“Opportunities to find deeper powers within ourselves come when life seems most challenging.”

Today’s challenges, tomorrow’s opportunities
“Accept the challenges so that you can feel the exhilaration of victory.”
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COMPANY INFORMATION
### Revenue

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life and pension business net premiums written</td>
<td>98,347</td>
<td>109,346</td>
</tr>
<tr>
<td>Health business net premiums written</td>
<td>28,618</td>
<td>29,923</td>
</tr>
<tr>
<td>Property and casualty business net premiums written</td>
<td>67,930</td>
<td>46,029</td>
</tr>
<tr>
<td>Revenue from insurance operations</td>
<td>213,453</td>
<td>186,813</td>
</tr>
<tr>
<td>Revenue from investment activities</td>
<td>65,902</td>
<td>81,946</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>279,355</td>
<td>268,759</td>
</tr>
</tbody>
</table>

### Geographic Distribution of Revenue

<table>
<thead>
<tr>
<th>Geographical Region</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aruba</td>
<td>87,872</td>
<td>82,422</td>
</tr>
<tr>
<td>BES</td>
<td>9,511</td>
<td>7,756</td>
</tr>
<tr>
<td>Curaçao</td>
<td>149,507</td>
<td>151,871</td>
</tr>
<tr>
<td>St. Maarten</td>
<td>13,847</td>
<td>15,350</td>
</tr>
<tr>
<td>Netherlands</td>
<td>18,618</td>
<td>11,360</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>279,355</td>
<td>268,759</td>
</tr>
</tbody>
</table>

### Results

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit for the year</td>
<td>9,754</td>
<td>42,613</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>14,271</td>
<td>(7,551)</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>24,025</td>
<td>35,062</td>
</tr>
</tbody>
</table>

### Financial Position

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>1,537,592</td>
<td>1,454,269</td>
</tr>
<tr>
<td>Liabilities</td>
<td>1,358,906</td>
<td>1,285,202</td>
</tr>
<tr>
<td>Net Equity</td>
<td>178,686</td>
<td>169,067</td>
</tr>
</tbody>
</table>
Key Performance Indicators

Total Revenue (ANG’000)

Financial Position (ANG million)

Gross Premiums Written (ANG’000)

Geographic Distribution of Revenue

Investment Mix

1.800 1.600 1.400 1.200 1.000 800 600 400 200 -

1.221 1.026 195 218 1.132 1.349 148 1.226 1.373 1.454 1.285 1.538 1.359

1.966 74.165 68.093 2010

1.389 96.094 73.712 2011

1.232 80.589 80.185 2012

1.338 101.369 66.623 2013

77.305 250.000 2009

151.235 2010

178.951 2011

186.813 2012

233.533 2013

198.235 2009

178.951 2010

160.046 2011

156.846 2012

174.653 2013

Heath Life Property & casualty

Aruba St. Maarten Curaçao Netherlands Bonaire

Investment properties Government securities Debentures & corporate brands Equities Loans & mortgages Deposits Cash and cash equivalents

Aruba St. Maarten Curaçao Netherlands Bonaire

Insurance activities Investing activities

2009 2010 2011 2012 2013
We are pleased to present our 2013 results, which once again reflect the strength of Fatum and the Guardian Holdings Limited (GHL) Group as a whole. In 2013, the majority of communities in which we operate experienced another challenging year, with the path to economic recovery still uncertain. We are satisfied that we still succeeded in achieving our targets.

**Insurance Operations**

Revenues from our insurance operations increased by ANG 27 million or 14% from ANG 186.7 Million to ANG 213.4 Million. This reflects a strong and steady growth of our operations and is mainly attributable to the addition of RSA to the Fatum group and due to expansion of the activities in the Netherlands.

Net premiums of our Life operations decreased by ANG 10.9 Million or 10% from ANG 109.3 Million to ANG 98.3 Million.

Net premiums from our Health operations decreased by ANG 1.3 Million or 4% from ANG 29.9 Million to ANG 28.6 Million. This decrease is as a consequence of the new General Health Care law introduced in 2013 resulting in more people eligible to be insured by the General Health care scheme and as a consequence a decrease of our portfolio.

Net premiums from our property and casualty operations increased by ANG 21.9 Million or 47% from ANG 46 Million to ANG 67.9 Million as a result from our acquisition of RSA and growth in our Dutch book of business. Our Insurer Guardian Group Fatum General Insurance, continues to dominate its market segment in the Dutch Caribbean.

**Investments**

Revenues from investment activities decreased by ANG 16 million or 20% from ANG 81.9 Million to ANG 65.9 Million. This reflects Guardian Group Fatum continued to experience a challenging investment climate during 2013 as interest rates remained exceptionally low, adversely affecting our investment income. Our international bond portfolio declined in value, resulting in an unrealized loss of ANG 14.1 million in 2013 as opposed to an unrealized gain of ANG 8.6 million in 2012, a swing of ANG 22.7 million has been experienced.

Total revenues comprising revenues from insurance operations and investment activities increased by 10.6 Million or 4% from ANG 268.7 Million to ANG 279.3 Million.

**Meet the members of the Supervisory Board**

At December 31, 2013

Mr. J.S. Mack
Chairman

Mr. H.P. Ganteaume

Mr. O.M. van der Dijs
Operating expenses
Operating Expenses increased by ANG 27.6 million from ANG 45.3 million in 2012 to ANG 72.9 million in 2013. This increase, is mainly attributable to the two acquisitions RSA in the Dutch Caribbean and Thoma in the Netherlands and also relates to one-off integration expenses. We expect to derive further expense synergies from these acquisitions as we continue to integrate them into our existing operations.

Consolidated results
Taking all three into consideration, i.e. insurance operations, investment income and operating expenses, our Profit for the year was ANG 9.7 Million in 2013 as compared to ANG 42.6 Million in 2012. The results for 2012 were favorably impacted by certain exceptional reserve releases.
Most importantly our solvency position remains significantly in excess of the statutory requirements and establishes a sound base for future growth of our company.

The Supervisory Board of Directors
In 2013 the Board consisted of 7 members: 4 non executive directors and 3 GHL executives who are not executives of Guardian Group Fatum. All the duties of the Board have been duly discharged. The Board met four times in 2013. Major issues that engaged the attention of the Board during 2013 were the approval of acquisitions, the monitoring of post acquisition integration in addition to the monitoring of other initiatives for keeping the company performance in line with shareholders’ expectations.

The Audit, Compliance and Risk Committee(ACRC)
The ACRC, consisting of three non-executive directors, resides under the Supervisory Board and is governed by a charter which sets out its responsibilities in respect of the financial statements, internal controls, the internal audit function, external audit, compliance and risk matters. The ACRC met four times in 2013. All meetings were attended by representatives of the Supervisory and Executive Board and by the Guardian Group Fatum internal auditor and compliance officer. EY, the external auditors, have a standing invitation to all ACRC meetings.
The Board is satisfied that the Internal Audit function and Compliance functions have been performed in an objective and transparent manner and are not subject to management’s undue influence. Weaknesses in internal controls observed by the internal and external auditors and management’s risk corrective actions were presented to the ACRC. The ACRC members have confirmed that appropriate actions were taken to resolve the weaknesses.
Additional subjects receiving dedicated attention from the ACRC in 2013 were compliance with regulatory requirements, Anti Money Laundering and Risk Management.

