



Mr. JOAQUIN GUALLAR PEREZ, Non-Director Secretary of the Board of Directors of **GRUPO CATALANA OCCIDENTE, S.A.**,

CERTIFIES THAT:

- (I) The attached documents, which include, the Consolidated Annual Accounts and the Notes to the Consolidated Annual Accounts and the Consolidated Management Report ("*Informe de Gestión Consolidado*"), (which includes the Sustainability Report-Non Financial Information - *Memoria de Sostenibilidad-Estado de Información no Financiera* - on a separate document) corresponding to the corporate year closed as of December 31, 2023 of Grupo Catalana Occidente, S.A. have been originally issued in Spanish. In the event of discrepancy between the Spanish and English versions, the former shall prevail.

- (II) The Corporate Governance Annual Report ("*Informe Anual de Gobierno Corporativo*"), the Report regarding the Directors Annual Remuneration ("*Informe Anual sobre Remuneraciones de los Consejeros*"), as well as all reports of the Individual Annual Accounts, have not been translated into English, so their publication will be exclusively in Spanish.

In Witness Whereof, I extend this certificate in Sant Cugat del Vallés (Barcelona) on February 29, 2024.

A handwritten signature in blue ink, consisting of a horizontal line with a vertical stroke intersecting it, and a small dot below the intersection.

Mr. Joaquin Guallar Perez

Annual consolidated financial report
Grupo Catalana Occidente, S.A.

Consolidated Annual Financial Report Catalana Group Occidente, S. A. 2023

Grupo Catalana Occidente has published its annual report for 2023, which was reported favourable by the Audit Committee and approved by the Board of Directors at its meeting on 29 February 2024, and specifically in relation to the consolidated financial statements that have been prepared on the basis of the European Union's international financial reporting standards and audited by PricewaterhouseCoopers Auditores S.L.

This report has been prepared in accordance with the reporting framework of the International Integrated Reporting Council (IIRC), following the principles of reliability, relevance and comparability. The report gives a view of the environment, the business model, the strategic approach and the future outlook of the Group, as well as the main risks to which it is exposed. In addition, it provides the Group's activities in the area of corporate governance.

The scope of information that appears in the report corresponds to Grupo Catalana Occidente and the companies comprising it. Business performance in recent years has been linked to corporate operations, which have been formally communicated to the market through the National Securities Market Commission (CNMV) publications.

In addition, GCO prepares a Sustainability Report - Non-Financial Information Statement, a document in which it reports on its social and environmental policies, as well as its commitment and performance in the Sustainability area, offering extended information on its actions in the matters described above.

The Alternative Performance Measures (APM) used in this report correspond to the financial measures that are not defined or detailed in the framework of the applicable financial information. Their definition, calculation and reformulation regarding the financial statements can be consulted in the glossary section and the corporate website.

The report is available on the Group's website. An Excel document with financial information is also available on this website.

In the event that you should require further information contact: Analysts and investors +34 91 566 13 02 analistas@gco.com



Letter from the Chairman

Dear shareholders, partners and customers:

As is customary at this time, I am pleased to share the annual report for the 2023 financial year with you. This has been a key year in the history of GCO, in which we have taken a further step in our process for corporate simplicity, with the aim of becoming a more agile organisation, capable of responding effectively to new market demands.

Undoubtedly the most important milestone of the year was the launch of Occident, our new traditional business brand, which we announced in February 2023 and which started operating on 1 January 2024. Occident was created with the aim of understanding and accompanying people and companies at all stages of their lives, putting itself in their shoes, to ensure their peace of mind in the present and their confidence in the future. In a first stage, the corporate merger of Seguros Catalana Occidente, Plus Ultra Seguros and Seguros Bilbao was carried out and, at the end of 2024, it will be completed with the integration of NorteHispana Seguros.

With the launch of Occident, not only do we gain in efficiency and capacity to respond to the challenges posed by today's society, but this in turn also represents a competitive advantage for our Group. In this regard, it should be noted that, once the merger process of the four companies is completed, Occident will provide services to more than 4.5 million policyholders, through the more than 14,000 intermediaries, more than 1,400 offices, and a network of nearly 2,700 professionals (loss adjusters, repairers, among others). As part of the merger, we have undertaken a voluntary redundancy plan which will affect around 20% of the employees in the traditional business, to whom we are very grateful as they have undoubtedly been part of the Group's success over the years.

2023 has been a year strongly marked by a context of high inflation, geopolitical tensions and, more specifically in the field of insurance, by an increase in claims costs. In fact, managing inflation has been one of the sector's challenges in 2023 which, at GCO, we have managed through two levers: pricing and the containment of claims. With regard to the first, we are gradually adjusting premiums to the reality of average claims costs and ensuring a long-term relationship with our policyholders. As for the second lever, the average cost of claims is managed by our network of repairers and workshops. All of this is aimed at providing an excellent service to our customers.

In 2023, other important corporate milestones were also reached. In February we completed the acquisition of Mémora, which has made us the leading funeral group in the Iberian Peninsula, increasing our presence in the domestic funeral sector and entering the Portuguese market. Furthermore, in April we announced that the corporate brand Grupo Catalana Occidente was to become its acronym GCO, in order to better adapt it to an international environment.

In this key year for the group, GCO has recorded good results in both traditional business and credit insurance, as well as in the funeral business. These results are the product of the Group's excellent work and show that we are firmly prepared to face the challenges that lie ahead in the short, medium and long term.

In fact, GCO's management and solvency have been endorsed by the main rating agencies. A.M. Best maintained the financial strength rating of "A" (excellent) and the issuer credit rating of "a+" (excellent), both with a stable outlook, on GCO's main operating entities in traditional business and credit insurance. In turn, Moody's upgraded GCO's credit insurance rating to A1 with a stable outlook, thus consolidating Atradius' positive development in terms of solvency and financial strength.

On a different note, during 2023 we continued our commitment to digitalisation and omnichannel retailing, always hand in hand with our intermediaries, who are a fundamental part of our business model. For this reason, we have continued our commitment to the ongoing development of the mediation network, to which we are devoting great efforts in training and technological support. At the same time, we have made progress in our omnichannel retailing strategy, allowing customers to choose new channels to interact with the company.

In the development of our offer, we have maintained our efforts to continuously adapt to new demands. In this regard, we have expanded the range of services for senior customers and improved our value proposition to policyholders in key areas such as health, where we have included new coverage, diagnostic tests and surgical techniques. We also launched new digital healthcare services on our e-customer platform, such as access to medical reports and electronic prescriptions.

As a significant milestone in our innovation strategy and with the aim of bringing growth and profitability to the Group, this year we launched GCO Ventures, which was created to shape new business ideas and has already launched Adecua, its first venture.

Likewise, as we do every year, in 2023 we have also focused on developing actions to contribute environmental, social and economic value. To mention just a few of these issues, explained in more detail in our Sustainability Report, in March we became a founding partner of Nactiva, the first natural capital protection and regeneration market maker that aims to have a transforming impact across the Mediterranean region. We also adapted our investment and pension policies to the SFDR Article 8 category, explicitly incorporating environmental and/or social considerations in their management. In turn, the network of vehicle repair workshops that provide services to the Group has become the first to receive a sustainable certification that guarantees the performance of their activity according to environmental care criteria.

It should also be noted that, as an insurance group committed to the welfare of society, through the Jesús Serra Foundation, we have developed more than 60 projects for research, teaching, cultural activities, sporting activities and solidarity initiatives with the aim of promoting equal opportunities. Likewise, the Jesús Serra Foundation has been renamed the Occident Foundation, so that the work of the Foundation accompanies, reinforces and is identified with our new brand.

Finally, I would like to thank the work of our employees and partners, the support of our shareholders and the trust that our customers have placed in us during 2023. Thanks to all of them, we have obtained excellent results and we hope to continue to count on each of you to continue to evolve in 2024.

José M.^a Serra

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Consolidated management report

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01.

Annual panorama

International dimension

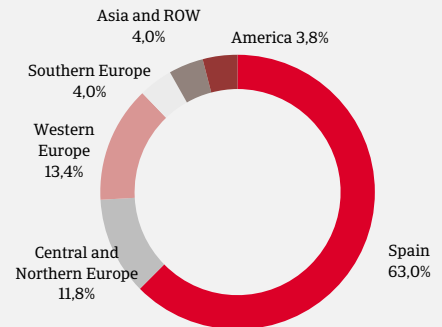
6th Largest insurance group in Spain

1st Largest funeral business group in the Iberian Peninsula

2nd Largest credit insurance group in the world



Diversification by countries



Strategic Purpose

Be leaders in protecting and accompanying people and companies at all stages of their lives, to ensure their peace of mind at the present time and their confidence in the future.

Key financial figures

Turnover and distribution of the business



€5,792.6 M 9.7%

52.9% Traditional business
43.2% Credit Insurance Business
3.9% Funeral business

Combined ratio



92.6% +1.8 p.p. Traditional business

74.1% +1.8 p.p. Credit insurance business

Consolidated profit/(loss)

€615.5 M

Shareholder remuneration

€134.1 M

Permanent resources
Market value

€5,738.8 M

Solid financial structure



Listed on the stock exchange.
Stable, committed shareholders.
Rating A (AM Best) y A1 (Moody's).

Technical rigour



Excellent non-life combined ratio.
Strict cost control.
Prudent and diversified investment portfolio.

Key financial figures

The Group achieved solid results with improvements in its three strategic pillars

Growth

- Increase of 9.7% in business turnover, reaching €5,792.6 million.

Profitability

- Increase of 13.4% in the consolidated profit, reaching €615.5 million.
- Improvement of ordinary profits:
 - Traditional business, at €261.1 million, 1.3%.
 - Credit insurance business, at €356.6 million, 3.1%.
 - Funeral business, at €13.6 million includes eleven months of the Grupo Mémora business.
- Combined ratio:
 - 92.6% in traditional business* (non-life) (+1.8 p.p.).
 - 74.1% in the credit insurance business (+1.8 p.p.).
- Commitment to the shareholder. Dividend of €134.1 million (8.67%).

Solvency

- The estimated Solvency II ratio at the close of 2023 for the Group is 232%.
- A.M.Best maintains the rating of the main operating entities in both traditional and credit insurance business at "A" with a stable outlook, and Moody's upgrades the rating on the entities in the credit insurance business to "A1" with a stable outlook.

	2019	2020	2021	2022	2023	Chg.
Growth						
Insurance turnover	4,547.7	4,559.5	4,882.5	5,245.6	5,565.6	6.1%
- Traditional business	2,612.4	2,720.4	2,801.0	2,842.9	3,064.7	7.8%
- Credit Insurance Business	1,935.3	1,839.1	2,081.5	2,402.7	2,500.9	4.1%
Funeral business	26.0	30.1	29.9	32.8	227.0	
Total turnover	4,573.7	4,589.6	4,912.3	5,278.4	5,792.6	9.7%
Profitability						
Consolidated profit/(loss)	424.5	270.1	468.3	542.5	615.5	13.4%
- Traditional business	209.9	234.9	239.9	257.8	261.1	1.3%
- Credit Insurance Business	238.2	50.4	241.8	354.6	365.6	3.1%
- Funeral business	2.2	3.7	4.3	4.8	13.6	
- Non-ordinary	-25.8	-18.9	-17.8	-74.7	-24.9	
Attributable profit/(loss)	385.9	262.3	427.2	486.5	551.8	13.4%
Combined ratio for traditional business*	90.4%	88.6%	88.9%	90.8%	92.6%	1.8
Combined ratio for credit insurance (gross)	78.7%	94.1%	64.2%	72.3%	74.1%	1.8
Dividend	0.68	0.88	0.95	1.03	1.12	8.7%
Pay-out	21.1%	40.4%	26.6%	25.4%	24.3%	-11.8%
Share price	31.2	29.2	30.0	29.6	30.9	4.6%
PER	9.7	13.3	8.4	7.3	6.7	-7.8%
ROE	11.1%	7.3%	10.5%	12.9%	12.1%	-6.0%
Solvency						
Permanent resources at market value	4,584.8	4,663.4	5,191.5	4,916.3	5,738.8	16.7%
Technical provisions	10,652.1	10,982.5	11,294.5	11,730.1	12,035.6	2.6%
Managed funds	14,377.3	14,611.1	15,575.3	14,854.7	15,364.7	3.4%
Solvency II Ratio**	214%	216%	220%	247%	232%	
Non-financial data						
Number of employees***	7,440	7,384	7,305	7,143	8,614	20.6%
% Permanent contracts	96.1%	96.0%	97.0%	97.1%	96.9%	
Number of offices	1,612	1,490	1,481	1,518	1,450	-4.5%
Number of intermediaries in traditional business	16,163	15,878	15,562	15,032	14,709	-2.1%
Net Promoter Score (NPS), traditional business	39.6%	45.4%	48.5%	49.1%	49.1%	

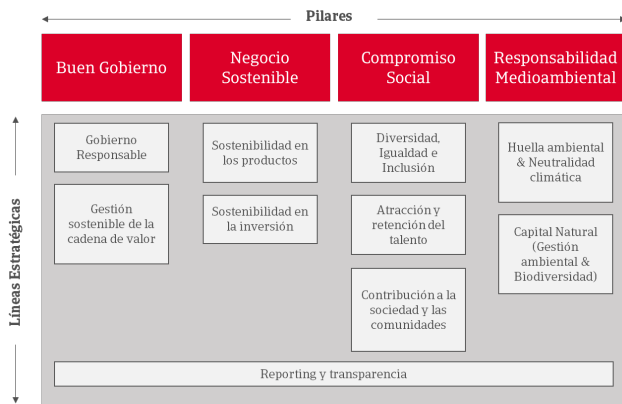
* Combined ratio does not include Health and Funeral

** Data with partial internal model. Pending audit

*** Considered in the concept of full time employees (FTE). Mémora Group employees joined in 2023

Sustainability

New Sustainability Master Plan 2024-2026



External sustainability rating

GCO's ESG (Environmental, Social and Governance) risk exposure and management is assessed by the sustainability rating agency Sustainalytics.

In December 2023, the agency revised the Group's ESG rating to 16.9 points. This agency thus considers the organisation to have a low risk of experiencing material financial impacts related to ESG factors and ranks the Group among the top 30 companies with the best ESG rating in the insurance sector, which includes more than 300 companies.

GCO has also been included in the new IBEX ESG Index, which recognises the Group as one of the Spanish listed companies with the best performance in ESG issues. The IBEX ESG index pursues sustainability goals in terms of encouraging the development of sustainable practices in these companies.

Sustainability strategy

For GCO, sustainability is the voluntary commitment to integrate risks and responsible management of economic, social and environmental issues into its strategy, to promote ethical behaviour with its stakeholders, to rigorously apply the principles of good governance and to contribute to the well-being of society through the creation of sustainable social value.



4.5 million
insured parties



8,614
employees



€5,054.6 M
transferred to society

Our commitment to the SDGs

Closeness



Over 14,500 intermediaries.
1,450 offices.
50 countries.

Insurance specialist



160 years of experience.
Complete offer.
Sustainable model

02.

GCO in 2023

Macroeconomic environment

3.1% growth in 2023 (3.5% in 2022). The global economy shows resilience and is gradually recovering with diverging growth and moderating inflation.



United States GDP 2.5% GDP 2023 (2.1%)

- Effects of the rise in interest rates
- Labour market under stress
- Loss of household purchasing power



Spain GDP 2.4% GDP 2023 (2.5%)

- Soft landing after a more accelerated fall in inflation
- Labour market and activity resilience
- Estimated 110% debt



South America 2.5% GDP 2023 (2.3%)

- Worsening financial conditions
- Political tensions
- Weak external demand



United Kingdom GDP 0.5% 2023 (0.5%)

- Depreciation of the pound against the dollar
- High energy prices
- Fall in exports



Eurozone GDP 0.5% GDP 2023 (0.7%)

- Lower growth outlook due to worse-than-expected 2023 results
- Moderating inflation
- Tightening of monetary policy



Asia Pacific 5.4% GDP 2023 (5.2%)

China 5.2% GDP 2023 (5.0%)

- Increase in public spending

Japan 1.9% GDP 2023e (2.0%):

- Risk of economic slowdown
- Depreciation of the Japanese yen

*Source: International Monetary Fund. January 2023 review vs. October 2023 estimate

Fixed income

Rising interest rates

Interest rates	1 year	10 years
Spain	3.3	3.0
Germany	3.3	2.0
United States	4.8	3.9

Variable income

Stock market indices are still reporting year-on-year growth at record highs.

	2023	%Chg.
Ibex35	10,102	22.8%
MSCI World	293.0	17.6%
Eurostoxx50	4,521.4	19.2%
S&P	4,769.8	24.2%

Raw materials/currencies

The price of a barrel of oil has fallen by 10.3%
The dollar loses its appeal as a safe-haven currency

	End 2023	% Chg
Oil (\$/barrel)	77.04	-10.3%
Gold	1,850	1.4%
€/\$	1.1	2.8%
€/£	0.87	-1.1%

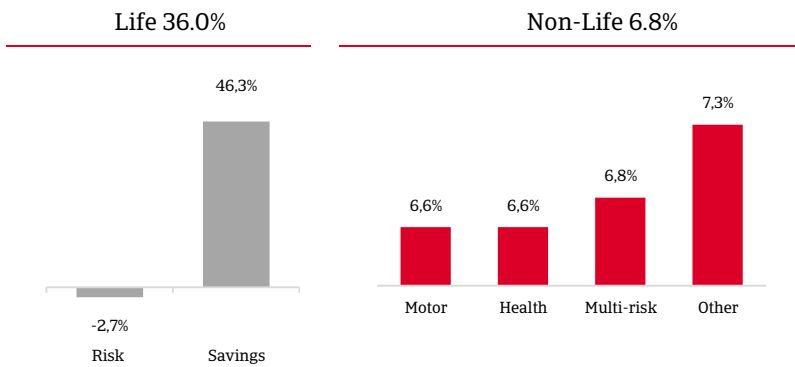
Source: Bloomberg. End 2023

Sector environment

Insurance sector in Spain

Increase in turnover of 17.8% in the insurance sector in Spain, with an increase of 6.8% in non-life and 36.0% in life, due to the reactivation of savings products.

Performance of insurance sector and ranking in Spain



Group	Position	Market share
VidaCaixa	=	14.9%
Mapfre	=	11.1%
Grupo Mutua Madrileña	=	9.4%
Zurich	+4	5.3%
Grupo Axa	+1	4.7%
GCO	-2	4.5%
Allianz	-2	4.3%
Santalucía	+1	4.3%
Santander Seguros	+1	3.5%
Generali	-3	3.4%

Source: ICEA at the close of 2023

The sector's technical account profit at the end of 2023 was 9.1% of retained premiums, 1.42 percentage points lower than in the previous year, mainly due to the increase in the cost of claims.

The non-life technical account profit was reduced mainly by the motor business, whose combined ratio decreased by 3.43 percentage points to 101.9%, due to the higher claims cost.

In 2016, Solvency II came into effect, with the first official data coming to light in 2017. The figures published continue to reflect a consistent sectoral position. The average coverage ratio in Spain at the close of 2023 has been 241.9%, up by 6.0 percentage points, higher than the average for the sector in the European Union.

Stability in the sector's results

ROE	12.8%
Combined ratio	94.6%*

Motor	101.9%
Multi-risk	97.9%
Health	95.5%

* Combined ratio includes Health and Funeral.
Source: ICEA at the close of 2023

Credit insurance

After a few exceptional years marked by the pandemic, 2023 began with the global economy continuing to recover gradually from the pandemic with diverging growth, rising energy prices, inflation at peak levels and rising interest rates. Following these developments, moderating inflation and firm growth pave the way for a softer-than-expected landing in 2024.

Thus, 2024 looks set to be a challenging year for both emerging markets and advanced economies. Global GDP growth is also projected to remain at 3.1% in 2024 and 3.2% in 2025. For those markets with high public or private debt, interest rate developments will pose an additional challenge.

Evolution of the Group

The Group's consolidated profit was €615.5 million and turnover increased by 9.7%

The Group's attributed profit decreased by 13.4% to €551.8 million.

Favourable performance of the three businesses

Total turnover increased by 9.7% reflecting the sustained growth in the traditional business with an increase of 7.8%, the positive evolution of the credit insurance business which increased by 4.1% and the incorporation of Mémora in the funeral business.

The technical profit after expenses, at €628.1 million, increased by 3.2% due to the performance of the two insurance businesses.

In traditional business, the good performance extended to all the Group's entities. The result was affected mainly by the cost of claims due to inflationary effects and, to a lesser extent, the impact of weather events.

Credit insurance business continues to normalise, although incoming claims remain below the pre-pandemic period.

Income statement	2019	2020	2021	2022	2023	% Chg. 22-23
Written premiums	4,411.2	4,426.4	4,746.9	5,103.7	5,421.8	6.2%
Income from information	136.5	133.1	135.6	141.9	143.8	1.3%
Insurance turnover	4,547.7	4,559.5	4,882.5	5,245.6	5,565.6	6.1%
Technical cost	2,738.5	2,917.8	2,853.3	3,063.8	3,218.3	5.0%
% on total income from insurance*	59.5%	63.8%	59.2%	59.4%	59.2%	
Commissions	558.6	558.6	588.6	670.8	719.9	7.3%
% on total income from insurance*	12.1%	12.2%	12.2%	13.0%	13.3%	
Expenses	767.7	750.1	847.7	816.5	866.6	6.1%
% on total income from insurance*	16.7%	16.4%	17.6%	15.8%	16.0%	
Technical profit/(loss)	538.3	344.1	528.2	608.8	628.1	3.2%
% on total net income	11.7%	7.5%	11.0%	11.8%	11.6%	
Financial profit/(loss)	37.0	28.2	98.3	209.0	175.9	-15.8%
% on total income from insurance*	0.8%	0.6%	2.0%	4.1%	3.2%	
Profit/(loss) of non-technical non-financial account	-25.0	-14.1	-34.2	-135.2	-54.0	
% on total income from insurance*	-0.5%	-0.3%	-0.7%	-2.6%	-1.0%	
Profit/(loss) of compl. activities credit insurance	3.2	1.8	9.9	8.8	16.7	
% on total income from insurance*	0.1%	0.0%	0.2%	0.2%	0.3%	
Technical profit/(loss) funeral business	2.7	4.6	5.2	5.8	31.4	
Profit/(loss) before tax	556.2	364.6	607.3	697.2	798.2	14.5%
% on total income from insurance*	12.1%	8.0%	12.6%	13.5%	14.7%	
Taxes	131.7	94.5	139.0	154.7	182.7	
% taxes on profit	23.7%	25.9%	22.9%	22.2%	22.9%	
Consolidated profit/(loss)	424.5	270.1	468.3	542.5	615.5	13.4%
Minority interests	38.6	7.8	41.1	56.0	63.7	
Attributable profit/(loss)	385.9	262.3	427.2	486.5	551.8	13.4%
% on total income from insurance*	8.4%	5.7%	8.9%	9.4%	10.2%	
Ordinary profit/(loss)	450.3	289.0	486.1	617.2	640.4	3.7%
Non-ordinary profit/(loss)	-25.8	-18.9	-17.8	-74.7	-24.9	

* Total insurance income = total earned premiums and information income

Technical profit after expenses

The combined ratio of traditional business (excluding health and funeral) slightly decreased by 1.8 percentage points to 92.6%, 2.0 percentage points below that of the sector. Of note was the combined ratio of cars, the most affected by the inflationary effect, at 96.3%, 5.6 percentage points lower than that of the sector.

In credit insurance, the gross combined ratio closed the year at 74.1%, 1.8 percentage points higher, although 4.6 percentage points lower than in 2019 which was "pre-COVID", due to the lower than expected inflow of claims.

Focus on efficiency

In the traditional business, even with the investment in technology, the effort to contain expenses amounted to €304.2 million, 0.8% lower than in the same period of the previous year. In the credit insurance business, expenses increased by 6.7% to €530.8 million, due to greater investment in technology, both in new projects and in accelerating the amortisation of completed projects. However, in relative terms, the Group's efficiency ratio stands at 30.5%.

Financial profit/(loss) and complementary activities

The financial margin, at €175.9 million, is 15.8% lower than in the previous year. This decline is mainly due to non-ordinary profits. However, the ordinary financial profit benefited from the increase in fixed income interest rate income. During the year, the Group has remained active in the diversification and search for profitability. In turn, complementary activities in credit insurance, information services, debt collection and export credit management contributed €16.7 million to the profit and loss account.

Corporate tax

In the year 2023, the expense for corporate tax reached €182.7 million, which represents an effective rate of 22.9% on profit before taxes.

Financial strength

Permanent resources increased by 18.2% to €5,170.4 million. Adding the capital gains not included in the balance sheet (from properties), the permanent resources at market value stand at €5,738.8 million, up 16.7% from 2023.

A.M.Best maintains the rating of the main operating entities in both traditional and credit insurance business at "A" with a stable outlook, and Moody's upgrades the rating on the entities in the credit insurance business to "A1" with a stable outlook.

Solid Solvency ratio

In terms of solvency, GCO calculates the capital requirement in accordance with the standard formula provided for in the regulations, except in the credit and surety branch, for which, in order to reflect the specific nature of the business, it applies a partial internal model for the calculation of underwriting risk approved by the college of supervisors.

The Group's **solvency ratio** at year-end 2023 is estimated at 232%. The solvency ratio, even in adverse scenarios, remains at around 175% on a sustained basis.

Consolidating sustainability in the business strategy

In 2023, GCO has updated its materiality analysis in order to identify the relevant issues for the Group and its stakeholders. This analysis has been carried out in accordance with the dual approach promoted by the Corporate Sustainability Reporting Directive (CSRD), taking into account both impact materiality and financial materiality.

Based on the dual materiality analysis, the Group has been able to identify the sustainability issues to which its stakeholders attach most importance, which has enabled it to design the new Sustainability Master Plan for the 2024-2026 period. This new Master Plan is structured in 4 pillars on which 10 strategic lines have been defined in which the Group wants to create value, from which 22 goals to be achieved and 44 actions necessary for their attainment have been established.

In addition, the requirements of the Taxonomy Regulation and the Sustainability Disclosure Regulation or SFDR have been met, contributing to the development of a sustainable global financial system. In this regard, in 2023 the Group adapted its range of unit linked products, pension plans and EPSVs to the Article 8 category of the SFDR which, together with investment fund products, explicitly incorporate environmental and/or social considerations in their management, beyond the mere integration of sustainability risks.

Events after the close of 2023

No events have occurred after the end of 2023.

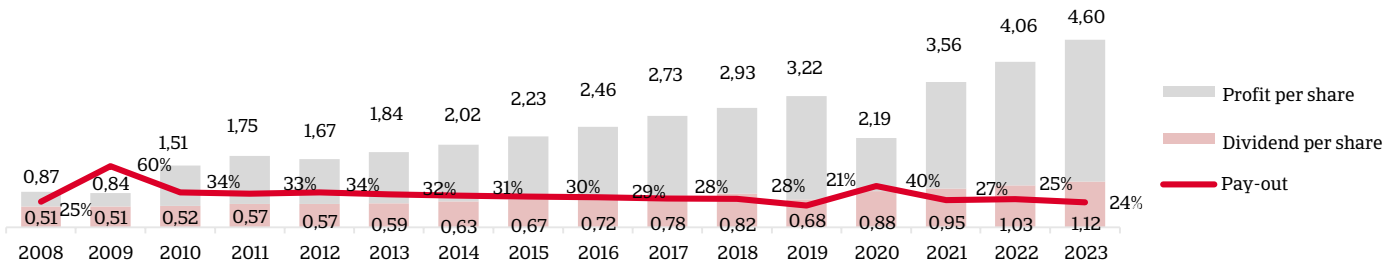
Shareholder remuneration

The historical pattern of the dividend policy demonstrates the clear commitment of the Group to remunerate its shareholders.

Dividends

In 2023, the Group increased its dividend by 8.67% and distributed €134.1 million

The Group has made 3 dividend payments in cash for a total amount of €0.5779 per share. These payments were made on 12 July 2023, 11 October 2023 and 7 February 2024. Furthermore, the Board of Directors agreed, at the meeting held on 29 February 2024, to propose to the General Shareholders' Meeting an increase of 10% for the complementary dividend that will be paid on 8 May 2024. With this, a total of €1.1177 per share (€134.12 million) would be allocated, with an increase of 8.67%. This dividend amounts to a pay-out of 24.31% on the 2023 attributable profit and a dividend yield of 3.75% in 2023.

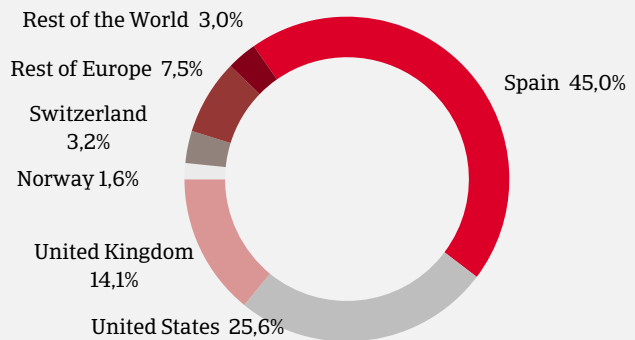


Shareholding structure

Stable, committed shareholders. At the close of 2023, the share structure had not suffered any variations.

The reference shareholder in Grupo Catalana Occidente is INOC S.A., which controls 62.03% of share capital. In addition, the Group, through Sociedad Gestión Catalana Occidente S.A., holds 1,977,283 treasury shares with a total acquisition cost of €22.8 million, representing 1.65% of the share capital. Those shareholders linked to the board are 2.79%. The Group's free float is 33.53%, half of which is held by institutional investors. The Group does not have any information regarding the existence of agreements between the shareholders for the concerted exercise of voting rights or limiting the transmission of their shares.

Geographic distribution of institutional investors



Relationship with the financial market

GCO maintains a smooth, transparent and close relationship with the financial market.

The Group has a policy of communication and relationship with the financial market available on its website and is in contact with its analysts, investors and shareholders through specific channels. The shareholder and investor portal updates the share performance, as well as the main information on results, presentations and credit ratings.

The also Group submits to the CNMV all information that, in accordance with current legislation, is considered privileged or relevant, periodic financial and non-financial information, as well as corporate information established by law.

The information sent to the CNMV is immediately made public on the CNMV's website and is then also published on the Company's website.

GCO publishes the following financial, non-financial and corporate information:

- i) Insider Information Communications (IP) and Other Relevant Information (OIR);
- ii) Quarterly information 31/03 and 30/09 (OIR);
- iii) Half-yearly information 30/06 and 31/12 (IPP);
- iv) Annual report 31/12 (FEUE): Annual Accounts and Directors' Report, which includes the Statement of Non-Financial Information (sent as OIR), the Annual Corporate Governance Report and the Annual Report on Remuneration, together with the External Auditor's Report.

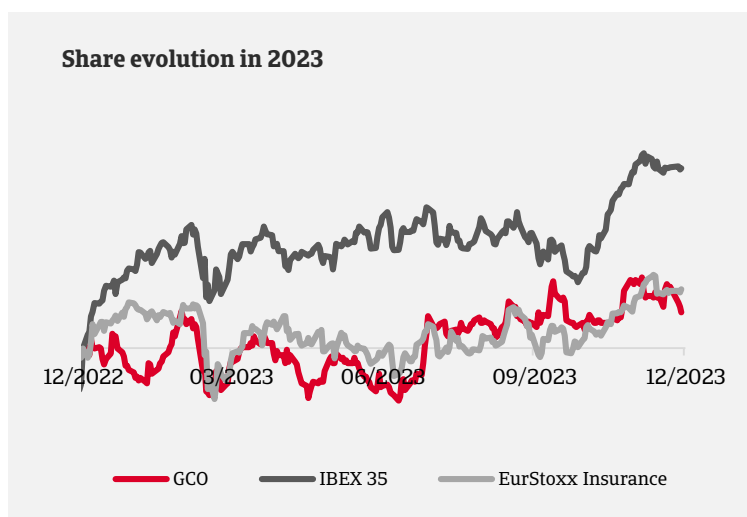
Share performance

During the year the average share price was €30.9/share.

GCO shares are listed on two Spanish stock exchanges, Barcelona and Madrid, being listed on the Continuous Market.

During 2023, the GCO share has underperformed the Eurostoxx Insurance and Ibex 35 indices, although its long-term performance has been better.

Analysts' recommendations remain favourable, with a "buy" recommendation and indicating an average target price of €46.1/share.



Share data	2019	2020	2021	2022	2023
Minimum (€/s)	28.30	16.20	27.75	24.90	27.60
Maximum (€/s)	35.30	32.05	36.35	30.60	32.20
Period end (€/s)	31.15	29.15	30.00	29.55	30.90
Number of shares	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000
Nominal share value (€/s)	0.30	0.30	0.30	0.30	0.30
Average daily underwriting (number of shares)	44,093	73,334	55,165	26,835	54,781
Average daily underwriting (euro)	1,412,462	1,653,784	1,745,406	762,716	1,618,314
Market capitalisation (€ million)	3738	3498	3600	3546	3708
Ratios	2019	2020	2021	2022	2023
Profit per share	3.22	2.19	3.56	4.06	4.60
Theoretical book value	32.09	32.81	37.27	34.86	41.79
PER	9.69	13.34	8.43	7.26	6.72
ROE	11.10	7.33	10.48	12.86	12.10
Profitability per dividend	2.12	3.80	2.98	3.60	3.75

Profitability	2002	2007	2012	2021	2022	2023	TACC* 02-23
Closing price 31/12	3.99	22.91	13.77	30.00	29.55	30.9	
GCO (%)	-7.21	-16.54	12.22	2.92	-1.50	4.57	10.71%
IBEX 35 (%)	-28.11	7.32	-4.66	7.93	-5.56	22.76	2.48%
EUROSTOXX Insurance (%)	-51.23	-11.92	32.92	17.08	-1.06	8.76	3.84%

* Compound annual growth rate

Outlook and challenges for 2024

In line with our 22-24 Strategic Plan, the main projects on which GCO will focus in 2024 are based on the three Strategic Pillars: growth, profitability and solvency

The 2024 financial year will continue to be framed in a complex scenario, where geopolitical uncertainty persists, as well as the need to monitor inflation and interest rates.

