renewal of the environmental certification by Fidelidade Car Service, as a result of the suitable treatment of waste produced

Renewal of the Family Responsible Company (FRC) certification granted by the Másfamilia foundation to Fidelidade Assistance

Renewal of the certification of the Quality Management System according to ISO 9001:2008, by GEP, with zero non-conformities

Certification of GEP by the Directorate-General for Employment and Labor Relations (DGERT) as a training entity

Maintenance of the certification of the Quality Management System according to ISO 9001:2008 and beginning of the transition to the new ISO 9001:2015, by EAPS

Renewal of the certification of the Quality Management System by Multicare according to ISO 9001:2015, with zero non-conformities and identification of 9 strong points

Renewal of the certification of Fidelidade Car Service as a 5-Star Workshop by the CZ

Renewal of the Accreditation of the Testing Laboratory according to the requirements of NP EN ISO/IEC 17025:2005, by EAPS

Certification of EAPS by the Directorate-General for Employment and Labor Relations (DGERT) as a training entity

Sustainable Development Activists

Promoting the principles of Sustainable Development is currently more than ever a main topic in the Group's agenda, whose participation through its companies in forums and commitments shared within the corporate context show its openness to take part in the debate and in the creation of knowledge about several subjects.

Membership

- Fidelidade and OK! teleseguros, members of the GRACE – Grupo de Reflexão e Apoio à Cidadania Empresarial. The mission of this corporate association, with over 120 associates, is to promote debate about corporate citizenship.
- Fidelidade, member of the BCSD Portugal – Business Council for Sustainable Development. The mission of this corporate association is to represent companies that actively commit to sustainability. Fidelidade was part of the workgroup that created the BCSD Portugal's Charter of Principles, whose main goal is to establish a common standard, cross-sectional to all corporate activities, enabling any signatory company to be recognized by corporate customers as a company that adopts sound sustainability commitments.
- EAPS, member of the APEMT – Associação Portuguesa de Empresas de Segurança e Saúde no Trabalho. The mission is to ensure the sustained growth of the sector and to promote cooperation among members in the defense of development, namely technical, of the business activities they carry out.

Commitments

- Endorsement by Fidelidade of the BCSD Portugal's Charter of Principles, which establishes the principles that constitute the guidelines for a good corporate management and encourages signatories to go beyond legal requirements, adopting practices in line with managerial, ethical, social, environmental and quality standards.
- Endorsement by Fidelidade and OK! teleseguros of the Portuguese Diversity Charter. In line with the efforts of the European Commission in implementing a Diversity Charter in all EU countries, the GRACE, as member of CSR Europe, one of the promoters of the initiative, launched in 2015 a Workgroup on Diversity. This Charter is the result of said Workgroup.
- Integration of OK! teleseguros in the platform European Road Safety Charter. Under the European Commission's direction, it is the biggest civil society platform about road safety, with more than 3,400 public and private entities committed to preventive measures and solutions for reducing claim rates in Europe.

Involvement

- Representation of Fidelidade in GRACE's management, in the person of the Social Responsibility Director of the company - Ana Fontoura.
- Involvement of Fidelidade in the Workgroup "Internal Social Responsibility Guide".
- Integration of the group of experts of the Global Advisory Committee of Fosun Foundation, in the person of the Social Responsibility Director of the company - Ana Fontoura.

About this Report

This is the 5th Sustainability Report of Fidelidade, which reports the Group's activity in 2017 and presents the performance and practices of economic, social and environmental nature of companies operating in Portugal. We chose to refer to those companies by their commercial brands and not by their legal name, as follows:

- Fidelidade (Fidelidade - Companhia de Seguros, S.A.)
- Multicare (Multicare - Seguros de Saúde, S.A.)
- OK! teleseguros (Via Directa - Companhia de Seguros, S.A.)
- Fidelidade Assistance (Fidelidade Assistência - Companhia de Seguros, S.A.)
- Safemode (EAPS - Empresa de Análise, Prevenção e Segurança, S.A.)
- GEP (GEP - Gestão de Peritagens, S.A.)
- Fidelidade Car Service (Cetra - Centro Técnico de Reparação Automóvel, S. A.)
- Fidelidade Property (Fidelidade Property Europe, S.A.)



Structure and contents

The analysis of the materiality of this report follows the reflection made in 2016, the topics having been reviewed in the light of the current context of development of the group and of analysis of society's challenges.

The reading of this document must be complemented by the 2017 Performance Report, where we share the evolution of performance indicators of each company considered within the scope of this presentation of accounts. As usual, the data presented in this document reflect above all else the performance in 2017.

This report follows the preparation guidelines for Sustainability Reports developed by the Global Reporting Initiative (GRI), Standard version, in accordance with the Essential option, the sectorial supplement having been also considered, which was defined by this organization for the Financial Sector.