**Acknowledgements**

Mr. Jeffrey Mack resigned from the Board on April 4, 2014. The Board acknowledges and thanks Mr. Mack for his invaluable contribution and dedication during his five year tenure as Group CEO and Executive Director and Chairman of the Board. We would also like to take this opportunity to welcome Mr. Ravi Tewari who was appointed as GHL Group CEO and Executive Director. Mr. Tewari will continue his membership of the Supervisory Board of Guardian Group Fatum.

On behalf of the Board of Directors I would like to take this opportunity to extend my sincere thanks to our esteemed customers. I also extend my appreciation to the dedication of the Executive Board of Directors, the management and all employees of Guardian Group Fatum in discharging their responsibilities in an exemplary position. Last but definitely not least, I extend our sincere gratitude to all business partners for their loyalty and support.

**Future Prospects**

Customer service excellence is integral to our success and we are committed to consistently delivering on our brand promise and to maintaining our position as the customer’s preferred choice in financial security solutions throughout the Dutch Caribbean. As we look ahead, we are cognizant of the fact that the global and regional future is uncertain. The slow regional economic growth, the sustained financial market volatility dampened consumer spending and weakened the demand for short term insurance. This resulted in the further softening of premium rates, and reduced the opportunities for attracting quality and adequately priced new business. However, The GHL Group has a deliberate strategy of mergers and acquisitions and alignment with international global network partners in place. Our qualified management team will capitalize on opportunities that may arise to ensure continued growth in shareholder value.

Henri Peter Ganteaume
Chairman
It is with great pleasure that I present you a review of the operations of Fatum for the year 2013. 2013 was a year of considerable achievements in which we laid a firm foundation for the accomplishment of our corporate goals. The year 2013 was filled with challenges and their accompanying opportunities for the Dutch Caribbean insurance industry and the countries in which we operate. Despite the fierce competition we managed to comply with the shareholder’s and wider stakeholders’ expectations. In addition, the increased challenges related to regulatory compliance are managed in a diligent way to ensure that our companies are not faced with reputational risks we can’t control.

In 2013 Fatum changed its trade name into Guardian Group Fatum, as part of a GHL Group strategic initiative to capitalize upon the dominant size, reach and strength of the Guardian Group. The GHL corporate identity was re-designed to reflect the new brand and the repositioning of the GHL member companies in their respective markets as a single brand: Guardian Group. With the new brand we aim at achieving significant awareness, recall and understanding of the GHL Group, across the Caribbean, in keeping with our strategic positioning of Leadership in the markets in which we operate.

**Financial performance**

The business performance in 2013 was affected by economic circumstances as well as investment constraints. Guardian Group Fatum closed the year 2013 with a net profit of ANG 9,754 million, as compared with ANG 42,613 million in 2012. The results were negatively influenced by fair value losses of ANG 14,119 million.

The Life business showed a net profit of ANG 8,637 million, as compared with ANG 42,681 million in 2012. The Health business showed a net profit of ANG 7,809 million, as compared with ANG 1,803 million in 2012. The net profit of the General Insurance business was ANG 1,424 million, while in 2012 we registered a net profit of ANG 3,864 million. Guardian Group Fatum’s solvency position continued to be strong and well above the local requirements of the Central Bank of Curaçao and Sint Maarten and the Central Bank of Aruba.
Market expansion and distribution
In the Dutch Caribbean we completed the acquisition of the Royal & Sun Alliance (Antilles) N.V. (RSA) and commenced the full integration into Guardian Group Fatum which will make Guardian Group Fatum General Insurance the largest General Insurance operation in the Dutch Caribbean. Following the acquisition of RSA a strategic partnership has been established with the Maduro & Curiels Bank (MCB) for the deployment of a bank assurance model. The preliminary results are promising and parties consider this to be the onset of a long lasting relationship with benefits for the mutual customers.

The business in the Netherlands was further augmented in 2013 by the acquisition of an insurance brokerage company Thoma Exploitatie B.V. This acquisition solidifies the presence and business endeavors of Guardian Group Fatum in the Netherlands Insurance Industry.

Operational excellence
Following the acquisition of RSA, Guardian Group Fatum embarked on a process to seek new systems to support the amalgamation of the Guardian Group Fatum/RSA general insurance business and to replace current legacy systems. The opportunity arose to leverage e-insurance capabilities in the deployment of the new systems as a pilot project for future GHL Group e-insurance endeavors, applying Internet and related information technologies for the production and distribution of our insurance product and services. Our new state-of-the-art systems will facilitate future strategic partnerships related to co-branding and bank assurance.

From an operational perspective the business in the Netherlands is moving forward steadily. Potential growth opportunities as well as other identified opportunities are currently being explored.

We are committed to continue to strive for operational excellence which we consider essential for achieving the required competitive advantage and performance of our businesses.

Employees: The driving force behind Guardian Group Fatum’s success
The loyalty and commitment of our employees have been pivotal factors in the achievement of our goals. Therefore Guardian Group Fatum has great appreciation for its employees and we are focused on an on-going optimization of the skills, commitment and motivation of our staff. One of the greatest challenges in 2013 was integrating the employees from ex-RSA with the Guardian Group Fatum staff. We were able to conduct a smooth integration process. Processes were aligned, sites integrated, and functions harmonized. We managed to get the right talent in the right jobs to ensure effective and efficient processeses, which will contribute to a satisfactory customer experience and consequently a sustainable, profitable businesses.
In 2013 several training programs were carried out, in groups and on an individual basis. The programs were being provided by Guardian Group Fatum, and external institutions as well.

**Corporate governance, compliance and risk management**

CORPORATE GOVERNANCE involves a set of relationships between our Management, Board, Shareholders and other Stakeholders. It provides a structure that works for the benefit of everyone by ensuring that we adhere to accepted ethical standards and best practices as well as to formal laws. We are convinced that good Corporate Governance plays an integral role in enhancing and retaining stakeholder’s trust. Therefore, we strive to ensure that the four pillars of Corporate Governance, which is responsibility, accountability, integrity and transparency, are upheld at all times. In this way we also facilitate the public understanding of the structure, activities and policies of Guardian Group Fatum.

COMPLIANCE at Guardian Group Fatum goes beyond merely abiding with relevant laws and regulations. It extends to complying with all social norms, earning the trust of our customers and the communities in which we operate, and performing our work with sincerity.

RISK MANAGEMENT, the process of analyzing exposure to risk and determining how to best handle such exposure, ensures that we assume well calculated business risks which safeguard our capital from various sources of risk. We have created a culture of risk awareness across the company, to identify, measure, analyze and evaluate risks and to set appropriate policies to the risk appetite in order to manage the identified risks. A rigorous risk management program has been implemented. The status of risk management and compliance matters is reported quarterly to the Board of Directors.

**Corporate Social responsibility**

We all know that healthy people are happy people and at Guardian Group Fatum we have defined this as the ethos of our corporate social responsibility framework. For us, a healthy lifestyle requires four simple but essential actions: get active, make healthy food choices, know your numbers and achieve balance in life.

Being a responsible corporate citizen, Guardian Group Fatum is dedicated to contribute to the well-being of the communities we live and work in. We actively encourage individual and societal development by financially supporting efforts to improve wellbeing and realize human potential. Our main financial support is targeted at the youth, sports and physical activity as well as through financial support for the work of various non-governmental organizations.