The main challenges for GCO are:

- **Economic environment marked by inflation.** Although inflation is expected to fall, it is still expected to be high at around 3.5%, affecting mainly business costs.

- **Interest rates are expected to fall.** After several years with unusually low rates, in 2023 there was a staggered rise. In 2024 rates are expected to start falling, mainly in the middle of the year, with margins being maintained. Savings products will remain attractive.

- **Technology.** The use of technology and data enhances customer insight, as well as improving process efficiency through automation.

- **Evolution from "policy to customer".** By focusing on the customer's needs, improving their experience and providing them with a comprehensive offer.

- **Sustainability integrated into the strategy.** Sustainability is expected to continue to gain traction in 2024.

The Group bases its strategy on 3 pillars:



Growth

- Total turnover: €5,792.6 million
- Launch of new insurance products
- Consolidation of App for customers

- Further boost distribution networks with training and digital tools
- Developing omni-channel retailing and enhancing customer self-service capabilities
- Advancing digital health, products for seniors, hybrid vehicle and adjacent services
- Incorporation of the funeral business of "Memora"

Profitability

- The consolidated profit amounted to €615.5 million
- Excellent combined ratio of traditional business 92.6% maintaining the differential with the sector
- Improved performance in credit insurance higher than pre-pandemic period

- Advance the concept of simplicity by completing the merger of the traditional business entities
- Develop the technological infrastructure to enable the offer of on-demand insurance
- Advance the application of artificial intelligence in underwriting and commercial processes
- A voluntary exit plan has been undertaken which will allow us to gain in efficiency.

Solvency

- The estimated solvency ratio at the end of 2023 is 232%
- Sustainalytics: ESG risk rating of 16.9, considered low risk
- Consolidation hybrid work model

- Continue to integrate sustainability in all areas of the Group
- Join forces under the umbrella of a new Occident brand for traditional business
- Promote employer branding through enhanced professional development

Milestones

Challenges



03.

Results in 2023

Traditional business

Traditional business presents a positive evolution, increasing its ordinary profit by 1.3%.

Recurring turnover (excluding single life premiums) increased by 5.2%, supported mainly by non-life insurance, where the increase in multi-risk and other premiums is noteworthy. Life business developed favourably with a 10.0% growth in turnover thanks to the good performance of all business lines and the commercial momentum in single premiums.

The technical profit after expenses, at €245.7 million, decreased by 6.6%. Non-Life's technical profit contributed €136.6 million and fell 15.0%, due to the increase of

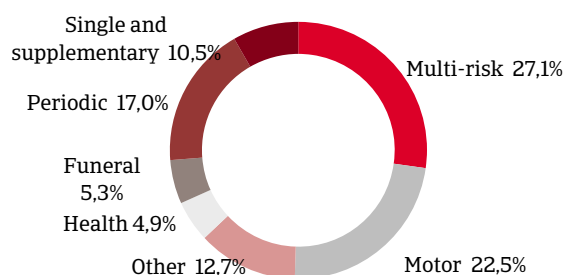
1.8 percentage points in the combined ratio to 92.6%. Technical cost increased 2.0 percentage points while fees and expenses decreased by 0.2 percentage points. In turn, the Life business increased its technical profit by 6.6% placing it at €109.4 million.

The financial profit, at € 109.8 million, increased by 29.6% as a result of higher interest rates.

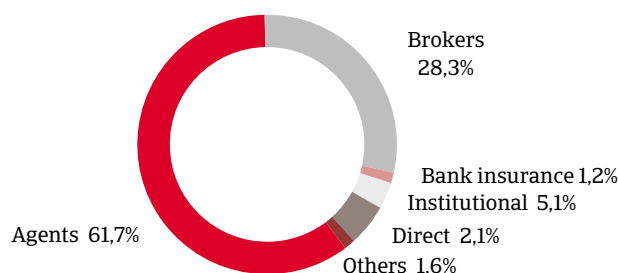
Ordinary profit has increased 1.3% to €261.1 million. Non-ordinary losses of € 22.5 million were generated during the year, mainly due to the implementation of the new Occident brand, bringing the total result to € 238.6 million, an increase of 15.1%.

Traditional business	2019	2020	2021	2022	(figures in € million)	
					2023	% Chg. 22-23
Written premiums	2,612.4	2,720.4	2,801.0	2,842.9	3,064.7	7.8%
Recurring premiums	2,268.6	2,415.5	2,473.2	2,606.4	2,741.4	5.2%
Technical profit/(loss) after expenses	214.6	265.4	257.6	263.0	245.7	-6.6%
% on earned premiums	7.9%	9.8%	9.3%	9.4%	8.2%	
Financial profit/(loss)	58.1	51.6	60.6	84.7	109.8	29.6%
% on earned premiums	2.1%	1.9%	2.2%	3.0%	3.6%	
Non technical profit/(loss)	-13.6	-16.3	-18.4	-21.3	-24.7	
Corporate tax	-49.2	-65.8	-59.9	-68.3	-69.7	
Ordinary profit/(loss)	209.9	234.9	239.9	257.8	261.1	1.3%
Non-ordinary profit/(loss)	-7.8	-10.3	-12.5	-50.6	-22.5	
Total profit/(loss)	202.1	224.6	227.4	207.2	238.6	15.1%
Earned premiums	2,707.5	2,710.1	2,781.9	2,793.5	3,010.6	7.8%

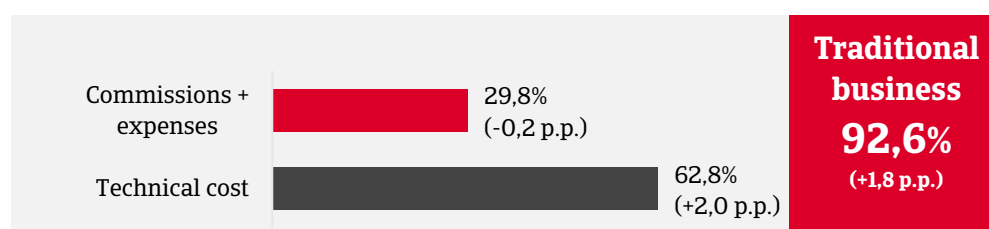
Distribution by business



Distribution channels



Combined ratio (does not include health and funeral)





Multi-risk

Turnover growth of 6.9% to €827.5 million, with a good evolution of the average premium and of the commercial activity with an increase in new policyholders and high retention of the portfolio. The combined ratio has slightly increased by 0.3 percentage points to 93.1%. This increase is due to the higher cost of claims due to inflationary effects and the impact of weather events.

Multi-risk	2019	2020	2021	2022	2023	% Chg. 22-23
Written premiums	661.6	686.9	721.8	774.3	827.5	6.9%
Number of claims	719,437	841,525	877,630	977,166	1,071,172	9.6%
Technical provisions	537.7	544.4	559.0	619.5	633.1	2.2%
% <i>Technical cost</i>	55.3%	55.0%	56.3%	59.4%	60.3%	0.9
% <i>Commissions</i>	20.9%	20.9%	21.0%	21.6%	21.7%	0.1
% <i>Expenses</i>	13.4%	13.1%	12.8%	11.8%	11.1%	-0.7
% Combined ratio	89.6%	89.0%	90.1%	92.8%	93.1%	0.3
Technical profit/(loss) after expenses	68.0	74.5	69.9	54.1	55.3	2.1%
<i>on earned premiums</i>	10.4%	11.0%	9.9%	7.2%	6.9%	
Earned premiums	653.3	676.1	705.3	750.7	797.7	6.3%

(figures in € million)



Motor

Increase in turnover of 4.9% reaching €690.8 million. The combined ratio was 3.6 percentage points higher at 96.3%, as a result of the increase in the cost of claims due to inflationary effects.

Motor	2019	2020	2021	2022	2023	% Chg. 22-23
Written premiums	657.3	653.8	641.1	658.6	690.8	4.9%
Number of claims	739,653	624,600	703,262	734,804	756,168	2.9%
Technical provisions	824.0	857.4	862.7	880.5	898.8	1.4%
% <i>Technical cost</i>	70.1%	66.5%	65.5%	68.7%	72.7%	4.0
% <i>Commissions</i>	11.1%	11.2%	11.2%	11.8%	11.9%	0.1
% <i>Expenses</i>	12.8%	12.7%	12.6%	12.2%	11.7%	-0.5
% Combined ratio	94.0%	90.3%	89.3%	92.7%	96.3%	3.6
Technical profit/(loss) after expenses	39.1	63.4	69.6	47.7	24.8	-48.1%
<i>on earned premiums</i>	6.0%	9.7%	10.7%	7.3%	3.7%	
Earned premiums	655.2	655.5	650.4	651.2	677.2	4.0%

(figures in € million)



Other

Growth in turnover of 8.7% to reach €390.1 million. The combined ratio was 2.1 percentage points higher at 85.0% because of the increase in technical costs and fees.

Other	2019	2020	2021	2022	2023	% Chg. 22-23
Written premiums	311.7	312.2	330.8	359.0	390.1	8.7%
Number of claims	100,785	93,483	98,193	94,421	90,402	-4.3%
Technical provisions	540.5	574.4	595.4	664.9	680.5	2.3%
% Technical cost	50.2%	51.0%	52.3%	49.1%	50.3%	1.2
% Commissions	19.4%	19.0%	15.4%	20.5%	22.9%	2.4
% Expenses	15.0%	14.3%	14.7%	13.3%	11.8%	-1.5
% Combined ratio	84.5%	84.4%	85.4%	82.9%	85.0%	2.1
Technical profit/(loss) after expenses	48.3	48.9	46.6	58.5	56.2	-3.9%
% on earned premiums	15.5%	15.7%	14.6%	17.1%	15.0%	
Earned premiums	311.8	312.4	318.9	342.7	374.9	9.4%

(figures in € million)



Life

Turnover in life business increased by 10.0% to €1,156.3 million, recurring premiums (health, death and periodic) grew by 2.3%. The technical-financial profit increased by 23.2% to €185.3 million. The combined ratio in the funeral business declined 3.7 percentage points to 77.1% and the combined health ratio was 87.0%.

Life	2019	2020	2021	2022	2023	% Chg. 22-23
Life insurance turnover	981.8	1,067.5	1,107.3	1,050.9	1,156.3	10.0%
Periodic life	438.2	476.5	487.1	510.1	520.8	2.1%
Health	60.9	142.8	145.0	149.0	151.3	1.5%
Funeral	138.8	143.3	147.4	155.3	160.9	3.6%
Single Life	343.8	304.9	327.7	236.5	323.3	36.7%
Pension plan contributions	69.1	71.8	61.0	51.3	48.7	-5.1%
Net contributions to investment funds	1.9	1.3	3.0	-10.7	-10.1	-5.6%
Volume of managed funds	6,617.3	6,695.5	6,771.7	6,620.1	6,588.2	-0.5%
Technical profit/(loss) after expenses	59.2	74.2	71.4	102.6	109.4	6.6%
% on earned premiums	5.4%	7.0%	6.4%	9.8%	9.4%	
Technical-financial profit/(loss)	81.2	95.3	98.2	150.4	185.3	23.2%
% on earned premiums	7.5%	8.9%	8.9%	14.3%	16.0%	
Earned premiums	1,087.2	1,066.1	1,107.3	1,048.9	1,160.8	10.7%

(figures in € million)

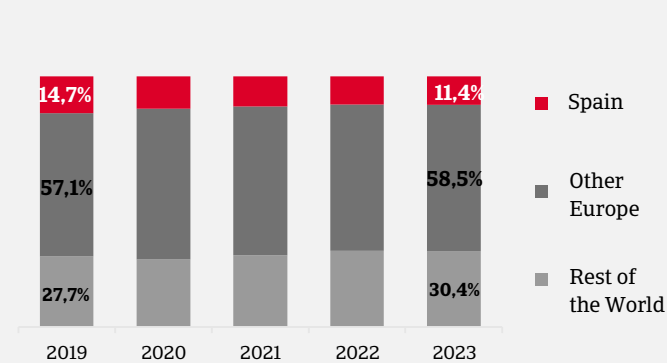
Credit insurance business

Growth in net insurance income of 2.4% with an ordinary profit of €365.6 million.

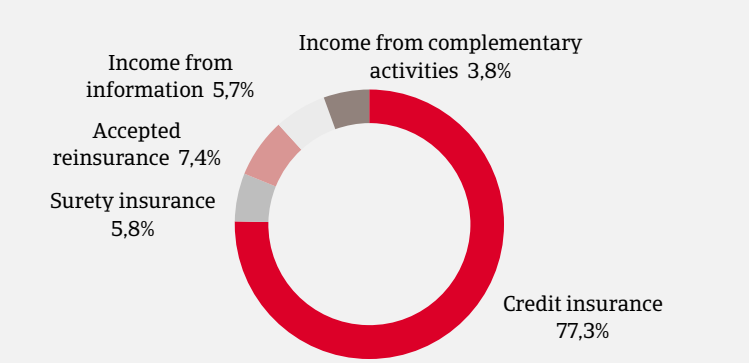
In the credit insurance business, the Group has increased its net income (earned premiums and information services) by 2.4% reaching €2,422.3 million. The earned premiums, at €2,278.5 million, have increased by 2.4%. In turn, income from information has increased by 1.3%, contributing €143.8 million.

The Group has increased its risk exposure (TPE) by 3.5% compared to the end of 2022. An exhaustive selection of risks is maintained.

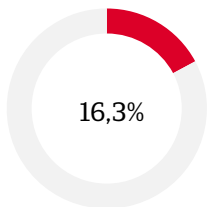
Evolution of cumulative risk (TPE)



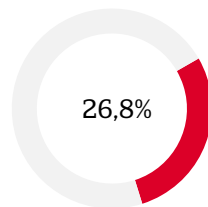
Diversification business (earned premiums)



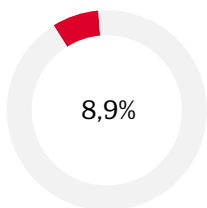
Increase of 2.4% in earned premiums to €2,278.5 million
Distribution of earned premiums by region:



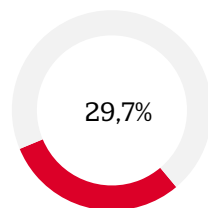
Spain and Portugal
Earned premiums: **€371.0M**
Change: +1.2%



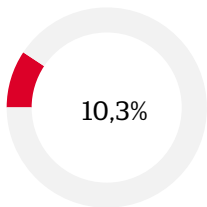
Central and Northern Europe
Earned premiums: **€611.2M**
Change: -1.7%



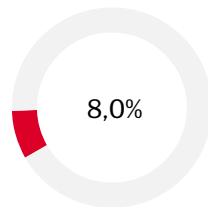
The Americas
Earned premiums: **€203.9M**
Change +0.3%



Western Europe
Earned premiums: **€674.0M**
Change +6.6%



Asia and rest of the world
Earned premiums: **€235.4M**
Change +4.3%



Southern Europe
Earned premiums: **€183.0 M**
Change +4.6%

The technical profit after credit insurance expenses was €626.4 million, 4.4% less than in the previous year.

The gross combined ratio was 74.1%, 1.8 percentage points higher than at the close of 2022. However, the inflow of claims remains below the pre-pandemic period. However, the prudent level of provisions of previous years is maintained.

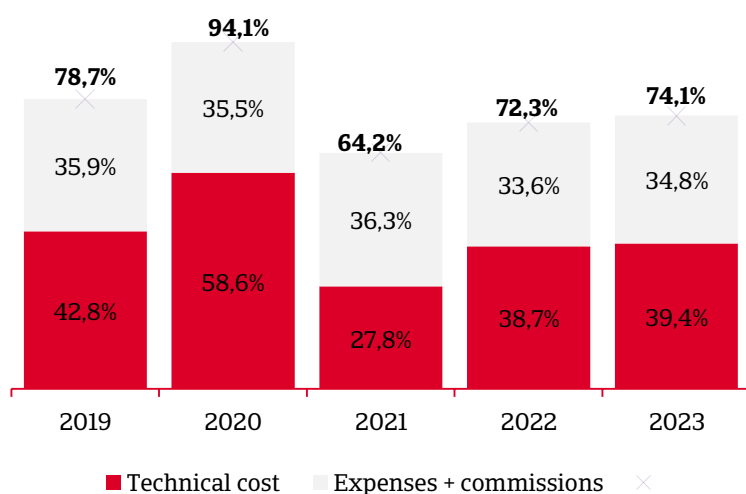
The profit ceded to reinsurance was €212.5 million, 13.2% less than in the same period of the previous year.

The financial profit was higher than in the same period of the previous year due to the increase in the return on its portfolio of fixed income and short-term assets. The profit for complementary activities is €16.7 million.

Consequently, ordinary profit is positioned at €365.6 million, up 3.1% than in 2022. During the year there were non-ordinary profits of €0.1 million. In total, this business contributed a profit of €365.7 million, an increase of 10.6%.

Credit insurance business	2019	2020	2021	2022	(figures in € million)	
					2023	% Chg. 22-23
Earned premiums	1,759.5	1,727.4	1,900.3	2,224.5	2,278.5	2.4%
Income from information	136.5	133.1	135.6	141.9	143.8	1.3%
Net income	1,896.0	1,860.5	2,035.9	2,366.4	2,422.3	2.4%
Technical profit/(loss) after expenses	404.8	109.3	729.5	655.4	626.4	-4.4%
<i>% on income</i>	<i>21.4%</i>	<i>5.9%</i>	<i>35.8%</i>	<i>27.7%</i>	<i>25.9%</i>	
Reinsurance profit/(loss)	-82.6	-28.1	-419.8	-244.8	-212.5	-13.2%
<i>Reinsurance transfer ratio</i>	<i>38.0%</i>	<i>52.1%</i>	<i>37.0%</i>	<i>37.0%</i>	<i>37.0%</i>	
Net technical profit/(loss)	322.2	81.2	309.7	410.6	413.9	0.8%
<i>% on income</i>	<i>17.0%</i>	<i>4.4%</i>	<i>15.2%</i>	<i>17.4%</i>	<i>17.1%</i>	
Financial profit/(loss)	5.6	5.1	17.7	44.8	59.4	32.6%
<i>% on income</i>	<i>0.3%</i>	<i>0.2%</i>	<i>0.9%</i>	<i>1.9%</i>	<i>2.5%</i>	
Profit/(loss) from complementary activities	3.2	1.8	9.9	8.8	16.7	
Corporate tax	-85.4	-34.8	-90.0	-104.3	-117.6	
Adjustments	-7.4	-2.9	-4.7	-5.3	-6.7	
Ordinary profit/(loss)	238.2	50.4	241.8	354.6	365.6	3.1%
Non-ordinary profit/(loss)	-17.9	-8.6	-5.3	-23.8	0.1	
Total profit/(loss)	220.3	41.8	236.5	330.8	365.7	10.6%

Performance of the gross combined ratio



Funeral business

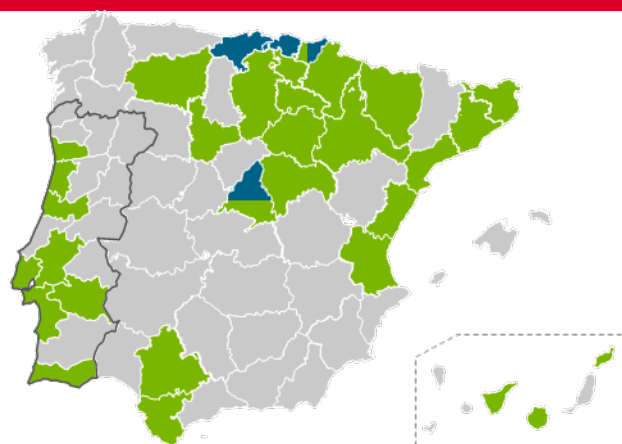
On 9 February 2023, GCO acquired 100% of Grupo Mémora from the Ontario Teacher's Pension Plan (OTPP).

Mémora is the first group in the Iberian Peninsula regarding the organisation of funeral services, and in the management of funeral parlours, cemeteries and crematoriums with presence in 21 provinces and in Portugal.

	Mémora			Mémora		Asistea		Mémora + Asistea	
	2019	2020	2021	12M2022	12M2023	12M2022	12M2023	12M2022	12M2023
Turnover	165,742	184,347	188,530	214,048	216,083	32,830	33,075	246,878	249,158
EBITDA	46,375	49,882	47,057	56,161	54,409	8,117	6,759	64,278	61,168
Margin	28.0%	27.1%	25.0%	26.2%	25.2%	24.7%	20.4%	26.0%	24.5%

The funeral business will provide stable income growth with high margins.

MÉMORA + ASISTEA



€401.3 M Price

Enterprise Value around €600M



The funeral business incorporates the data from Asistea and in 2023 also includes eleven months of Mémora.

Funeral business	2022	2023
Income	32.8	227.0
EBITDA	8.1	54.2
Margin on EBITDA	24.7%	23.9%
Amortisations	2.1	21.3
Technical profit/(loss) after expenses	6.0	32.9
Financial profit/(loss)	-0.3	-16.3
Profit/(loss) before tax	5.7	16.6
Corporate tax	1.0	3.0
Ordinary profit/(loss)	4.8	13.6
Non-ordinary profit/(loss)	-0.2	-2.5
Total profit/(loss)	4.6	11.1

As a result of the inflationary impact on costs, the EBITDA margin has been reduced to 23.9%.

The Group, following this acquisition, is analysing Mémora's cost structure and establishing a programme of synergies and financial deleveraging in order to improve margins and reduce financial charges.

For further information, see section 5.a of the Notes on the consolidated financial statements.

General expenses and commissions

The efficiency ratio is 30.5%.

GCO's structure allows for consistent sharing of best business practices and process efficiencies across corporate departments and common operating platforms.

In particular, expenses in traditional business declined 0.8%. In turn, credit insurance business, expenses increased 6.7% because of greater investment in technology, both in new projects and in accelerating the amortisation of completed projects.

In relative terms, the efficiency ratio increased slightly by 0.2 percentage points to 30.5%. Since 2013, the Group has improved efficiency by 5.7 percentage points.

(figures in € million)

Expenses and commissions	2019	2020	2021	2022	2023	% chg. 22-23
Traditional business	318.7	312.6	315.0	306.6	304.2	-0.8%
Credit insurance business	449.0	433.7	492.4	497.3	530.8	6.7%
Non-ordinary expenses	0.0	3.8	40.3	12.6	31.6	
Total expenses	767.7	750.1	847.7	816.5	866.6	6.1%
Commissions	558.6	558.6	588.6	670.8	719.9	7.3%
Total expenses and commissions	1,326.3	1,308.6	1,436.3	1,487.3	1,586.5	6.7%
% expenses and commissions without recurring premiums	32.6%	31.7%	31.6%	30.3%	30.5%	

Non-ordinary profit/(loss)

During the year there were non-ordinary losses mainly due to the implementation of the new Occident brand in the traditional business.

In the traditional business, the main impact was due to the implementation and advertising of the new brand, which entailed an investment of approximately €10.4 million. To a lesser extent, with a negative impact, special corporate projects and the accelerated amortisation of technology projects were carried out.

In the credit insurance business there are several offsetting effects, both from the performance of fixed income and mutual funds, the latter in order to reduce volatility in results in the new IFRS9 accounting framework applicable in 2024, which is offset by an acceleration of technology projects.

(figures in € million)

Non-ordinary profit/(loss) (net of taxes)	2019	2020	2021	2022	2023
Financial	-5.3	-22.1	11.8	98.4	-1.7
Expenses and other non-ordinary	-3.9	6.1	-33.4	-168.6	-26.8
Taxes	1.4	5.7	9.1	19.6	6.0
Non-ordinary from traditional business	-7.8	-10.3	-12.5	-50.6	-22.5
Financial	-18.1	-5.7	8.0	-18.2	26.2
Expenses and other non-ordinary	0.0	-3.8	-16.4	-4.6	-26.1
Taxes	0.2	0.9	3.1	-1.0	0.0
Non-ordinary from credit insurance business	-17.9	-8.6	-5.3	-23.8	0.1
Non-recurring from traditional business	-0.1	0.0	0.0	-0.3	-3.0
Taxes	0.0	0.0	0.0	0.1	0.5
Non-recurring from traditional business	-0.1	0.0	0.0	-0.2	-2.5
Non-ordinary profit/(loss) (net of taxes)	-25.8	-18.9	-17.8	-74.7	-24.9

Reinsurance profit/(loss)

The transfer to reinsurance is a consequence of the direct application of the Group's risk management policy.

In credit insurance, proportional transfers are made that bring greater stability to the results over the business cycle, as well as non proportional transfers to mitigate the potential impact of relevant claims. The Group maintains the ceding ratio at 37% with private reinsurers.

Traditional business keeps a high retention of the insured business, and reinsurance is protected mainly through stop-loss contracts for relevant claims.

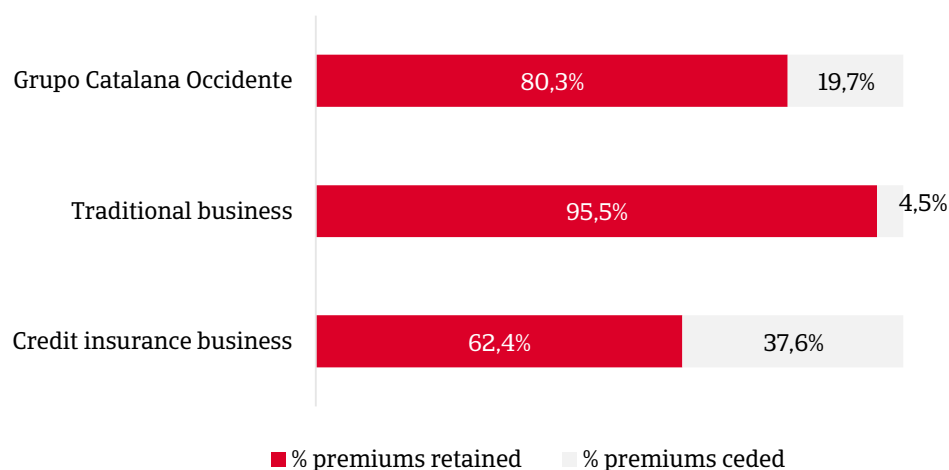
Overall, the cost of reinsurance has meant €237.9 million, €23.2 million from traditional business and the remaining €214.1 million from the credit insurance business.

The major reinsurance brokers for both the traditional and credit insurance business are Munich Re, General Re, Swiss Re, Hannover Re and Axis. These all hold a credit rating of "A" or higher.

(figures in € million)

Reinsurance	2019	2020	2021	2022	2023	% Chg. 22-23	Traditional business	Credit in- surance
Premiums ceded	-801.3	-1,057.1	-1,055.5	-987.9	-992.5	0.5%	-134.9	-857.6
Net premiums ceded	-798.5	-1,020.3	-1,078.2	-990.1	-984.9	-0.5%	-133.8	-851.1
% on earned premiums	-17.9%	-23.0%	-23.0%	-19.7%	-18.6%		-4.8%	-38.3%
Commissions	338.8	344.1	390.9	349.7	377.3	7.9%	26.5	350.8
Claims	353.8	634.8	245.3	640.4	370.3	1.0%	84.1	286.2
Ceded reinsurance profit/(loss)	-105.9	-41.4	-442.0	-273.9	-237.3	-13.4%	-23.2	-214.1

Reinsurance distribution between lines of business



Financial profit/(loss)

Financial investments have provided €175.9 million.

The financial result contributed €175.9 million to the Group's income statement, decreasing by 15.8%, mainly due to the different impact of the non-ordinary profit.

The ordinary financial profit of the traditional business with €109.8 million and credit insurance with €59.4 million increased as a result of higher interest rates.

The funeral business reduced its result by €16.3 million, as a result of the financial charges derived from its financing.

Finally, non-ordinary profits improved the financial profit by €23.0 million, mainly due to performances of investment funds.

(figures in € million)

Financial profit/(loss)	2019	2020	2021	2022	2023	% Chg. 22-23
Financial income net of expenses	206.5	182.5	186.7	189.0	269.4	42.5%
Exchange-rate differences	0.0	0.0	-0.7	-0.8	0.2	
Subsidiary companies	1.1	1.8	2.2	1.9	1.7	
Interest applied to life	-149.5	-132.7	-127.6	-105.5	-161.5	53.1%
Ordinary profit/(loss) of the traditional business	58.1	51.6	60.6	84.7	109.8	29.6%
<i>% on earned premiums</i>	<i>2.2%</i>	<i>1.9%</i>	<i>2.2%</i>	<i>3.0%</i>	<i>3.6%</i>	
Financial income net of expenses	16.6	12.9	8.5	28.7	64.2	123.7%
Exchange-rate differences	-1.3	5.5	8.9	11.0	-3.1	
Subsidiary companies	7.1	2.9	16.0	17.8	11.3	-36.5%
Interest subordinated debt	-16.9	-16.9	-15.9	-12.7	-12.9	
Ordinary profit/(loss) from credit insurance	5.6	5.1	17.7	44.8	59.4	32.6%
<i>% on net income from insurance</i>	<i>0.3%</i>	<i>0.3%</i>	<i>0.9%</i>	<i>1.9%</i>	<i>2.5%</i>	
Intra-group interest adjustment	-3.5	-0.9	-0.4	-0.4	0.0	
Adjusted ordinary profit/(loss) from credit insurance	2.1	4.2	17.3	44.4	59.4	
Financial profit/(loss) funeral business	0.2	0.2	0.5	-0.3	-16.3	
Ordinary profit/(loss)	60.5	55.8	78.5	128.8	153.0	18.8%
<i>% on net income from insurance</i>	<i>1.3%</i>	<i>1.3%</i>	<i>1.6%</i>	<i>2.5%</i>	<i>2.8%</i>	
Non-ordinary profit/(loss)	-23.5	-27.8	19.8	80.2	23.0	
Financial profit/(loss)	37.0	28.2	98.3	209.0	175.9	-15.8%

Balance sheet

GCO closes 2023 with assets of €19,407.0 million.

GCO closes the 2023 balance sheet with assets of €19,407.0 million, an increase of 8.0% compared to 2022.

The main items explaining this increase are:

- Intangible assets and fixed assets, by €790.4 million, due to the incorporation of Mémora.
- Financial investments, by €1,122.3 million.
- Net equity, by €831.6 million.

The Group's attributable equity amounted to €4,561.3 million.

Note that the item "cash" does not reflect the Group's liquidity position as investments in deposits and money market funds are included in Financial Investments (See Investments and Managed funds table).

Likewise, it should be remembered that GCO does not account for the surplus value of its property featured, so they appear at the amortised cost value and not at market value.

<i>(figures in € million)</i>						
Assets	2019	2020	2021	2022	2023	% Chg. 22-23
Intangible assets and property, plant and machinery	1,429.1	1,440.1	1,358.2	1,312.0	2,102.4	60.2%
Investments	12,618.4	13,066.4	13,955.5	13,312.4	13,664.6	2.6%
Property investments	661.4	692.9	718.3	749.3	731.9	-2.3%
Financial investments	10,602.3	10,895.6	11,504.0	10,436.7	11,559.0	10.8%
Cash and short-term assets	1,354.7	1,478.0	1,733.2	2,126.4	1,373.7	-35.4%
Reinsurance of technical provisions	874.3	1,108.1	1,101.5	1,200.0	1,245.2	3.8%
Other assets	1,756.0	1,753.2	1,857.7	2,146.4	2,394.8	11.6%
Deferred tax assets	226.3	271.9	226.8	282.3	300.0	6.3%
Credits	951.0	971.0	1,006.6	1,084.3	1,275.9	17.7%
Other assets	578.7	510.3	624.3	779.8	819.0	5.0%
Total assets	16,677.9	17,367.7	18,272.9	17,970.8	19,407.0	8.0%
Net liabilities and equity	2019	2020	2021	2022	2023	% Chg. 22-23
Permanent resources	4,051.7	4,138.3	4,667.7	4,374.0	5,170.4	18.2%
Net equity	3,851.2	3,937.6	4,472.8	4,182.6	5,014.2	19.9%
Parent company	3,477.1	3,578.9	4,076.6	3,782.4	4,561.3	20.6%
Minority interests	374.1	358.7	396.2	400.2	452.9	13.2%
Subordinated liabilities	200.5	200.7	194.9	191.3	156.2	-18.3%
Technical provisions	10,652.1	10,982.5	11,294.5	11,730.1	12,035.6	2.6%
Other liabilities	1,974.1	2,247.0	2,310.7	1,866.7	2,201.0	17.9%
Other provisions	210.5	234.6	196.1	258.3	267.1	3.4%
Deposits for ceded reinsurance	52.9	58.3	21.1	14.3	15.3	7.0%
Deferred tax liabilities	488.4	488.8	504.2	308.7	469.2	52.0%
Debts	767.8	969.8	1,145.6	1,026.7	1,242.6	21.0%
Other liabilities	454.5	495.5	443.7	258.7	206.9	-20.0%
Total net liabilities and equity	16,677.9	17,367.7	18,272.9	17,970.8	19,407.0	8.0%

Investments and managed funds

At the close of 2023, the Group manages funds amounting to €15,364.7 million, €510.0 million more than in the previous year.

Pension plans, investments and investment funds on behalf of policyholders continue to grow strongly. The Group increased its exposure to equities and reduced its position in cash and monetary assets as a result of the acquisition of Mémora.

The Group invests mainly in fixed income, which represents 54.1% of the total portfolio, by €7,400 million. The main asset is sovereign debt at 41.3%. The distribution of the *rating* in the portfolio is shown graphically below. At the end of the period, 71.7% of the portfolio had an A rating or higher, reflecting the improvement in the Spanish *rating* of the main credit rating agencies. The duration of the portfolio at the end of the financial year is 3.66 years and profitability is at 3.24%.