External verification

In order to analyze the compliance and reliability of the information provided, this document has been submitted for verification by an independent external entity.

Doubts and clarifications

Any additional information requests, clarification requests or suggestions about this document may be sent to:

fidelidade@fidelidadecomunidade.pt

Verification Statement



Independent Limited Assurance Report

*** (Free translation from the original in Portuguese)**

To the Board of Directors

Introduction

1 We were engaged by the Board of Directors of Fidelidade – Companhia de Seguros, S.A. (“Fidelidade” or “Company”) to perform a limited assurance engagement on the GRI indicators, GRI Standards version, and specific indicators which integrate the sustainability information, included in the Sustainability Report 2017 and Performance Report 2017, for the year ended in December 31, 2017, prepared by the Company for the purpose of communicating its annual sustainability performance.

Responsibilities

2 It is the responsibility of the Board of Directors to prepare the GRI indicators, included in the Sustainability Report 2017 and Performance Report 2017, in accordance with the sustainability reporting guidelines “Global Reporting Initiative” (“GRI”), GRI Standards version, and with the instructions and criteria disclosed in the Sustainability Report 2017 and Performance Report 2017, as well as for the maintenance of an appropriate internal control system that enables the adequately preparation of the mentioned information.

3 Our responsibility is to issue a limited assurance report, which is professional and independent, based on the procedures performed and specified in the paragraph below.

Scope

4 The work performed was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) “Assurance engagements other than audits or reviews of historical financial information”, issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants. This standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether the GRI Standards and specific indicators, are free from material misstatement

5 Our limited assurance engagement also consisted in carrying out procedures with the objective of obtaining a limited level of assurance as to whether the Company applied, in the sustainability information included in the Sustainability Report 2017 and Performance Report 2017, the GRI Standards, for the option “In accordance – Core”.

6 For this purpose the above mentioned work included:

- (i) Inquiries to management and senior officials responsible for areas under analysis, with the purpose of understanding how the information system is structured and their awareness of issues included in the report;
- (ii) Identification of the existence of internal management procedures leading to the implementation of economic, environmental and social policies;
- (iii) Testing, on a sampling basis, the efficiency of processes and systems in place for collection, consolidation, validation and reporting of the performance information previously mentioned, through calculations and validation of reported data;
- (iv) Confirmation that operational units follow the instructions on collection, consolidation, validation and reporting of performance information;

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Sede: Palácio Sottomayor, Rua Sousa Martins, 1 - 3º, 1069-316 Lisboa, Portugal
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- (v) Execution of substantive procedures, on a sampling basis, in order to collect evidence of the reported information;
- (vi) Comparison of financial and economic data included in the sustainability information with the audited by external auditor, in the scope of the legal review of Fidelidade's financial statements for the year ended in December 31, 2017;
- (vii) Analysis of the process for defining the materiality of the sustainability issues, based on the materiality principle of GRI Standards, according to methodology described by the Company in the Report;
- (viii) Verification that the sustainability information included in the Report complies with the requirements of GRI Standards, for the option "In accordance – Core".

7 The procedures performed were more limited than those used in an engagement to obtain reasonable assurance and, therefore, less assurance was obtained than in a reasonable assurance engagement.

8 We believe that the procedures performed provide an acceptable basis for our conclusion

Quality control and independence

9 We apply the International Standard on Quality Control 1 (ISQC1) and, accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

10 We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and of the ethics code of the Institute of Statutory Auditors.

Conclusion

11 Based on the work performed, nothing has come to our attention that causes us to believe that the GRI indicators, GRI Standards version, and specific indicators, which integrate the sustainability information, included in the Sustainability Report 2017 and Performance Report 2017, for the year ended in December 31, 2017, were not prepared, in all material respects, in accordance with GRI Standards and with the instructions and criteria disclosed on it and that Fidelidade has not applied, in the sustainability information included in the Sustainability Report 2017 and Performance Report 2017, the GRI Standards.

Restriction on use

12 This report is issued solely for information and use of the Board of Directors of the Company for the purpose of communicating the sustainability information in the Sustainability Report 2017 and Performance Report 2017, and should not be used for any other purpose. We will not assume any responsibility to third parties other than Fidelidade by our work and the conclusions expressed in this report, which will be available, together with the Sustainability Report 2017 and Performance Report 2017, in the Company's website.

June 28, 2018

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
Represented by:

António Brochado Correia, R.O.C.

*** (This is a translation, not to be signed)**

Technical File

**Title**

2017 Sustainability Report
of the Fidelidade Group

Property of

Fidelidade Group

Direction

Social Responsibility Bureau

Consultants

Sair da Casca – Consultoria em
Desenvolvimento Sustentável

Art and Production Direction

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