Guardian Group Fatum hosts the largest annual run and walk event on the island of Curaçao. This event raised money for several good causes including the promotion of good health in general. The walk and run event was held for the 30th time in 2013, and is also successfully being held in Aruba and Sint Maarten. In Curaçao we also supported the Ride for Roses, which raises money for the Princess Wilhelmina Fund in the fight against cancer.
Guardian Group Fatum is a key sponsor of the Tumba Festival, the annual carnival road march competition. At the end of the year, in Aruba, Bonaire, Curacao and St. Maarten members of our staff presented boys and girls with shoeboxes filled with toys.

**Looking ahead**

The coming years will be focused on the completion of the process of amalgamating Guardian Group Fatum and the former RSA operations, resulting in an integrated business entity with the very best of both companies leveraging significant synergies. By continuing to build the trust and confidence of consumers and reinforcing our position in a competitive environment, we offer tangible value for all our stakeholders. I am privileged and honored to be part of a team that lives by strong values. We strive to perform with passion and excellence in everything we do. I am proud of the future we have mapped out for Guardian Group Fatum, an exciting journey we share with our employees, shareholders, customers and communities. Many challenges lie ahead of us, and together we’ll convert them into everlasting opportunities!

I.S. Martina  
President & CEO Fatum Holding
Meet the members of the Executive Board
At December 31, 2013

Marten O’Niel
Managing Director Commerce

Dorothy Romero-Sprockel
Managing Director Finance

Francis Gijsbertha
Managing Director Operations

Diego Fränkel
Managing Director Aruba, Bonaire, Sint Maarten
## Consolidated statement of financial position as at 31 December 2013

(Expressed in thousands of Antillean Guilders)

<table>
<thead>
<tr>
<th>Assets</th>
<th>2013</th>
<th>Restated 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>33,553</td>
<td>29,734</td>
</tr>
<tr>
<td>Investment properties</td>
<td>2,648</td>
<td>2,414</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>37,141</td>
<td>23,706</td>
</tr>
<tr>
<td>Investment in associated companies</td>
<td>35,686</td>
<td>34,097</td>
</tr>
<tr>
<td>Financial assets</td>
<td>1,055,105</td>
<td>1,010,074</td>
</tr>
<tr>
<td>Financial assets of mutual fund unit holders</td>
<td>124</td>
<td>122</td>
</tr>
<tr>
<td>Loans and receivables including insurance receivables</td>
<td>193,562</td>
<td>177,103</td>
</tr>
<tr>
<td>Pension plan assets</td>
<td>24,190</td>
<td>20,375</td>
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<tr>
<td>Deferred tax assets</td>
<td>907</td>
<td>974</td>
</tr>
<tr>
<td>Reinsurance assets</td>
<td>20,670</td>
<td>15,204</td>
</tr>
<tr>
<td>Due from affiliated companies</td>
<td>8,493</td>
<td>31,906</td>
</tr>
<tr>
<td>Deferred acquisition costs</td>
<td>7,814</td>
<td>4,518</td>
</tr>
<tr>
<td>Taxation recoverable</td>
<td>7,202</td>
<td>–</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>110,497</td>
<td>104,042</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>1,537,592</strong></td>
<td><strong>1,454,269</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equity and liabilities</th>
<th>2013</th>
<th>Restated 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital</td>
<td>25,001</td>
<td>25,001</td>
</tr>
<tr>
<td>Share premium</td>
<td>74,029</td>
<td>74,029</td>
</tr>
<tr>
<td>Reserves</td>
<td>5,061</td>
<td>4,720</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>74,595</td>
<td>65,317</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td><strong>178,686</strong></td>
<td><strong>169,067</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>2013</th>
<th>Restated 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance contracts</td>
<td>1,181,518</td>
<td>1,109,455</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td>92,639</td>
<td>92,204</td>
</tr>
<tr>
<td>Post retirement medical benefit obligations</td>
<td>13,608</td>
<td>19,935</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>12,619</td>
<td>3,506</td>
</tr>
<tr>
<td>Due to affiliates</td>
<td>155</td>
<td>320</td>
</tr>
<tr>
<td>Taxation payable</td>
<td>–</td>
<td>6,876</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>58,367</td>
<td>52,906</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>1,358,906</strong></td>
<td><strong>1,285,202</strong></td>
</tr>
</tbody>
</table>

**TOTAL EQUITY AND LIABILITIES**

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>Restated 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>1,537,592</strong></td>
<td><strong>1,454,269</strong></td>
</tr>
</tbody>
</table>
## Consolidated statement of comprehensive income for the year ended 31 December 2013

(Expressed in thousands of Antillean Guilders)

<table>
<thead>
<tr>
<th>Category</th>
<th>2013</th>
<th>Restated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Insurance activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance premium income</td>
<td>256,432</td>
<td>195,326</td>
</tr>
<tr>
<td>Insurance premium ceded to reinsurers</td>
<td>(51,709)</td>
<td>(12,722)</td>
</tr>
<tr>
<td>Reinsurance commission income</td>
<td>8,730</td>
<td>4,209</td>
</tr>
<tr>
<td><strong>Net underwriting revenue</strong></td>
<td>213,453</td>
<td>186,813</td>
</tr>
<tr>
<td>Policy acquisition expenses</td>
<td>(29,518)</td>
<td>(17,853)</td>
</tr>
<tr>
<td>Net insurance benefits and claims</td>
<td>(165,550)</td>
<td>(148,365)</td>
</tr>
<tr>
<td><strong>Underwriting expenses</strong></td>
<td>(195,068)</td>
<td>(166,218)</td>
</tr>
<tr>
<td><strong>Net result from insurance activities</strong></td>
<td>18,385</td>
<td>20,595</td>
</tr>
<tr>
<td><strong>Investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>62,631</td>
<td>65,214</td>
</tr>
<tr>
<td>Net realized gains on financial instruments</td>
<td>289</td>
<td>(37)</td>
</tr>
<tr>
<td>Net fair value gains/(losses) on financial instruments</td>
<td>(14,119)</td>
<td>8,562</td>
</tr>
<tr>
<td>Fee income</td>
<td>12,514</td>
<td>1,226</td>
</tr>
<tr>
<td>Other income</td>
<td>4,763</td>
<td>7,143</td>
</tr>
<tr>
<td>Investment contract benefits</td>
<td>(176)</td>
<td>(162)</td>
</tr>
<tr>
<td><strong>Net income from investing activities</strong></td>
<td>65,902</td>
<td>81,946</td>
</tr>
<tr>
<td><strong>Net income from all activities</strong></td>
<td>84,287</td>
<td>102,541</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(72,926)</td>
<td>(45,337)</td>
</tr>
<tr>
<td>Finance charges</td>
<td>(5,046)</td>
<td>(5,226)</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>6,315</td>
<td>51,978</td>
</tr>
<tr>
<td>Share of profit of associated companies</td>
<td>6,139</td>
<td>3,081</td>
</tr>
<tr>
<td><strong>Profit before taxation</strong></td>
<td>12,454</td>
<td>55,059</td>
</tr>
<tr>
<td>Taxation</td>
<td>(2,700)</td>
<td>(12,446)</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td>9,754</td>
<td>42,613</td>
</tr>
<tr>
<td><strong>Other comprehensive income/(loss)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items that may be reclassified subsequently to profit or loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exchange differences on translating foreign operations</td>
<td>(3,665)</td>
<td>(2,356)</td>
</tr>
<tr>
<td>Income tax effect</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Net other comprehensive income/(loss) that may be reclassified subsequently to profit or loss</strong></td>
<td>(3,665)</td>
<td>(2,356)</td>
</tr>
<tr>
<td>Items that will not be reclassified subsequently to profit or loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gains on property revaluation</td>
<td>3,897</td>
<td>–</td>
</tr>
<tr>
<td>Income tax effect</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Net other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss</strong></td>
<td>(3,897)</td>
<td>–</td>
</tr>
<tr>
<td>Remeasurement of pension plan</td>
<td>3,184</td>
<td>(3,120)</td>
</tr>
<tr>
<td>Income tax effect</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Actuarial losses on post retirement medical benefit obligation</strong></td>
<td>10,855</td>
<td>(2,075)</td>
</tr>
<tr>
<td>Income tax effect</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Net other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss</strong></td>
<td>17,936</td>
<td>(5,195)</td>
</tr>
<tr>
<td><strong>Total comprehensive income/(loss) for the year, net of tax</strong></td>
<td>24,025</td>
<td>35,062</td>
</tr>
<tr>
<td><strong>Total comprehensive income/(loss) attributable to:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Owners of the parent</td>
<td>24,025</td>
<td>35,062</td>
</tr>
<tr>
<td>- Non-controlling interests</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total comprehensive income/(loss)</strong></td>
<td>24,025</td>
<td>35,062</td>
</tr>
</tbody>
</table>
“When challenging yourself opportunities will knock on your door.”
Significant Accounting Policies