In recent years, the Group has increased its investments in real estate. At the end of the year, this investment is

€1,702.8 million, representing 12.5% of the total portfolio. The majority of the properties are located in areas considered *prime* areas in the most important Spanish cities. All of the properties for use by third parties are located in these areas and have a very high rate of occupancy. Every two years they are appraised, through entities that are authorised by the supervisor. Capital gains from these properties stand at €568.4 million.

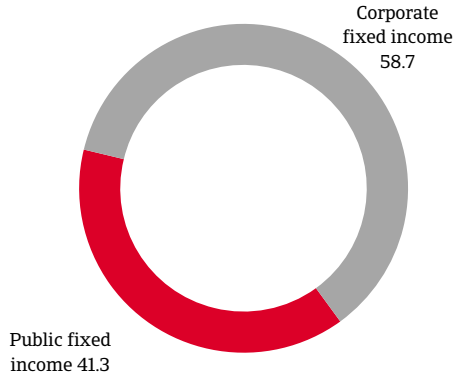
Variable income represents 15.8% of the portfolio and increased by 22.2%, reflecting the positive evolution of the financial market and the sale of investment funds directly invested in equities. The investment portfolio is widely diversified and focused on high-capitalisation securities, mainly in the Spanish market (27.3%) and the rest of the European market (54.8%), which show attractive dividend returns.

The Group maintains a liquidity position in deposits at credit institutions of €612.0 million, mainly at Banco Santander and BBVA, and a significant level of cash of €1,435.4 million

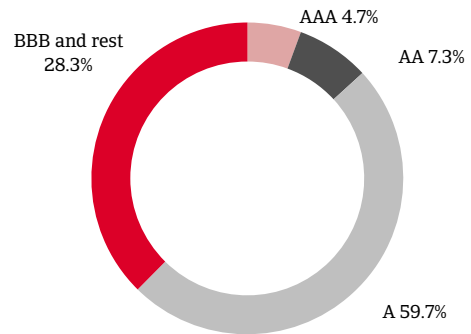
Investments and managed funds	2019	2020	2021	2022	2023	(figures in € million)	
						% Chg. 22-23	% on inv. R. Co.
Real Estate Property	1,529.8	1,587.6	1,595.9	1,626.1	1,702.8	4.7%	12.5%
Fixed income	7,361.2	7,604.1	7,469.2	6,926.7	7,400.0	6.8%	54.1%
Variable income	1,673.7	1,656.4	2,122.0	1,768.2	2,160.2	22.2%	15.8%
Deposits with credit institutions	608.6	573.4	620.8	429.3	612.0	42.6%	4.5%
Other investments	199.1	229.2	249.1	243.7	236.5	-3.0%	1.7%
Cash and monetary assets	1,403.5	1,535.5	1,841.5	2,250.4	1,435.4	-36.2%	10.5%
Investment in investee companies	85.8	85.2	99.1	112.3	119.1	6.1%	0.9%
Total investments, risk to entity	13,010.5	13,271.4	13,997.6	13,356.7	13,666.0	2.3%	100.0%
Investments on behalf of policyholders	575.1	618.4	757.2	750.6	872.1	16.2%	
Pension plans and investment funds	791.7	721.3	820.5	747.4	826.6	10.6%	
Total investments, risk to policy holders	1,366.8	1,339.7	1,577.7	1,498.0	1,698.7	13.4%	
Investments and managed funds	14,377.3	14,611.1	15,575.3	14,854.7	15,364.7	3.4%	

Portfolio breakdown

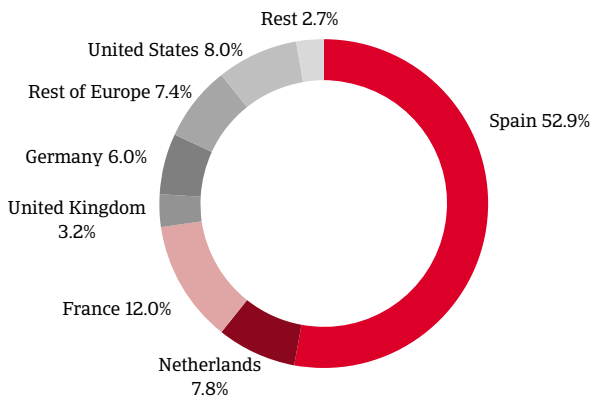
**Fixed
by type**



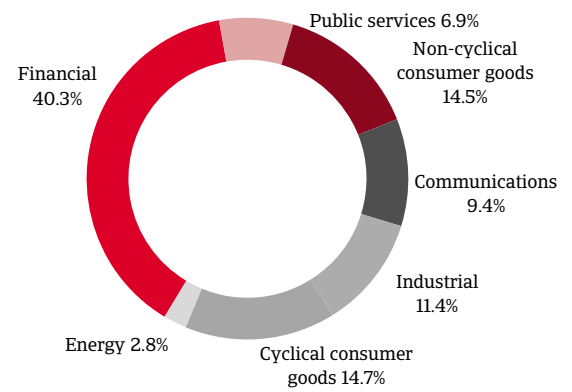
**Fixed
by rating**



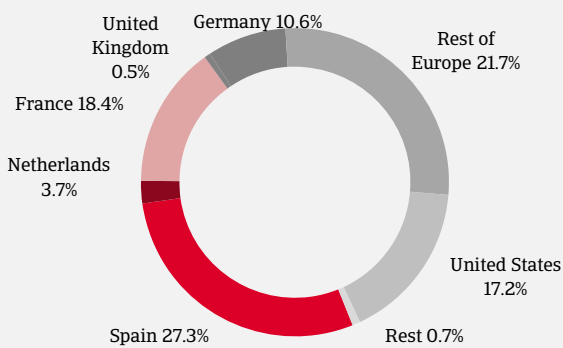
**Fixed
by countries**



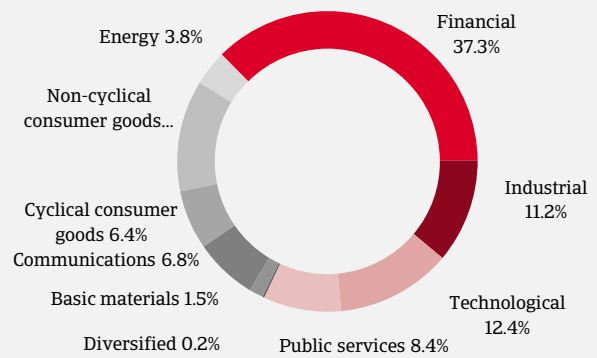
**Fixed
by sectors**



**Variable
by countries**



Variable income by sectors



Capital management

GCO manages its capital with the goal of maximising value for all its interest groups, maintaining a solid position through obtaining long-term results and a prudent policy for remunerating shareholders.

All Group entities maintain the necessary financial strength to develop the business strategy, taking risks prudently and meeting the required solvency needs.

In addition to the remuneration policy for shareholders, in the capital planning, the Group takes into account, among others, the following aspects:

- The solvency ratio of the Group and its individual entities in accordance with the risk appetite.
- Any change in the Group's risk profile.
- The asset-liability management (ALM) of life and cash business of each of the entities.

Principles of capital management

Capital management is governed by the following principles:

- Ensuring that Group companies have sufficient capital to meet their obligations, even when faced by extraordinary events
- Managing capital taking into account the economic vision, as well as the objectives established in the risk appetite.
- Optimising the capital structure through the efficient allocation of resources between entities, ensuring financial flexibility and remunerating shareholders appropriately.

The Group defines the strategic plan and the risk strategy considering the capital management policy, using the solvency projections made in the internal evaluation process of risks and solvency (ORSA). Capital quantification is carried out at the Group level and at the level of each of the entities, using different models for monitoring: ORSA, rating agencies, economic and regulatory models.

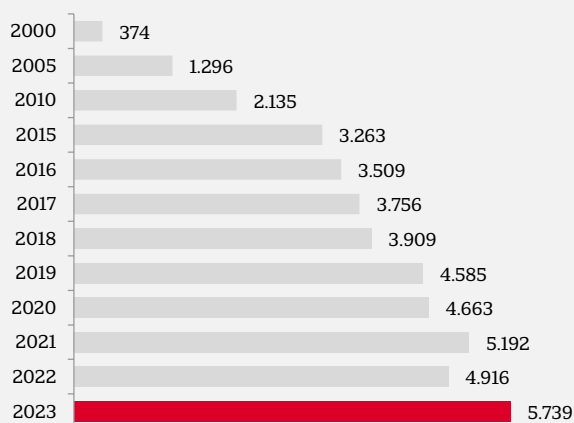
Capital performance

"At the end of 2023, the Group's capital increased by 16.7% of the permanent resources at market value"

Permanent resources at 31/12/2022	4373.9
Permanent resources at market value	4916.3
Net equity on 31/12/2022	4182.6
(+) Consolidated profits	615.5
(+) Dividends paid	-126.6
(+) Change in valuation adjustments	360.5
(+) Other changes	-17.8
Total movements	831.6
Total net equity on 31/12/2023	5014.2
Subordinated debt	156.2
Permanent resources at 31/12/2023	5170.4
Capital gains not included in balance sheet	568.4
Permanent resources at market value	5738.8

The consolidated profit has contributed to the Group's financial strength. Market movements have led to an increase in the value of investments, with a positive impact of €360.5 million. Also, dividends have been paid, amounting to €126.6 million, thus reducing equity by the same amount.

Evolution of permanent resources at market value



In credit insurance, Atradius has issued subordinated debt amounting to €250 million, maturing in September 2044, which can be fully amortised from September 2024. It bears interest at a fixed rate of 5.25% for the first ten years and, thereafter, the interest rate is variable 3-month Euribor rate plus 5.03%. The amount of the subordinated debt to be calculated for the purposes of the Group has been reduced by €95.5 million due to the investment that some entities of traditional business have in the bond. (See section 13 a) of the Notes to the report).

Credit rating

In October 2023, Moody affirmed the 'A1' rating with a stable outlook of the operating entities in the credit insurance business under the Atradius brand. The improvement of this rating reflects Moody's confidence in the strength of the Atradius brand, even in situations of economic uncertainty such as that generated by COVID-19 and the Ukraine - Russia conflict. This is due to the high quality of its risk exposure, its strong economic capitalisation and its solid positioning as the world's second largest credit insurer.

In turn, A.M. Best confirmed in July 2023 the financial strength rating of A (excellent) with a stable outlook for the Group's main operating entities, both in traditional business and credit insurance business. This rating reflects the solid balance sheet strength, excellent operating profits and appropriate capitalisation of the Group's main operating entities. In addition, it considers that exposure to natural disasters is limited, thanks to the existence of a national coverage system (Insurance Compensation Consortium).

Rating of Group entities

	A.M. Best	Moody's
Seguros Catalana Occidente	'A' stable (FSR) 'a+' stable (ICR)	
Seguros Bilbao	'A' stable (FSR) 'a+' stable (ICR)	
Plus Ultra Seguros*	'A' stable (FSR) 'a+' stable (ICR)	
Atradius Crédito y Caución Seg Reas	'A' stable (FSR) 'a+' stable (ICR)	'A1' stable (IFS)
Atradius Reinsurance DAC*	'A' stable (FSR) 'a+' stable (ICR)	'A1' stable (IFS)
Atradius Trade Credit Insurance, Inc.	'A' stable (FSR) 'a+' stable (ICR)	'A1' stable (IFS)
Atradius Seguros de Crédito, S.A.	'A' stable (FSR) 'a+' stable (ICR)	

*Merged entities as at 31 December 2023

Solvency II

The estimated Solvency II ratio at the close of 2023 for the Group is 232%. The entities of the Group present average solvency II ratios of above 190%. The solvency ratio at year-end 2022 was 247%.

GCO has a robust financial and solvency position to withstand adverse situations; in fact, the ratio of solvency II is maintained around 175% even in adverse scenarios. Furthermore, it should be noted that the own funds are of high quality, with over 96.6% of the same being tier1.

Stress scenarios and sensitivity analysis based on the SFCR 2022 published in May 2023

Main ratio scenario	247.4%
Underwriting scenarios	
Lowering premiums -5%	-0.8 p.p.
Increased claims ratio*	-12.2 p.p.
Set of scenarios	-12.8 p.p.
Market scenarios	
Variable income -10%	+5.5 p.p.
Real estate -5%	-1.6 p.p.
Set of scenarios	+3.7 p.p.
-25% VI	+2.6 p.p.
Rates curve +100 bps	-0.9 p.p.
Rates curve -100 bps	-2.3 p.p.
Spread +100 bps	-4.3 p.p.
Impairment rating	-0.8 p.p.
Adverse scenario**	-58.0 p.p.
No VA and no PPTT transient	-1.2 p.p.

* Fire and other property damage, motor OG +10p.p and Motor CL +5 p.p.
Credit insurance claims ratio +10 p.p.

** -5% vol. premiums Fire and Other Damage to Goods, Motor CL and OG.

+10p.p claims ratio of Fire and Other Damage to Goods and Motor OG.

+5p.p claims ratio of Motor CL.

Low interest rate environment.

-35% of variable income.

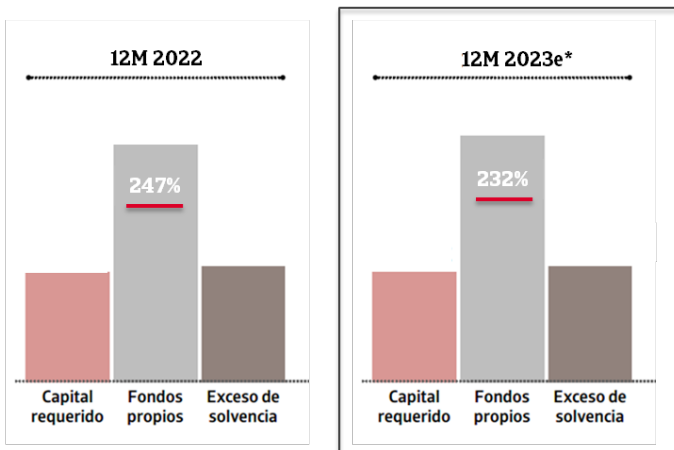
-15% of properties

+200bps credit spreads

Credit insurance claims ratio 101.5%.

***The curve, equity and real estate scenarios are updated to year-end 2023 figures in note 4 of the notes to the consolidated financial statements.**

Evolution Solvency ratio






* Dato con modelo interno parcial.

IFRS17

IFRS17: International accounting standard establishing a new methodology for the calculation of provisions.

Treatment of insurance liabilities

IFRS17 accounting	 LIFE	 GENERAL INSURANCE	 CREDIT
	<ul style="list-style-type: none"> - Savings: General methodology (BBA). Methodology analogous to Solvency and Embedded Value. With market assumptions and valuation. In addition, the term CSM is introduced as an estimate of future business performance. - Risk (annual): The methodology for short-term insurance, known as PAA, will be followed. No significant changes from the current one (best estimate, risk adjustment and discounting). - Only affects the consolidated accounts. - Entry into force 1 January 2023. 	<ul style="list-style-type: none"> - No significant change from the current one, based on a best estimate with risk adjustment and discounting. 	<ul style="list-style-type: none"> - We have opted for the general methodology (BBA): <ul style="list-style-type: none"> • Applies to all products and countries. • Homogeneous with reinsurance. • Suitable for the management and volatility of the credit insurance business.

Impacts on Ordinary Management

FINANCIAL IMPLICATIONS
<p>No impact</p> <ul style="list-style-type: none"> - Assets at market value against equity (OCI) similar to current portfolios - ALM Assets - Liabilities management to reduce asymmetries is maintained. <p>With impact</p> <ul style="list-style-type: none"> - Liabilities at market value analogous to Solvency / Embedded Value. - Recognition of the profit in Life Savings and Loan, different time allocation. - Treatment of variable income: Market value against OCI but no possibility to recognise gain/loss on sale. Investment funds at market value with changes reflected in the profit and loss account.

MANAGEMENT IMPLICATIONS
<p>On the business</p> <ul style="list-style-type: none"> - No relevant changes in risk appetite are expected. - Current business management indicators (ratios and KPIs) are maintained in parallel <p>On the capital</p> <ul style="list-style-type: none"> - No change in dividend distribution - No change in the solvency position - No change in cash generation

Comparison IFRS 17 vs IFRS 4

	12M2023		
	IFRS4	IFRS17	Chg.
Technical insurance profit/(loss)	668.4	812.5	144.1
Non-attributable expenses	0	-37.8	-37.8
Total technical profit/(loss)	668.4	774.7	106.3
Investment profit/(loss)	316.2	263.3	-52.9
Insurance financial income or expenses	-147	-141.6	5.4
Total financial profit/(loss)	169.2	121.8	-47.4
Non-technical non-financial account	-24.6	-27.1	-2.5
Funeral business	16.6	16.6	0
Profit/(loss) before tax	829.6	886.0	56.4
Corporate tax	-189.3	-207.9	-18.6
Ordinary profit/(loss)	640.3	678.1	37.8
Total result	615.5	645.1	29.6
Combined ratio with attributable expenses			
Traditional business	92.6%	93.0%	0.3
Credit insurance business	74.1%	71.2%	-2.9
Net equity	5,014	5,616	602
	12M2022		
	IFRS4	IFRS17	Chg.
Ordinary profit/(loss)	617.1	687.0	69.8
% Increase	3.80%	-1.30%	
Total result	542.6	528.6	-14.0

*IFRS4 results are presented with a different breakdown than management information to make them comparable with international accounting standards.

For further information, see note 2.e) of the report for the Consolidated Financial Statements..



04.

Corporate governance

Corporate governance model

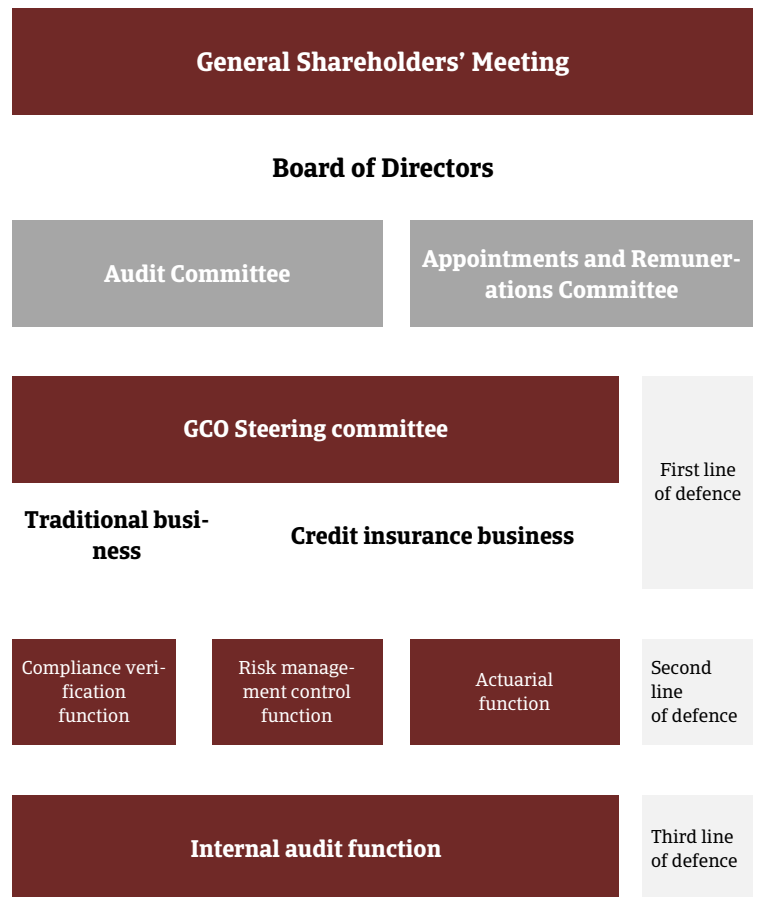
The Board of Directors continues to focus its activity according to the principles of good governance

The governing bodies of GCO have the goal of providing management and control structures that are suitable to protect the interests of shareholders, to monitor compliance with the strategy of the Group and to ensure the creation of value and the efficient use of resources in a transparent information framework. The Group applies practically all the recommendations of the Good Governance Code for Listed Companies of the CNMV, as well as advanced corporate governance practices. The main functions of the governing bodies are described in more detail in the Annual Corporate Governance Report and on the corporate website.

General Shareholders' Meeting

The General Shareholders' Meeting is the body that represents the shareholders. Its operation and action is regulated by the articles of association and the Regulations of the General Shareholders' Meeting. One of its main functions is to approve the accounts and the application of the profit/(loss). At GCO there are no restrictions on the right to vote and each share is entitled to one vote.

The next General Shareholders' Meeting has been convened for 25 April 2024 at 5.00 p.m. on first call. In order to facilitate the participation of all shareholders, GCO provides a digital debate forum as well as electronic methods that facilitate distance voting and the delegation of representation. The General Shareholders' Meeting is also broadcast in *streaming* on the corporate website



Board of Directors

The Board of Directors is the maximum management and supervision authority at GCO. The guiding principle is to delegate the ordinary management to the management team and to concentrate its activity on the supervisory function, which includes, among others, the following responsibilities:

- Strategic responsibility: direct the policies.
- Supervision responsibility: control management.
- Communication responsibility: serve as a link between shareholders.

Its operation and action is regulated by the articles of association and the Regulation of the Board of Directors. As at 31 December 2023, the Board of Directors consisted of 9 directors, of whom 5 are proprietary, 3 are independent and 1 is executive director. During the 2023 financial year, the Board of Directors met 11 times, where it reviewed, informed and, where applicable, made decisions regarding the financial, non financial position and profits/(losses, strategic plan, acquisition operations, policies and risk control, among other issues.

Board of Directors

(at 31 December 2023)

Chairman

José María Serra Farré

Vice Chairman and Chief Executive Officer

* Hugo Serra Calderón

Board Members

Federico Halpern Blasco

** Francisco Javier Pérez Farguell

Maria Assumpta Soler Serra

** Beatriz Molins Domingo

** Raquel Cortizo Almeida

Jorge Enrich Serra

Álvaro Juncadella de Pallejá

Non-board member secretary

Joaquín Guallar Pérez

*Executive directors **Independent

Delegate committees

In order to ensure greater efficiency in the exercise of its functions, the Board of Directors has two delegated committees: the Audit Committee and the Appointments and Remuneration Committee.

Audit Committee

Chairman

Francisco Javier Pérez Farguell

Board Members

Beatriz Molins Domingo
Álvaro Juncadella de Pallejá

The Board of Directors has an audit committee in accordance with the provisions of the Spanish Companies Act and Additional Provision 3 of the Audit Act. Its composition and regulation is established in the Regulations of the Board of Directors.

The powers of this Committee are those provided for in the Capital Companies Act and Article 15 of the Regulations of the Board of Directors. Among these, should be mentioned:

- To monitor the effectiveness of the internal control system.
- To examine compliance with the Group's internal and external regulations on good governance.
- To take to the Board of Directors the proposal for the selection, appointment and replacement of auditors and to assess the results of each audit.
- To supervise the process of preparing and presenting the regulated financial reporting information.
- To report to the Board of Directors on (i) the financial information that the Company must periodically publicly disclose; and (ii) transactions with related parties.

Appointments and Remunerations Committee

Chairman

Francisco Javier Pérez Farguell

Board Members

Jorge Enrich Serra
Beatriz Molins Domingo

As in the case of the audit committee, its composition and regulation is established in the Capital Companies Act and the Regulations of the Board of Directors.

The main powers of this Committee are those provided for in the Capital Companies Act and Article 16 of the Regulations of the Board of Directors. Among these, should be mentioned:

- To report to the Board of Directors on appointments and resignations of senior managers and to propose the basic conditions for their contracts.
- To supervise that directors comply with the Company's requirements of fitness and reputation both at the time of their appointment and during their term of office.
- To review GCO's remuneration policy and report on its implementation.

Management committee (first line of defence)

GCO has a corporate management committee that directs and coordinates the day-to-day management of the Group. Furthermore, the individual principal entities that form part of the Group have their own management committee.

These committees meet at least monthly.

External Audit

The firm PriceWaterhouseCoopers Auditores, S.L., performs the individual external audit of the Company and the consolidated Group, as well as of the majority of the entities that form part of it. This brings global homogeneity between all audits and, in particular, with regards to the financial information systems.

In Note 21b of the report and in the Corporate Governance report, the remuneration paid to the auditors is listed both in concept of auditing services and other services. The full contents of the annual accounts, the notes to the report and the auditors' report are available on the website: www.cnmv.es and at www.gco.com, under "Shareholders and Investors" in the "Reports and Results" section.

Assessment of the Board and the Committees

Following the recommendations included in the Good Governance Code of listed companies, which recommends that an external expert assess the functioning of the Board of Directors every three financial years, during the 2021 financial year, an external assessment of the functioning of the Board of Directors, the delegated committees and the performance of its chairman was carried out by KPMG in its capacity as an independent expert. The outcome was positive, with the external expert highlighting both the adequacy of the procedures and the functioning of these bodies. In addition, and as provided for in the aforementioned good governance code, during the 2023 financial year and the current financial year, the Board of Directors and its delegated committees have also carried out internal processes of self-assessment of their operation.

Information and transparency

The Board of Directors approved the Annual Corporate Governance Report and the Annual Report on the Remuneration of the members of the Board of Directors for the 2023 financial year, following the guidelines established by the regulations on transparency of listed companies.

These reports, which contain, among other information, details on the GCO's corporate governance, the composition of its shareholding structure, the functioning of its governing bodies and the remuneration of the members of the Board of Directors during the past and current financial year, can be accessed through the corporate website in the shareholders and investors section.

Key functions (2nd and 3rd line of defence)

Control of risk management function

- Supports the board of directors and the management committee with identification, assessment and control of all risks.
- Supports the Board of Directors in the annual definition of the risk appetite and tolerance for the Group and its main businesses.
- Follows up on the prospective risk assessment.
- Periodic monitoring of the Group's risk profile and threats.

Verification of compliance function

Ensures compliance with the obligations that affect the organisation of the Group, including both the regulations of mandatory application as well as those assumed on a voluntary basis, including the legal, regulatory and administrative provisions affecting the Group, as well as its own internal regulations.

Actuarial function

Exercises the powers conferred by the insurance regulations.

- Expresses an opinion on the technical provisions.
- Assesses the quality of the data used.
- Expresses an opinion on the suitability of the technical provisions included in the ORSA.
- Expresses an opinion on the underwriting policy.
- Expresses an opinion on the reinsurance policy.

Internal audit function

Directly reports to the audit committee as a delegate committee of the Board of Directors and exercises maximum supervision of the Group's internal control. In 2023, the Group carried out a total of 81 audits, including 6 on Solvency II issues, 6 on issues related to the internal control over financial reporting (ICFR), 3 on the prevention of money laundering and financing of terrorism and 4 on ESG issues.

In total, 189 opinions were issued, 9% of which were rated unsatisfactory.

Finally, the Internal Audit's Function handles irregularities and/or fraud of intermediaries, professionals and employees of which it has become aware. Reportable events include non-compliance with the code of ethics established by the Group and the manipulation or falsification of data and, in general, within the framework of the internal control system for financial information, any irregular practice linked to the internal control systems and the preparation of financial information. In this regard, 67 incidents of internal fraud were detected in 2023, with an operational cost of €201,378 in terms of contracting, claims and others (in 2022, 48 incidents of internal fraud were detected for a value of €352,343).

During 2023, there have been no confirmed cases of corruption in the Group and no public legal cases related to corruption.

Remuneration policy

This is oriented towards the recurring generation of value and sustainability of results over time. It also seeks to align the interests of the directors and employees with those of the Group's stakeholders together with prudent risk management in such a way as to be reasonable with the size of the Group, its economic situation and the market standards of comparable companies.

In accordance with the regulations, this policy is approved for periods of three years (unless amended) by the General Shareholders' Meeting. In this regard, it was last approved at the Annual General Shareholders' Meeting on 27 April 2023. In addition, the annual report on remuneration of the Board of Directors, which includes the remuneration received by the members of the Board of Directors both in the Company and in its subsidiaries, is published annually and submitted to the consultative vote of the General Shareholders' Meeting.

The remuneration policy is aligned with ESG issues, associating variable remuneration to the commitments acquired in relation to sustainability.

Principles of the policy

- To create long term value.
- To compensate the achievement of results based on prudent and responsible risk assumption.
- To attract and retain the best professionals.
- To reward the level of responsibility.
- To ensure internal equality and external competitiveness.

The members of the Board of Directors in their roles as such, have perceived remunerations, in the concept of statutory attentions and daily subsistence allowances for attendance at meetings. In turn, the executive directors have signed, in accordance with the trade regulations, their corresponding contracts which include, among other elements, and as appropriate, a fixed remuneration, variable remuneration (of which a part is deferred), payment in kind and a system of complementary social security.

In Note 20b of the report and in the annual remuneration report, the amounts paid to the members of the Board of Directors for all of the above items are listed.

Policy of aptitude and honour

The corporate governance of the Group not only involves the Board of Directors and other governing bodies, but also extends to all aspects of the organisation and teams.

The Group through an adequate and transparent remuneration policy and fitness and good repute requirements ensures that the posts are carried out by the right people.

Fitness

It is understood that the professional is suitable if they have the training and the right profile to perform the functions entrusted to them, as well as practical experience derived from previous jobs with functions similar to those to be undertaken. In order to assess their aptitude, the Human Resources Management defines an ideal type of qualification, knowledge and experience for each role and evaluates the aptitude through the corresponding supporting documentation.

Honour

The process for determining good repute is carried out by the Human Resources Department and the Group's Compliance Verification Unit. The evaluation of honourableness includes an assessment of their honesty and financial solvency based on reliable information on their reputation.

In accordance with the applicable regulations, the Group provides both the corresponding insurance supervisor and, where applicable, the CNMV or the Bank of Spain, as corresponding, all of the information regarding appointments and terminations of strategic personnel.

Ethical framework

The Group's code of ethics promotes responsible and transparent management, considers people to be the greatest asset and places the customer in the centre.

The Group's code of ethics, formulated and approved by the Board of Directors, is the document that establishes the guidelines that preside over the ethical behaviour of the directors, employees, agents and associates of GCO in their daily work, with regards to the relationships and interactions they maintain with the stakeholders.

The code of ethics, developed through different protocols, is reviewed annually to adapt it to the new realities faced by the Group and includes, systematises and makes public its principles and values of action aligned with the cultural keys of the Group, including the commitments assumed in matters of good governance, ethics and regulatory compliance, and, in particular, establishing measures to avoid any form of corruption or bribery, respect for the safeguarding of human rights, respect for people, professional development, equal opportunities, relations with collaborating companies, health and safety at work, and respect for the environment, among others, as well as the commitment to sustainability.

The code of ethics also covers the actions of the person responsible for criminal compliance at GCO, the actions to be taken upon receipt of legal documentation or in the event of an inspection, the detection of conflicts of interest, as well as the manual of procedures and selection of suppliers and the channel for reporting irregularities and fraud.

The Group's general principles and values reflected in the Code of Ethics are as follows:

- Integrity and honesty.
- Impartiality
- Transparency and confidentiality
- Professionalism
- Sustainability
- Social commitment
- Compliance with the law and the corporate governance system
- Respecting and safeguarding human rights
- Brand, image and corporate reputation

Both Atradius and Grupo Mémora, due to the uniqueness of their structure and business, have their own code of ethics, which observes the guidelines defined in the Group's code of ethics.

Communication and monitoring

The code of ethics is communicated to the entire organisation through the intranet of each of the Group entities, receiving the appropriate training in this regard, and it must also be assumed by all employees of the Group entities. This code of ethics can be consulted on the Group's corporate website.

The Group has safeguards in place to ensure compliance with the code of ethics, including a channel for complaints and irregularities and internal fraud through which such complaints and possible violations can be managed.

Once the communication has been received, this is managed by Corporate Internal Audit in accordance with the "Whistleblowing and fraud channel" and its implementing regulations "Procedure and methodology for analysing irregularities and internal fraud at GCO". During 2023, the Group received 92 communications through the existing whistleblowing channels, of which 15 were not admitted for processing. Of the remaining 77 reports, 68 have been resolved during 2023 (41 substantiated and 27 unsubstantiated) and 9 are pending resolution as at 31 December 2023 (69 reports were received through existing whistleblowing channels in 2022).

The first principles set out in the Group's code of ethics are integrity and honesty, which means that any form of corruption will be avoided and the necessary measures will be implemented to combat it.

In 2023, access to the whistle-blowing channel was extended through the Group's websites and the entities that comprise it, allowing not only employees but also any interested third party to report, confidentially or anonymously, irregularities related to breaches of the Group's code of ethics or its implementing protocols, as well as actions or omissions that result in a criminally punishable irregularity or the manipulation and/or falsification of financial data.

Furthermore, the Group avails of various policies and internal regulations on behaviour for specific topics such as:

- Internal behavioural regulation regarding the stock market
- Outsourcing policy and supplier selection procedures manual.
- Prevention of money laundering and financing of terrorism manual
- Personal data protection policy and use of ICT resources.

This management model also establishes that the Audit Committee and the Management Committee receive regular reports on actions in all the above areas.

Compliance and prevention

Operating in a highly regulated sector makes the verification of compliance function essential.

The compliance function is responsible for ensuring compliance with the obligations affecting the organisation, including both mandatory and voluntary standards, assessing the potential impact of any changes in the legal environment on the Group's operations and the identification and assessment of compliance risk. It also includes advising the GCO Board of Directors and the other individual entities that make up the Group on compliance with the legal, regulatory and administrative provisions that affect the Group, as well as compliance with internal regulations.

The compliance verification function is coordinated through the Compliance Verification Committee, whose main function is to coordinate, supervise and establish common criteria for all the Group's regulated entities in relation to the application of both mandatory and voluntary regulations.

Likewise, and in particular, it is responsible for ensuring compliance with the internal regulations developed in relation to the system for the prevention and detection of crimes that may be committed by the Group's legal entities.

