

FIDELIDADE

SEGUROS DESDE 1808

Consolidated 1H 22 Solvency II Guidance

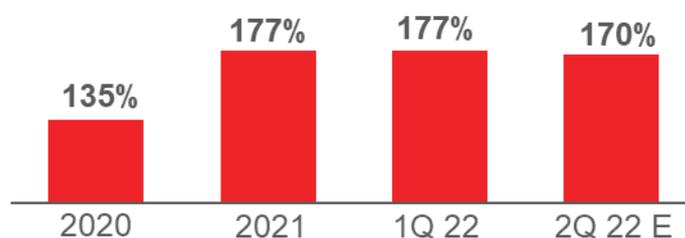
Lisbon, October 26th, 2022

Unaudited figures

Solvency II ratio

Fidelidade's consolidated 1H 2022 Solvency II ratio¹ (SCR) is estimated at 170%, a 6,9 p.p reduction compared to March 2021. The capital requirement decreased 1,3% relative to the end of the 1Q 2022 and closed the semester at 1.935,6 M€. Fidelidade's own funds reached 3.291,1 M€, a 5,1% decline.

Fidelidade Consolidated SII Ratio



¹ The Solvency II Fidelidade consolidated 1H22 guidance presented in this note is an unaudited estimation.

The main driver behind the own funds reduction was the supplementary capital repayment of 165 M€ in June. It generated an 8,5 p.p. decline in the 1H 22 SCR. The supplementary capital contributions are now fully reimbursed, in line with the business planning.

Interest rate increases during the first half of 2022 had a positive effect on the SCR. In the last few years, as part of its ALM, Fidelidade had undergone an effort to match its assets and liabilities' durations.

Outlook

Management is committed to maintaining Fidelidade's Solvency ratio comfortably within the Risk Appetite Framework target of 150% to 180%. Two current key components of Fidelidade's effort to continue strengthening its balance sheet are its plan to reshape its life financial products towards non-guaranteed products and capital optimization measures on subsidiaries.

Despite the commercial difficulties the current market volatility generates, Fidelidade continues to press on with the reshaping of its Life financial business. During the 1H 2022 Fidelidade increased its Portugal unit link market share to 35.4%, a gain of 5 p.p.