The consolidated statement of financial position and consolidated statement of comprehensive income as presented on page 14 and 15 have been derived from the consolidated financial statements of Fatum Holding N.V. These explanatory notes are an extract of the detailed notes included in the consolidated financial statements.

**Basis of preparation**

These consolidated financial statements are prepared in accordance with International Financial Reporting standards (IFRS). They have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, investment properties and financial assets and financial liabilities at fair value through profit or loss which are carried at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies.

**(a) New standards and amendments/revisions to published standards and interpretations effective in 2013**

- **IAS 1 Presentation of Items of Other Comprehensive Income - Amendments to IAS 1**
  The amendments to IAS 1 introduce a grouping requirement for items presented in other comprehensive income. Items that will be reclassified ("recycled") to the consolidated statement of income in the future (e.g. exchange differences on translating foreign operations) will be presented separately from items that will not be reclassified (e.g. gain recognised on revaluation of land and buildings). The amendment only affect disclosures of the Group and as such did not have an impact on the Group’s financial position or performance.

- **IAS 1 Presentation of Financial Statements - Clarification of requirements for comparative information (as part of the Annual Improvements to IFRSs 2009 - 2011 cycle)**
  These amendments clarify the difference between voluntary additional comparative information and the minimum required comparative information. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the minimum required comparative period. The amendments clarify that the opening statement of financial position presented as a result of retrospective restatement or reclassification of items in financial statements does not have to be accompanied by comparative information in the related notes. The amendments affect presentation only and have no impact on the Group’s financial position or performance.

- **IAS 19 Employee Benefits (Revised 2011)**
  IAS 19 (revised 2011) changes the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminate the ‘corridor approach’ permitted under the previous version of IAS 19 and accelerate the recognition of past service costs. All actuarial gains and losses are recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in the previous version of IAS 19 are replaced with a ‘net interest’ amount under IAS 19 (revised 2011), which is calculated by applying the discount rate to the net defined benefit liability or...
These changes have had an impact on the Group’s consolidated statement of income and other comprehensive income. There was no impact on the total equity of the Group. IAS 19 (revised 2011) also introduces certain changes in the presentation of defined benefit cost including more extensive disclosures. The Group has applied IAS 19 (revised 2011) retrospectively in the current period, with following permitted exceptions:

- The carrying amount of other assets have not been adjusted for changes in employee benefit costs that were included before 1 January 2012.
- Sensitivity disclosures for the defined benefit obligation for comparative period (year ended 31 December 2012) have not been provided.

The retrospective application of IAS 19 (revised 2011) had the following impact on the Group’s comparative (31 December 2012) consolidated statement of income and other comprehensive income: other loss and operating expenses in the consolidated statement of income was reduced by ANG 5,195 with a consequential increase in other comprehensive income. This resulted in a restatement of the 2012 figures.


The amendments to IFRS 7 requires an entity to disclose information about rights of offset and related arrangements (e.g. collateral agreements). The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 Financial Instruments: Presentation. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or ‘similar agreement’, irrespective of whether they are set off in accordance with IAS 32. The amendment only affect disclosures of the Group and as such did not have an impact on the Group’s financial position or performance.

- IFRS 10 Consolidated Financial Statements, IAS 27 Separate Financial Statements

IFRS 10 replaces the portion of IAS 27 that addresses the accounting for consolidated financial statements. It also addresses the issues raised in SIC-12 Consolidation — Special Purpose Entities, which resulted in SIC-12 being withdrawn. IAS 27, as revised, is limited to the accounting for investments in subsidiaries, joint ventures, and associates in separate financial statements.

IFRS 10 does not change consolidation procedures (i.e., how to consolidate an entity) rather, IFRS 10 changes whether an entity is consolidated by revising the definition of control. Control exists when an investor has all of the following:

- Power over the investee (defined in IFRS 10 as when the investor has existing rights that give it the current ability to direct the relevant activities);
- Exposure, or rights, to variable returns from its involvement with the investee; AND
- The ability to use its power over the investee to affect the amount of the investor’s returns.

IFRS 10 also provides a number of clarifications on applying this new definition of control, including the following key points:

- An investor is any party that potentially controls an investee; such party need not hold an equity investment to be considered an investor.
- An investor may have control over an investee even when it has less than a majority of the voting rights of that investee (sometimes referred to as de facto control).
- Exposure to risks and rewards is an indicator of control, but does not in itself constitute control.
- When decision-making rights have been delegated or are being held for the benefit of others, it is necessary to assess whether a decision-maker is a principal or an agent to determine whether it has control.
Consolidation is required until such time as control ceases, even if control is temporary.

IFRS 10 did not have any impact on the financial position or performance of the Group.

- **IFRS 12 Disclosure of Interests in Other Entities**
  IFRS 12 set out the requirements for disclosures relating to an entity’s interest in subsidiaries, joint arrangements, associates and structured entities. Some of the more extensive qualitative and quantitative disclosures of IFRS 12 include:
  > Summarised financial information for each subsidiary that has non-controlling interests that are material to the reporting entity.
  > Significant judgements used by management in determining control, joint control and significant influence, and the type of joint arrangement (i.e., joint operation or joint venture), if applicable.
  > Summarised financial information for each individually material joint venture and associate.
  > Nature of the risks associated with an entity’s interests in unconsolidated structured entities, and changes to those risks.

IFRS 12 only affect disclosures of the Group and as such did not have any impact on the Group’s financial position or performance.

- **IFRS 13 Fair Value Measurement**
  IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS. Fair value under IFRS 13 is defined as “the price that would be received to sell an asset or paid to transfer to liability in an orderly transaction between market participants at the measurement date” (i.e. an exit price). IFRS 13 provides clarification on a number of areas, including the following:
  > Concepts of ‘highest and best use’ and ‘valuation premise’ are relevant only for non-financial assets.
  > Adjustments for blockage factors (block discounts) are prohibited in all fair value measurements.
  > A description of how to measure fair value when a market becomes less active. IFRS 13 has not materially impacted the fair value measurements of the Group. Additional disclosures where required, are provided in the notes to consolidated financial statements.