Atradius has its own structure comprising both the entity level compliance function and local compliance functions and supports the Group in complying with applicable laws, rules and regulations.

Prevention of money laundering and financing of terrorism

The Group has a manual for the prevention of money laundering and the financing of terrorism, which sets out, among other matters, all the internal control measures implemented by the Group entities subject to the regulations on the prevention of money laundering and the financing of terrorism.

These internal control measures are subject to an annual analysis by an external expert who draws up a report and who, in 2022, considered that the Group has a satisfactory system for preventing money laundering and the financing of terrorism. The Board of Directors examines this report, together with proposals of necessary measures, to address the incidents identified. No claims on money laundering have been received. As part of the prevention system, the Group has implemented a training plan on the prevention of money laundering and financing of terrorism.

The Group has a Corporate Governance Framework on the Prevention of Money Laundering and Financing of Terrorism which details the commitments and principles promoted and specifies the organisational structure and policies available in this area. The Framework is available on the GCO's website.

Data protection and cybersecurity

The Group is committed to ensuring the trust of its stakeholders with regard to the protection, processing and privacy of personal data. In this regard, the Privacy Policy and the Policy for the Protection of Personal Data and the use of ICT resources aim to establish the Group's goals with regard to the protection of personal data and to define a working framework to guarantee and improve such protection, respecting the principles and rights established by the applicable regulations.

In addition, the Group has a Corporate Governance Framework on Personal Data Protection and Information Security which details the commitments and principles promoted in this area and specifies the organisational structure and policies available in relation to personal data protection and information security. This Framework is available on GCO's website.

As a consequence of the foregoing, GCO has undertaken to process the personal data of individuals who are related to the Group in accordance with the following principles:

- **Lawfulness, fairness and transparency:** in the processing of the personal data of data subjects, obtaining such data by lawful and transparent means, clearly informing them of their further processing, and with the explicit consent of the data subject where necessary.
- **Purpose limitation:** personal data will be collected and processed for specified, explicit and legitimate purposes, in accordance with the purpose and aim informed to the data subject at the time of collection.
- **Data minimisation:** the processing of personal data will be adequate, relevant and limited to what is necessary in relation to the purposes for which they were collected.
- **Accuracy:** the personal data processed must be accurate and kept up to date, and inaccurate data must be deleted or rectified.
- **Limitation of the storage period:** personal data undergoing processing will be kept for the time necessary for the purposes for which they were collected.
- **Integrity and confidentiality:** personal data will be processed with appropriate security and protection against unauthorised or unlawful processing, loss or destruction.
- **Proactive responsibility and accountability:** not only should compliance with the above principles relating to the processing of personal data be ensured, but it should also be possible to demonstrate it.

GCO has a Data Protection Officer ("DPO"), certified in accordance with the DPO Certification Scheme of the Spanish Data Protection Agency (AEPD), to ensure compliance with the applicable data protection regulations. It also has a Data Protection Committee, as the executive body responsible for the ap-

plication of the regulations relating to the protection of personal data and the use of information and communication technology resources.

In the case of the credit insurance business, it also has a Data Protection Advisory Committee, which includes its DPO and the directors of various business units and, in each of the countries in which it operates, there is a representative to ensure compliance with the applicable personal data protection regulations in those territories.

Potential cyber attacks are considered one of the principal risks in the sector. For this reason, the Group also has a Chief Information Security Officer with the functions of coordinating and controlling the technical and organisational security measures of the Group's information systems required by the General Data Protection Regulations. Similarly, the Group's entities included in the credit insurance business have their own Head of Technological Security.

During 2023, the Group received no substantiated complaints regarding breaches of customer privacy from third parties (0 complaints in 2022) and received 2 requests from regulatory authorities (4 complaints in 2022), which were rejected by the AEPD. On the other hand, no cases of leaks, theft or loss of customer data have been identified. Likewise, in 2023 there was only one cybersecurity incident (1 incident in 2022) and no security breach affecting personal data (no breach in 2022).

Fight against fraud, corruption and bribery

The Group has procedures in place in the fight against fraud to help identify possible malicious acts or omissions in the taking out of insurance, in the reporting of claims, or in the proof of damages, which are intended for the purpose of improper gain, money laundering and financing of terrorism or unjust enrichment.

The Group also has a whistle-blowing channel for reporting irregularities and fraud, which allows any person to inform the Corporate Internal Audit Department of any conduct that may involve the commission of criminal offences via GCO's website.

The Corporate Internal Audit Department handles any irregularities and/or fraud by intermediaries, professionals and employees of which it has become aware. Reportable events include non-compliance with the code of ethics established by GCO and the manipulation or falsification of data and, in general, within the framework of the internal control system for financial information, any irregular practice linked to the internal control systems and the preparation of financial information.

Reliability of the financial information

Following the recommendations of the CNMV about the Internal Control System of Financial Reporting (SCIIF) in 2023, the Group has continued in strengthening the reliability of the financial reporting released through the documentation of the processes, the homogenization of criteria and the reflection on efficiency improvements.

Internal control

The system is based on a solid culture of control where the fundamental principles are clearly defined and notified to all levels of the organisation. The internal control system is subject to a monitoring process that verifies proper operation over time. Comprehensive system monitoring is performed by the management of the Internal Corporate Audit.

Within the control environment, the Group focuses on controls for financial and property investments. In this sense, the concentration and dispersal of fixed income and equity, the average rating of the portfolio, exposures by rating and how they have changed, changes in the optionality of assets due to changes in interest rates, and the performance of underlying assets are monitored at monthly intervals.

In addition, in 2023 more progress was made regarding improving the quality of the risk map. In total, the Group avails of over 5,000 internal controls.

Risk management

GCO's risk management strategy and policies are the responsibility of GCO's Board of Directors.

Control of risk management system

The Group's risk management control system is based on the "three lines of defence" risk management model.

1st Line - Risk assumption and liability

This consists of the business units that are responsible for the risk assumed and their management.

2nd Line - Control and monitoring

This consists of the risk management control function, compliance verification function and actuarial function. Its goal is to define controls to ensure compliance with risk management processes and control policies.

3rd line - Internal audit function

The function of the internal audit is responsible for carrying out an independent evaluation of the effectiveness of the government system, the risk management system and the internal control. From the risk management control area, all significant aspects relative to risk management are handled, marking guidelines and reference criteria that are assumed by the entities with the adaptations necessary.

Risk strategy

GCO defines its risk strategy as the level of risk that the entities that form part of it are willing to assume, and ensures that its integration with the business plan permits compliance with the risk appetite approved by the Board of Directors.

GCO has defined the following concepts for risk management:

▷ Risk profile

Risk assumed in terms of solvency.

▷ Risk appetite

Risk in terms of solvency that the entities that form part of the Group anticipate to accept to achieve their goals.

▷ Risk tolerance

Maximum deviation with regards to the appetite they are willing to assume (tolerate).

▷ Risk limits

Operating limits established to comply with risk strategy.

▷ Alert indicators

In addition, the Group has a series of early alert indicators that are the basis both for monitoring the risks as well as for compliance with the risk appetite approved by the Board of Directors.

The government bodies receive information relative to the quantification of the principal risks the Group is exposed to and the capital resources available to face these with a frequency of at least once per quarter, as well as the information relative to compliance with the limits established for risk appetite.

Since 2016, with an annual nature, the Group and the insurance entities that form part of it publish a specific report on the financial and solvency situation which details and quantifies the risks they are exposed to.

The self-assessment process of risks and solvency.

The Own Risk and Solvency Assessment (ORSA) is the internal risk and solvency assessment process that is at the core of the risk management system. Its aim is to identify, assess, monitor, manage and report short- and long-term risks.

The ORSA is carried out at least once a year and evaluates:

- Compliance with the capital requirements.
- Deviation between the risk and solvency profiles.
- Compliance with the capital requirements in adverse situations.

The Group performs a back-testing analysis between the estimates of the capital requirements for the year, ORSA and its results at the end of the year.

Policies for risk management

To ensure effective risk management, the Group has a set of risk management policies.

Each of these policies identifies the own risks of each affected area, establishes risk quantification measures, determines actions to supervise and control said risks, establishes measures to mitigate the impact of the same and determines the information and internal control systems to control and manage the risks.

ESG Risks

ESG risks are defined as those environmental, social or governance events or factors that, if they occur, could have a material adverse impact.

GCO understands, prevents and has the ambition to reduce ESG risks, as well as to manage in the best possible way the opportunities resulting from offering safe and quality protection against these risks to all its stakeholders. The following describes how some of the key ESG issues impact the Group and how the Group is addressing these issues.

Risk map

QUANTITATIVE RISKS INCLUDED IN THE SOLVENCY RATIO					
Risks TIER 1	Description	Internal Regulations	External Regulations	Quantification	Mitigation
Credit Underwriting Risk	Risk of loss or of adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions. In the case of credit insurance, the risk arises from the non-payment by our buyers (customers) of our customers, and in the case of surety, from the non-fulfilment of the contractual, legal or fiscal obligations of our customers.	<ul style="list-style-type: none"> - Underwriting policy and rate setting regulation - Underwriting guidelines - Authorisation matrices - Buyer rating monitoring and credit limit concessions 	<ul style="list-style-type: none"> - IFRS and Local Regulations 	<ul style="list-style-type: none"> - Internal Model (except ICP) - ICP: Solvency II Standard Formula - Risk self-assessments and ORSAs are analysed - Scenario analysis 	<ul style="list-style-type: none"> - Reinsurance Policy - DEM - Strict underwriting control - Control and monitoring of buyers' default risks
Non-life Underwriting Risk	Risk of loss or of adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions	<ul style="list-style-type: none"> - Underwriting and reserve policies - Reinsurance policy - Underwriting manual and technical standards - Data quality policy 	<ul style="list-style-type: none"> - National and international insurance regulations - Good practice guides - Consortium 	<ul style="list-style-type: none"> - Solvency II Standard Formula - Analysed in the risk self-assessments and ORSA. - Scenario analysis - Appraisal Value - Rating agencies 	<ul style="list-style-type: none"> - Strict control and monitoring of the combined ratio - Catastrophic non-life risks are also mitigated through CCS - Business value - Reinsurance policy - Maintenance of business diversification
Health Underwriting Risk	Risk of loss or of adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions	<ul style="list-style-type: none"> - Underwriting and reserve policies - Underwriting manual and technical standards - Data quality policy 	<ul style="list-style-type: none"> - National and international insurance regulations - Good practice guides 	<ul style="list-style-type: none"> - Solvency II Standard Formula - The risk self-assessments and ORSA are analysed - Embedded Value - Rating agencies 	<ul style="list-style-type: none"> - Strict control and monitoring of the combined ratio - Business value - Reinsurance policy
Life and Funeral Underwriting Risk	Risk of loss or of adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions. This is broken down into biometric risks (which include the risks of mortality, longevity, morbidity/disability) and non biometric risks (fall in the portfolio, expenses, review and catastrophe)	<ul style="list-style-type: none"> - Underwriting and reserve policies - Reinsurance policy - Underwriting manual and technical standards - Data quality policy 	<ul style="list-style-type: none"> - National and international insurance regulations - Good practice guides 	<ul style="list-style-type: none"> - Solvency II Standard Formula - The risk self-assessments and ORSA are analysed. - Embedded Value - Profit test - Rating agencies 	<ul style="list-style-type: none"> - Strict control and monitoring of the adequacy of the tariff and the claims ratio - Business value and profit test - Reinsurance policy - Maintenance of business diversification
Market risk	Risk of loss or of adverse change in the financial situation resulting, directly or indirectly, from fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments	<ul style="list-style-type: none"> - Investment policy - Management based on the principle of prudence - Asset and liability valuation policy 	<ul style="list-style-type: none"> - Insurance regulations (LOSSEAR) - CNMV regulations - Distribution regulations 	<ul style="list-style-type: none"> - Solvency II Standard Formula - Analysed in the risk self-assessments and ORSAs. - VaR - Scenario analysis 	<ul style="list-style-type: none"> - Asset management based on the principle of prudence - Control of the different types of portfolio according to objectives - Liability commitments to be covered. Detailed asset-liability matching analysis (ALM) and sensitivity analysis to future scenarios - Types of investments suitable for hedging - Dispersion and diversification limits - Credit rating to be maintained
Counterparty Risk	Counterparty risk arises from losses resulting from unexpected default or impairment in the credit quality of counterparties	<ul style="list-style-type: none"> - Investment policy - Reinsurance policy - Management based on the principle of prudence 	<ul style="list-style-type: none"> - Insurance regulations - CNMV regulations - Distribution regulations 	<ul style="list-style-type: none"> - Solvency II Standard Formula - Analysed in risk self-assessments and ORSA - Scenario analysis 	<ul style="list-style-type: none"> - Reinsurance policy (Reinsurance with counterparties with high credit ratings) - Diversified investment portfolio with a high rating - Credit rating control of the main financial counterparties and the reinsurer table
Operational Risk	Risk of loss arising from inadequate or dysfunctional internal processes, personnel or systems or external processes. Within the operational risks, the risk of non-compliance with regulations (as a consequence of the increasing developments and supervisory requirements that impact our activity) and cyber-security risk are particularly noteworthy	<ul style="list-style-type: none"> - SolvPRC / Risk Register tool - Contingency plans - Data security and quality policy - Code of ethics - Procedure for action in cases of fraud (whistle-blowing channel). 	<ul style="list-style-type: none"> - Insurance regulations - Three Lines of Defence Principles (COSO regulation) - Guidelines on information and communications technology governance and security (EIOPA) - Guidelines on outsourcing to cloud service providers (EIOPA) 	<ul style="list-style-type: none"> - Solvency II Standard Formula - Risk self-assessments and ORSA are analysed - Monitoring and measuring through the SolvPRC tool (measured in terms of probability of occurrence and severity) or Risk Register 	<ul style="list-style-type: none"> - Internal Control System - SolvPRC - Control of inherent risk and residual risk through the implementation of preventive and mitigating controls upon the occurrence of an event. - Cybersecurity Action Plan - Contingency Plans

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QUALITATIVE RISKS NOT INCLUDED IN THE SOLVENCY RATIO					
Risks TIER 1	Description	Internal Regulations	External Regulations	Quantification	Mitigation
Liquidity risk	Risk of non-compliance of obligations due to an inability to obtain the necessary liquidity even if sufficient assets are in place	<ul style="list-style-type: none"> - Investment policy - Management based on the principle of prudence - Reinsurance policy 	<ul style="list-style-type: none"> - Insurance regulations - CNMV regulations - Distribution regulations 	<ul style="list-style-type: none"> - Risk self-assessments and ORSA are analysed. - Cash flow statements and investment statements are analysed - Scenario analysis 	<ul style="list-style-type: none"> - Prudent-based asset management - Control of the different types of portfolio - Liability commitments to be covered. Detailed asset-liability matching (ALM) analysis as well as sensitivity analysis to future scenarios - Typology of investments suitable for hedging - Dispersion and diversification limits - Low level of indebtedness
Political and Economic Environment Risks	Risks arising from the national and international economic and political environment, which have an impact on the volatility of financial variables and on the real economy. In particular, economic slowdowns as a result of the COVID-19 pandemic, the geopolitical crisis in Russia and Ukraine, and the inflationary situation in the economic environment are highlighted.	<ul style="list-style-type: none"> - Underwriting regulations - Written Policies (in particular investment policy) - Occupational risk prevention regulations - Internal Rules of Conduct 	<ul style="list-style-type: none"> - European regulation - Sectoral analysis - Global regulation associated with the economic downturn and the pandemic 	<ul style="list-style-type: none"> - Risk self-assessments and ORSA are analysed - Certain risks are to some extent covered by the Solvency II Standard Formula - Scenario analysis 	<ul style="list-style-type: none"> - Occupational health and safety regulations to protect our employees and customers - Underwriting risk - Strategic planning process and its follow up - Sectoral analysis. In the Credit business, specific event-driven monitoring and analysis is carried out by the Economic Research Unit - Internal audit, internal control, claims and whistle-blowing channel - Geographical and branch diversification in the traditional business. Geographic and sectoral diversification in the Credit business - Contingency plans (Brexit)
Social, environmental and governance risk	Risk that constitutes the possibility of losses driven by environmental, social and governance factors (associated with the lack of business development under criteria of value for society, ethics, transparency and commitment to legality)	<ul style="list-style-type: none"> - General Shareholders' Meeting By-laws - Regulations of the Board of Directors - Prevention of money laundering - Code of conduct - Written policies (sustainability policy, climate change and environment policy, tax policy, outsourcing policy) - Sustainability Master Plan 	<ul style="list-style-type: none"> - Non-financial reporting regulations - European Sustainability Regulations (ESMA, EI-OPA...) - Draft legislation on climate change - United Nations Sustainable Development Goals and Agenda 2030 - Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) 	<ul style="list-style-type: none"> - Risk self-assessments and ORSA are analysed - Analysis of adverse climate scenarios - ESG Taxonomy - Sustainability Report 	<ul style="list-style-type: none"> - Internal Audit - Internal Control - Complaints channel - Occupational health and safety regulations - Corporate social responsibility report - Monitoring and adaptation of strategic planning - Code of conduct - Written policies (e.g. sustainability policy, climate change and environment policy...) - Sustainability Master Plan
Other Risks	Risks not included in the previous groups, such as the risk of loss arising from inadequate strategic decisions, their defective implementation or inadequate adaptation to changes in the economic or social environment (strategic risk), the risk associated with the occurrence of an event that has a negative impact on the Group's reputation (reputational risk) or the risk arising from the interdependence of the risks existing between Group entities (contagion risk)	<ul style="list-style-type: none"> - Written policies - Reputational risk management protocol - Social media usage manual 	<ul style="list-style-type: none"> - Advertising regulations 	<ul style="list-style-type: none"> - Risk self-assessments and ORSA are analysed. - Indicators to monitor media appearances and complaints through social networks 	<ul style="list-style-type: none"> - Exhaustive monitoring of the plan in the medium-term - Code of ethics - Procedure in case of irregularities and frauds - Requirements of aptitude and reputation - Monitoring of information published in the media and social networks - Control of the manual for the use of social networks - Action protocols for the management of reputational risk events - Continuous monitoring of business units



05.

Business model

Business model

In 2023, the Group moved to sixth position in the Spanish market and maintained its share in the credit insurance segment at 26.4% internationally.

The Group's purpose is based on being leaders in protecting and accompanying people and companies at all stages of their lives, to ensure their peace of mind at the present time and maintaining their confidence in the future.

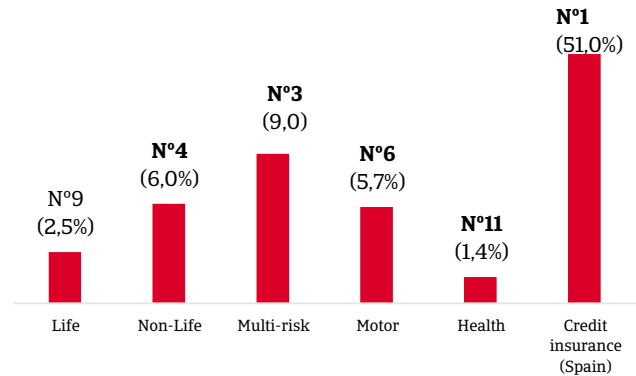
GCO is a multi-national insurance company operating in more than 50 countries through a diversified, balanced business portfolio, serving more than 4.5 million insured parties.

The participation of the various entities in the Group implies, without prejudice to their legal autonomy, their integration within the corporate structure through the coordination and supervision of their activities by the parent company.

Grupo Catalana Occidente S.A. is the holding company that acts as the parent company of the Group, whose shares are listed on the Madrid and Barcelona stock exchanges, on the Continuous Market and is subject to the supervision of the CNMV. As an insurance company, the Group is also subject to the supervision of the Directorate General of Insurance and Pension Funds (DGSFP).

In Spain, the Group holds the sixth position in the ranking, with a market share of 4.5%. 6.0% in non-life and 2.5% in life. Furthermore, in credit insurance, the Group is the second entity worldwide, with a market share of 26.4%.

The Group's position in the Spanish insurance market



The Group bases its strategy on 3 pillars:



Growth

Definition of the markets that the Group targets, development of appropriate products and services and establishment of adequate distribution channels in order to reach customers.



Profitability

Recurring and sustained profitability through technical-actuarial rigour, diversification in investments and processes that allow for adjusted cost ratios and quality service.



Solvency

Prioritising the generation and continuous growth of own resources in order to fund the expansion of the Group, guarantee ample compliance with the commitments assumed and ensure adequate returns to shareholders.

Relationship with stakeholders

GCO has identified six stakeholder groups based on the impact that its activity has on them and the relevance of each one for it.

The Group is committed to each of them, which means maintaining a constant, transparent dialogue that allows us to understand them and integrate them into the GCO's activities. To this end, there are various communication channels through which a fluid, close and transparent relationship is maintained with stakeholders.

Moreover, the various channels make it possible to identify the needs and expectations of all of them and, in this way, and by applying the principle of transparency included in the code of ethics, to respond to them.



Employees



Customers



Shareholders and investors



Distributors / Intermediaries



Associates/ Suppliers



Company

Sustainability

GCO integrates a commitment to sustainability into its strategy, through sustainable management in environmental, social and economic issues. The Sustainability Policy establishes the reference framework for managing the business in accordance with this commitment and the 2021-2023 Sustainability Master Plan has been the roadmap for its development.

GCO's main initiatives in terms of ESG:



Environmental:

- GCO takes on a commitment to be a Group with **zero net emissions in the underwriting portfolio by 2050**.
- It carries out **initiatives and campaigns to minimise environmental impacts** (such as the World Clean-up day and volunteer waste collection on beaches and marshes in Spain).
- The Group has implemented an environmental management system in accordance with the ISO 14001:2015 standard, which covers all the management processes of GCO's main real estate assets.
- The **AutoPresto workshop network** is the first in Spain to hold the "**CZ Sustainable Workshop Network**" certification issued by Centro Zaragoza, which guarantees the commitment of vehicle repair workshops to sustainability and certifies the development of their activity following environmental care criteria.
- GCO is one of the **partners of Nactiva Capital Natural S.L.**, an entity established in 2023 to promote social, economic, cultural and ecological transformation through the design, financing and implementation of **Natural Capital development projects** in the Mediterranean.



Social:

- **Mandatory sustainability and equality training** is provided for all Group employees.
- **Work climate surveys** are launched periodically to analyse employees' needs and implement related initiatives.
- GCO has a **Wellness Plan** to promote comprehensive employee care focused on 5 areas: Sleep well, Mindfulness, Working from home, Stress management, Healthy eating and Physical activity.
- The Group offers its employees the possibility of participating in various **corporate volunteering initiatives**, generating a culture of collaboration and support for other social groups in need.
- The Group undertakes social action and environmental protection projects through the Occident Foundation.



Governance:

- The Group complies with the **sustainability requirements established by the different regulations**, such as the EU Taxonomy and the SFDR Regulation and Solvency II, among others.
- Through the ESG risk map, the Group identifies the **sustainability risks** that may potentially affect its activity, classifying them according to their typology and indicating their impact and time horizon.
- The Group adopts the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to help generate accurate and objective information on climate risks, including **climate scenario** analysis.
- GCO integrates sustainability into its investment strategy, with a **Sustainable Investment Policy** and an **Annual Plan** setting out the **sustainable investment goals** to be achieved in the year.
- The Group's product offering includes sustainable products such as investment funds, pension plans/EPSPV and unit-linked products classified as Article 8 products under the SFDR Regulation, as they explicitly incorporate environmental and/or social considerations in their management.
- **ESG clauses are incorporated into contracts with suppliers** of traditional business companies, whereby the Group ensures that they comply with its own ethical and sustainability principles, labour regulations and tax obligations.
- GCO gives visibility to the importance of sustainability through **communication campaigns** with the aim of promoting awareness and knowledge of this issue among the general population.
- GCO is committed to the development of **new applications and innovative processes** to improve its customer service, through services such as video consultations, the incorporation of Whatsapp as a communication channel for customers, the digital signature for contracting products and the digital policy, among others.

Average payment period for suppliers.

The Group does not have any balance pending to suppliers with deferment over the legal period (30 days except where otherwise agreed between the parties). For more information, see Note 22c. of the Notes to the report.

For further information, please refer to GCO's Sustainability Report - Non-Financial Information Statement audited and published on our website www.gco.com

Innovation

The culture, offer and customer, main areas of the transformation plan of GCO.

The Group considers that a culture that embraces change and, at the same time, encourages and motivates innovation among employees, is a fundamental pillar in order to be able to adapt the offer of products and services to meet the needs of all kinds of customers. In 2023, the Group invested €95.1 million in innovation (€81.5 million in 2022) and in 47 R&D&I projects (47 projects in 2022).

Xplora Programme

Xplora is the Group's intrapreneurship programme that helps the organisation to understand, own and enthusiastically promote an innovative corporate culture.

This programme includes training in innovation and a platform designed so that employees can propose ideas that allow GCO to improve its products and services.

Xplora Space Platform

Through the Xplora Space platform, Group employees can read news about new trends in innovation and contribute ideas to challenges launched by the organisation.

In the last year, employees have contributed more than 17 ideas to the 2 challenges proposed in the programme. Of these, 5 ideas have been supported and 1 is in the project phase.

Training in innovation with Xplora Academy and Xplora Inspira

Xplora Academy is the Group's training programme in innovation and digital transformation. It runs workshops for employees and provides advanced training in Agile and innovation methodologies. Through Xplora Inspira, events are held for employees with the aim of bringing the latest innovation trends in an immersive way, through exclusive presentations and experiential workshops. In 2023, 2 events were held and the topics covered were generative AI and open innovation.

Xplora Stars for the development of new products

Xplora Stars was launched in 2020 with the aim of developing new products and services in the areas of cybersecurity, urban mobility and the elderly, with the collaboration and ideas of the Group's employees and insurance agents. A new on-demand insurance product was developed in 2023.

Atradius Business Transformation Programme

The Atradius Business Transformation programme addresses the challenges of new digital trends (such as big data or blockchain) and offers credit insurance business employees the opportunity to play a role in them through various initiatives.

These include Shaping Tomorrow Together, an initiative designed to prepare Atradius employees for the new challenges brought about by the adoption of new technologies.

In addition, the Atradius Academy learning platform makes online courses available to all Atradius employees and sends out newsletters on digital trends.

Innovation for the customer

In 2023, innovation initiatives continued to be developed, including the following:

- Financing is offered, through a credit bank, so that customers can afford to pay for the repair of non-covered motor vehicle claims.
- Your digital health is a comprehensive health service that focuses on prevention and care. It provides customers with access to a team of medical specialists, as well as different services such as medical chat, video-consultation or medical prescriptions.
- In the contact centre, a specific channel has been created for elderly customers in order to speed up and improve customer service. For this, the operators have specific training to prepare them to properly assist people over 65 years of age.
- Personalised videos are sent to customers explaining the content of their policies, with the aim of informing them in an agile, complete and individualised manner.
- GCO is working on the development of on-demand insurance with the aim of responding to the pace of life and the needs of the new generations. Under this proposal, the aim is to provide flexibility in contracting, allowing coverage to be purchased at a specific time and for a specific duration.
- Within Atrium, the online policy management portal for credit insurance customers, Atrium Analyser has been implemented, a tool that allows customers to see themselves as buyers, to see how Atradius can help them grow their business and allows them to find quality buyers.
- Through customer feedback, the E2E customer journey has been improved in Atradius Agora, the e-commerce platform launched by Atradius to enable its customers to submit and monitor debt collection cases, pay invoices and communicate with their account manager.

GCO Ventures

GCO Ventures is GCO's new corporate venturing entity created to identify, build and launch new businesses with the aim of contributing to the Group's growth and diversification. GCO Ventures selects projects aligned with GCO's strategy and priorities, in the fields of home, health and integrated services and insurance, to support them and find ways to turn them into successful businesses. In this way, the aim is to support entrepreneurs by offering them a space where their ideas can materialise and to accompany them at an early stage to help them accelerate their growth.

Once the initiatives have been identified, they are offered the necessary support for their development through various channels:

- *Venture building*: we work closely with entrepreneurs to help them develop their ideas, validate their business models and make them grow successfully.
- *Venture capital*: financing start-ups either directly or through venture capital funds, with the aim of giving them the opportunity to propel their idea and refine their business model. Through this area of specialisation, GCO Ventures is also involved in generating value for the start-up and all its stakeholders.

The first project in which GCO Ventures participated in 2023 is the creation and launch of Adecua, a *venture* whose purpose is to adapt the homes of elderly people with different degrees of mobility and cognitive ability. With this, Adecua responds to the desire to devise and develop solutions that contribute to the well-being of senior citizens, and thus work to respond to the challenge of an ageing population.

Creation of value

The vocation of GCO is to consolidate a solid business and generate sustainable value. In 2023, the Group distributed €5,054.6 million to society.

Sustainable value is the result of focusing the Group's activity not only on obtaining good financial results but also on favouring the well-being of its stakeholders and society as a whole in the short and long term.

	(figures in € million)		
	2021	2022	2023
Direct economic value generated	3,905.5	4,175.8	5,054.6
Distributed economic value	3,883.3	4,110.6	4,987.1
Facilities provided to customers	2,183.8	2,306.9	2,992.3
Public Administrations	541.1	582.8	646.3
Intermediaries	542.0	588.9	643.3
Employees	504.7	513.1	576.2
Shareholders	107.7	116.6	126.6
Contributions to non-profit entities and foundations	4.0	2.3	2.4
Retained economic value	22.2	65.2	67.5

*The direct economic value generated responds to the aggregation of the distributed value and the retained value. Contributions to foundations and non-profit organisations include contributions from Group entities to the Occident Foundation.

Business units

Traditional business

The traditional business offers families and SMEs a wide range of insurance products to cover any customer need, at any stage of life, through a network of professional intermediaries and close to 1,450 offices.

The business lines offered are:

 <p>Multi-risk Family-home, stores, communities, offices and SMEs.</p>	 <p>Other Industrial Products, engineering, accidents and civil liability.</p>
 <p>Life Life risk, life savings, pension plans and investment funds as well as funeral and health.</p>	 <p>Motor Coverage for vehicles or transport fleets</p>

Funeral business

The funeral business accompanies families before, during and after the farewell of their loved ones and offers a comprehensive funeral service that puts families at the centre.

The culture of the business is based on "people caring for people", a key concept to have a team oriented to offer the best service every day. This team is made up of more than 1,800 professionals who combine excellent training with a vocation for service, thus contributing to the aim of caring for everyone at every stage of the end-of-life process and encouraging a change of mentality around death.

The turnover of the funeral business amounts to €227 million, which represents 3.9% of the Group's total.

Within the funeral business, the Group's brands through which it carries out its activity are as follows:



Occident

In 2023, the traditional business companies, Seguros Catalana Occidente, Plus Ultra Seguros, Seguros Bilbao and GCO Re, were unified under the new Occident brand. The aim of the unification is to achieve a simpler organisation and, therefore, more agile and capable of adapting quickly to market demands. In a second stage, during 2024, NorteHispana Seguros will also be integrated.

Credit insurance business

Through credit insurance, the Group provides products and services that contribute to the growth of companies throughout the world by protecting them from the default risk associated with selling products and services with payment in instalments. This is a business structurally linked to economic performance and, in particular, to the performance of corporate defaults worldwide and of the global trade volume.

The brands of the Group for credit insurance are:



The merger of Atradius Re and Atradius Crédito y Caución was completed in 2023.

The business lines offered are:

 <p>Credit insurance Protects against financial losses due to the inability of a buyer to pay for goods purchased on credit.</p>	 <p>Surety insurance Protects the beneficiary if a supplier does not comply with its contractual obligations.</p>
 <p>Reinsurance Wide range of reinsurance options for insurance companies of the main insurers in the world.</p>	

Corporate structure

GCO is composed of 50 companies, mostly involved in the insurance business. The parent company is Grupo Catalana Occidente S.A., which directly and indirectly runs and manages the investments of all Group entities.

All of these have their own structure and organisational network, independent from the other insurance companies in the Group. From an organisational point of view they have a structure with functions for the centralisation and decentralisation of operations, with the following service centres: two underwriting centres, six claims centres, an administrative centre and a call centre.

GCO		
Main entities		
Occident	Tecniseguros	GCO Gestión de Activos
NorteHispana Seguros	Bilbao Vida	GCO Gestora de Pensiones
	S. Órbita	Occident Hipotecaria
	Occident Direct*	Sogesco
	Occident Inversions*	Hercasol SICAV
	CO Capital Ag. Valores	GCO Activos Inmobiliarios
	Cosalud Servicios	GCO Ventures
	NH Mediación	
	GCO Tecnología y Servicios	
	Prepersa	
	GCO Contact Centre	
	Grupo Asistea	Taurus Bidco
	Grupo Mémora	
Atradius Crédito y Caución	Atradius Collections	Grupo Compañía Española Crédito y Caución
Atradius ATCI	Atradius Dutch State Business	Atradius NV
Atradius Seguros de Crédito México	Atradius Information Services	Atradius Participations Holding
Crédito y Caución Seguradora de Crédito e Grantias Brazil	Iberinform International	Atradius Finance
INSURANCE COMPANIES	COMPLEMENTARY INSURANCE COMPANIES	INVESTMENT COMPANIES

Traditional business

Funeral business

Credit insurance business

*In February 2024, Bilbao Telemark (Occident Direct) and Inversions Catalana Occident (Occident Inversions) changed their names.



06.

Non-financial information statement

The non-financial information statement, as referred to in Articles 262 of the Capital Companies Act and 49 of the Commercial Code, is presented in a separate report entitled "Sustainability Report - Non-Financial Information Statement". In the aforementioned consolidated report of Grupo Catalana Occidente, S.A. and its subsidiaries for the 2023 financial year, it is expressly stated that the information contained in this document forms part of this consolidated management report. This document is subject to verification by an independent verification service provider and is subject to the same criteria and requirements for approval, filing and publication as this Consolidated Directors' Report. The report is available on the CNMV website as well as on the corporate website.

