

FY2024 Results

Lisbon, March 26, 2025

FY2024 Net Income reached 174M€, down 3.8% YoY, while consolidated gross written premiums (GWP) reached 6,172M€, an 18.5% increase YoY, underpinned by Portuguese operations (+23.7%) and International Life business (+14.2%).

Key Figures (M€, otherwise noted)	2023	2024	Change YoY
Gross Written Premiums	5,207	6,172	18.5%
Net Income	180	174	-3.8%

Rogério Henriques, Fidelidade's Chief Executive Officer, commented on the main highlights of 2024:

"In 2024, Fidelidade achieved significant progress towards consolidating the building blocks of our long-term strategy. Our focus on technical performance led to a Combined Ratio of 91.6%. Simultaneously, our multi-channel distribution effort resulted in strong GWP growth and the reinforcement of our leading position in Portugal. In addition, our capital optimization strategy completed significant steps: the successful issuance of a 500M€ RT1 note, Fitch's upgrade of Fidelidade's credit rating from A- to A, and the implementation of the portfolio's strategic asset allocation, improving its risk-return profile".

"Although our recurring sources of profits strengthened in 2024, our investment result was lower mainly due to real estate impairments. Thus, FY2024 net income was slightly lower than the previous year's".

"Achieving sound, long-term investment returns – supported by the ongoing strategic asset allocation adjustment – will be a central effort in 2025. Additionally, we will remain resolute in maintaining technical discipline and attaining additional operational efficiencies. Balance sheet optimization will also remain a key strategic priority, with several opportunities in the pipeline this year".

"Finally, I am particularly proud that, three years after developing Fidelidade's ESG strategy, sustainability is an ingrained component of our modus operandi. In 2025, we will continue working to fulfill our ESG commitments, focusing on longevity and climate change, issues fundamental to our society".

Gross Written Premiums

In 2024, consolidated GWP reached 6,172M€, 18.5% up compared to 2023, driven by the expansion of Portuguese operations and the International Life business.

Consolidated Life GWP rose 30.1% to 3,000M€, underpinned by International and Portuguese growth. The Prosperity Company's Unit-Linked business and La Positiva Group's Life Risk double-digit expansions drove the YoY increase in International Life premiums (+14.2%). Portugal Life business grew 37.6% YoY, on the back of successful Life Financial bancassurance campaigns, the fast-growing Fidelidade MySavings app, and traditional agent network channels.

Consolidated Non-Life premiums reached 3,172M€, up 9.3% YoY, driven by a 12.5% increase in Portuguese operations. In Portugal, the four main lines of business – Workers' Compensation, Health, Motor, and Fire and Other Damages – recorded significant expansions supported by ongoing repricing initiatives and sustained organic growth. International Non-Life GWP grew 2.9%, mainly due to the expansion of the Chilean operation. Local currency depreciation negatively affected euro-denominated GWP, especially in Angola and Chile. International Non-Life GWP would have grown 6.8% excluding foreign exchange impacts.

In 2024, Fidelidade strengthened its leading position in the Portuguese market with a 30.2% overall share, a 0.6 p.p. increase YoY. This development was driven by the Life and Non-Life segments, which rose 0.6 p.p. and 0.5 p.p. YoY, reaching market shares of 31.0% and 29.5%, respectively.

Gross Written Premiums (M€)	2023	2024	Change YoY
Non-Life	2,902	3,172	9.3%
Workers' Compensation	442	489	10.7%
Health	609	685	12.4%
Motor	890	965	8.4%
Fire and Other Damages	632	693	9.6%
Other	328	340	3.9%
Life	2,305	3,000	30.1%
Risk & Annuities	528	571	8.2%
Life Financial – Guaranteed	1,131	1,755	55.2%
Unit-Linked	646	673	4.2%
Total Gross Written Premiums	5,207	6,172	18.5%

Gross Written Premiums (M€)	2023	2024	Change YoY
Portugal	3,504	4,336	23.7%
<u>Non-Life</u>	<u>1,936</u>	<u>2,179</u>	<u>12.5%</u>
Workers' Compensation	333	379	13.7%
Health	479	557	16.3%
Motor	675	740	9.7%
Fire and Other Damages	324	365	12.6%
Other	125	139	10.5%
<u>Life</u>	<u>1,568</u>	<u>2,157</u>	<u>37.6%</u>
Risk & Annuities	196	190	-3.1%
Life Financial – Guaranteed	1,036	1,645	58.7%
Unit-Linked	336	323	-3.9%
International	1,703	1,836	7.8%
<u>Non-Life</u>	<u>965</u>	<u>993</u>	<u>2.9%</u>
Workers' Compensation	109	110	1.5%
Health	130	127	-2.2%
Motor	216	225	4.3%
Fire and Other Damages	308	329	6.6%
Other	202	202	-0.2%
<u>Life</u>	<u>738</u>	<u>843</u>	<u>14.2%</u>
Risk & Annuities	332	381	14.8%
Life Financial – Guaranteed	95	111	16.6%
Unit-Linked	311	351	12.9%
Total Gross Written Premiums	5,207	6,172	18.5%

Profitability

Net Income reached 174M€ in 2024, down 3.8% YoY, mainly due to non-recurring charges associated with real estate impairments and cost-cutting initiatives. Underwriting and investments recorded differentiated performances.

The underwriting performance was strong: FY2024 Combined Ratio improved by 2.7 p.p. YoY to 91.6%. Ongoing repricing and pruning, in addition to cost-saving efforts across Non-Life lines of business, especially Workers' Compensation, Health and Fire & Other Damages claims, were key drivers behind this outcome. The Insurance Result was 373M€, up 49.1% YoY.

Investment Income was 399M€, an 11.5% increase compared to 2023. The annual investment yield was 3.0%, 0.2 p.p. higher than the previous year's. However, higher technical interest paid to Life Financial product holders and real estate impairments had a negative effect. The Investment Result stood at 59M€, down 15.4% YoY.

Profitability (M€, otherwise noted)	2023	2024	Change YoY
Insurance Result ¹	250	373	49.1%
<i>Non-Life Combined Ratio</i> ²	94.3%	91.6%	-2.7 p.p.
Investment Income ³	358	399	11.5%
<i>Investment Yield</i> ³	2.8%	3.0%	0.2 p.p.
Investment Result ⁴	70	59	-15.4%
Net Income	180	174	-3.8%

1. Includes Non-Life and Life Risk Insurance Service Result and Life Financial Technical Result and excludes Luz Saúde's impact
2. Excludes Luz Saúde's impact. Reinsurance commissions received are included in the numerator, whereas previously they were included in the denominator. For these reasons, the 2023 Non-Life Combined Ratio is higher than the one reported last year
3. Excluding Unit-Linked
4. Includes allocated costs. The 2023 figure was adjusted due to changes in investments allocated expenses

Recent Developments

Extraordinary Dividend

In December 2024, Fidelidade paid an extraordinary dividend of 160M€. This payment was aligned with the Risk Appetite Framework requirement of maintaining a Solvency II Ratio between 160% and 190% to distribute dividends, and management's commitment to keep the ratio close to 190%. As of September 2024, the unaudited Solvency II Ratio, including the pro-forma effect of this dividend, was 193%.

ESG ratings

In December 2024, Sustainalytics reaffirmed Fidelidade's Low Risk ESG rating, placing it as the eleventh best-rated insurance company globally ranked by the rating agency.

In February 2025, Fidelidade received its first climate rating. CDP (Carbon Disclosure Project) assigned Fidelidade a score of "B".