(b) **New standards and amendments / revisions to published standards and interpretations effective in 2013 but not applicable to the Group**

> IFRS 1 Government Loans - Amendments to IFRS 1 - Effective January 1 2013
> IFRS 11 Joint Arrangements, IAS 28 Investments and Associates and Joint Ventures - Effective January 1 2013
> IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine - Effective January 1 2013
> Annual Improvements to IFRSs 2009 - 2011 cycle - Effective January 1 2013:
  > IFRS 1 First-time Adoption of International Financial Reporting Standards - Repeated application of IFRS 1 and borrowing costs
  > IAS 16 Property Plant and Equipment - Classification of servicing equipment
  > IAS 32 Financial Instruments, Presentation - Tax effect of distributions to holders of equity instruments
  > IAS 34 Interim Financial Reporting - Interim financial reporting and segment information for total assets and liabilities.

(c) **New interpretations and revised or amended standards that are not yet effective and have not been early adopted by the Group**

> IFRS 9 Financial Instruments - Classification and Measurement - In July 2013 the IASB tentatively decided to defer the mandatory effective date of IFRS 9 (1 January 2015) until the issue date of the completed version of IFRS 9 is known.
Consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

The Group uses the purchase method of accounting for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group’s share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the consolidated income statement.

All inter-company transactions and balances are eliminated on consolidation. Subsidiaries’ accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

The following subsidiaries have been included in the consolidation:

- Fatum Health N.V.
- Fatum General Insurance N.V.
- Fatum Life N.V.
- Home and Properties N.V.
- Royal & Sun Alliance Insurance (Antilles) N.V.
- Fatum General Insurance Aruba N.V.
- Fatum Life Aruba N.V.
- Thoma Exploitatie B.V.

b) Associated Companies

The Group’s investment in its associated companies is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture.

Under the equity method, the investment in associates is carried in the consolidated statement of financial position at cost plus post acquisition changes in the Group’s share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investment and is not amortized. The consolidated income statement reflects the share of the results of operations of the associates. When there has been a change recognized directly in the equity of the associates, the Group recognizes its share of any changes and discloses this, when applicable, in the statement of changes in equity. Profits or losses resulting from transactions between the Group and the associates are eliminated to the extent of the interest in the associates.
The share of profit of associated companies is shown on the face of the consolidated income statement. This is profit attributable to the equity holders of the associates and therefore is profit after tax and non-controlling interests in the subsidiaries and associates.

The consolidated financial statements of the associates are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to bring its accounting policies in line with the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an additional impairment loss on the Group’s investment in associates. The Group determines at each reporting date, whether there is any objective evidence that the investment in associates is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associates and its carrying value and recognizes the amount in the consolidated income statement.

The Group holds 42.3% interest in Guardian Resorts International Inc.

Financial Assets

The Group classifies its investments into the following categories: financial assets at fair value through profit or loss, loans and receivable and held-to-maturity financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this at every reporting date.

(a) Financial assets at fair value through profit and loss

This category has two sub-categories: financial assets held for trading and those designated at fair value through profit and loss at inception. A financial asset is classified into this category at inception if acquired principally for the purpose of selling in the short term, if it forms part of a portfolio of financial assets in which there is evidence of short term profit-taking, or if so designated by management.

Financial assets designated as at fair value through profit or loss at inception are those that are:

a. Held in internal funds to match insurance and investment contracts liabilities that are linked to changes in fair values of these assets.

b. Managed and whose performance is evaluated on a fair value basis. Information about these financial assets is provided internally on a fair value basis to the Group’s key management personnel. The group’s investment strategy is to invest in equity and debt securities, and to evaluate them with reference to their fair values. Assets that are part of these portfolios are designated upon initial recognition at fair value through profit or loss.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The investments are initially recognized at cost, being the fair value of the consideration paid for the acquisition of the investment. All transaction costs directly attributable to the acquisition are included in the cost of the investment. After initial measurement, loans and receivables are measured at amortized costs, using the effective interest rate method. Gains and losses are recognized in the income statement when the investments are derecognized or impaired, as well as through amortization process.
(c) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities other than those that meet the definition of loans and receivables that the Group’s management has the positive intention and ability to hold till maturity.

These investments are initially recognized at cost, being the fair value of the consideration paid for the acquisition of the investment. All transaction costs directly attributable to the acquisition are also included in the cost of investment. After initial measurement, held-to-maturity financial assets are measured at amortized cost, using the effective interest rate method. Gains and losses are recognized in the income statement when the investment are derecognized or impaired, as well as through the amortization process.

Insurance contracts/Net insurance premium revenue/Net insurance benefits and claims

The Group issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk.

(a) Short-term insurance contracts

These contracts are principally property, motor, casualty (employers’ liability, public liability), marine and health insurance contracts. Health insurance contracts include both group and individual health insurance.

Property insurance contracts indemnify the Group’s customers in the event of a loss from a specified insured peril such as fire, windstorm or earthquake (not limited to these perils) up to the insured amount and within the terms of the policy conditions. These contracts are issued for both private and commercial activities on their premises could also receive compensation for consequential loss/business interruption caused by the insured perils.

(b) Long-term insurance contracts with fixed and guaranteed terms

These contracts insure events associated with human life (for example death, or survival) over a long duration. Premiums are recognized as revenue when they become payable by the contract holder. Premiums are shown before deduction of commission.

A liability for policyholders’ benefits that are expected to be incurred in the future is recorded when the premiums are recognized. Typically, the liability is determined as the sum of the expected discounted value of the benefit payments less the expected discounted value of the theoretical premiums that would be required to meet the benefits based on the valuation assumptions used (the valuation premiums). In particular, the liability is based on assumptions as to mortality and investment income. A margin for adverse deviations is included in the assumptions.

The liabilities are recalculated at each reporting date and the change in the liability is recognized as an expense in the consolidated income statement.

The reserves for the long-term life insurance contracts are calculated on a Modified Net Premium Method in accordance with the requirements of the Central Banks of the Curaçao and Sint Maarten and of Aruba.

(c) Long-term insurance contracts without fixed terms

These contracts insure human life events (for example death or survival) over a long duration. Insurance premiums are recognized directly as liabilities whereas the change in the liabilities is reflected
in the consolidated income statement. These liabilities are increased by credited interest or change in the unit prices and are decreased by policy administration fees, mortality and surrender charges and any withdrawals.

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulatory required margin</td>
<td>62,677</td>
<td>56,134</td>
</tr>
<tr>
<td>Available margin</td>
<td>178,686</td>
<td>169,067</td>
</tr>
<tr>
<td>Surplus</td>
<td>116,009</td>
<td>112,933</td>
</tr>
</tbody>
</table>
The accompanying summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2013, the summary consolidated statement of comprehensive income 2013 and related notes, are derived from the audited consolidated financial statements of Fatum Holding N.V. for the year ended 31 December 2013. We expressed an unqualified audit opinion on those consolidated financial statements in our report dated 6 June 2014. Those consolidated financial statements, and the summary consolidated financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those consolidated financial statements.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the consolidated audited financial statements of Fatum Holding N.V.

Management’s responsibility
Management is responsible for the preparation of a summary of the audited consolidated financial statements on the bases described under Significant Accounting Policies.

Auditor’s responsibility
Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing, including the Standard on Auditing 810 ‘Engagements to report on summary financial statements’.