<https://www.gco.com/informacion-no-financiera/informes>



07.

Annual corporate governance report

In accordance with the provisions of article 538 of Royal Legislative Decree 1/2010, of 2 July, approving the revised text of the Capital Companies Act, this Directors' Report includes, in a separate section, the Annual Corporate Governance Report.

The content of this section of the Directors' Report coincides with that of the Annual Corporate Governance Report also submitted, as a separate document, to the National Securities Market Commission (CNMV) for publication on www.cnmv.es.

DATOS IDENTIFICATIVOS DEL EMISOR

Fecha fin del ejercicio de referencia: [31/12/2023]

CIF: [A-08168064]

Denominación Social:

[**GRUPO CATALANA OCCIDENTE, S.A.**]

Domicilio social:

[PASEO DE LA CASTELLANA, 4 MADRID]

A. ESTRUCTURA DE LA PROPIEDAD

A.1. Complete el siguiente cuadro sobre el capital social y los derechos de voto atribuidos, incluidos, en su caso, los correspondientes a las acciones con voto por lealtad, a la fecha de cierre del ejercicio:

Indique si los estatutos de la sociedad contienen la previsión de voto doble por lealtad:

Sí
 No

Fecha de última modificación	Capital social (€)	Número de acciones	Número de derechos de voto
25/05/2006	36.000.000,00	120.000.000	120.000.000

Indique si existen distintas clases de acciones con diferentes derechos asociados:

Sí
 No

A.2. Detalle los titulares directos e indirectos de participaciones significativas a la fecha de cierre del ejercicio, incluidos los consejeros que tengan una participación significativa:

Nombre o denominación social del accionista	% derechos de voto atribuidos a las acciones		% derechos de voto a través de instrumentos financieros		% total de derechos de voto
	Directo	Indirecto	Directo	Indirecto	
CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	0,01	62,03	0,01	62,03	62,04

Entre el 19 y 20 de diciembre de 2023 La Previsión 96, S.A. adquirió un total de 100.000 acciones (83.514 y 16.486, respectivamente) de la Sociedad

Como consecuencia de la citada operación, la participación indirecta de Co Sociedad de Gestión y Participación, S.A. en la Sociedad ha aumentado un 0,09%.

Detalle de la participación indirecta:

Nombre o denominación social del titular indirecto	Nombre o denominación social del titular directo	% derechos de voto atribuidos a las acciones	% derechos de voto a través de instrumentos financieros	% total de derechos de voto
CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	LA PREVISIÓN 96, S.A.	25,09	0,00	25,09

Nombre o denominación social del titular indirecto	Nombre o denominación social del titular directo	% derechos de voto atribuidos a las acciones	% derechos de voto a través de instrumentos financieros	% total de derechos de voto
CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	INOC, S.A.	36,94	0,00	36,94

Como consecuencia de la citada operación, la participación directa de LA PREVISIÓN 96, S.A. en la Sociedad ha aumentado un 0,09%.

Indique los movimientos en la estructura accionarial más significativos acaecidos durante el ejercicio:

Movimientos más significativos

Accionista: LA PREVISIÓN 96, S.A.
Fecha operación: 19/12/2023 y 20/12/2023
Descripción de la operación: Adquisición de un total de 100.000 acciones de la Sociedad, representativas del 0,09%.

A.3. Detalle, cualquiera que sea el porcentaje, la participación al cierre del ejercicio de los miembros del consejo de administración que sean titulares de derechos de voto atribuidos a acciones de la sociedad o a través de instrumentos financieros, excluidos los consejeros que se hayan identificado en el apartado A.2, anterior:

Nombre o denominación social del consejero	% derechos de voto atribuidos a las acciones (incluidos votos por lealtad)		% derechos de voto a través de instrumentos financieros		% total de derechos de voto	Del % total de derechos de voto atribuidos a las acciones, indique, en su caso, el % de los votos adicionales atribuidos que corresponden a las acciones con voto por lealtad	
	Directo	Indirecto	Directo	Indirecto		Directo	Indirecto
DON FEDERICO HALPERN BLASCO	0,03	0,02	0,00	0,00	0,05	0,00	0,00
DON JOSÉ MARÍA SERRA FARRÉ	0,46	0,01	0,00	0,00	0,47	0,00	0,00
DON FRANCISCO JAVIER PÉREZ FARGUELL	0,00	0,01	0,00	0,00	0,01	0,00	0,00
DOÑA MARÍA ASSUMPTA SOLER SERRA	2,10	0,00	0,00	0,00	2,10	0,00	0,00
DON HUGO SERRA CALDERÓN	0,01	0,09	0,00	0,00	0,10	0,00	0,00

Nombre o denominación social del consejero	% derechos de voto atribuidos a las acciones (incluidos votos por lealtad)		% derechos de voto a través de instrumentos financieros		% total de derechos de voto	Del % total de derechos de voto atribuidos a las acciones, indique, en su caso, el % de los votos adicionales atribuidos que corresponden a las acciones con voto por lealtad	
	Directo	Indirecto	Directo	Indirecto		Directo	Indirecto
DON ÁLVARO JUNCADELLA DE PALLEJÁ	0,00	0,05	0,00	0,00	0,05	0,00	0,00
DON JORGE ENRICH SERRA	0,00	0,00	0,00	0,00	0,00	0,00	0,00
DOÑA BEATRIZ MOLINS DOMINGO	0,00	0,00	0,00	0,00	0,00	0,00	0,00
DOÑA RAQUEL CORTIZO ALMEIDA	0,00	0,00	0,00	0,00	0,00	0,00	0,00
% total de derechos de voto titularidad de miembros del consejo de administración						2,78	

Detalle de la participación indirecta:

Nombre o denominación social del consejero	Nombre o denominación social del titular directo	% derechos de voto atribuidos a las acciones (incluidos votos por lealtad)	% derechos de voto a través de instrumentos financieros	% total de derechos de voto	Del % total de derechos de voto atribuidos a las acciones, indique, en su caso, el % de los votos adicionales atribuidos que corresponden a las acciones con voto por lealtad
Sin datos					

Detalle el porcentaje total de derechos de voto representados en el consejo:

% total de derechos de voto representados en el consejo de administración	0,00
--	-------------

A.4. Indique, en su caso, las relaciones de índole familiar, comercial, contractual o societaria que existan entre los titulares de participaciones significativas, en la medida en que sean conocidas por la sociedad, salvo que sean escasamente relevantes o deriven del giro o tráfico comercial ordinario, excepto las que se informen en el apartado A.6:

Nombre o denominación social relacionados	Tipo de relación	Breve descripción
Sin datos		

A.5. Indique, en su caso, las relaciones de índole comercial, contractual o societaria que existan entre los titulares de participaciones significativas, y la sociedad y/o su grupo, salvo que sean escasamente relevantes o deriven del giro o tráfico comercial ordinario:

Nombre o denominación social relacionados	Tipo de relación	Breve descripción
Sin datos		

A.6. Describa las relaciones, salvo que sean escasamente relevantes para las dos partes, que existan entre los accionistas significativos o representados en el consejo y los consejeros, o sus representantes, en el caso de administradores persona jurídica.

Explique, en su caso, cómo están representados los accionistas significativos. En concreto, se indicarán aquellos consejeros que hubieran sido nombrados en representación de accionistas significativos, aquellos cuyo nombramiento hubiera sido promovido por accionistas significativos, o que estuvieran vinculados a accionistas significativos y/o entidades de su grupo, con especificación de la naturaleza de tales relaciones de vinculación. En particular, se mencionará, en su caso, la existencia, identidad y cargo de miembros del consejo, o representantes de consejeros, de la sociedad cotizada, que sean, a su vez, miembros del órgano de administración, o sus representantes, en sociedades que ostenten participaciones significativas de la sociedad cotizada o en entidades del grupo de dichos accionistas significativos:

Nombre o denominación social del consejero o representante, vinculado	Nombre o denominación social del accionista significativo vinculado	Denominación social de la sociedad del grupo del accionista significativo	Descripción relación/cargo
DON FEDERICO HALPERN BLASCO	DEPSA 96, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Consejero
DON JORGE ENRICH SERRA	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Consejero Delegado Mancomunado
DON ÁLVARO JUNCADELLA DE PALLEJÁ	LA PREVISIÓN 96, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Consejero de accionista significativo de La Previsión 96, S.A.
DON HUGO SERRA CALDERÓN	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Consejero Delegado Mancomunado

Nombre o denominación social del consejero o representante, vinculado	Nombre o denominación social del accionista significativo vinculado	Denominación social de la sociedad del grupo del accionista significativo	Descripción relación/cargo
DON JOSÉ MARÍA SERRA FARRÉ	INOC, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Presidente Ejecutivo

Don José María Serra Farré renunció el pasado 31 de julio de 2023 a sus facultades ejecutivas asociadas a su cargo como Presidente Ejecutivo de la Sociedad, manteniéndose su condición de Presidente y reclasificándose al mismo con el carácter de dominical a propuesta del accionista INOC, S.A.

Doña Assumpta Soler Serra fue nombrada consejera dominical a propuesta de INOC, S.A., si bien no tiene vinculación con este accionista.

Don Federico Halpern Blasco fue nombrado consejero dominical a propuesta de Depsa 96, S.A.U. que fue absorbida en el ejercicio 2021 por Co Sociedad de Gestión y Participación, S.A.

A.7. Indique si han sido comunicados a la sociedad pactos parasociales que la afecten según lo establecido en los artículos 530 y 531 de la Ley de Sociedades de Capital. En su caso, descríbalos brevemente y relacione los accionistas vinculados por el pacto:

Sí
 No

Indique si la sociedad conoce la existencia de acciones concertadas entre sus accionistas. En su caso, descríbalas brevemente:

Sí
 No

En el caso de que durante el ejercicio se haya producido alguna modificación o ruptura de dichos pactos o acuerdos o acciones concertadas, indíquelo expresamente:

A.8. Indique si existe alguna persona física o jurídica que ejerza o pueda ejercer el control sobre la sociedad de acuerdo con el artículo 5 de la Ley del Mercado de Valores. En su caso, identifíquela:

Sí
 No

Nombre o denominación social
CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.

A.9. Complete los siguientes cuadros sobre la autocartera de la sociedad:

A fecha de cierre del ejercicio:

Número de acciones directas	Número de acciones indirectas(*)	% total sobre capital social
	1.977.283	1,65

(*) A través de:

Nombre o denominación social del titular directo de la participación	Número de acciones directas
SOCIEDAD GESTIÓN CATALANA OCCIDENTE, S.A.	1.977.283
Total	1.977.283

A.10. Detalle las condiciones y plazo del mandato vigente de la junta de accionistas al consejo de administración para emitir, recomprar o transmitir acciones propias:

El Consejo de Administración de Grupo Catalana Occidente, S.A. (la "Sociedad") está autorizado y facultado para la adquisición derivativa de acciones propias, bien sea directamente o a través de sociedades filiales, por cualquiera de las modalidades de adquisición que admite la Ley dentro de los límites y con sujeción a los requisitos establecidos en la Ley de Sociedades de Capital ("LSC"), y, en particular, a los siguientes:

- (i) El valor nominal de las acciones adquiridas, directa o indirectamente, sumándose al de las que ya posean la Sociedad y sus sociedades filiales, y, en su caso, la sociedad dominante y sus filiales, no podrá exceder del 10% del capital social de la Sociedad.
- (ii) La adquisición de acciones, comprendidas las que la Sociedad o persona que actuase en nombre propio pero por cuenta de aquélla hubiese adquirido con anterioridad y tuviese en cartera, no podrá producir el efecto de que el patrimonio neto, tal como se define en el artículo 146 LSC, resulte inferior al importe del capital social más las reservas legal o estatutariamente indisponibles.
- (iii) Las modalidades de adquisición podrán consistir tanto en compraventa como en permuta como en cualquier otra modalidad de negocio a título oneroso, según las circunstancias, de acciones íntegramente desembolsadas, libres de toda carga o gravamen y que no lleven aparejada la obligación de realizar prestaciones accesorias.
- (iv) El contravalor mínimo y máximo de adquisición serán el de su valor de cotización reducido o incrementado en un 10%, respectivamente, en la fecha en que se lleve a término la operación de que se trate.

La actual autorización se otorgó por un plazo de cinco años en la Junta General de Accionistas celebrada el 29 de octubre de 2020.

En el marco de la citada autorización, el Consejo de Administración establecerá la política de actuación en materia de autocartera, pudiendo delegar en el Presidente y/o en el Consejero Delegado de la Sociedad, la ejecución de dicha política de actuación. Asimismo, el Consejo de Administración deberá controlar especialmente que, en el momento de cualquier adquisición autorizada, se respeten las condiciones establecidas en el acuerdo y en la Ley (especialmente en la normativa sobre abuso de mercado comunitaria y estatal).

Asimismo, las adquisiciones que se realicen con base en la indicada autorización podrán tener por objeto acciones que hayan de ser entregadas, en aplicación de programas retributivos de la Sociedad y su Grupo, a los trabajadores o administradores de la Sociedad y sus sociedades filiales, directamente o como consecuencia del ejercicio de opción de que aquéllos sean titulares, para lo cual podrá utilizarse la autocartera existente de la Sociedad, o llevar a término nuevas adquisiciones al amparo de la indicada autorización.

A.11. Capital flotante estimado:

	%
Capital flotante estimado	33,53

A.12. Indique si existe cualquier restricción (estatutaria, legislativa o de cualquier índole) a la transmisibilidad de valores y/o cualquier restricción al derecho de voto. En particular, se comunicará la existencia de cualquier tipo de restricciones que puedan dificultar la toma de control de la sociedad mediante la adquisición de sus acciones en el mercado, así como aquellos regímenes de autorización o comunicación previa que, sobre las adquisiciones o transmisiones de instrumentos financieros de la compañía, le sean aplicables por normativa sectorial.

Sí
 No

Descripción de las restricciones

No existen restricciones al derecho de voto, ya que cada acción da derecho a un voto. No obstante, de conformidad con los Estatutos Sociales y el Reglamento de la Junta General, para asistir a la Junta General de Accionistas se exige un mínimo de 250 acciones inscritas en el Registro Contable correspondiente, con una antelación mínima de cinco días a la fecha de celebración de la Junta. Los accionistas titulares de un número inferior de acciones podrán agruparlas hasta completar al menos dicho número, designando entre ellos un representante.

Asimismo, aplican las restricciones propias de la normativa de seguros (Ley 20/2015, de 14 de julio, de ordenación, supervisión y solvencia de las entidades aseguradoras y reaseguradoras y su normativa de desarrollo) que somete a requisitos administrativos la adquisición directa o indirecta de acciones o compañías aseguradoras en función de unos determinados umbrales.

A.13. Indique si la junta general ha acordado adoptar medidas de neutralización frente a una oferta pública de adquisición en virtud de lo dispuesto en la Ley 6/2007.

Sí
 No

En su caso, explique las medidas aprobadas y los términos en que se producirá la ineficiencia de las restricciones:

A.14. Indique si la sociedad ha emitido valores que no se negocian en un mercado regulado de la Unión Europea.

Sí
 No

En su caso, indique las distintas clases de acciones y, para cada clase de acciones, los derechos y obligaciones que confiera:

B. JUNTA GENERAL

B.1. Indique y, en su caso detalle, si existen diferencias con el régimen de mínimos previsto en la Ley de Sociedades de Capital (LSC) respecto al quórum de constitución de la junta general:

[] Sí
[✓] No

B.2. Indique y, en su caso, detalle si existen diferencias con el régimen previsto en la Ley de Sociedades de Capital (LSC) para la adopción de acuerdos sociales:

[] Sí
[✓] No

B.3. Indique las normas aplicables a la modificación de los estatutos de la sociedad. En particular, se comunicarán las mayorías previstas para la modificación de los estatutos, así como, en su caso, las normas previstas para la tutela de los derechos de los socios en la modificación de los estatutos.

Las normas existentes para la modificación de Estatutos Sociales son iguales a las establecidas en la LSC. Así, en el artículo 10 de los Estatutos Sociales se establece que para que la Junta pueda acordar válidamente el aumento o disminución de capital y, en general, cualquier modificación de los Estatutos Sociales, se exigirán los quórums de asistencia y, en su caso, mayorías dispuestos en los artículos 194 y 201 LSC.

Asimismo, conforme a lo dispuesto en los artículos 286 y 287 LSC, en caso de modificación de los estatutos, los administradores o, en su caso, los accionistas autores de la propuesta deberán redactar el texto íntegro de la modificación que proponen y un informe escrito justificativo de la modificación, que deberá ser puesto a disposición de los accionistas con ocasión de la convocatoria de la junta que debata sobre dicha modificación.

En virtud de los artículos 197.bis LSC y 4.8 del Reglamento de la Junta General, se votarán separadamente aquellos asuntos que sean sustancialmente independientes, como las modificaciones de los Estatutos, en cuyo caso, se votará separadamente cada artículo o grupo de artículos con contenido independiente. No obstante, se votarán conjuntamente las propuestas de aprobación de un texto completo de los Estatutos.

B.4. Indique los datos de asistencia en las juntas generales celebradas en el ejercicio al que se refiere el presente informe y los de los dos ejercicios anteriores:

Fecha junta general	Datos de asistencia				Total
	% de presencia física	% en representación	% voto a distancia		
			Voto electrónico	Otros	
29/04/2021	62,66	16,90	0,06	0,42	80,04
De los que Capital flotante	0,22	13,80	0,06	0,42	14,50
28/04/2022	65,41	13,35	0,00	1,06	79,82
De los que Capital flotante	0,85	13,35	0,00	1,06	15,26
27/04/2023	65,64	11,19	0,04	0,40	77,27

Fecha junta general	Datos de asistencia				Total
	% de presencia física	% en representación	% voto a distancia		
			Voto electrónico	Otros	
De los que Capital flotante	1,50	10,54	0,04	0,40	12,48

B.5. Indique si en las juntas generales celebradas en el ejercicio ha habido algún punto del orden del día que, por cualquier motivo, no haya sido aprobado por los accionistas:

Sí
 No

B.6. Indique si existe alguna restricción estatutaria que establezca un número mínimo de acciones necesarias para asistir a la junta general, o para votar a distancia:

Sí
 No

Número de acciones necesarias para asistir a la junta general	250
Número de acciones necesarias para votar a distancia	1

No existen restricciones de voto ni número mínimo en el caso del voto a distancia.

B.7. Indique si se ha establecido que determinadas decisiones, distintas a las establecidas por Ley, que entrañan una adquisición, enajenación, la aportación a otra sociedad de activos esenciales u otras operaciones corporativas similares, deben ser sometidas a la aprobación de la junta general de accionistas:

Sí
 No

B.8. Indique la dirección y modo de acceso a la página web de la sociedad a la información sobre gobierno corporativo y otra información sobre las juntas generales que deba ponerse a disposición de los accionistas a través de la página web de la Sociedad:

La dirección de la página web corporativa de la sociedad es: www.gco.com

El modo de acceso al contenido de la información sobre gobierno corporativo y otra información sobre las juntas generales que deba ponerse a disposición de los accionistas a través de la indicada página web corporativa, se encuentra dentro del apartado "Junta General de Accionistas", claramente accesible a través de los enlaces "Accionistas e Inversores"- "Estructura de Gobierno".

C. ESTRUCTURA DE LA ADMINISTRACION DE LA SOCIEDAD

C.1. Consejo de administración

C.1.1 Número máximo y mínimo de consejeros previstos en los estatutos sociales y el número fijado por la junta general:

Número máximo de consejeros	15
Número mínimo de consejeros	5
Número de consejeros fijado por la junta	9

C.1.2 Complete el siguiente cuadro con los miembros del consejo:

Nombre o denominación social del consejero	Representante	Categoría del consejero	Cargo en el consejo	Fecha primer nombramiento	Fecha último nombramiento	Procedimiento de elección
DON JOSÉ MARÍA SERRA FARRÉ		Dominical	PRESIDENTE	15/04/1975	30/04/2020	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON FEDERICO HALPERN BLASCO		Dominical	CONSEJERO	25/11/1993	30/04/2020	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON JORGE ENRICH SERRA		Dominical	CONSEJERO	29/04/2021	29/04/2021	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DOÑA BEATRIZ MOLINS DOMINGO		Independiente	CONSEJERO	28/04/2022	28/04/2022	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON FRANCISCO JAVIER PÉREZ FARGUELL		Independiente	CONSEJERO	25/02/2015	27/04/2023	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON ÁLVARO JUNCADELLA DE PALLEJÁ		Dominical	CONSEJERO	28/04/2022	28/04/2022	ACUERDO JUNTA GENERAL DE ACCIONISTAS

Nombre o denominación social del consejero	Representante	Categoría del consejero	Cargo en el consejo	Fecha primer nombramiento	Fecha último nombramiento	Procedimiento de elección
DOÑA MARÍA ASSUMPTA SOLER SERRA		Dominical	CONSEJERO	24/09/2009	29/04/2021	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON HUGO SERRA CALDERÓN		Ejecutivo	CONSEJERO DELEGADO	27/06/2013	28/04/2022	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DOÑA RAQUEL CORTIZO ALMEIDA		Independiente	CONSEJERO	25/05/2023	25/05/2023	COOPTACION

Número total de consejeros	9
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Indique los ceses que, ya sea por dimisión o por acuerdo de la junta general, se hayan producido en el consejo de administración durante el periodo sujeto a información:

Nombre o denominación social del consejero	Categoría del consejero en el momento del cese	Fecha del último nombramiento	Fecha de baja	Comisiones especializadas de las que era miembro	Indique si el cese se ha producido antes del fin del mandato
DON FRANCISCO JOSÉ ARREGUI LABORDA	Ejecutivo	25/04/2019	01/01/2023	SECRETARIO NO MIEMBRO DEL COMITÉ DE AUDITORÍA Y DE LA COMISIÓN DE NOMBRAMIENTOS Y RETRIBUCIONES.	SI
DON JUAN IGNACIO GUERRERO GILABERT	Independiente	29/04/2021	25/05/2023	PRESIDENTE DEL COMITÉ DE AUDITORÍA, MIEMBRO DE LA COMISIÓN DE NOMBRAMIENTOS Y RETRIBUCIONES, Y CONSEJERO COORDINADOR.	SI

Causa del cese, cuando se haya producido antes del término del mandato y otras observaciones; información sobre si el consejero ha remitido una carta al resto de miembros del consejo y, en el caso de ceses de consejeros no ejecutivos, explicación o parecer del consejero que ha sido cesado por la junta general

En fecha 26 de octubre de 2022, el consejero ejecutivo D. Francisco José Arregui Laborda remitió una carta al consejo de administración de la Sociedad dimitiendo, con efectos desde el día 1 de enero de 2023, como miembro del consejo de administración y secretario del mismo (así como al resto de cargos que ostentaba en distintas filiales del Grupo), con motivo de su jubilación. El consejo de administración aceptó dicha dimisión en fecha 27 de octubre de 2022.

Posteriormente, mediante carta remitida al consejo de administración de fecha 17 de mayo de 2023, el consejero D. Juan Ignacio Guerrero Gilabert presentó su dimisión, con efectos 25 de mayo de 2023, a su cargo de miembro de consejo de administración, tras el vencimiento en fecha 28 de abril de 2023 del plazo máximo de permanencia de doce años como consejero independiente previsto en la Ley de Sociedades de Capital.

C.1.3 Complete los siguientes cuadros sobre los miembros del consejo y su distinta categoría:

CONSEJEROS EJECUTIVOS		
Nombre o denominación social del consejero	Cargo en el organigrama de la sociedad	Perfil
DON HUGO SERRA CALDERÓN	CONSEJERO DELEGADO	Licenciado en Business Administration por UPC. BSBA por University of Wales y MBA por IESE Business School. Para más información sobre los cargos que ocupa a la fecha del presente informe ver apartados A.6, C.1.10 y C.1.11.

Número total de consejeros ejecutivos	1
% sobre el total del consejo	11,11

CONSEJEROS EXTERNOS DOMINICALES		
Nombre o denominación social del consejero	Nombre o denominación del accionista significativo a quien representa o que ha propuesto su nombramiento	Perfil
DON FEDERICO HALPERN BLASCO	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Licenciado en Ciencias Económicas por la Universidad de Barcelona. Diplomado en Seguros Industriales por la Escuela de Organización Industrial. Titulado en la Escuela Oficial de Periodismo de Madrid. Para más información sobre los cargos que ocupa a la fecha del presente informe ver apartados A.6, C.1.10 y C.1.11.
DON JORGE ENRICH SERRA	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	BBA en International Business por Schiller International University. PDD de IESE. Para más información sobre los cargos que ocupa a la fecha del presente informe ver apartados A.6, C.1.10 y C.1.11.
DON ÁLVARO JUNCADELLA DE PALLEJÁ	LA PREVISIÓN 96, S.A.	Licenciado en Derecho por la Universidad Abat Oliba CEU. Para más información sobre los cargos que ocupa a la fecha del presente informe ver apartados A.6, C.1.10 y C.1.11.

CONSEJEROS EXTERNOS DOMINICALES		
Nombre o denominación social del consejero	Nombre o denominación del accionista significativo a quien representa o que ha propuesto su nombramiento	Perfil
DOÑA MARÍA ASSUMPTA SOLER SERRA	INOC, S.A.	Licenciada en Geografía e Historia por la Universidad de Barcelona. Para más información sobre los cargos que ocupa a la fecha del presente informe ver apartados C.1.10 y C.1.11.
DON JOSÉ MARÍA SERRA FARRÉ	INOC, S.A.	Licenciado en Dirección de Empresas y Derecho (ICADE). Programa de Alta Dirección Empresarial - IESE. Ha sido Presidente del Consejo Rector del Instituto de Investigación Cooperativa entre Entidades Aseguradoras y Fondos de Pensiones y Presidente del Instituto de la Empresa Familiar. Asimismo, ha desempeñado funciones ejecutivas en la Sociedad por más de cuarenta años. Para más información sobre los cargos que ocupa a la fecha del presente informe ver apartados A.6, C.1.10 y C.1.11.

Número total de consejeros dominicales	5
% sobre el total del consejo	55,56

Como se ha indicado en las observaciones del apartado A.6. anterior, Don José Maria Serra Farré renunció a sus facultades ejecutivas asociadas a su cargo como Presidente Ejecutivo de la Sociedad, con efectos desde el 31 de julio de 2023, manteniéndose su condición de Presidente y reclasificándose al mismo con el carácter de dominical a propuesta del accionista INOC, S.A.

CONSEJEROS EXTERNOS INDEPENDIENTES	
Nombre o denominación social del consejero	Perfil
DOÑA BEATRIZ MOLINS DOMINGO	Licenciada en Dirección y Administración de Empresas por la Universidad Ramón Llull. Programas IESE enfocados a Empresa Familiar y a Consejos de Administración Responsables. Consejera de "Cementos Molins, S.A." y "Otinix, S.L.". Consultora-Gerente de Family in Business Analysis Center, S.L. Para más Información sobre los cargos que ocupa a la fecha del presente informe ver apartados C.1.10, C.1.11 y C.2.1.
DON FRANCISCO JAVIER PÉREZ FARGUELL	Licenciado en Derecho por la Universidad de Barcelona. Licenciado en Ciencias Empresariales y MBA por ESADE Business School. Executive Program en Stanford Business School. Diplomado por Harvard e Insead. Consejero de Mahou-San Miguel entre 2005 y 2015. Socio Director de Clearwater International hasta 2021. Miembro del Consejo Asesor de Foment del Treball Nacional.
DOÑA RAQUEL CORTIZO ALMEIDA	Licenciada en Dirección y Administración de Empresas por la Universidad de Santiago de Compostela. MBA Executive por Universidad Intercontinental-Escuela de Negocios Caixanova. Programas del IE Business School sobre dirección y gestión de empresas. Directora General de Grupo Cortizo y Consejera de "Cortizo Cartera, S.L." Para más Información sobre los cargos que ocupa a la fecha del presente informe ver apartados C.1.10, C.1.11 y C.2.1.

Número total de consejeros independientes	3
% sobre el total del consejo	33,33

Indique si algún consejero calificado como independiente percibe de la sociedad, o de su mismo grupo, cualquier cantidad o beneficio por un concepto distinto de la remuneración de consejero, o mantiene o ha mantenido, durante el último ejercicio, una relación de negocios con la sociedad o con cualquier sociedad de su grupo, ya sea en nombre propio o como accionista significativo, consejero o alto directivo de una entidad que mantenga o hubiera mantenido dicha relación.

En su caso, se incluirá una declaración motivada del consejo sobre las razones por las que considera que dicho consejero puede desempeñar sus funciones en calidad de consejero independiente.

Nombre o denominación social del consejero	Descripción de la relación	Declaración motivada
Sin datos		

OTROS CONSEJEROS EXTERNOS

Se identificará a los otros consejeros externos y se detallarán los motivos por los que no se puedan considerar dominicales o independientes y sus vínculos, ya sea con la sociedad, sus directivos, o sus accionistas:

Nombre o denominación social del consejero	Motivos	Sociedad, directivo o accionista con el que mantiene el vínculo	Perfil
Sin datos			

Número total de otros consejeros externos	N.A.
% sobre el total del consejo	N.A.

Indique las variaciones que, en su caso, se hayan producido durante el periodo en la categoría de cada consejero:

Nombre o denominación social del consejero	Fecha del cambio	Categoría anterior	Categoría actual
Sin datos			

C.1.4 Complete el siguiente cuadro con la información relativa al número de consejeras al cierre de los últimos 4 ejercicios, así como la categoría de tales consejeras:

	Número de consejeras				% sobre el total de consejeros de cada categoría			
	Ejercicio 2023	Ejercicio 2022	Ejercicio 2021	Ejercicio 2020	Ejercicio 2023	Ejercicio 2022	Ejercicio 2021	Ejercicio 2020
Ejecutivas					0,00	0,00	0,00	0,00
Dominicales	1	1	1	1	20,00	25,00	10,00	10,00
Independientes	2	1			66,66	33,00	0,00	0,00

	Número de consejeras				% sobre el total de consejeros de cada categoría			
	Ejercicio 2023	Ejercicio 2022	Ejercicio 2021	Ejercicio 2020	Ejercicio 2023	Ejercicio 2022	Ejercicio 2021	Ejercicio 2020
Otras Externas					0,00	0,00	0,00	0,00
Total	3	2	1	1	33,33	20,00	6,25	6,25

Como se ha indicado en las observaciones del apartado C.1.3. anterior, el Consejo de Administración del pasado 25 de mayo de 2023 procedió al nombramiento por cooptación de una nueva consejera independiente – cuya reelección y, en lo menester, nombramiento se ha presentado como propuesta a la Junta General de Accionistas a celebrar el próximo 25 de abril de 2024 -, aumentando el número de consejeras a 3.

C.1.5 Indique si la sociedad cuenta con políticas de diversidad en relación con el consejo de administración de la empresa por lo que respecta a cuestiones como, por ejemplo, la edad, el género, la discapacidad, o la formación y experiencia profesionales. Las entidades pequeñas y medianas, de acuerdo con la definición contenida en la Ley de Auditoría de Cuentas, tendrán que informar, como mínimo, de la política que tengan establecida en relación con la diversidad de género.

- Sí
 No
 Políticas parciales

En caso afirmativo, describa estas políticas de diversidad, sus objetivos, las medidas y la forma en que se ha aplicado y sus resultados en el ejercicio. También se deberán indicar las medidas concretas adoptadas por el consejo de administración y la comisión de nombramientos y retribuciones para conseguir una presencia equilibrada y diversa de consejeros.

En caso de que la sociedad no aplique una política de diversidad, explique las razones por las cuales no lo hace.

Descripción de las políticas, objetivos, medidas y forma en que se han aplicado, así como los resultados obtenidos

La Sociedad cuenta con una Política de diversidad en la composición del Consejo de Administración y de selección de consejeros (la "Política de Selección de Consejeros"), aprobada por el Consejo de Administración de la Sociedad el pasado 26 de octubre de 2023, que recoge los principios, valores y criterios que gobiernan el proceso de selección, nombramiento y renovación de los miembros del Consejo de Administración de la Sociedad, y que persigue, entre otros fines, conseguir una composición apropiada del Consejo de Administración en sintonía con los principios y recomendaciones de buen gobierno corporativo.

En este sentido, la Política de Selección de Consejeros determina que el Consejo de Administración de la Sociedad promoverá la diversidad en la composición del Consejo de Administración, favoreciendo a tal efecto la integración de personas que cuenten con diferentes perfiles, conocimientos, formación, experiencia y cualidades.

Además, con vistas a alcanzar una composición adecuada y equilibrada del Consejo de Administración, la citada Política de Selección de Consejeros prevé que, en los procesos de renovación y selección de consejeros, se promoverá la diversidad de sus miembros, en función de las necesidades de la Sociedad en cada momento.

La Política de Selección de Consejeros puede consultarse en la página web corporativa de la Sociedad, dentro del apartado "Gobierno Corporativo", claramente accesible a través de los enlaces "Accionistas e Inversores"- "Estructura de Gobierno".

Por otro lado, y de conformidad con el artículo 16 del Reglamento del Consejo de Administración (el "Reglamento del Consejo"), la Comisión de Nombramientos y Retribuciones tiene encomendada la función, de velar porque los procesos de selección de candidatos no adolezcan de sesgos implícitos que obstaculicen la diversidad, elevando propuestas o informando al Consejo de Administración, según el caso, con total objetividad y respeto a los principios de igualdad diversidad a los que se refiere la Política de Selección de Consejeros, en atención a sus condiciones profesionales, experiencia y conocimientos, que. Adicionalmente, la Comisión de Nombramientos y Retribuciones tiene encomendada la función, de conformidad con dicho artículo 16, de establecer un objetivo de representación para el sexo menos representado en el Consejo de Administración y elaborar orientaciones sobre cómo alcanzar dicho objetivo, en caso de que se produzcan vacantes en el mismo.

