

Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails

## **GLOSSARY**

In accordance with the ESMA (European Securities and Markets Authority) directives regarding transparency for the protection of investors in the European Union, this glossary includes the **ALTERNATE PERFORMANCE MEASURES (APMs)**, which correspond to those financial measures that are used but not defined or explained in the applicable financial information framework. The definition of these measures establishes equivalences with accounting items used, facilitating the interpretation of the information, where appropriate.

<b>CONCEPT</b>	<b>DEFINITION</b>
<b><i>Assets held for sale</i></b>	Non-current assets classified as held for sale and from discontinued operations
<b><i>Attributable equity per share</i></b>	Equity attributable to the controlling company's shareholders / number of shares in issue
<b><i>Attributable result</i></b>	Result for the year. Attributable to the controlling company
<b><i>Claims paid</i></b>	Claims paid and variation in the provision, net (direct insurance and accepted reinsurance) + Claims-related expenses
<b><i>Combined Ratio</i></b>	Expense Ratio + Loss Ratio
<b><i>Dividend yield</i></b>	Amount of dividend paid in the year / Average share market price in the year
<b><i>Earnings/Results before taxes / Pre-tax earnings</i></b>	Results from continued operations before taxes
<b><i>Equity attributable to the controlling company</i></b>	Equity attributable to the controlling company's shareholders
<b><i>Financial income</i></b>	Revenue from investments + Share in profits from equity-accounted companies (from the insurance business and other activities) + Unrealized gains on investments on behalf of policyholders bearing investment risk + Positive foreign exchange differences + Financial income (from other activities)
<b><i>Foreign exchange differences</i></b>	Positive foreign exchange differences + Negative foreign exchange differences

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<b><i>Income /Total Income /Consolidated Income</i></b>	Premiums (see definition) + Financial income (see definition) + Income from non-insurance companies and other (see definition)
<b><i>Income from non-insurance companies and other</i></b>	Operating revenues from Other Activities + Reversal of the asset impairment provision from insurance business + Reversal of the asset impairment provision from Other Activities + Other technical revenues + Other non-technical revenues
<b><i>Income tax</i></b>	Income tax from ongoing operations
<b><i>(Asset) Insurance and reinsurance operations</i></b>	Receivables on direct insurance and co-insurance operations + Receivables on reinsurance operations
<b><i>(Liability) Insurance and reinsurance operations</i></b>	Debts on direct insurance and co-insurance operations + Debts on reinsurance operations
<b><i>Interest coverage</i></b>	(Results before tax and before financial expenses) / Financial expenses
<b><i>Leverage</i></b>	Total debt / (Equity + Total debt)
<b><i>Liabilities held for sale</i></b>	Liabilities linked to non-current assets classified as held for sale and from discontinued operations
<b><i>Life expense ratio</i></b>	Acquisition expenses + Administration expenses / Average IFRS technical provisions
<b><i>Managed savings</i></b>	Technical provisions from life insurance + Pension funds + Mutual funds
<b><i>Modified duration</i></b>	Asset value sensitivity to interest rate changes, representing an approximate value of the percentage variation of financial assets for each percentage point (100 basis points) change in interest rates

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<b><i>(Insurance business) Net financial income</i></b>	Revenues from investments + Share in profits from equity-accounted companies + Unrealized gains on investments on behalf of policyholders bearing investment risk + Positive foreign exchange differences + Reversal of the asset impairment provision + Investment expenses + Share in losses from equity-accounted companies + Unrealized losses on investments on behalf of policyholders bearing investment risk + Negative foreign exchange differences + Allowance to the asset impairment provision
<b><i>(Other activities) Net financial income and other</i></b>	Net financial income + Results from non-controlling interests + Reversal of the asset impairment provision + Allowance to the asset impairment provision + Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations
<b><i>Non-Life expense ratio</i></b>	(Net operating expenses – other technical revenue + other technical expenses) / Premiums allocated to the financial year, net
<b><i>Non-Life loss ratio</i></b>	(Incurred claims for the year, net + Variation in other technical provisions, net + Profit sharing and returned premiums) / Premiums allocated to the financial year, net
<b><i>Operating expenses, net of reinsurance</i></b>	Acquisition expenses + Administration expenses + Commissions and participation in reinsurance
<b><i>Other assets</i></b>	Inventories + Tax on profits receivable + Other tax receivables + Corporate and other receivables + Other assets + Adjustments for prepayment
<b><i>Other liabilities</i></b>	Deposits received on ceded and retroceded reinsurance + Other financial liabilities + Tax on profits payable + Other tax liabilities + Other debts + Adjustments for prepayment
<b><i>(Other comprehensive income) Other recognized revenue and expenses in equity</i></b>	Equity-accounted entities + Other recognized revenue and expenses
<b><i>Other technical provisions</i></b>	Provisions for unearned premiums and unexpired risks + Provision for outstanding claims + Other technical provisions
<b><i>Other technical revenue and expenses</i></b>	Other technical revenue + Other technical expenses

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<b>Pay out</b>	(Total dividend charged against earnings / Result for the year attributable to the controlling company) x 100
<b>Premiums / Written and accepted premiums / Consolidated premiums</b>	Written premiums, direct insurance + premiums from accepted reinsurance
<b>Property</b>	Property for own use + Property investment
<b>Result after tax</b>	Result after tax from ongoing operations
<b>Result before tax and financial expenses (EBIT)</b>	Result before tax and before financial expenses
<b>Result for the period</b>	Cumulative result for the period
<b>ROE (Return on equity)</b>	(Attributable result (see definition) for the last twelve months) / Arithmetic mean of equity attributable to the controlling company (see definition) at the beginning and closing of the period (twelve months)) x 100
<b>Senior debt</b>	Issue of debentures and other negotiable securities
<b>Subordinated debt</b>	Subordinated liabilities
<b>Technical result</b>	(Written premiums, direct insurance + Premiums from accepted reinsurance + Premiums from ceded reinsurance + Variations in provisions for premiums and unexpired risks, net + Other technical income) – (Incurred claims for the year, net + Variation in other technical provisions, net + Profit sharing and returned premiums + Net operating expenses + Other technical expenses)
<b>Total Debt / Financial Debt</b>	Subordinated debt + Senior debt + Debt due to credit institutions
<b>Total dividend</b>	Interim dividend + Final dividend
<b>Total equity</b>	Equity
<b>Total managed assets</b>	Total balance sheet assets + Pension funds + Mutual funds
<b>Total technical provisions</b>	Technical provisions + Technical provisions for Life insurance where policyholders bear investment risk

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