Opinion
In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Fatum Holding N.V. for the year ended 31 December 2013 are consistent, in all material respects, with those consolidated financial statements, in accordance with International Financial Reporting Standards.

Curacao, 22 August 2014

for Ernst & Young Accountants

C. Smorenburg RA AA  F. de Windt-Ferreira CPA
“You create your opportunities by asking for them.”
“Always do your best. What you plant now, you will harvest later.”
Today’s challenges, tomorrow’s opportunities

Keynote address by Steven Martina President & CEO Guardian Group Fatum on the occasion of the 34th Annual Conference of the Insurance Association of the Caribbean.

Today’s Challenges Tomorrows opportunities

Today’s Challenges
The insurance industry is currently facing an unprecedented set of challenges. In addition to navigating ever-more stringent regulations, insurers are grappling with an exceptionally turbulent business environment, the ongoing impact of the financial crisis, and a bleak economic outlook.

In addition to these regulatory and macroeconomic factors, the pace of consumer and technological change is like nothing ever seen before. The dawn of the digital age, along with many powerful forces of change, are creating an entirely new operating landscape. The insurance industry has lived with forces of change battering the industry, a constant stream of change over the last 30 years. It has survived an ever-changing regulatory framework, new distribution models, changing tax regimes, new competitors, and technology advances. However, this time it is different. This time the forces of change are more additive, more profound.

Digital offers new opportunities for profitable growth and changes to existing business models. The dawn of the digital era is transforming the way that we all live and work and is set to radically transform the insurance industry.

The explosion and convergence of new technologies, combined with the pace of change and the accessibility to both consumers and industry, is underpinning a cycle of continuous innovation and dynamic change. New digital technologies are combining with changing consumer attitudes, allowing insurance companies to change existing business models, and creating new opportunities for profitable growth. It is now possible to do things that were previously unimaginable, allowing businesses to completely rethink the way they go to market.
Digital is not simply a new insurance distribution channel. The impact of digital extends across the entire value chain. The insurance industry has to grasp the fact that digital is not simply a new distribution channel. More fundamentally, the digital era offers an entirely new way of doing business – affecting all strategic and functional areas across the entire insurance value chain, including engagement and interaction with customers, distributors, suppliers and employees. It offers a new lens through which to view the business model.

**Tomorrows opportunities**

To give just a few examples of the ways in which digital can transform the insurance value chain, it presents opportunities for:

- improved brand management and social media engagement;
- optimised and personalised web experiences for consumers;
- seamless multi-channel sales and service across phone, online and new channels such as mobile and social media;
- a collaborative ‘digital workforce’ culture, harnessing techniques such as crowd-sourcing products and services that can be developed, marketed, distributed and underwritten in entirely new ways, underpinned with powerful analytics and personalisation techniques;
- Product and Services that can be developed, marketed, distributed and underwritten in entirely new ways.

**Threats**

The digital revolution brings threats as well.

1. **New pressure on prices and margins**

Digital technologies create near-perfect transparency, making it easy to compare prices, service levels, and product performance. This dynamic can commoditize products and services as consumers demand comparable features and simple interactions.

2. **Competitors emerge from unexpected places**

Digital dynamics often undermine barriers to entry and long-standing sources of product differentiation.

3. **Winner-takes-all dynamics**

Digital businesses reduce transaction and labor costs, increase returns to scale from aggre-
gated data, and enjoy increases in the quality of digital talent and intellectual property as network effects kick in.

4. **Plug-and-play business models**
   As digital forces reduce transaction costs, value chains disaggregate. Third-party products and services—digital Lego blocks, in effect—can be quickly integrated into the gaps.

5. **Growing talent mismatches**
   Software replaces labor in digital businesses. At the same time, companies are struggling to find the right talent in areas that can’t be automated.

6. **Converging global supply and demand**
   Digital technologies know no borders, and the customer’s demand for a unified experience is raising pressure on global companies to standardize offerings.

7. **Relentlessly evolving business models—at higher velocity**
   Digitization isn’t a one-stop journey, but keeps evolving and requires a constant review and possible adoption of different business models.

**Managing the strategic challenges: Six big decisions**
Rethinking strategy in the face of these forces involves difficult decisions and trade-offs. Here are six of the thorniest.

- Decision 1: Buy or sell businesses in your portfolio?
- Decision 2: Lead your customers or follow them?
- Decision 3: Cooperate or compete with new attackers?
- Decision 4: Diversify or double down on digital initiatives?
- Decision 5: Keep digital businesses separate or integrate them with current non digital ones?
- Decision 6: Delegate or own the digital agenda?

**Business models and Strategy:**
The key question for insurance companies worldwide in this Digitization era is how to take appropriate counter-measures to improve efficiency and profitability, generate growth, and stay on course to achieve high performance under changed market conditions.

As previously discussed Digitization will shape the industry over the coming years and affect competition and performance in different regions and different lines of business. Digitization will change the rules of the game quite dramatically, usher in a “new normal”, and determine which strategies are likely to be successful in the future.
The Digital Insurer:
Research into the components of success in the insurance industry has shown that the key attributes common to high performance insurance businesses worldwide include:
• Effective customer-centric distribution
• Responsiveness to the market
• Operational excellence
• Relentless pursuit of cost reduction
• Focus on risk management

However, in the context of the ever changing digital world, and game-changing shifts in technology and consumer attitudes, these high performance characteristics will need to be overlaid with further capabilities. To be a high performer in the digital age, insurers will need to innovate on three fronts:

The ‘Connected’ Insurer: Reinventing the customer experience;
The ‘Analytic’ Insurer: Richer insights and smarter decisions to enable better outcomes;
The ‘Agile’ Insurer: Staying one step ahead;

While by no means mutually exclusive, each of these characteristics represents a distinct application of digital technologies. In the immediate term these different characteristics or archetype business models may represent distinct strategic choices facing insurance executives. Insurers require a different set of capabilities for each. They will need to understand both how they can differentiate themselves and what is required for implementation.

To be Connected
• Reinventing the customer experience; the customer is put at the heart of the business;
• Physically and emotionally connected with consumers, staying in tune with changing customer sentiments, behaviors and expectations;
• Multi-channel sales and service as a standard offering; fully integrating ‘old’ channels with a new digital core;
• Embracing and actively engaging through relevant media, such as social and mobile platforms;
• Harnessing deeper collaboration and connection with a much broader group of stakeholders, including customers, employees, partners, distributors and suppliers.

To be Analytic
• Richer insights and smarter decisions to enable better outcomes;
• Tapping into and exploiting value from the explosion of data;
• Harnessing the power of next generation predictive tools and techniques;
• Wiring analytics into core processes an decision making;
• Integration of real-time decision support, driving more value from each customer interaction;
• Customizing and personalizing products and services;
• Continuous learning and improvement.

To be Agile
• Breaking free from the oppressive constraints of legacy;
• Operational excellence built around lean core business processes and strong process management disciplines;
• Intelligent sourcing approach, making cost effective and flexible use of supplier capabilities;
• Early warning and rapid response mechanisms to constantly scan, assess and initiate changes based on market movements and opportunities;
• Delivering greater, faster and cheaper change through agile methods;
• Fostering a culture of innovation and entrepreneurship.

The Digital Insurer will need to embrace bold change, but in a new way. The transition from legacy to digital will require new capabilities and a whole new philosophy around the implementation of change.