En este sentido, debe ponerse de manifiesto que, al objeto de fomentar el nombramiento de consejeras, en línea con lo dispuesto en el citado artículo 16 del Reglamento del Consejo y la Recomendación 15 del Código de Buen Gobierno de las Sociedades Cotizadas, el Consejo de

Administración de fecha 25 de mayo de 2023 acordó nombrar por cooptación, a propuesta de la Comisión de Nombramientos y Retribuciones, una nueva consejera independiente (cuya reelección y, en lo menester, nombramiento se ha presentado como propuesta a la Junta General de Accionistas a celebrar el próximo 25 de abril de 2024), al objeto de reforzar la presencia de consejeras en el Consejo.

C.1.6 Explique las medidas que, en su caso, hubiese convenido la comisión de nombramientos para que los procedimientos de selección no adolezcan de sesgos implícitos que obstaculicen la selección de consejeras, y que la compañía busque deliberadamente e incluya entre los potenciales candidatos, mujeres que reúnan el perfil profesional buscado y que permita alcanzar una presencia equilibrada de mujeres y hombres. Indique también si entre estas medidas está la de fomentar que la compañía cuente con un número significativo de altas directivas:

Explicación de las medidas

La Comisión de Nombramientos y Retribuciones vela por que se respeten las medidas indicadas en el apartado anterior y se tome en consideración a personas de ambos sexos que reúnan las condiciones y capacidades necesarias para el cargo, tanto en lo que respecta al nombramiento de consejeros como al de altos directivos. Adicionalmente, de conformidad con el artículo 16.5.j) del Reglamento del Consejo, dicha Comisión tiene atribuida la función de establecer un objetivo de representación para el sexo menos representado en el Consejo de Administración y elaborar orientaciones sobre cómo alcanzar dicho objetivo en caso de que se produzcan vacantes en el mismo. Al respecto, y tal como se menciona en las observaciones al apartado C.1.5 anterior, la Comisión de Nombramientos y Retribuciones ha priorizado en la propuesta de nombramiento de nuevos miembros del Consejo, los principios y recomendaciones de buen gobierno corporativo, buscando, en especial, reforzar la presencia del sexo menos representado en el Consejo, pudiéndose comprobar la positiva evolución de dicha presencia en el apartado C.1.4 anterior.

Cuando a pesar de las medidas que, en su caso, se hayan adoptado, sea escaso o nulo el número de consejeras o altas directivas, explique los motivos que lo justifiquen:

Explicación de los motivos

N.A.

C.1.7 Explique las conclusiones de la comisión de nombramientos sobre la verificación del cumplimiento de la política dirigida a favorecer una composición apropiada del consejo de administración.

La Política de Selección de Consejeros de la Sociedad tiene por objeto asegurar que las propuestas de nombramiento y reelección de consejeros se fundamentan en un análisis previo de las necesidades del Consejo de Administración y favorecer la diversidad de conocimientos, experiencias, edad y género en el mismo.

En este sentido, la Comisión de Nombramientos y Retribuciones ha efectuado a lo largo del ejercicio un análisis constante de la estructura, tamaño y composición del Consejo de Administración y sus Comisiones, y considera que la Sociedad está aplicando adecuadamente los principios establecidos en la citada Política de Selección de Consejeros, habiendo priorizado en el nombramiento de nuevos miembros del Consejo dichos principios, buscando, en especial, reforzar la presencia del sexo menos representado en el Consejo, con el objetivo último de cumplir con aquella presencia que se establezca finalmente en la legislación que implemente la Directiva 2022/2381 del Parlamento y del Consejo, relativa a un mejor equilibrio de género entre los administradores de las sociedades cotizadas y medidas conexas (como la Recomendación 15 del Código de Buen Gobierno de las Sociedades Cotizadas).

C.1.8 Explique, en su caso, las razones por las cuales se han nombrado consejeros dominicales a instancia de accionistas cuya participación accionarial es inferior al 3% del capital:

Nombre o denominación social del accionista	Justificación
CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Aunque el citado accionista no posee una participación accionarial superior al 3% directamente, tal y como se señala en el apartado A.7 anterior, ejerce el control indirecto sobre la Sociedad de acuerdo con el artículo 42 del Código de Comercio.

Indique si no se han atendido peticiones formales de presencia en el consejo procedentes de accionistas cuya participación accionarial es igual o superior a la de otros a cuya instancia se hubieran designado consejeros dominicales. En su caso, explique las razones por las que no se hayan atendido:

- [] Sí
[√] No

C.1.9 Indique, en el caso de que existan, los poderes y las facultades delegadas por el consejo de administración, incluyendo los relativos a la posibilidad de emitir o recomprar acciones, en consejeros o en comisiones del consejo:

Nombre o denominación social del consejero o comisión	Breve descripción
HUGO SERRA CALDERÓN	El Consejero Delegado tiene delegadas todas las facultades propias del Consejo de Administración legal y estatutariamente delegables, excepto las indelegables conforme a la Ley y al Reglamento del Consejo de Administración de la Sociedad, así como la facultad de vender, pignorar y en cualquier otra forma transmitir y/o gravar, las acciones, participaciones sociales o cuotas de toda clase de sociedades y entidades que formen parte del mismo grupo que la Sociedad, de conformidad con lo previsto en el artículo 42 del Código de Comercio.

C.1.10 Identifique, en su caso, a los miembros del consejo que asuman cargos de administradores, representantes de administradores o directivos en otras sociedades que formen parte del grupo de la sociedad cotizada:

Nombre o denominación social del consejero	Denominación social de la entidad del grupo	Cargo	¿Tiene funciones ejecutivas?
DON JOSÉ MARÍA SERRA FARRÉ	OCCIDENT GCO, S.A.U. DE SEGUROS Y REASEGUROS	PRESIDENTE	NO
DON JOSÉ MARÍA SERRA FARRÉ	GRUPO COMPAÑÍA ESPAÑOLA DE CRÉDITO Y CAUCIÓN, S.L.	CONSEJERO	NO
DON HUGO SERRA CALDERÓN	ATRADIUS CRÉDITO Y CAUCIÓN, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON HUGO SERRA CALDERÓN	OCCIDENT GCO, S.A.U. DE SEGUROS Y REASEGUROS	VICEPRESIDENTE	NO
DON HUGO SERRA CALDERÓN	GRUPO CATALANA OCCIDENTE GESTIÓN DE ACTIVOS, S.G.I.I.C., S.A.U.	PRESIDENTE	NO
DON HUGO SERRA CALDERÓN	HERCASOL, SICAV, S.A.	CONSEJERO	NO
DON HUGO SERRA CALDERÓN	GCO GESTORA DE PENSIONES EGFP, S.A.U.	PRESIDENTE	SI
DON HUGO SERRA CALDERÓN	GRUPO CATALANA OCCIDENTE ACTIVOS INMOBILIARIOS, S.L.	PRESIDENTE	SI

Nombre o denominación social del consejero	Denominación social de la entidad del grupo	Cargo	¿Tiene funciones ejecutivas?
DON HUGO SERRA CALDERÓN	GRUPO COMPAÑÍA ESPAÑOLA DE CRÉDITO Y CAUCIÓN, S.L.	CONSEJERO	NO
DON HUGO SERRA CALDERÓN	ATRADIUS N.V.	MEMBER SUPERVISORY BOARD	NO
DON HUGO SERRA CALDERÓN	PREPERSA PERITACIÓN DE SEGUROS Y PREVENCIÓN, AIE	REPRESENTANTE DEL ADMINISTRADOR ÚNICO	SI
DON HUGO SERRA CALDERÓN	GRUPO CATALANA OCCIDENTE TECNOLOGÍA Y SERVICIOS, A.I.E.	PRESIDENTE	SI
DON HUGO SERRA CALDERÓN	GRUPO CATALANA OCCIDENTE CONTACT CENTER, A.I.E.	PRESIDENTE	SI
DON HUGO SERRA CALDERÓN	GCO VENTURES, S.L.U.	PRESIDENTE	SI

C.1.11 Detalle los cargos de consejero, administrador o director, o representante de los mismos, que desempeñen los consejeros o representantes de consejeros miembros del consejo de administración de la sociedad en otras entidades, se traten o no de sociedades cotizadas:

Identificación del consejero o representante	Denominación social de la entidad, cotizada o no	Cargo
DON JOSÉ MARÍA SERRA FARRÉ	NEWSERCAL, S.L.	CONSEJERO
DON JOSÉ MARÍA SERRA FARRÉ	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	CONSEJERO
DON JOSÉ MARÍA SERRA FARRÉ	INOC, S.A.	CONSEJERO
DON JOSÉ MARÍA SERRA FARRÉ	LA PREVISIÓN 96, S.A.	CONSEJERO
DON HUGO SERRA CALDERÓN	NEWSERCAL, S.L.	CONSEJERO DELEGADO
DON HUGO SERRA CALDERÓN	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	CONSEJERO DELEGADO
DON HUGO SERRA CALDERÓN	INOC, S.A.	REPRESENTANTE DE CONSEJERO
DON HUGO SERRA CALDERÓN	LA PREVISIÓN 96, S.A.	REPRESENTANTE DE CONSEJERO
DON HUGO SERRA CALDERÓN	APROA 3G REAL ESTATE, S.L.	ADMINISTRADOR UNICO
DON FEDERICO HALPERN BLASCO	INOC, S.A.	CONSEJERO
DON FEDERICO HALPERN BLASCO	LA PREVISIÓN 96, S.A.	CONSEJERO
DON JORGE ENRICH SERRA	ENSIVEST BROS 2014, S.L.	CONSEJERO DELEGADO
DON JORGE ENRICH SERRA	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	CONSEJERO DELEGADO
DON JORGE ENRICH SERRA	INOC, S.A.	CONSEJERO

Identificación del consejero o representante	Denominación social de la entidad, cotizada o no	Cargo
DON JORGE ENRICH SERRA	LA PREVISIÓN 96, S.A.	CONSEJERO
DON JORGE ENRICH SERRA	SATRI 2004, S.L.	ADMINISTRADOR SOLIDARIO
DON JORGE ENRICH SERRA	EKELE 2017, S.L.	ADMINISTRADOR UNICO
DON JORGE ENRICH SERRA	BUDGET HOTELS, S.L.	CONSEJERO
DON ÁLVARO JUNCADELLA DE PALLEJÁ	GESTIÓN DE ACTIVOS Y VALORES, S.A.	SECRETARIO CONSEJERO
DON ÁLVARO JUNCADELLA DE PALLEJÁ	MELCO CAPITAL, S.L.	ADMINISTRADOR UNICO
DON ÁLVARO JUNCADELLA DE PALLEJÁ	WAREHOUSE STOCK, S.L.	ADMINISTRADOR MANCOMUNADO
DON ÁLVARO JUNCADELLA DE PALLEJÁ	UNION DE TRASTEROS, S.L.	ADMINISTRADOR MANCOMUNADO
DON ÁLVARO JUNCADELLA DE PALLEJÁ	TRASTEROS BCN, S.L.	ADMINISTRADOR UNICO
DOÑA MARÍA ASSUMPTA SOLER SERRA	MAS ROMANÍ, S.A.	CONSEJERO
DON FRANCISCO JAVIER PÉREZ FARGUELL	ARTISAN PARTNERS, S.L.	ADMINISTRADOR SOLIDARIO
DOÑA BEATRIZ MOLINS DOMINGO	CEMENTOS MOLINS, S.A.	CONSEJERO
DOÑA BEATRIZ MOLINS DOMINGO	OTINIX, S.L.	CONSEJERO
DOÑA RAQUEL CORTIZO ALMEIDA	CORTIZO CARTERA, S.L.	CONSEJERO
DOÑA RAQUEL CORTIZO ALMEIDA	VISMA HOMES, S.L.	PRESIDENTE
DOÑA RAQUEL CORTIZO ALMEIDA	CORTIZO PORTUGAL, LDA	OTROS

De los anteriores cargos, se encuentran retribuidos los siguientes:

- (i) D. José María Serra Farré en NEWSERCAL, S.L., CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A. y LA PREVISIÓN 96, S.A.;
- (ii) D. Hugo Serra Calderón en NEWSERCAL, S.L., CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A. y LA PREVISIÓN 96, S.A.;
- (iii) D. Federico Halpern Blasco en LA PREVISIÓN 96, S.A.;
- (iv) D. Jorge Enrich Serra en CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A., LA PREVISIÓN 96, S.A. y ENSIVEST BROS 2014, S.L.;
- (v) D. Álvaro Juncadella de Pallejá en GESTIÓN DE ACTIVOS Y VALORES, S.L. y MELCO CAPITAL, S.L.; y
- (vi) D^a. Beatriz Molins Domingo en CEMENTOS MOLINS, S.A.;

Los cargos de D. Hugo Serra Calderón en APROA 3G REAL ESTATE, S.L.U. y D. Álvaro Juncadella de Pallejá en TRASTEROS BCN, S.L. son de representante persona física del Administrador único.

Indique, en su caso, las demás actividades retribuidas de los consejeros o representantes de los consejeros, cualquiera que sea su naturaleza, distinta de las señaladas en el cuadro anterior.

Identificación del consejero o representante	Demás actividades retribuidas
DOÑA BEATRIZ MOLINS DOMINGO	Consultora - Gerente de Family in Business Analysis Center, S.L.
DOÑA RAQUEL CORTIZO ALMEIDA	Directora General en Cortizo Cartera, S.L.

C.1.12 Indique y, en su caso explique, si la sociedad ha establecido reglas sobre el número máximo de consejos de sociedades de los que puedan formar parte sus consejeros, identificando, en su caso, dónde se regula:

[] Sí
[] No

Explicación de las reglas e identificación del documento donde se regula

De conformidad con lo establecido en el artículo 29 del Reglamento del Consejo, para que el Consejero pueda dedicar el tiempo y esfuerzo necesario para desempeñar su función con eficacia no podrá formar parte de un número de consejos superior a seis.

A los efectos del cómputo del número indicado, no se considerarán los consejos de sociedades del Grupo, de los que se forme parte como Consejero propuesto por la Sociedad o por cualquier sociedad del Grupo o aquellos Consejos de sociedades patrimoniales de los Consejeros o de sus familiares directos o que constituyan vehículos o complementos para el ejercicio profesional del propio Consejero, de su cónyuge o persona con análoga relación de afectividad o de sus familiares cercanos. Tampoco se considerará la pertenencia a los consejos de sociedades que tengan por objeto actividades de ocio, asistencia o ayuda a terceros, u objeto análogo, complementario o accesorio de cualquiera de estas actividades.

C.1.13 Indique los importes de los conceptos relativos a la remuneración global del consejo de administración siguientes:

Remuneración devengada en el ejercicio a favor del consejo de administración (miles de euros)	3.621
Importe de los fondos acumulados por los consejeros actuales por sistemas de ahorro a largo plazo con derechos económicos consolidados(miles de euros)	2.428
Importe de los fondos acumulados por los consejeros actuales por sistemas de ahorro a largo plazo con derechos económicos no consolidados(miles de euros)	204
Importe de los fondos acumulados por los consejeros antiguos por sistemas de ahorro a largo plazo (miles de euros)	4.947

Adicionalmente existe un importe de 82.8 miles de euros correspondiente a retribución variable a largo plazo que no ha sido efectivamente liquidada, sino que se encuentra diferida y su percepción está condicionada en los términos de la Política de Remuneraciones de la Sociedad, publicada en la página web corporativa.

Por otra parte, la remuneración total incluye las remuneraciones percibidas por el consejero D. Juan Ignacio Guerrero Gilabert y hasta su dimisión el 25 de mayo de 2023.

El importe de los fondos acumulados por consejeros antiguos corresponde a los antiguos Consejero Delegado y Director General, D. José Ignacio Álvarez Juste y D. Francisco José Arregui Laborda.

C.1.14 Identifique a los miembros de la alta dirección que no sean a su vez consejeros ejecutivos, e indique la remuneración total devengada a su favor durante el ejercicio:

Nombre o denominación social	Cargo/s
DOÑA CLARA GÓMEZ BERMÚDEZ	DIRECTORA GENERAL FINANCIERA-RIESGOS
DON JOAQUÍN GUALLAR PÉREZ	DIRECTOR GENERAL LEGAL CORPORATIVO
DON MANUEL FRANCISCO SÁNCHEZ BLANCO	DIRECTOR GENERAL ESTRATEGIA Y DESARROLLO DE NEGOCIO
DON JORDI COTS PALTOR	DIRECTOR AUDITORÍA INTERNA CORPORATIVA
DOÑA ALBERTA TERESA SOLÉ SABÉ	DIRECTORA MARKETING Y COMUNICACIÓN

Número de mujeres en la alta dirección 2

Porcentaje sobre el total de miembros de la alta dirección	40,00
Remuneración total alta dirección (en miles de euros)	1.635

Existe un importe total de 120 miles de euros correspondiente a retribución variable a largo plazo de los miembros de la Alta Dirección que no ha sido efectivamente liquidada, sino que se encuentra diferida y su percepción está condicionada en los términos de la Política de Remuneraciones de la Sociedad.

C.1.15 Indique si se ha producido durante el ejercicio alguna modificación en el reglamento del consejo:

Sí
 No

Descripción modificaciones

El Consejo de Administración, en su sesión celebrada el 26 de octubre de 2023, aprobó la modificación del Reglamento del Consejo de Administración en cuanto a sus artículos 16, 19, 20, 21 y 22 con el fin de adaptar su contenido (i) a los estándares de gobierno corporativo vigentes, en particular, a lo dispuesto en la Recomendación 14º del Código de Buen Gobierno de las Sociedades Cotizadas (relativa a diversidad del órgano de administración y política de selección de consejeros); así como (ii) al redactado dado al artículo 13 de los Estatutos Sociales por la Junta General de Accionistas del 28 de abril de 2022 (principalmente en relación con la composición cuantitativa del Consejo).

C.1.16 Indique los procedimientos de selección, nombramiento, reelección y remoción de los consejeros. Detalle los órganos competentes, los trámites a seguir y los criterios a emplear en cada uno de los procedimientos.

Los Consejeros serán designados por la Junta General o por el Consejo de Administración, de conformidad con las normas contenidas en la LSC.

Las propuestas de nombramiento de Consejeros que someta el Consejo de Administración a la consideración de la Junta General y las decisiones de nombramiento que adopte dicho órgano en virtud de las facultades de cooptación que tiene legalmente atribuidas, deberán estar precedidas del correspondiente informe de la Comisión de Nombramientos y Retribuciones. Adicionalmente, por lo que respecta a los Consejeros independientes, corresponde a la Comisión de Nombramientos y Retribuciones elevar previamente al Consejo su propuesta de nombramiento. En todo caso, las propuestas de nombramiento de Consejeros deberán ir acompañadas de un informe justificativo del Consejo, que se unirá al acta de la Junta General o del propio Consejo.

En la designación de Consejeros externos, el Consejo de Administración y la Comisión de Nombramientos y Retribuciones, dentro del ámbito de sus competencias, procurarán que la elección de candidatos recaiga sobre personas de reconocida solvencia, competencia y experiencia, atendiendo en todo caso a los principios y criterios referidos en la Política de Selección de Consejeros.

Las propuestas de reelección de Consejeros que el Consejo de Administración decida someter a la Junta General, habrán de sujetarse a un proceso formal del que necesariamente formará parte un informe emitido por la Comisión de Nombramientos y Retribuciones, excepto en el caso de reelección de Consejeros independientes, y un informe del propio Consejo. Adicionalmente, por lo que respecta a los Consejeros independientes, corresponde a la Comisión de Nombramientos y Retribuciones elevar previamente al Consejo su propuesta de reelección. Cuando el Consejo se aparte de las recomendaciones de la Comisión de Nombramientos y Retribuciones sobre nombramiento o reelección de Consejeros, habrá de motivar las razones de su proceder y dejar constancia en acta de sus razones.

Los Consejeros ejercerán su cargo por periodos de cuatro años. No obstante, podrán ser reelegidos indefinidamente salvo los Consejeros independientes que en ningún caso permanecerán en su cargo como tales por un periodo superior a doce años.

Los Consejeros designados por cooptación, ejercerán su cargo hasta que concluya la celebración de la Junta General inmediatamente siguiente al nombramiento, en la que podrán ser ratificados o no. No obstante, de producirse una vacante una vez convocada la Junta General y antes de su celebración, el designado por cooptación ejercerá su cargo hasta la celebración de la siguiente Junta General.

Los Consejeros cesarán en el cargo cuando haya transcurrido el periodo para el que fueron nombrados y cuando lo decida la Junta General. Las propuestas de cese de Consejeros que el Consejo de Administración someta a la consideración de la Junta General y las decisiones que a este respecto adopte dicho órgano, deberán estar precedidas del correspondiente informe de la Comisión de Nombramientos y Retribuciones. Adicionalmente, por lo que respecta a los Consejeros independientes, corresponde a la Comisión de Nombramientos y Retribuciones elevar previamente al Consejo su propuesta de cese. Cuando el Consejo se aparte de las recomendaciones a este respecto de la Comisión de Nombramientos y Retribuciones habrá de motivar las razones de su proceder y dejar constancia en acta de sus razones.

El Consejero que termine su mandato o por cualquier otra causa cese en el desempeño de su cargo, no podrá prestar servicios en otra entidad que tenga un objeto social análogo al de la Sociedad durante el plazo de dos años. El Consejo de Administración, si lo considera oportuno, podrá dispensar al Consejero saliente de esta obligación o acortar el periodo de su duración.

El Consejo no propondrá a la Junta General el cese de ningún Consejero independiente antes del cumplimiento del plazo para el que haya sido elegido, salvo que exista una causa que lo justifique, apreciada por el Consejo de Administración previo informe del Comité de Nombramientos y Retribuciones. En particular, se entenderá justificada la propuesta de cese, cuando: (i) el Consejero hubiera incumplido los deberes inherentes al cargo o hubiera incurrido en algunas de las circunstancias descritas al efecto en el Código de Buen Gobierno de las Sociedades Cotizadas, o (ii) se produzcan cambios en la estructura accionarial de la Sociedad que impliquen una reducción del número de Consejeros independientes.

Cuando, ya sea por dimisión o por acuerdo de la Junta General, un consejero cese en su cargo antes del término de su mandato, deberá explicar de manera suficiente las razones de su dimisión o, en el caso de consejeros no ejecutivos, su parecer sobre los motivos del cese por la Junta General, en una carta que remitirá a todos los miembros del Consejo de Administración, debiendo la Sociedad, en la medida en que sea relevante para los inversores, publicar a la mayor brevedad posible el cese incluyendo referencia suficiente a los motivos o circunstancias aportados por el consejero.

C.1.17 Explique en qué medida la evaluación anual del consejo ha dado lugar a cambios importantes en su organización interna y sobre los procedimientos aplicables a sus actividades:

Descripción modificaciones

El resultado de las medidas de autoevaluación en los últimos ejercicios, ya sea a través de informes de experto independiente o a través de los cuestionarios sobre el funcionamiento del Consejo de Administración, del desempeño del Presidente, el Consejero Delegado y el Secretario del Consejo, del funcionamiento del Comité de Auditoría y del de la Comisión de Nombramientos y Retribuciones, ha arrojado un resultado positivo acerca de la percepción de la idoneidad de los procedimientos que actualmente se aplican. Por tanto, sin perjuicio de que se ha tomado conocimiento de las sugerencias y los aspectos que los Consejeros han considerado mejorables, no ha sido necesario implementar cambios de relevancia en dichos procedimientos.

Describa el proceso de evaluación y las áreas evaluadas que ha realizado el consejo de administración auxiliado, en su caso, por un consultor externo, respecto del funcionamiento y la composición del consejo y de sus comisiones y cualquier otra área o aspecto que haya sido objeto de evaluación.

Descripción proceso de evaluación y áreas evaluadas

De conformidad con el artículo 17 del Reglamento del Consejo de Administración, así como la Recomendación 36 del Código de Buen Gobierno de las Sociedades Cotizadas, el Consejo de Administración evalúa la calidad y eficiencia del funcionamiento del mismo, así como el desempeño de las funciones del Presidente, el Consejero Delegado y el Secretario del Consejo, partiendo en cada caso del informe que le eleva la Comisión de Nombramiento y Retribuciones. Igualmente, el Consejo de Administración evalúa el funcionamiento de sus Comisiones, sobre la base del informe que éstas le elevan.

En el último proceso de evaluación llevado a cabo, en relación al ejercicio 2023, el Consejo de Administración ha evaluado: (i) la calidad y eficiencia del funcionamiento del Consejo de Administración; (ii) el funcionamiento de las Comisiones del Consejo de Administración, y (iii) el desempeño de las funciones del Presidente y del Consejero Delegado.

Para ello, ha tenido en cuenta las recomendaciones emitidas a finales del ejercicio 2021 por el consultor externo (KPMG Asesores, S.L.) sobre la calidad y eficiencia del funcionamiento del Consejo, sus comisiones, así como el desempeño de las funciones del Presidente, el Consejero Delegado y el Secretario del Consejo.

En primer lugar, la Comisión de Nombramientos y Retribuciones ha venido analizando a lo largo del ejercicio la estructura, tamaño y composición del Consejo de Administración para realizar la evaluación anual de funcionamiento del Consejo de Administración, emitiendo un informe previo que posteriormente ha sido elevado al Consejo de Administración.

Por su parte, el Consejo de Administración ha llevado a cabo la evaluación de la calidad y eficiencia del funcionamiento del Comité de Auditoría y de la Comisión de Nombramientos y de Retribuciones basándose en las encuestas de autoevaluación realizadas a los propios miembros de las comisiones y los informes al respecto emitidos.

Por último, el desempeño de las funciones del Presidente y del Consejero Delgado, se ha llevado a cabo por el Consejo de Administración en base al informe previo de la Comisión de Nombramientos y Retribuciones.

En este contexto, debe recordarse que a finales del ejercicio 2021 el consultor externo emitió - conforme a lo dispuesto a la citada recomendación 36 del Código de Buen Gobierno de las Sociedades Cotizadas y el artículo 529 nonies de la Ley de Sociedad de Capital - el correspondiente informe de evaluación del funcionamiento del Consejo de Administración y sus comisiones, que fue evaluado por el Consejo de Administración de la Sociedad habiéndose cumplido a lo largo del ejercicio 2022 la amplia mayoría de las recomendaciones establecidas en dicho informe, y

consolidado dicho cumplimiento en el ejercicio 2023. En el ejercicio 2024 está previsto, conforme a la citada recomendación 36, llevar a cabo una nueva evaluación por parte de un consultor externo (cuya independencia será verificada por la Comisión de Nombramientos y Retribuciones).

C.1.18 Desglose, en aquellos ejercicios en los que la evaluación haya sido auxiliada por un consultor externo, las relaciones de negocio que el consultor o cualquier sociedad de su grupo mantengan con la sociedad o cualquier sociedad de su grupo.

Durante el presente ejercicio la Sociedad no ha sido auxiliada por un consultor externo para llevar a cabo la evaluación anual del funcionamiento del Consejo de Administración.

C.1.19 Indique los supuestos en los que están obligados a dimitir los consejeros.

De conformidad con lo establecido en el artículo 23.3 del Reglamento del Consejo de Administración, los Consejeros están obligados a informar y deben poner a disposición del Consejo de Administración y formalizar, si éste lo considera conveniente, previo informe de la Comisión de Nombramiento y Retribuciones, la correspondiente dimisión en determinados casos (detallados en el apartado C.1.36 posterior).

C.1.20 ¿Se exigen mayorías reforzadas, distintas de las legales, en algún tipo de decisión?:

- Sí
 No

En su caso, describa las diferencias.

C.1.21 Explique si existen requisitos específicos, distintos de los relativos a los consejeros, para ser nombrado presidente del consejo de administración:

- Sí
 No

C.1.22 Indique si los estatutos o el reglamento del consejo establecen algún límite a la edad de los consejeros:

- Sí
 No

C.1.23 Indique si los estatutos o el reglamento del consejo establecen un mandato limitado u otros requisitos más estrictos adicionales a los previstos legalmente para los consejeros independientes, distinto al establecido en la normativa:

- Sí
 No

C.1.24 Indique si los estatutos o el reglamento del consejo de administración establecen normas específicas para la delegación del voto en el consejo de administración en favor de otros consejeros, la forma de hacerlo y, en particular, el número máximo de delegaciones que puede tener un consejero, así como si se ha establecido alguna limitación en cuanto a las categorías en que es posible delegar, más allá de las limitaciones impuestas por la legislación. En su caso, detalle dichas normas brevemente.

Si bien no existen procesos formales para la delegación del voto en el Consejo de Administración; conforme establece el artículo 18.1 del Reglamento del Consejo de Administración, los Consejeros harán todo lo posible para acudir a las sesiones del Consejo y, cuando no puedan hacerlo personalmente procurarán que la representación que confieran a favor de otro miembro del Consejo incluya las oportunas instrucciones. En cualquier caso, los consejeros no ejecutivos únicamente pueden delegar su representación en otro consejero no ejecutivo.

C.1.25 Indique el número de reuniones que ha mantenido el consejo de administración durante el ejercicio. Asimismo, señale, en su caso, las veces que se ha reunido el consejo sin la asistencia de su presidente. En el cómputo se considerarán asistencias las representaciones realizadas con instrucciones específicas.

Número de reuniones del consejo	11
Número de reuniones del consejo sin la asistencia del presidente	0

Indíquese el número de reuniones mantenidas por el consejero coordinador con el resto de consejeros, sin asistencia ni representación de ningún consejero ejecutivo:

Número de reuniones	0
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Indique el número de reuniones que han mantenido en el ejercicio las distintas comisiones del consejo:

Número de reuniones de COMISIÓN DE NOMBRAMIENTOS Y RETRIBUCIONES	6
Número de reuniones de COMITÉ DE AUDITORÍA	9

C.1.26 Indique el número de reuniones que ha mantenido el consejo de administración durante el ejercicio y los datos sobre asistencia de sus miembros:

Número de reuniones con la asistencia presencial de al menos el 80% de los consejeros	11
% de asistencia presencial sobre el total de votos durante el ejercicio	100,00
Número de reuniones con la asistencia presencial, o representaciones realizadas con instrucciones específicas, de todos los consejeros	11
% de votos emitidos con asistencia presencial y representaciones realizadas con instrucciones específicas, sobre el total de votos durante el ejercicio	100,00

El Consejo de Administración se ha reunido en una ocasión mediante el procedimiento por escrito y sin sesión autorizado por el artículo 248.2 de la Ley de Sociedades de Capital, en fecha 27 de abril de 2023.

C.1.27 Indique si están previamente certificadas las cuentas anuales individuales y consolidadas que se presentan al consejo para su formulación:

Sí
 No

Identifique, en su caso, a la/s persona/s que ha/han certificado las cuentas anuales individuales y consolidadas de la sociedad, para su formulación por el consejo:

Nombre	Cargo
DON CARLOS FELIPE GONZÁLEZ BAILAC	DIRECTOR FINANCIERO
DON HUGO SERRA CALDERÓN	CONSEJERO DELEGADO

Nombre	Cargo
DOÑA CLARA GÓMEZ BERMÚDEZ	DIRECTORA GENERAL FINANCIERA-RIESGOS

C.1.28 Explique, si los hubiera, los mecanismos establecidos por el consejo de administración para que las cuentas anuales que el consejo de administración presente a la junta general de accionistas se elaboren de conformidad con la normativa contable.

De conformidad con lo establecido en los Estatutos Sociales y en el Reglamento del Consejo de Administración, el Comité de Auditoría, tiene entre sus funciones, el responsabilizarse de:

- (i) Velar porque las cuentas anuales que el Consejo presente a la Junta se elaboren de conformidad con la normativa contable.
- (ii) Supervisar tanto la eficacia del sistema de control interno de la Sociedad, velando en general por que las políticas y sistemas establecidos se apliquen de modo efectivo en la práctica, como la auditoría interna y los sistemas de gestión de riesgos, incluyendo el sistema de control interno de la información financiera, así como discutir con los auditores de cuentas las debilidades significativas del sistema de control interno y de riesgos detectadas en el desarrollo de la auditoría, todo ello sin quebrantar su independencia.
- (iii) Conocer, evaluar y supervisar el proceso de elaboración y la integridad y presentación de la información financiera y no financiera, así como los sistemas de control interno de gestión de riesgos financieros y no financieros.
- (iv) Revisar las cuentas de la Sociedad, vigilar el cumplimiento de los requerimientos legales, la adecuada delimitación del perímetro de consolidación y la correcta aplicación de los principios de contabilidad generalmente aceptados.
- (v) Supervisar la información que el Consejo de Administración ha de aprobar e incluir dentro de su documentación pública anual.
- (vi) Relacionarse con los auditores externos para recibir información sobre aquellas cuestiones que puedan poner en riesgo su independencia y cualesquiera otras relacionadas con el proceso de desarrollo de la auditoría de cuentas; y emitir anualmente, con carácter previo a la emisión del informe de auditoría de cuentas, un informe en el que expresarán su opinión sobre la independencia de aquellos.

En el ejercicio de dichas funciones, el Comité de Auditoría se reúne con el Auditor externo con carácter previo a la presentación de las cuentas individuales y consolidadas, dando cuenta de los trabajos realizados durante el ejercicio, para cerciorarse y dejar constancia de que hasta ese instante no se observan salvedades en el Informe de Auditoría.

Los informes de auditoría de las cuentas anuales formuladas por el Consejo de Administración, han sido emitidos históricamente sin salvedades, tal y como consta en la información sobre la Sociedad que puede encontrarse en la página web de la CNMV (www.cnmv.es).

C.1.29 ¿El secretario del consejo tiene la condición de consejero?

- Sí
 No

Si el secretario no tiene la condición de consejero complete el siguiente cuadro:

Nombre o denominación social del secretario	Representante
DON JOAQUÍN GUALLAR PÉREZ	

Desde el 1 de enero de 2023, Don Joaquín Guallar ocupa el cargo de secretario no consejero, con motivo de la dimisión por jubilación de Don Francisco Arregui, quien venía desempeñando el cargo hasta el momento. Don Joaquín Guallar había venido ocupando el cargo de vicesecretario no consejero desde el año 2015.

C.1.30 Indique los mecanismos concretos establecidos por la sociedad para preservar la independencia de los auditores externos, así como, si los hubiera, los mecanismos para preservar la independencia de los analistas financieros, de los bancos de inversión y de las agencias de calificación, incluyendo cómo se han implementado en la práctica las previsiones legales.

Conforme a lo establecido en el artículo 15 del Reglamento del Consejo de Administración, el Comité de Auditoría se responsabilizará de relacionarse con los auditores externos para recibir información sobre aquellas cuestiones que puedan poner en riesgo la independencia de éstos y cualesquiera otras relacionadas con el proceso de desarrollo de la auditoría de cuentas, así como aquellas otras comunicaciones previstas en la legislación de auditoría de cuentas y en las normas técnicas de auditoría. En todo caso, deberán recibir anualmente de los auditores de cuentas la confirmación escrita de su independencia frente a la entidad o entidades vinculadas a ésta directa o indirectamente, así como la información de los servicios adicionales de cualquier clase prestados a estas entidades por los citados auditores, o por las personas o entidades vinculadas a éstos de acuerdo con lo dispuesto en la Ley de Auditoría de Cuentas. Asimismo, dentro de las responsabilidades del Comité de Auditoría se encuentra

la de emitir anualmente, con carácter previo a la emisión del informe de auditoría de cuentas, un informe en el que expresará una opinión sobre la independencia de los auditores de cuentas o sociedades de auditoría.

Respecto a los analistas financieros, bancos de inversión y agencias de calificación, no se han desarrollado mecanismos para preservar su independencia al no haberse producido ni prever que se produzca ninguna situación que requiera su implantación, quedando fijadas las vías de comunicación con estos a través de la Política de información económico-financiera, no financiera y corporativa y de contactos con accionistas, inversores institucionales y asesores de voto de la Sociedad, que puede ser consultada en la página web corporativa.

C.1.31 Indique si durante el ejercicio la Sociedad ha cambiado de auditor externo. En su caso identifique al auditor entrante y saliente:

- Sí
 No

En el caso de que hubieran existido desacuerdos con el auditor saliente, explique el contenido de los mismos:

- Sí
 No

C.1.32 Indique si la firma de auditoría realiza otros trabajos para la sociedad y/o su grupo distintos de los de auditoría y en ese caso declare el importe de los honorarios recibidos por dichos trabajos y el porcentaje que el importe anterior supone sobre los honorarios facturados por trabajos de auditoría a la sociedad y/o su grupo:

- Sí
 No

	Sociedad	Sociedades del grupo	Total
Importe de otros trabajos distintos de los de auditoría (miles de euros)	0	129	129
Importe trabajos distintos de los de auditoría / Importe trabajos de auditoría (en %)	0,00	2,55	2,08

C.1.33 Indique si el informe de auditoría de las cuentas anuales del ejercicio anterior presenta salvedades. En su caso, indique las razones dadas a los accionistas en la Junta General por el presidente de la comisión de auditoría para explicar el contenido y alcance de dichas salvedades.

- Sí
 No

C.1.34 Indique el número de ejercicios que la firma actual de auditoría lleva de forma ininterrumpida realizando la auditoría de las cuentas anuales individuales y/o consolidadas de la sociedad. Asimismo, indique el porcentaje que representa el número de ejercicios auditados por la actual firma de auditoría sobre el número total de ejercicios en los que las cuentas anuales han sido auditadas:

	Individuales	Consolidadas
Número de ejercicios ininterrumpidos	6	6

	Individuales	Consolidadas
Nº de ejercicios auditados por la firma actual de auditoría / Nº de ejercicios que la sociedad o su grupo han sido auditados (en %)	14,29	18,18

C.1.35 Indique y, en su caso detalle, si existe un procedimiento para que los consejeros puedan contar con la información necesaria para preparar las reuniones de los órganos de administración con tiempo suficiente:

Sí
 No

Detalle del procedimiento

De acuerdo con lo establecido en el artículo 25 del Reglamento del Consejo de Administración, el Consejero está investido de las más amplias facultades para informarse de cualquier aspecto de la Sociedad, para examinar sus libros, registros, documentos y demás antecedentes de las operaciones sociales y para inspeccionar todas sus instalaciones. El derecho de información se extiende a las sociedades filiales, sean nacionales o extranjeras.

Con el fin de no perturbar la gestión ordinaria de la Sociedad, el ejercicio de las facultades de información se canalizará a través del Presidente o del Secretario del Consejo de Administración, quienes atenderán las solicitudes del Consejero facilitándole directamente la información, ofreciéndole los interlocutores apropiados o arbitrando las medidas precisas para que pueda practicar el examen e inspección deseados.

Además, conforme a lo dispuesto en el artículo 17.2 del Reglamento del Consejo de Administración, la convocatoria del Consejo se efectuará por carta o correo electrónico, y estará autorizada con la firma del Presidente o la del Secretario por orden del Presidente. La convocatoria se cursará con una antelación mínima de cinco días, salvo que concurran circunstancias extraordinarias apreciadas por el Presidente.

C.1.36 Indique y, en su caso detalle, si la sociedad ha establecido reglas que obliguen a los consejeros a informar y, en su caso, a dimitir cuando se den situaciones que les afecten, relacionadas o no con su actuación en la propia sociedad que puedan perjudicar al crédito y reputación de ésta:

Sí
 No

Explique las reglas

El artículo 23 del Reglamento del Consejo de Administración establece que los Consejeros estarán obligados a informar y deberán poner su cargo a disposición del Consejo de Administración y formalizarán, si éste lo considera conveniente, previo informe de la Comisión de Nombramientos y Retribuciones, la correspondiente dimisión en los siguientes casos:

- (i) Cuando cesen en los puestos ejecutivos a los que estuviere asociado su nombramiento como Consejero.
- (ii) Cuando se vean incursos en alguno de los supuestos de incompatibilidad o prohibición legalmente previstos.
- (iii) Cuando sean objeto de un expediente disciplinario por falta grave o muy grave instruido por las autoridades supervisoras.
- (iv) Cuando el propio Consejo así se lo solicite por haber infringido sus obligaciones como Consejero.
- (v) Cuando su permanencia en el Consejo pueda poner en riesgo los intereses de la Sociedad o cuando desaparezcan las razones por las que fueron nombrados.
- (vi) Cuando se den situaciones que les afecten, relacionados o no con su actuación en la propia Sociedad, que puedan perjudicar el crédito y reputación de ésta, estando obligados a informar al Consejo de y cualquier causa penal en la que aparezcan como investigados, así como de sus vicisitudes procesales.

En estos supuestos, habiendo sido informado o habiendo conocido el Consejo de otro modo alguna de las situaciones mencionadas, examinará el caso tan pronto como sea posible, decidiendo, previo informe de la Comisión de Nombramientos y Retribuciones, si se debe tomar o no alguna medida e informará al respecto en el Informe Anual de Gobierno Corporativo, salvo que concurran circunstancias especiales que lo justifiquen, de lo que deberá dejarse constancia en acta.

Además, el Consejo de Administración no propondrá a la Junta General el cese de ningún Consejero independiente antes del cumplimiento del plazo para el que haya sido elegido, salvo que exista una causa que lo justifique, apreciada por el Consejo de Administración previo informe de la Comisión de Nombramientos y Retribuciones.

En base a lo anterior, y haciendo constar que no se ha dado en los últimos años ninguna situación como las descritas, los Consejeros informarían sobre cualquier supuesto que pudiese perjudicar el crédito y reputación de la Sociedad y dimitirían a instancias del Consejo.

C.1.37 Indique, salvo que hayan concurrido circunstancias especiales de las que se haya dejado constancia en acta, si el consejo ha sido informado o ha conocido de otro modo alguna situación que afecte a un consejero, relacionada o no con su actuación en la propia sociedad, que pueda perjudicar al crédito y reputación de ésta:

[] Sí
[√] No

C.1.38 Detalle los acuerdos significativos que haya celebrado la sociedad y que entren en vigor, sean modificados o concluyan en caso de cambio de control de la sociedad a raíz de una oferta pública de adquisición, y sus efectos.

En el ejercicio 2019, en el marco de la adquisición de la sociedad Seguros de Vida y Pensiones Antares, S.A. ("Antares") a su antiguo propietario, Grupo Telefónica, se suscribió un compromiso de exclusividad por un periodo determinado con Antares respecto a determinadas pólizas colectivas cuyo tomador son sociedades del citado Grupo, actuando la Sociedad como garante. El citado compromiso de exclusividad podrá ser resuelto unilateralmente por Grupo Telefónica en caso de que se produzca un cambio de control en la Sociedad.

Asimismo, en fecha 18 de marzo de 2021, en el marco de la adquisición de un 15% de la sociedad Serveis Funeraris de Barcelona, S.A. ("SFB") por parte de la filial de la Sociedad Asistea Servicios Integrales, S.L. ("Asistea"), se suscribió un acuerdo de accionistas con Pompas Funebres Mediterraneas, S.L. ("PFM"), titular del restante 85% del capital social de SFB, en virtud del cual, entre otros acuerdos, se establece una opción de compra en favor de PFM en caso de que se produzca un cambio de control directo o indirecto en Asistea. No obstante, con fecha 9 de febrero de 2023, la Sociedad adquirió el 100% de las participaciones de Memora Servicios Funerarios, S.L. socia única de PFM, de tal forma que la anterior previsión contractual ha quedado, de facto, vacía de contenido.

C.1.39 Identifique de forma individualizada, cuando se refiera a consejeros, y de forma agregada en el resto de casos e indique, de forma detallada, los acuerdos entre la sociedad y sus cargos de administración y dirección o empleados que dispongan indemnizaciones, cláusulas de garantía o blindaje, cuando éstos dimitan o sean despedidos de forma improcedente o si la relación contractual llega a su fin con motivo de una oferta pública de adquisición u otro tipo de operaciones.

Numero de beneficiarios	0
Tipo de beneficiario	Descripción del acuerdo
N.A.	N.A.

Indique si, más allá de en los supuestos previstos por la normativa, estos contratos han de ser comunicados y/o aprobados por los órganos de la sociedad o de su grupo. En caso positivo, especifique los procedimientos, supuestos previstos y la naturaleza de los órganos responsables de su aprobación o de realizar la comunicación:

	Consejo de administración	Junta general
Órgano que autoriza las cláusulas	√	
	Si	No
¿Se informa a la junta general sobre las cláusulas?		√

C.2. Comisiones del consejo de administración

C.2.1 Detalle todas las comisiones del consejo de administración, sus miembros y la proporción de consejeros ejecutivos, dominicales, independientes y otros externos que las integran:

COMISIÓN DE NOMBRAMIENTOS Y RETRIBUCIONES		
Nombre	Cargo	Categoría
DON JORGE ENRICH SERRA	VOCAL	Dominical
DON FRANCISCO JAVIER PÉREZ FARGUELL	PRESIDENTE	Independiente
DOÑA BEATRIZ MOLINS DOMINGO	VOCAL	Independiente

% de consejeros ejecutivos	0,00
% de consejeros dominicales	33,33
% de consejeros independientes	66,67
% de consejeros otros externos	0,00

Explique las funciones, incluyendo, en su caso, las adicionales a las previstas legalmente, que tiene atribuidas esta comisión, y describa los procedimientos y reglas de organización y funcionamiento de la misma. Para cada una de estas funciones, señale sus actuaciones más importantes durante el ejercicio y cómo ha ejercido en la práctica cada una de las funciones que tiene atribuidas, ya sea en la ley o en los estatutos o en otros acuerdos sociales.

COMISIÓN DE NOMBRAMIENTOS Y RETRIBUCIONES (CNYR)

1) Según el redactado del artículo 16 del Reglamento del Consejo de Administración ("RCAdm") la CNYR estará formada por entre 3 y 5 miembros, todos Consejeros externos y siendo la mayoría consejeros independientes; no obstante, los Consejeros ejecutivos asistirán sin voto a las reuniones excepto que a juicio de su Presidente no resulte conveniente. Deberá asistir a las sesiones de la CNYR y prestarle su colaboración y acceso a la información de que disponga, cualquier miembro del equipo directivo o personal que fuese requerido.

2) La CNYR regulará su funcionamiento, nombrando de entre sus miembros independientes a su Presidente. Los miembros de la CNYR se designarán procurando que, en la medida de lo posible, tengan los conocimientos, aptitudes y experiencia adecuados a las funciones que estén llamados a desempeñar. La Secretaría la desempeñará el Secretario del Consejo de Administración ("CAAdm"), el Vicesecretario o uno de los miembros y en lo no previsto, se aplicarán las normas establecidas por el RCAdm en relación con el CAAdm, siempre y cuando sean compatibles con la naturaleza y función de la CNYR. La CNYR quedará constituida cuando concurren, al menos, la mitad de sus miembros, presentes o representados y sus acuerdos se adoptarán por mayoría absoluta de sus asistentes, siendo dirimente el voto del Presidente.

3) La CNYR garantizará que la Sociedad se cuente con un programa de orientación que proporcione a los nuevos Consejeros un conocimiento suficiente de la Sociedad y sus reglas de gobierno corporativo. Esta CNYR tendrá únicamente facultades de información, asesoramiento y propuesta en las materias determinadas por el RCAdm, sin que ello excluya que el CAAdm pueda decidir sobre estos asuntos, recabando siempre el informe de la CNYR. No podrá adoptarse una decisión contra el parecer de la CNYR más que con acuerdo del CAAdm. La CNYR podrá recabar el asesoramiento de profesionales externos.

4) La CNYR tiene, entre otras, las siguientes funciones (una enumeración completa puede leerse en el artículo 16 del RCAdm):

- (i) formular y revisar, a través de la Política de Selección de Consejeros, los criterios que deben seguirse para la composición del CAAdm y selección de candidatos y verificar que cumplen con los requisitos de calificación;
- (ii) elevar al CAAdm informe sobre el nombramiento de Consejeros para que éste proceda directamente a designarlos o someta el nombramiento a la decisión de la Junta General ("JG"). Informar sobre las propuestas de cese de los miembros del CAAdm. En el caso de los Consejeros independientes, proponer su nombramiento o cese;
- (iii) informar sobre el nombramiento y cese del Secretario y el Vicesecretario del CAAdm;
- (iv) proponer al CAAdm los miembros que deban formar parte de cada uno de los órganos delegados del CAAdm;
- (v) informar sobre el desempeño de las funciones del Presidente del CAAdm y/o del primer ejecutivo, sobre la calidad y eficiencia de la labor del CAAdm y sobre su propio funcionamiento;
- (vi) examinar u organizar, la sucesión del Presidente y/o del primer ejecutivo (bajo la coordinación, en su caso, del Consejo Coordinador) y, en su caso, hacer propuestas para se produzca de forma ordenada y planificada;

(vii) proponer al CAAdm la política de retribuciones de los Consejeros y de los directores generales o de quienes desarrollen sus funciones de alta dirección bajo la dependencia directa del CAAdm, de Comisiones ejecutivas o de Consejeros Delegados, así como la retribución y las demás condiciones contractuales de los Consejeros ejecutivos, velando por su observancia;
(viii) informar sobre los nombramientos y ceses de los altos directivos que el primer ejecutivo proponga al CAAdm, así como de las condiciones básicas de sus contratos;
(ix) revisar los programas de retribución, ponderando su adecuación y rendimientos; así como la política de remuneraciones aplicada a consejeros y directivos, verificando la información sobre sus remuneraciones;

(x) establecer un objetivo de representación para el sexo menos representado en el CAAdm y elaborar orientaciones sobre cómo alcanzar dicho objetivo.
(xi) Asegurarse de que los consejeros no ejecutivos tienen suficiente disponibilidad de tiempo para el correcto desarrollo de sus funciones.
(xii) verificar anualmente el cumplimiento de la Política de Selección de Consejeros aprobada por el Consejo e informar de ello en el informe anual de gobierno corporativo.

La CNYR ha ejercitado durante el ejercicio 2023 las funciones (i), (ii), (iv), (v), (vii), (viii), (ix), (xi) y (xii).

COMITÉ DE AUDITORÍA		
Nombre	Cargo	Categoría
DON FRANCISCO JAVIER PÉREZ FARGUELL	PRESIDENTE	Independiente
DON ÁLVARO JUNCADELLA DE PALLEJÁ	VOCAL	Dominical
DOÑA BEATRIZ MOLINS DOMINGO	VOCAL	Independiente

% de consejeros ejecutivos	0,00
% de consejeros dominicales	33,33
% de consejeros independientes	66,67
% de consejeros otros externos	0,00

De conformidad con el Reglamento del Consejo de Administración de la Sociedad, el Secretario del Consejo de Administración realiza las funciones de secretario no miembro del Comité de Auditoría.

En particular, desde el 1 de enero de 2023, dicho puesto es ocupado por Don Joaquín Guallar Pérez, licenciado en derecho y master en derecho internacional de los negocios y, por tanto, cumple sobradamente con todos los requisitos necesarios para poder ejercer las funciones encomendadas y, en particular, aquellas previstas en el artículo 529 octies LSC para el secretario del consejo de administración y que pueden extrapolarse al secretario del Comité de Auditoría y entre las que destacamos "Velar por que las actuaciones del consejo de administración se ajusten a la normativa aplicable y sean conformes con los estatutos sociales y demás normativa interna".

En este sentido, el Consejo de Administración entendió que, ante el creciente aumento de las funciones y responsabilidades atribuidas al Comité de Auditoría por las reformas legislativas, dicho nombramiento garantizaría que el desarrollo del mismo se llevara de forma acorde con dicha normativa, permitiendo a los miembros del Comité centrarse en los aspectos de fondo de su cometido.

Asimismo, debe remarcar que el secretario no miembro del Comité, como tal, no tiene voto en las decisiones que toma el mismo.

Explique las funciones, incluyendo, en su caso, las adicionales a las previstas legalmente, que tiene atribuidas esta comisión, y describa los procedimientos y reglas de organización y funcionamiento de la misma. Para cada una de estas funciones, señale sus actuaciones más importantes durante el ejercicio y cómo ha ejercido en la práctica cada una de las funciones que tiene atribuidas, ya sea en la ley o en los estatutos o en otros acuerdos sociales.

COMITÉ DE AUDITORÍA (CAU)

1) Según el redactado del artículo 15 del Reglamento del Consejo de Administración ("RCAdm"), el Consejo de Administración ("CAAdm") constituirá un CAU que estará integrado por entre 3 y 5 miembros, todos ellos Consejeros no ejecutivos, nombrados por el CAAdm, siendo la mayoría independientes y teniendo, en su conjunto, y de forma especial su Presidente, conocimientos y experiencia en materia de contabilidad, auditoría y gestión de riesgos, tanto financieros como no financieros. El CAAdm elegirá, de entre los miembros independientes, al Presidente del CAU quien deberá ser sustituido cada 4 años, pudiendo ser reeligido una vez pasado un año desde su cese.

2) El CAU quedará constituido cuando concurran, al menos, la mitad de sus miembros, presentes o representados y sus acuerdos se adoptarán por mayoría absoluta de sus asistentes, siendo dirimente el voto del Presidente. Estará obligado a asistir y a prestarle su colaboración y acceso a la información de que disponga, cualquier miembro del equipo directivo o del personal que fuese requerido.

3) Los Consejeros ejecutivos que no sean miembros del CAU podrán asistir, con voz pero sin voto, a las sesiones, a solicitud del Presidente del mismo.

4) El CAU podrá recabar el asesoramiento de profesionales externos.

5) El CAU tendrá, entre otras, las siguientes funciones (una enumeración completa puede leerse en el artículo 15 del RCAdm), todas las cuales ha ejercitado durante el ejercicio objeto del presente Informe:

(i) velar porque las cuentas anuales que el CAAdm presente a la JG se elaboren de conformidad con la normativa contable. En este sentido, informará a la JG sobre las cuestiones que en ella planteen los accionistas en materia de su competencia y, en particular, (a) sobre el resultado de la auditoría; y (b) en caso de que la auditoría incluya alguna salvedad, explicará en la citada JG el parecer del CAU sobre su contenido y alcance.

(ii) proponer la selección, nombramiento, reelección y condiciones de contratación y mandato, así como revocación/ no renovación de los auditores de cuentas externos;

(iii) supervisar tanto la eficacia del sistema de control interno de la Sociedad, del sistema de control interno de la información financiera, velando en general por que las políticas y sistemas establecidos se apliquen de modo efectivo en la práctica, como la auditoría interna y los sistemas de control de riesgos, así como discutir con los auditores de cuentas las debilidades significativas detectadas;

(iv) supervisar las funciones relativas a la dirección de auditoría interna;

(v) relacionarse con los auditores externos e informarse sobre aquellas cuestiones que puedan poner en riesgo la independencia de éstos, y cualesquiera otras relacionadas con el proceso de auditoría. Recibir anualmente de los auditores la confirmación escrita de su independencia frente a la Sociedad o entidades vinculadas a ésta;

(vi) emitir anualmente un informe sobre la independencia de los auditores, pronunciándose sobre la prestación de servicios adicionales por éstos o sus personas vinculadas;

(vii) recabar información sobre las modificaciones estructurales y operaciones corporativas y sus condiciones económicas e impacto contable;

(viii) evaluar los resultados de cada auditoría;

(ix) supervisar y evaluar el proceso de elaboración, integridad y presentación de información financiera, y no financiera, así como los sistemas de gestión de riesgos financieros y no financieros, revisar las cuentas de la Sociedad, vigilar el cumplimiento de los requerimientos legales, la adecuada delimitación del perímetro de consolidación y la correcta aplicación de los principios de contabilidad generalmente aceptados;

(x) supervisar la información que el CAAdm ha de aprobar e incluir dentro de su documentación pública anual;

(xi) examinar el cumplimiento del Reglamento Interno de Conducta de la Sociedad y su Grupo, del RCAdm y, en general, de las reglas de gobierno corporativo de la Sociedad, velando asimismo para que la cultura corporativa esté alineada con sus propósitos y valores; así como hacer propuestas para su mejora y evaluar periódicamente el sistema de gobierno corporativo y de las políticas en materia medioambiental y social de la Sociedad;

y

(xii) supervisar que las prácticas de la Sociedad en materia medioambiental y social se ajustan a la estrategia y políticas fijadas, así como la aplicación de la política general relativa a la comunicación de información económico-financiera, no financiera y corporativa y contactos con accionistas e inversores, asesores de voto y otros grupos de interés.

6) El CAU informará al CAAdm con carácter previo a la adopción por éste de todas aquellas materias sobre las que sea requerido (y, en particular, la información financiera, la creación o adquisición de participaciones en entidades de propósito especial o domiciliadas en paraísos fiscales, las transacciones que impliquen o puedan implicar conflictos de intereses, las operaciones vinculadas, las materias contempladas en el capítulo IX del RCAdm y las decisiones sobre el IAGC).

7) El CAU valorará y en su caso deberá favorecer que el auditor del grupo asuma la responsabilidad de las auditorías de las empresas que lo integran.

El CAU ha ejercitado durante el ejercicio 2023 todas las anteriores funciones.

Identifique a los consejeros miembros de la comisión de auditoría que hayan sido designados teniendo en cuenta sus conocimientos y experiencia en materia de contabilidad, auditoría o en ambas e informe sobre la fecha de nombramiento del Presidente de esta comisión en el cargo.

Nombres de los consejeros con experiencia	DON FRANCISCO JAVIER PÉREZ FARGUELL / DOÑA BEATRIZ MOLINS DOMINGO
Fecha de nombramiento del presidente en el cargo	28/04/2023

C.2.2 Complete el siguiente cuadro con la información relativa al número de consejeras que integran las comisiones del consejo de administración al cierre de los últimos cuatro ejercicios:

	Número de consejeras							
	Ejercicio 2023		Ejercicio 2022		Ejercicio 2021		Ejercicio 2020	
	Número	%	Número	%	Número	%	Número	%
COMISIÓN DE NOMBRAMIENTOS Y RETRIBUCIONES	1	33,33	0	0,00	0	0,00	0	0,00
COMITÉ DE AUDITORÍA	1	33,33	0	0,00	0	0,00	0	0,00

C.2.3 Indique, en su caso, la existencia de regulación de las comisiones del consejo, el lugar en que están disponibles para su consulta, y las modificaciones que se hayan realizado durante el ejercicio. A su vez, se indicará si de forma voluntaria se ha elaborado algún informe anual sobre las actividades de cada comisión.

No existen reglamentos específicos que regulen la actividad de las Comisiones del Consejo, al ser objeto de regulación suficientemente detallada en el Reglamento del Consejo.

Anualmente se realiza de forma voluntaria un informe sobre las actividades del Comité de Auditoría así como de la Comisión de Nombramientos y Retribuciones que se ponen a disposición de los accionistas en el momento de convocar la Junta General de Accionistas y que puede consultarse en la página web corporativa de la Sociedad.

D. OPERACIONES VINCULADAS Y OPERACIONES INTRAGRUPPO

D.1. Explique, en su caso, el procedimiento y órganos competentes para la aprobación de operaciones con partes vinculadas e intragrupo, indicando los criterios y reglas generales internas de la entidad que regulen las obligaciones de abstención de los consejeros o accionistas afectados y detallando los procedimientos internos de información y control periódico establecidos por la sociedad en relación con aquellas operaciones vinculadas cuya aprobación haya sido delegada por el consejo de administración.

Sin perjuicio de otras delegaciones que tiene conferidas, el Consejo de Administración conoce de los asuntos más relevantes para la Sociedad y, en particular, le corresponde, mediante la adopción de acuerdos que habrán de aprobarse según lo previsto en la Ley o los Estatutos, el tratamiento de entre otras materias, que tienen el carácter de reservado, el referente a las operaciones que la Sociedad realice con Consejeros, con accionistas significativos o representados en el Consejo de Administración, o con personas a ellos vinculados ("operaciones vinculadas").

Dichas operaciones vinculadas deben ser autorizadas por la junta general de accionistas en el caso de que (a) el importe de la operación vinculada en cuestión supere el 10% del activo total, o (b) el negocio o transacción en que consista, por su propia naturaleza, esté legal o estatutariamente reservada a la competencia de la junta general. En el resto de casos, las citadas operaciones deben ser aprobadas por el Consejo de Administración, previo informe favorable del Comité de Auditoría. Los Consejeros a los que afecten dichas operaciones, además de no ejercer ni delegar su derecho de voto, deben ausentarse de la sala de reuniones mientras el Consejo de Administración delibera y vota sobre ellas.

No obstante, conforme a lo dispuesto en el nuevo redactado del artículo 5.4) del Reglamento del Consejo de Administración (ver apartado C.1.15 anterior) la aprobación de las operaciones vinculadas podrá ser delegada por el Consejo en órganos delegados o en miembros de la alta dirección, sin necesidad de informe previo del Comité de Auditoría, si se trata de:

(i) operaciones entre sociedades que formen parte del mismo grupo que se realicen en el ámbito de la gestión ordinaria y en condiciones de mercado.

(ii) operaciones que se concierten en virtud de contratos cuyas condiciones estén estandarizadas y se apliquen en masa a un elevado número de clientes; se realicen a precios o tarifas establecidos con carácter general por quien actúe como suministrador del bien o servicio del que se trate, y cuya cuantía no supere el 0.5% del importe neto de la cifra de negocios anual (según los valores reflejados en las últimas cuentas anuales consolidadas).

Para ello, el Consejo de Administración tiene implementado un procedimiento interno de información y control periódico, en el que interviene el Comité de Auditoría y que se encarga de verificar la equidad y transparencia de dichas operaciones y, en su caso, el cumplimiento de los criterios legales aplicables a las anteriores excepciones.

Dicho procedimiento se recoge en el "Protocolo interno de conducta en el ámbito de la delegación de operaciones vinculadas intragrupo de GCO", el cual fue aprobado por el Consejo de Administración el 30 de septiembre de 2021, y que es revisado anualmente, siendo la última versión del mismo aprobada el pasado 25 de enero de 2024, al que se encuentran adherido las diferentes entidades del Grupo. 6

Adicionalmente, el grupo al que pertenece la sociedad dominante de la Sociedad ha aprobado su propio Protocolo interno de conducta en el ámbito de la delegación de operaciones vinculadas intragrupo, a imagen del aprobado por la Sociedad, con el fin de supervisar las operaciones vinculadas intragrupo y prevenir los conflictos de interés que puedan presentarse entre sociedad dominante de la cotizada y las demás empresas del Grupo.

D.2. Detalle de manera individualizada aquellas operaciones significativas por su cuantía o relevantes por su materia realizadas entre la sociedad o sus entidades dependientes y los accionistas titulares de un 10 % o más de los derechos de voto o representados en el consejo de administración de la sociedad, indicando cuál ha sido el órgano competente para su aprobación y si se ha abstenido algún accionista o consejero afectado. En caso de que la competencia haya sido de la junta, indique si la propuesta de acuerdo ha sido aprobada por el consejo sin el voto en contra de la mayoría de los independientes:

	Nombre o denominación social del accionista o de cualquiera de sus sociedades dependientes	% Participación	Nombre o denominación social de la sociedad o entidad dependiente	Importe (miles de euros)	Órgano que la ha aprobado	Identificación del accionista significativo o consejero que se hubiera abstenido	La propuesta a la junta, en su caso, ha sido aprobada por el consejo sin el voto en contra de la mayoría de independientes
(1)	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	62,04	OCCIDENT GCO, S.A.U. DE SEGUROS Y REASEGUROS	2	Consejo de Administración		NO
(2)	APROA 3G REAL ESTATE, S.L.	0,00	OCCIDENT GCO, S.A.U. DE SEGUROS Y REASEGUROS	1	Consejo de Administración		NO
(3)	INOC, S.A.	62,03	OCCIDENT GCO, S.A.U. DE SEGUROS Y REASEGUROS	3	Consejo de Administración		NO
(4)	LA PREVISIÓN 96, S.A.	25,09	OCCIDENT GCO, S.A.U. DE SEGUROS Y REASEGUROS	3	Consejo de Administración		NO
(5)	INOC, S.A.	62,03	GRUPO CATALANA OCCIDENTE, S.A.	46.780	Junta de Accionistas		SI
(6)	LA PREVISIÓN 96, S.A.	25,09	GRUPO CATALANA OCCIDENTE, S.A.	31.662	Junta de Accionistas		SI
(7)	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	62,04	GRUPO CATALANA OCCIDENTE, S.A.	9	Junta de Accionistas		SI

	Nombre o denominación social del accionista o de cualquiera de sus sociedades dependientes	Naturaleza de la relación	Tipo de la operación y otra información necesaria para su evaluación
(1)	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Contractual	Contratos de arrendamiento operativo
(2)	APROA 3G REAL ESTATE, S.L.	Contractual	Contratos de arrendamiento operativo

	Nombre o denominación social del accionista o de cualquiera de sus sociedades dependientes	Naturaleza de la relación	Tipo de la operación y otra información necesaria para su evaluación
(3)	INOC, S.A.	Contractual	Contratos de arrendamiento operativo
(4)	LA PREVISIÓN 96, S.A.	Contractual	Contratos de arrendamiento operativo
(5)	INOC, S.A.	Societaria	Distribución de dividendos
(6)	LA PREVISIÓN 96, S.A.	Societaria	Distribución de dividendos
(7)	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Societaria	Distribución de dividendos

D.3. Detalle de manera individualizada las operaciones significativas por su cuantía o relevantes por su materia realizadas por la sociedad o sus entidades dependientes con los administradores o directivos de la sociedad, incluyendo aquellas operaciones realizadas con entidades que el administrador o directivo controle o controle conjuntamente, e indicando cuál ha sido el órgano competente para su aprobación y si se ha abstenido algún accionista o consejero afectado. En caso de que la competencia haya sido de la junta, indique si la propuesta de acuerdo ha sido aprobada por el consejo sin el voto en contra de la mayoría de los independientes:

Nombre o denominación social de los administradores o directivos o de sus entidades controladas o bajo control conjunto	Nombre o denominación social de la sociedad o entidad dependiente	Vínculo	Importe (miles de euros)	Órgano que la ha aprobado	Identificación del accionista significativo o consejero que se hubiera abstenido	La propuesta a la junta, en su caso, ha sido aprobada por el consejo sin el voto en contra de la mayoría de independientes
Sin datos						

Nombre o denominación social de los administradores o directivos o de sus entidades controladas o bajo control conjunto	Naturaleza de la operación y otra información necesaria para su evaluación
Sin datos	

De conformidad con lo establecido en la Orden EHA/3050/2004, de 15 de septiembre, se hace constar que, al margen de las remuneraciones percibidas por los Consejeros reflejadas en el Apartado C.113 y los dividendos percibidos, en su caso, por los Consejeros (por importe total de 3.274,86 miles de euros) y miembros de la Alta Dirección (por importe total de 6,77 miles de euros) en su condición de accionistas, no se han producido en el ejercicio operaciones vinculadas intragrupo o efectuadas con administradores, directivos o asimilados a estos efectos, o con

sus personas vinculadas, excepto aquellas que se encuentran dentro de los parámetros establecidos por el Protocolo interno de conducta en el ámbito de la delegación de operaciones vinculadas intragrupo de GCO, y han sido supervisadas por el Comité de Auditoría y de las que el Consejo de Administración ha tomado razón.

D.4. Informe de manera individualizada de las operaciones intragrupo significativas por su cuantía o relevantes por su materia realizadas por la sociedad con su sociedad dominante o con otras entidades pertenecientes al grupo de la dominante, incluyendo las propias entidades dependientes de la sociedad cotizada, excepto que ninguna otra parte vinculada de la sociedad cotizada tenga intereses en dichas entidades dependientes o éstas se encuentren íntegramente participadas, directa o indirectamente, por la cotizada.