Success in the digital world requires new forms of leadership. Leadership within the Digital Insurer will be different. A digital insurer is one that:
• Is led by visionary executives who are fluent in both business and technology;
• Recognizes that the game has fundamentally changed forever;
• Acknowledges that the changing consumer is central to the new world;
• Understands the potential of key technology enablers;
• Focuses on business value creation rather than gimmicks;
• Understands that mere tweaks to a 1990s business model are insufficient;
• Adopts a nimble, flexible approach to change
• Embraces innovation as a standard part of business as usual;
• Embrace bold change, but in a new way... And learn from cheap, quick failure;

Conclusion
We are still waiting for true customer centric innovation in insurance. The fundamental need of consumers to protect their assets and livelihoods is as strong as ever, yet insurance as a whole remains a grudge purchase in the minds of most customers. Digital offers a once in a generation opportunity to embrace the future and gain sustainable advantage in the marketplace by shifting to new, more sustainable economic models, while simultaneously “stepping up” to better satisfy real consumer demand.
History has shown that where market gaps and failures persist, they are soon filled by new
entrants that transform the landscape. Can insurers really afford not to play this game?

The future of insurance is digital. It is the believe that the winners will be those organizations that apply digital technologies to be connected, analytic and agile. And if the incumbents cannot get this right then new entrants will.

Facing today’s challenges and transforming it into tomorrow’s opportunities is the ability of the players in the insurance industry to become: ‘Connected’, ‘Analytic’ and ‘Agile’;

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Challenges and Opportunities

We all face certain challenges and opportunities while moving forwards in life. In our work as well as in our personal circumstances. We have asked some Guardian Group Fatum employees to share with us their reflections on “Challenges and Opportunities”. What is means to them, and how it is affecting their life and will continue to guide them throughout their career. In the following we can read the reflections of these Guardian Group Fatum colleagues.
Life goes in different aspects in circles. 40 years ago I got an opportunity for a job interview at Fatum. But the day I received the telephone call from Fatum I had just said yes to another company. Now, 40 years later I’m celebrating my 40th anniversary with the Guardian Group. Isn’t this amazing?

My mindset has always been that nothing must be taken for granted. Every new day I welcome with a smile and full of gratitude. The 40 years I’ve been working I never had a problem minded attitude, but accepted to see changes as challenges and new opportunities.

I have always loved the insurance branch, which is my roots of experience and expertise. I started in 1974 at the MCB Insurance Department. That was my first contact with the insurance branch. To advise customers to minimize risk for things that at the bottom line we don’t want to happen, not for the customer in the first place neither for us, the insurance branch, always has fascinated me. At the insurance department I was transferred for a couple of months to the credit department. After a while the insurance department started with a project to expand their assurance portfolio. They needed a person they could rely upon to get started on short term. So, I was asked to rejoin the insurance department. I accepted this move as a great opportunity and challenge to definitely continue my career in the insurance branch. I remained at the MCB (Insurance Department) for almost 20 years.

In 1992 I was chosen to continue my career at Sun Alliance. I accepted this as a great challenge to put my shoulders under it to build up the company. Nothing was too much for me and by hard working, commitment, loyalty and responsibility I grew in the company. I have learned very much. I’m convinced that when you put your targets you want to achieve, put your priorities in place, take initiative and be creative and determined, you will grow as a person, as a colleague, and as a friend.
Values as excellent services, equal treatment for everyone, accomplishment are ingredients that will take you to the right road. These values are good for the company where we have rights and duties but they are also good for our island. I have always liked to negotiate with brokers and clients with the point of view that it must always be a win–win agreement. Both parties must get satisfied by the deal. At RSA first I was responsible for the Motor insurance branch. After that I became portfolio manager of the Private Property and the Motor section.

The Motor insurance branch has always been my ‘baby’. At the end of the month I was always curious to see the general results but especially that of the Motor insurance. On the road I was very alert of the behavior of the drivers and when I saw bad driving conducting I noted the license plate. The next day at work I made sure if the car was insured by our company. By the time it was opportune the case was handled. Sun Alliance became Royal & Sun Alliance Insurance N.V. where I worked with pleasure for almost 20 years.

In 2012 Guardian Group has taken over Royal & Sun Alliance Insurance N.V. For me again a brand new opportunity and challenge. With open mind and positive thinking I started with the Guardian Group. Always open to learn and give my support to contribute with my new colleagues in the success of the Guardian Group. Finally, I want to share my philosophy of life. My philosophy has always been that the way you think and act will determine who you are and what you stand for, leading to where you are going.
At a relatively young age, 18 years, I took a step forward towards shaping my future. Before that moment in time came I was busy, very busy with "...ok, this is my life, I want to make the best out of it, what’s next?!...". It wasn’t until I saw great possibilities and opportunities for myself to develop that I decided to prepare and go. Part of my decision was that I am willing to face the challenges and deal with them. One by one. With a healthy combination of work, on-the-job-training, advanced education and aware of my skills set, I plunged into it all!

I accepted a position as a so called ‘jobber’ at the airport where I was in charge of passenger handling for numerous airlines inbound to Curaçao.

Back in 2000 I completed my education in the field of Banking & Insurance Management. As one can expect, as a student long before completion you start looking for a job in the field of your soon to be profession. And then there it was... My phone rang and there was this company on the other end of the line, interviewing me rapidly on my possible interest to start working at a financial institution, called ING Fatum. 

"...Was it really happening? Was this going to happen?..." And Yes it did! I was granted the position after a stringent screening of other candidates they also had in the pond.
Once in, I started to work on a new line of business being in development and the roll out of a new product. It was at the life insurance department and I was part of a dynamic team with tough deadlines to reach. Once rolled out it was my primary responsibility to service customers and mastering the ins and outs of the product I became part of. This gave me great satisfaction. Our customers are our bread and butter and serving them professionally according to their needs, equals safe guarding their financial stability. Those years of experience meant a lot to me.

After completion of some big projects I was assigned to another great job: Account Manager, so being close to the end-consumer. That comes with all the highs and lows one can expect in working directly with the end-customers. From stress to joy as things go smooth from not so busy to super busy because workloads vary. To summarize it all, working with new products, working in conversion projects, working as Account Manager, it comes with great opportunities big challenges but a huge dose of job satisfaction. I have a big smile on my face when I look back and travel back in time to relive what I’ve done and moreover what my contribution was to this great company, up until this day. It’s been a few years now since I was put in charge of all annuities payments.

Besides work, I like to travel a lot. I think I still feel homesick sometimes missing my job at the airport somewhat. Many people on my department know that when I take days off, is because I’ll be off island again. My most recent trip was to Middle East and Asia. I stopped in Dubai, Abu Dhabi and Thailand as part of my long trip to Penang (Malaysia) where I met my friend and had the opportunity to attend the wedding ceremony of her daughter.

Writing towards the end of my short story, it reminds me of doing what I do best, and that is complete the job you’ve been assigned to. And in doing so I hereby express my gratitude for chances I got in life, opportunities I saw and I approached positively, challenges I mastered and targets of my former employers, my educators and myself, for which I gave a 100% to reach them. I never run out of batteries, I always have power as my endless motivation and energy are keys to succeed in life.
Managing challenges and opportunities
At the dawn of writing this article I was wandering which one comes first the challenges or the opportunities. But then again, does it really matter? What matters is I’ve been blessed with the capacity to quickly react and capitalize on both, be it opportunities & challenges or vice versa. Furthermore I was granted multiple opportunities to be part of the teams dealing with those challenges and opportunities. So the sum of it all illustrates my little personal success story. Here we go..!

Being born and raised in Curaçao, I passed through all the streams and stages of education taking me to a completed school career at the age of 17. After having compared my local opportunities with opportunities abroad I concluded that staying in Curaçao was my best option for a solid future. My choice was to stay in Curaçao and find a job with opportunities for growth and career building, provided that I was willing to make serious sacrifices. A serious job opening came in my eyesight and I pursued it. It was at insurance company Ennia where management and me found the same page to work from and I started my career. Entry level was Customer Officer at the General Insurances Department. It was a new but very interesting world to me as almost from the beginning I started to enjoy the insurance sector and see the opportunities I had. I was more than willing to give a lot in order to reach all goals, both business as well as at the personal level. And it did pay off! Following my initial position I grew to positions Underwriting Officer, Claims Officer for then to be enlisted among the Supervisors within the Team of Underwriting.

Then slowly but surely besides the day to day challenges I was facing another challenge drawing my attention at the horizon. I was hardly able to resist the need to follow the promotion of insurance company Fatum as they were very appealing to me. Having seen and having started to follow all that Fatum had in their showcase my mind started to become more open and willing to consider a position at Fatum. While having clocked 21+ years in my previous job and still counting, the move came. Fatum and I started talking shop and a job opportunity was laid out right in front of me.
Although I felt very good in my current position I still felt the need to scan, explore and seriously consider taking advantage of opportunities as per Fatum’s offer. After some deep and thorough thinking and sleeping it over and over again, I decided within a few months to accept Fatum’s standing offer. It was in 1999 when I officially became Fatum Employed, working at the General Insurance Department. Entry level back then for me was Underwriting Officer but soon to be promoted to Insurance Affairs Officer. And it all paid off pretty well as my next promotion came and I started to occupy the position of General Insurance Affairs Manager. To me that was a dream coming true after having worked hard and managing challenges and opportunities without putting anything at risk.

Fatum needs no introduction as the company – established in 1904 – grew to great heights becoming the leading insurance company in our markets. Fatum was acquired by Guardian Holdings Ltd. from Trinidad & Tobago and rebranded in 2013 positioning the fresh and new brand Guardian Group. And I am proud! Proud to work at Guardian Group! I am absolutely positive about both myself and Guardian Group for the way we grew together for the past 15 years. We faced challenges together, we grabbed opportunities together, we made it all happen, yes together! My days at the office have starts but a time to ‘just go home’ is never set, as both Guardian Group and myself know we have to sacrifice time to put extra efforts in, in order to win. I am glad, and again I am proud, to be part of this winning team!

But what happens after long days of work, what happens when we call it a day? Well, my way of relaxing is simple, it is going back to hobbies I have and things I enjoy doing with no pressure of time. Amongst my hobbies are handcraft and gardening. This gives me not only hours of relaxation but also hours of enjoyment in our home environment together with my husband Roy.

In life it is important to be thankful. And I am. To start at my current situation: I feel happy and I am satisfied and thankful with how things developed for me. And how did I get there? It is simple, it was a long road with many ingredients for a successful life, mixing them properly and dealing with the outcome. It’s a matter of managing whatever comes up in front of you, whatever emerges around you, balancing out and making the right choices to go for the next moves. And do not expect others to do it for you, but be your own Manager of what comes with ‘Challenges & Opportunities’.
From challenges... To opportunities...
From the Tourism Industry to Insurance

After 5 years of working for one of the biggest hotel in Bonaire where customer service and satisfaction is key, I came to work for Fatum, now Guardian Group. For me it was a big challenge to face, because I did not know anything about insurance. I had to start from zero. In the beginning it seemed all so difficult and dull, so many products to learn. Little by little and also on the job training get you accustomed with the products. As you get acquainted with the products it get more interested.

In Guardian Group Fatum Bonaire your work is very divers. That’s why there is never a dull moment as long as you are willing to join the ever presence challenge. The office operates as a broker and you need to know all the products or at least the basic of the product so that you can assist or satisfy the customer. Especially now that Guardian Group took over RSA. Which was not only a challenge for us as employees, but also for the clients. For them it is not just a switch from insurance companies it is also trust and comfort that they seek in the company. This challenge provide opportunities to develop innovative products and service creating growth in the Guardian Group, and I’m very pleased to be part of that.

In life there will always be challenges to face, it is up to you if you would like to turn it into an opportunity. If you turn a challenge into an opportunity it will enhance your mind.
After finishing my studies in the Netherlands, I returned to Aruba in search for a job in October 2006. I did General Management on Curaçao and further specialized in Marketing Management in the Netherlands.

As a graduate it has been hard to find a suitable job, due to the lack of experience in my field of studies. However in my third quest for a job back in 2008, I got an vacancy stating that no experience was required. Although it was a complete new field, insurance (and specifically Group Life insurance/pensions) and quite a challenging journey for a still relatively inexperienced graduate at that time, I gave it a try. And after 5 years at Guardian Group Fatum, I can look back to 5 years of transition and making the best of the opportunities that came a long after a challenging beginning in a new, by that time unknown, field.

Rignald Matis, Employee Benefit Consultant (Guardian Group Aruba)
From challenges to opportunities; when applying this phrase to my personal and professional career I can look back on several examples.

**Ancient history**

From a young age I have always been interested in spending time in international surroundings. The challenge I was given was to blend in an Australian all boys strictly uniform wearing, catholic high school (quite a change for an all Dutch boy like myself) and get to know my temporarily new Aussie family I would come to live with for a year at age 16. Straight away I knew it then and there, hooked for life on traveling.

I have been very fortunate to be able to spend many of my years traveling the globe. My love for Asia brought me to live, work and study in China and Indonesia. Also occasional traveling to New Zealand, again Australia, and much of Asia brought me to another great challenge, to become a tour leader. Unexpected circumstances, managing groups of people for a stretch of four weeks, through sometimes difficult and harsh terrain provided me my very first group management skills.

Back in the Netherlands my first insurance experience would come to me rapidly. I set up my own brokerage, which perhaps was one of my biggest challenges in life so far. Growing quickly due to success I saw my company grow from the back seat of my old, 1973 Mercedes Benz to a nicely located and respected insurance business with 12 people. Selling off my business to my partners gave me the opportunity to move on to Swiss Life Insurance and to become part of setting up their new direct distribution channel.

Hooked on traveling as I was, I set my sights towards unfamiliar but new and exciting grounds. The Caribbean, Sint Maarten!
“Hello” St. Maarten
Here I started a new challenge, my new job as “country manager of the Windward Islands” for Guardian Group Fatum.

Leading the St. Maarten office into becoming an inspiring working place, where staff and customers feel at home. As I believe one can truly only change within a productive and positive atmosphere where staff and management are open-minded and share a need to focus. Where clients are treated as kings and queens.
Though still partly work in progress, we redesigned our distribution channels, adapted to new needs, reinvented ourselves redeploying our own resources to potential growth areas and incorporating the sales force into the office as one blended team. I look forward to the coming years as Sint Maarten surely remains an exciting and very potential market place for Guardian Group Fatum in many ways.

Conclusion
My concluding thoughts towards challenges and opportunities are that life provides its set of challenges for good and bad. These challenges are like building blocks. Seeing new opportunities you would never have dreamed of if not first face and overcome your challenges.
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