En todo caso, se informará de cualquier operación intragrupo realizada con entidades establecidas en países o territorios que tengan la consideración de paraíso fiscal:

Denominación social de la entidad de su grupo	Breve descripción de la operación y otra información necesaria para su evaluación	Importe (miles de euros)
Sin datos		

D.5. Detalle de manera individualizada las operaciones significativas por su cuantía o relevantes por su materia realizadas por la sociedad o sus entidades dependientes con otras partes vinculadas que lo sean de conformidad con las Normas Internacionales de Contabilidad adoptadas por la UE, que no hayan sido informadas en los epígrafes anteriores.

Denominación social de la parte vinculada	Breve descripción de la operación y otra información necesaria para su evaluación	Importe (miles de euros)
Sin datos		

D.6. Detalle los mecanismos establecidos para detectar, determinar y resolver los posibles conflictos de intereses entre la sociedad y/o su grupo, y sus consejeros, directivos, accionistas significativos u otras partes vinculadas.

El artículo 31 del Reglamento del Consejo de Administración, establece que los Consejeros deberán comunicar al Consejo de Administración cualquier situación de conflicto, directo o indirecto, que pudieran tener con el interés de la Sociedad.

En caso de conflicto, el Consejero afectado se abstendrá de intervenir en la operación a que el conflicto se refiera. En particular, los Consejeros deberán de abstenerse de asistir e intervenir en las deliberaciones que afecten a asuntos en los que puedan hallarse interesados personalmente.

El Consejero no podrá realizar, directa o indirectamente, transacciones profesionales o comerciales relevantes con la Sociedad, salvo que, de conformidad con lo previsto en el capítulo VII bis de la LSC, se comunique previamente de la situación de conflicto y la Junta General o el Consejo de Administración, según corresponda, apruebe la transacción, previo informe del Comité de Auditoría, tal y como se ha descrito en el apartado D.1 anterior o, alternativamente, se cumplan las condiciones previstas en el artículo 529 duodécimo apartado 4 de la LSC, y estas sean informadas y controladas periódicamente con la intervención del Comité de Auditoría.

En este sentido, los miembros del consejo de administración han reportado todas las operaciones que cumplen dichas características a 31 de diciembre de 2023, y las mismas han sido supervisadas por el Comité de Auditoría de fecha 25 de enero de 2024 y el Consejo de Administración de la misma fecha ha tomado razón de las mismas.

En cuanto a los mecanismos establecidos para detectar, determinar y resolver los posibles conflictos de intereses entre la sociedad y/o su grupo o con sus accionistas significativos, los mismos se han descrito en el apartado D.1 anterior. En este sentido, y en virtud del procedimiento de supervisión periódica establecido en el Protocolo interno de conducta en el ámbito de la delegación de operaciones vinculadas intragrupo del

Grupo Catalana Occidente, los Comités de Auditoría de fecha 27 de julio de 2023 y 23 de enero de 2024 y los Consejos de Administración de fecha 27 de julio de 2023 y 25 de enero de 2024, respectivamente, han tomado razón de las mismas.

D.7. Indique si la sociedad está controlada por otra entidad en el sentido del artículo 42 del Código de Comercio, cotizada o no, y tiene, directamente o a través de sus filiales, relaciones de negocio con dicha entidad o alguna de sus filiales (distintas de las de la sociedad cotizada) o desarrolla actividades relacionadas con las de cualquiera de ellas.

Sí
 No

Indique si ha informado públicamente con precisión acerca de las respectivas áreas de actividad y eventuales relaciones de negocio entre por un lado, la sociedad cotizada o sus filiales y, por otro, la sociedad matriz o sus filiales:

Sí
 No

Informe de las respectivas áreas de actividad y las eventuales relaciones de negocio entre, por un lado, la sociedad cotizada o sus filiales y, por otro, la sociedad matriz o sus filiales, e identifique dónde se ha informado públicamente sobre estos aspectos

La Sociedad informa a través del apartado D.2 del presente informe de las relaciones de negocio que existen entre la sociedad cotizada, o sus filiales, por un lado, y la sociedad matriz del grupo y sus filiales, por otro.

Identifique los mecanismos previstos para resolver los eventuales conflictos de intereses entre la otra sociedad dominante de la cotizada y las demás empresas del grupo:

Mecanismos para resolver los eventuales conflictos de intereses

Tal y como se ha señalado en el apartado D.1 anterior, se ha establecido el "Protocolo interno de conducta en el ámbito de la delegación de operaciones vinculadas intragrupo del Grupo Catalana Occidente", aprobado por el Consejo de Administración el 30 de septiembre de 2021, y novado por última vez el pasado 25 de enero de 2024, con el fin de supervisar las operaciones vinculadas entre las sociedades del Grupo. Adicionalmente, el grupo al que pertenece la sociedad dominante de la Sociedad ha aprobado su propio Protocolo interno de conducta en el ámbito de la delegación de operaciones vinculadas intragrupo, a imagen del aprobado por la Sociedad, con el fin de supervisar las operaciones vinculadas intragrupo y prevenir los conflictos de interés que puedan presentarse entre sociedad dominante de la cotizada y las demás empresas del Grupo, incluyendo la Sociedad y sus entidades dependientes.

E. SISTEMAS DE CONTROL Y GESTIÓN DE RIESGOS

E.1. Explique el alcance del Sistema de Control y Gestión de Riesgos financieros y no financieros de la sociedad, incluidos los de naturaleza fiscal.

El Sistema de Control y Gestión de Riesgos de la Sociedad y de su Grupo funciona de forma integral, consolidando dicha gestión por negocio, actividad, filial y área de soporte a nivel corporativo.

La Sociedad define su estrategia en función del nivel de riesgo que está dispuesta a asumir y se asegura de que la integración de la misma con la estrategia de negocio permita cumplir con el apetito y la tolerancia al riesgo fijados por el Consejo de Administración. Para ello mediante el proceso de establecimiento del Sistema de Control y Gestión de Riesgos la Sociedad, identifica y determina, entre otros, (i) los distintos tipos de riesgos a los que se enfrenta (incluidos los de naturaleza fiscal), (ii) el nivel de riesgo que se considera aceptable, (iii) las medidas previstas para mitigar el impacto de los mismos, en caso de que llegaran a materializarse, y (iv) los sistemas de información y control interno utilizados en la gestión de los citados riesgos.

En el marco del cumplimiento de los requerimientos establecidos en el artículo 66 de la Ley 20/2015 de ordenación, supervisión y solvencia de las entidades aseguradoras y reaseguradoras ("LOSSEAR") y su desarrollo por el artículo 44 del Real Decreto 1060/2015, de 20 de noviembre, de ordenación, supervisión y solvencia de las entidades aseguradoras y reaseguradoras ("ROSSEAR"), la Sociedad ha desarrollado políticas escritas que, junto con las normas técnicas existentes, garantizan la administración idónea de los riesgos. Concretamente, dispone de una política de gestión de riesgos que establece las pautas generales para la gestión de los mismos y sirve de paraguas para, entre otras, las siguientes políticas: (i) Política de Riesgo de Suscripción, Riesgo de Constitución de Provisiones y Gestión de Siniestros, (ii) Política de Reaseguro, (iii) Política de Inversiones, (iv) Política de Riesgo Operacional, (v) Política del Proceso de Evaluación Interna de Riesgos y Solvencia ("ORSA"), (vi) políticas relativas al Modelo Interno Parcial para el riesgo de Suscripción del ramo de Crédito y Caución y (vii) Política de Sostenibilidad.

Cada una de ellas, y en relación con su objeto, identifica los riesgos propios del área afectada, establece medidas de cuantificación del riesgo, determina las acciones a realizar para mitigar su impacto y define los sistemas de información tanto internos como externos.

Adicionalmente, se cuenta con una Política Fiscal Corporativa, aplicable a nivel de Grupo, en la que se describe la estrategia fiscal de GCO y la incorporación a su sistema de gobierno corporativo de los procesos y principios que deben guiar su política fiscal de conformidad con lo previsto en el artículo 529 ter (i) de la Ley de Sociedades de Capital.

E.2. Identifique los órganos de la sociedad responsables de la elaboración y ejecución del Sistema de Control y Gestión de Riesgos financieros y no financieros, incluido el fiscal.

estrategias generales del Grupo y, entre éstas, sobre las políticas generales de control y gestión de riesgos. En este sentido, el Consejo de Administración es quien aprueba, a propuesta del Comité de Dirección del Grupo, las líneas maestras de dicho sistema, siendo los órganos de administración de las entidades individuales del Grupo los responsables de la ejecución de la estrategia de riesgos. Adicionalmente, el Comité de Dirección de Grupo se ocupa de realizar un seguimiento periódico de la implantación y ejecución de los sistemas internos de información y control.

Como apoyo a la acción del Consejo de Administración y del Comité de Dirección, el Sistema de Gestión de Riesgos se fundamenta en el principio de "Tres Líneas de Defensa". Dicho principio establece los niveles de actividad, roles y responsabilidades que rigen el Sistema de Control y Gestión de Riesgos con el siguiente desglose:

i. Primera Línea de Defensa (Toma y se responsabiliza de los Riesgos): La conforman las unidades de negocio que son las responsables de los riesgos específicos que se asumen y de la gestión de los mismos.

ii. Segunda Línea de Defensa (Control y Seguimiento): Está compuesta por las funciones de Control de Gestión de Riesgos, Verificación del Cumplimiento y Actuarial, que actúan como línea de control respecto a los riesgos gestionados por las unidades de negocio y aseguran el cumplimiento de las políticas de control de gestión de riesgos.

iii. Tercera Línea de Defensa (Auditoría Interna): Está formada por la función de Auditoría Interna, responsable de realizar una evaluación independiente sobre la efectividad del Sistema de Gobierno, del Sistema de Control y Gestión de Riesgos y del Control Interno.

En particular, y por lo que hace referencia al riesgo fiscal, el Consejo de Administración impulsa el seguimiento de los principios y buenas prácticas tributarias incluidos en la Política Fiscal Corporativa de GCO, aprobada inicialmente el 26 de noviembre de 2015 y que es revisada anualmente, siendo informado tanto de los riesgos incurridos y/o asumidos como, en su caso, de las medidas correctoras oportunas que pudieran establecerse.

Bajo la coordinación de la Asesoría Fiscal de la Sociedad, las buenas prácticas incluidas en la citada política son ejecutadas por los distintos Departamentos de las entidades que integran el Grupo. Cada uno de estos departamentos, dentro de su ámbito de competencia, funciones de gestión y control de riesgos, debe establecer los mecanismos de control y las normas internas necesarias para asegurar el cumplimiento de la

normativa fiscal vigente, siendo responsable de aplicar las políticas y normas corporativas aprobadas a nivel de Grupo de manera consistente, adaptándolas, si fuera necesario, a los requerimientos locales.

Dicha labor comprende la totalidad de los países y territorios en los que el Grupo se encuentra presente y abarca la totalidad de áreas y negocios que sean desarrollados por el mismo, lo que permite obtener una gestión integrada de sus posiciones fiscales de manera coherente y conjunta al resto de riesgos.

Asimismo, en dicha política se establece la necesidad de adoptar los mecanismos de control para asegurar, dentro de una adecuada gestión empresarial, el cumplimiento de la normativa tributaria y de los principios anteriores por parte de todas las entidades del Grupo, implantándose, bajo la supervisión del Comité de Auditoría, un sistema de control y gestión de riesgos, incluidos los fiscales, al objeto de identificar los mismos y definir e incluir medidas de prevención y corrección, junto con los pertinentes procedimientos y controles internos.

E.3. Señale los principales riesgos, financieros y no financieros, incluidos los fiscales y en la medida que sean significativos los derivados de la corrupción (entendidos estos últimos con el alcance del Real Decreto Ley 18/2017), que pueden afectar a la consecución de los objetivos de negocio.

Los principales riesgos que pueden afectar a la consecución de los objetivos de negocio de la Sociedad son:

1. Riesgos técnicos propios del negocio de seguros generales:

Los riesgos propios de este negocio comprenden las pérdidas derivadas de una modificación adversa del valor de las responsabilidades de la Sociedad debida (i) a fluctuaciones en relación con el momento de ocurrencia, la frecuencia y gravedad de los sucesos asegurados, y en el momento y el importe de la liquidación de siniestros (riesgos de primas y reservas) o (ii) a la ocurrencia de sucesos extremos o excepcionales (riesgo catastrófico).

2. Riesgos técnicos propios del seguro de crédito:

Los riesgos propios del seguro de crédito se concretan (i) en el empeoramiento en los impagos de la cartera de pólizas del seguro de crédito, y la insolvencia de los clientes de nuestros asegurados y (ii) en el incumplimiento de los clientes en los productos de caución. En el negocio de seguro de crédito, dada su especial idiosincrasia, existen sistemas y procesos de autorización de riesgos que le son propios. A medida que aumentan los límites a asegurar, la decisión acerca de si se asegura o no un riesgo precisa de la autorización de una o más personas y de jerarquía superior. Incluso las personas de niveles jerárquicos elevados tienen límites de autorización.

3. Riesgos técnicos propios del negocio del seguro de Vida:

En los productos de vida los riesgos técnicos se resumen en (i) biométricos (que incluyen los riesgos de mortalidad, longevidad, morbilidad/ discapacidad); (ii) de caída de cartera; (iii) de gastos; y (iv) de catástrofe. La variabilidad de cada uno de dichos riesgos respecto de su valor medio estadístico es el origen de una pérdida potencial.

4. Riesgos propios del negocio funerario:

Como tercer eje de su negocio, las entidades del Grupo que actúan en dicho sector se encuentran sujetas a los riesgos propios derivados del negocio funerario, que se resumen, fundamentalmente en (i) aquellos específicos del modelo de negocio, incluyendo la tasa de mortalidad, (ii) de la reputación sectorial y (iii) de la regulación funeraria.

5. Riesgos Financieros:

Se entiende como riesgo financiero el que se genera como consecuencia de (i) los movimientos de los tipos de interés y diferenciales de crédito; (ii) la variación en el precio de la renta variable y los inmuebles; (iii) la concentración de las inversiones; (iv) la falta de liquidez; (v) la volatilidad de los tipos de cambio de divisa; y (vi) las modificaciones adversas en la situación financiera de los emisores de valores, las contrapartes y de cualquier deudor al que esté expuesto el Grupo. De todos estos riesgos se hace un seguimiento específico.

6. Riesgos Operacionales:

Se entiende como riesgo operacional aquel riesgo de pérdida derivado de la inadecuación o de la disfunción de procesos internos, del personal o de los sistemas, o de sucesos externos. La gestión del riesgo operacional comprende: (i) la identificación de los riesgos, (ii) la valoración de los mismos, (iii) la definición de controles en respuesta a dichos riesgos y (iv) el análisis y monitorización del riesgo residual. En particular, entre dichos riesgos, se incluye la falta de detección tanto del fraude interno como del fraude externo.

7. Otros Riesgos (regulatorios, legales, fiscales, reputacionales, ASG (Ambientales, Sociales y de Gobernanza), entorno económico y geopolítico, estratégicos, emergentes):

Las diferentes entidades del Grupo están expuestas a un entorno regulatorio y legal complejo y cambiante por parte de gobiernos y reguladores, que puede influir tanto en su capacidad de crecimiento y en el desarrollo de determinados negocios, como en mayores requerimientos de capital. La Sociedad, realiza una vigilancia constante de los cambios en el marco legal y regulatorio que le permiten anticiparse y adaptarse a los mismos con suficiente antelación, adoptar las mejores prácticas y los criterios más eficientes y rigurosos en su implementación.

Por su parte, y como parte del sector financiero, la Sociedad está sometida a un intenso nivel de escrutinio por parte de reguladores, gobiernos y por la propia sociedad. Noticias negativas o comportamientos inadecuados pueden suponer importantes daños en la reputación y afectar a la capacidad para desarrollar un negocio sostenible. Las actitudes y comportamientos del Grupo y de sus integrantes están regidas por los principios de integridad, honestidad, visión a largo plazo y mejores prácticas gracias a, por una parte, el Código Ético de GCO, sus protocolos de desarrollo, la Política de Sostenibilidad y su normativa de desarrollo y el Reglamento Interno de Conducta (ver Apartado F siguiente), y, por otra, y en referencia al específico riesgo fiscal, a la Política Fiscal corporativa.

Asimismo, y para complementar la anterior normativa interna, la Sociedad dispone también de un protocolo de gestión del riesgo reputacional al que se encuentran adheridas las principales entidades del Grupo.

Como gestoras de riesgos, las entidades aseguradoras del Grupo desempeñan un papel relevante en la promoción de la sostenibilidad económica, social y ambiental, por lo que los riesgos ASG se están integrando de forma natural en sus procesos de control y gestión de riesgos. Adicionalmente, por la dependencia del negocio a la situación económica global y debido a la cobertura de riesgos de crédito comercial a nivel internacional, la Sociedad está sujeta a los riesgos derivados del entorno económico y político nacional e internacional, que causan un impacto en la volatilidad de variables financieras y en la economía real. Por todo lo anterior, el Grupo realiza una vigilancia tanto del entorno externo como del propio para identificar posibles riesgos emergentes derivados de la capacidad de adaptación a cambios en el marco sectorial, macroeconómico, demográfico, geopolítico y tecnológico.

E.4. Identifique si la entidad cuenta con niveles de tolerancia al riesgo, incluido el fiscal.

La Sociedad y sus entidades dependientes cuentan con niveles de tolerancia al riesgo conforme a la estrategia de riesgos definida por el Grupo. Partiendo de la estrategia de riesgos del Grupo, se define la estrategia de riesgos de cada una de las entidades individuales aseguradoras que pertenecen al Grupo.

La estrategia de riesgos que el Grupo está dispuesto a asumir para alcanzar sus objetivos de negocio es definida por el Consejo de Administración de la Sociedad. Al determinar la estrategia de riesgos, el Consejo considera, entre otros elementos, la política de gestión de capital del Grupo y el proceso ORSA, en el que se proyectan las necesidades de capital en función del plan de negocio, tanto en situaciones normales como en situaciones de estrés, considerando todos los riesgos cuantitativos y cualitativos (incluidos los fiscales) a los que está expuesta tanto la Sociedad como las entidades individuales aseguradoras del Grupo.

E.5. Indique qué riesgos, financieros y no financieros, incluidos los fiscales, se han materializado durante el ejercicio.

El sistema de control y gestión de riesgos contempla los principales riesgos cuantificables a través de la fórmula estándar y del modelo interno parcial para el seguro de crédito y aquellos riesgos significativos no incluidos en dicho cálculo evaluados en el proceso ORSA. Los riesgos cuantificables se desglosan en los Riesgos de Suscripción Vida y No Vida (riesgos técnicos), Riesgo de Mercado, Riesgo Contraparte y Riesgo Operacional. Adicionalmente, a través del proceso ORSA, se incluyen otros riesgos como el reputacional, estratégico y regulatorio.

E.6. Explique los planes de respuesta y supervisión para los principales riesgos de la entidad, incluidos los fiscales, así como los procedimientos seguidos por la compañía para asegurar que el consejo de administración da respuesta a los nuevos desafíos que se presentan.

Entre las acciones para el seguimiento y control de los principales riesgos destacan:

1. Riesgos técnicos o propios del negocio de seguros generales y seguro de vida:

- i. Seguimiento de la adecuación de la normativa técnica de suscripción
- ii. Análisis de los productos para determinar la suficiencia de las primas; la evolución de las provisiones técnicas y sensibilidades de las carteras de productos
- iii. Contratación de una adecuada estructura de reaseguro
- iv. Acciones relativas a la vigilancia de cartera
- v. Cuantificación del valor de mercado del negocio de seguros generales ("Appraisal Value") y del valor intrínseco del negocio de vida ("European Embedded Value") a nivel individual y consolidado; y
- vi. Cálculo de capital regulatorio

La Función Actuarial ha efectuado una consolidación del valor de algunas entidades del Grupo, que previamente ya tenían implantado un sistema de Appraisal Value (y de Embedded Value), y ha asumido la coordinación de los cálculos de dichos indicadores a nivel de negocio tradicional del Grupo.

2. Riesgos técnicos propios del seguro de crédito:

- i. Sistemas y procesos de autorización de riesgos perfectamente definidos.
- ii. Comités de seguimiento de las grandes cuentas a nivel local y global.
- iii. Contratación de una adecuada estructura de reaseguro

iv. Monitorización de la exposición por contraparte, sector y país a través de una base de datos que incluye la mayoría de pólizas, límites y clientes con exposición a riesgo de insolvencia
v. Control y monitorización de la Exposición Total Potencial (límite de crédito superior aproximado a la exposición real con compradores individuales).

3. Riesgos propios del negocio funerario:

i. Modelo de gobierno estructurado con aprobación de políticas, comités de seguridad y un canal de comunicación de incidencias, para resolver o minimizar el impacto de los riesgos.
ii. Plan Director de Seguridad
iii. Modelo asistencial para compañías de seguros.
iv. Plan definido y estructurado de relación con prescriptores y de revisión continuada de los acuerdos alcanzados.

4. Riesgo Financiero:

i. Clasificación de activos gestionados en función de sus características (rentabilidad exigida, riesgo, liquidez, etc.)
ii. Análisis y monitorización del riesgo de crédito y seguimiento de los riesgos de concentración por sector, emisor, divisa y país de las carteras gestionadas
iii. Análisis de casamiento de activos y pasivos ("ALM") en relación con las obligaciones contraídas con los asegurados
iv. Análisis de la pérdida máxima ("VaR") que podría experimentar cada una de las carteras
v. Análisis de sensibilidad y escenarios futuros; y
vi. Monitorización de los requerimientos de capital, así como los criterios seguidos por las agencias de rating

Dicho análisis y control se realiza a nivel individual y consolidado. Asimismo, existe una Política de inversiones que determina los activos aptos para inversión, límites de diversificación y los principales sistemas de control establecidos.

5. Riesgo Operacional:

Se dispone de 2 herramientas informáticas que permiten su seguimiento y cuantificación (en el negocio tradicional y de crédito). Los riesgos y controles asociados a procesos se ha categorizan para que su clasificación sea homogénea, permitiendo obtener la información necesaria para mejorar la gestión del riesgo operacional tanto por entidad como de Grupo. Asimismo, se realiza una evaluación de la efectividad de los procedimientos internos implementados y se recogen las pérdidas operacionales reportadas (incluidas las fiscales) para perfeccionar el Sistema de Gestión de Riesgos y evitar que se repitan.

6. Otros Riesgos (regulatorios, legales, fiscales, reputacionales, ASG (Ambientales, Sociales y de Gobernanza),

El Grupo garantiza el cumplimiento de las regulaciones tanto internas como externas que le afectan mediante controles que se efectúan desde diversas Direcciones, destacando:

i. Dirección de Verificación del Cumplimiento: Mantiene un adecuado cumplimiento de las normativas legales
ii. Departamento de Control de Gestión y Planificación: Dispone e implementa un adecuado control de la información económico-financiera de la Sociedad y de sus presupuestos
iii. Dirección de control de riesgos: Controla la gestión de riesgos del Grupo y, en particular, garantiza la aplicación de la normativa de solvencia
iv. Dirección de Auditoría Interna Corporativa: Supervisa que los anteriores órganos han implantado correctamente las medidas de control y autocontrol definidas por el Grupo

En cuanto al riesgo fiscal, la Asesoría Fiscal del Grupo se encarga de establecer políticas y procesos de control para garantizar el cumplimiento de la normativa fiscal en base a la Política Fiscal Corporativa.

Asimismo, el Grupo se asegura de tener implementados planes de respuesta y supervisión en relación con los riesgos ASG mediante:

i. Un Comité de Sostenibilidad, que decide y supervisa la actuación del Grupo en dicha materia
ii. Una Política de Sostenibilidad, como marco de referencia para que el Grupo pueda desarrollar y potenciar un comportamiento socialmente responsable
iii. La integración de los riesgos ASG en el mapa de riesgos del Grupo
iv. La cuantificación de escenarios de cambio climático en el marco del proceso ORSA

Por último, en cuanto a los procedimientos para asegurar que el Consejo da respuesta a los nuevos, cabe destacar que el mismo es regularmente informado (i) de cualquier novedad material que se pretenda implantar en el Sistema de Control de Gestión de Riesgos, y (ii) de cualquier pérdida material derivada de dichos riesgos y en relación con los riesgos fiscales, es informado anualmente sobre las estrategias fiscales aplicadas durante el ejercicio y el grado de cumplimiento de la Política Fiscal.

F. SISTEMAS INTERNOS DE CONTROL Y GESTIÓN DE RIESGOS EN RELACIÓN CON EL PROCESO DE EMISIÓN DE LA INFORMACIÓN FINANCIERA (SCIIF)

Describa los mecanismos que componen los sistemas de control y gestión de riesgos en relación con el proceso de emisión de información financiera (SCIIF) de su entidad.

F.1. Entorno de control de la entidad.

Informe, señalando sus principales características de, al menos:

F.1.1 Qué órganos y/o funciones son los responsables de: (i) la existencia y mantenimiento de un adecuado y efectivo SCIIF; (ii) su implantación; y (iii) su supervisión.

Los órganos y funciones responsables dentro de Grupo Catalana Occidente S.A y Entidades Dependientes (en adelante, individualmente, "la Entidad" y, conjuntamente, "GCO" o el "Grupo") de mantener e implantar un adecuado y efectivo Sistema de Control Interno de la Información Financiera ("SCIIF"), así como de supervisar el mismo son los siguientes:

(i) Consejo de Administración: El Reglamento del Consejo de Administración, la Política de Control de Gestión de Riesgos y la Política de Control Interno del Grupo, entre otros documentos, otorgan al Consejo de Administración la supervisión de la ejecución de las políticas y estrategias generales de GCO en relación con el control y gestión de riesgos, así como el seguimiento periódico de los sistemas internos de información y control.

En virtud de esta delegación, dicho Consejo de Administración ha asumido formalmente la existencia, diseño, implantación, funcionamiento y mantenimiento del SCIIF.

(ii) Comité de Auditoría: El Comité de Auditoría está formado por tres miembros del Consejo de Administración, siendo dos de ellos consejeros independientes, de los cuales uno ostenta el cargo de presidente. Los miembros son designados teniendo en cuenta, entre otros, sus conocimientos y experiencia en materia de contabilidad y auditoría.

En el Reglamento del Consejo de Administración se especifica que sus funciones básicas son, entre otras, las de:

ii. Supervisar tanto la eficacia del sistema de control interno de la Entidad, incluyendo el SCIIF, velando en general porque las políticas y sistemas establecidos se apliquen de modo efectivo en la práctica, como la auditoría interna y los sistemas de gestión de riesgos; y

iii. Supervisar y evaluar el proceso de elaboración y presentación de la información financiera, así como los sistemas de control de gestión de riesgos financieros, revisar las cuentas de la Entidad y el Grupo, vigilar el cumplimiento de los requerimientos legales y la correcta aplicación de los principios de contabilidad generalmente aceptados.

De acuerdo con estas funciones, realiza la supervisión del SCIIF en el marco del control interno y de la elaboración y presentación de la información financiera.

(iii) Alta Dirección: La Política de Auditoría Interna establece que la Alta Dirección es la encargada de implementar las medidas que sean necesarias para asegurar que la organización mantiene un sistema apropiado de control interno y específicamente de control interno de la información financiera, incluyendo una función de auditoría interna al máximo nivel que vele por la supervisión del SCIIF.

(iv) La Dirección de Auditoría Interna Corporativa: Tal y como señala la Política de Auditoría Interna, la tarea de la misma es establecer, poner en práctica y mantener un plan de auditoría plurianual, valorar el nivel de control aplicado y hacer recomendaciones si lo cree apropiado.

Como tal, la Dirección de Auditoría Interna Corporativa asiste a la Alta Dirección y al Consejo de Administración en la valoración y supervisión de la adecuación y eficacia del sistema de control interno y de otros elementos del sistema de gobernanza existentes en GCO, incluido el SCIIF.

F.1.2 Si existen, especialmente en lo relativo al proceso de elaboración de la información financiera, los siguientes elementos:

- Departamentos y/o mecanismos encargados: (i) del diseño y revisión de la estructura organizativa; (ii) de definir claramente las líneas de responsabilidad y autoridad, con una adecuada distribución de tareas y funciones; y (iii) de que existan procedimientos suficientes para su correcta difusión en la entidad:

El Consejo de Administración de la Entidad tiene entre sus competencias la definición de la estructura del grupo de entidades del que forma parte la Entidad como sociedad dominante y su organización interna. Así, es quien diseña, actualiza y revisa la estructura organizativa a instancias de la Alta Dirección de la Entidad y, en particular, del Comité de Dirección del Grupo. La estructura organizativa del Grupo en su primer nivel se encuentra debidamente comunicada a través de su publicación en la página web corporativa.

La definición de las necesidades de recursos es realizada por el área correspondiente junto con la Dirección de Recursos Humanos.

GCO dispone de 31 puestos identificados como personal involucrado en la preparación y revisión de la información financiera. Estos puestos están ocupados por 47 personas, de los cuales 45 disponen de descripción de perfiles de trabajo (DPT) documentada, estando pendiente la actualización los 2 restantes como consecuencia de la reestructuración de las áreas financieras del Grupo. Dichas descripciones son realizadas por la persona que ocupa el puesto y supervisadas por su responsable y la Dirección de Recursos Humanos. Principalmente, las DPTs corresponden a posiciones con responsabilidad técnica o de supervisión. Existe un seguimiento de la cumplimentación y actualización de estas DPTs con carácter anual.

Desde que la información financiera se genera en cada una de las filiales, hasta que se aprueba en los órganos de administración de las mismas, cada paso está definido en un calendario de actuación conocido por todos los agentes intervinientes. La responsabilidad del seguimiento y actualización del calendario es del Departamento de Control de Gestión y Planificación, dependiente de la Dirección Financiera del Grupo, implicando a los correspondientes departamentos en función de la materia que debe implementarse y difundirse. Una vez aprobado por el órgano de administración o el comité de dirección, según corresponda, se da la correspondiente difusión a la información mediante circulares internas cuya publicación se notifica por correo electrónico a los empleados quedando a disposición de los mismos en la intranet corporativa.

Código de conducta, órgano de aprobación, grado de difusión e instrucción, principios y valores incluidos (indicando si hay menciones específicas al registro de operaciones y elaboración de información financiera), órgano encargado de analizar incumplimientos y de proponer acciones correctoras y sanciones:

La Entidad dispone de un Código Ético, que recoge los principios y valores que deben regir las actuaciones de sus Consejeros, empleados, agentes y colaboradores, en el cumplimiento de sus funciones y en sus relaciones comerciales y profesionales, de tal forma que actúen de acuerdo con las leyes y respetando los principios éticos establecidos en el mismo.

Inicialmente aprobado en junio de 2013, el Código Ético es revisado anualmente, siendo la última versión del mismo verificada por el Comité de Verificación del Cumplimiento de 20 de septiembre de 2023 y aprobada el 30 de noviembre de 2023 por el Consejo de Administración de la Entidad, con el fin de introducir una serie de mejoras menores en su redactado al que se han adherido las diferentes entidades del Grupo. Sin perjuicio de lo anterior, las entidades del Grupo pueden tener, por razones de especialidad, su propio código ético y normativa de desarrollo, siempre que no contradigan a los principios de ésta. En particular, tanto Atradius como Mémora y sus respectivas filiales, tienen su propio código.

El Código Ético es de aplicación a los consejeros y empleados, con independencia de su puesto y nivel, tanto de la Entidad como de sus sociedades filiales y agrupaciones de interés económico, así como a la red de agentes y colaboradores que se relacionen con las mismas y, además de estar disponible tanto en la página web corporativa como en su intranet, tiene una amplia difusión tanto a través de circulares internas como a través de la realización de cursos en materia de responsabilidad penal de las personas físicas.

El Código Ético tiene como principios y valores generales (i) la integridad y honestidad; (ii) la imparcialidad; (iii) la transparencia y confidencialidad; (iv) la profesionalidad; (v) la sostenibilidad; (vi) el compromiso social; (vii) el cumplimiento de la legalidad y del sistema de gobierno corporativo; (viii) el respeto y salvaguarda de los derechos humanos; (iv) el respeto al medioambiente; y (v) la marca, imagen y reputación corporativa.

En cuanto a la elaboración y difusión de la información financiera del Grupo el artículo 5 del Código Ético señala que la misma debe reflejar fielmente su realidad económica, financiera y patrimonial y debe ser acorde con los principios de contabilidad generalmente aceptados y las normas internacionales de información financiera que sean aplicables, debiendo ésta ser revelada al mercado de conformidad con la Política de comunicación de información económico-financiera, no financiera y corporativa y de contactos con accionistas, inversores institucionales, y asesores de voto, y la normativa del mercado de valores aplicable en cada momento.

Asimismo, incluye la obligación por parte de los sujetos obligados de proteger, entre otras, la información financiera y desarrollar sus actividades siguiendo las normas y procedimientos establecidos, y evitar cualquier riesgo interno o externo de acceso no consentido, manipulación o destrucción, no utilizando la información de la que dispongan para fines distintos de los que, por razón de su actividad laboral o profesional, justifiquen su acceso a la misma.

En este sentido, no se debe ocultar ni manipular la información económica o financiera del Grupo, de tal forma que esta sea completa, precisa y veraz, así como no debe hacerse un uso indebido de la misma, todo ello de conformidad con el Reglamento Interno de Conducta del Grupo ("RIC").

Al respecto, el Consejo de Administración de la Entidad acordó modificar el 30 de julio de 2020 el RIC, para ajustar su redactado tras la adaptación de la normativa española al Reglamento Europeo sobre Abuso de Mercado, especialmente en materia de información privilegiada. Dicho reglamento aparece publicado en la web corporativa de la Entidad.

El RIC es de aplicación obligatoria, entre otros, a los administradores y miembros de la Alta Dirección, así como a aquel personal que ya sea por razón de su cargo o empleo, tenga acceso a información privilegiada ("Personas Sujetas").

El RIC asigna al Secretario del Consejo de la Entidad y/o la Unidad de Verificación del Cumplimiento de la Entidad, según corresponda, las siguientes funciones:

3. Mantener en todo momento actualizado un registro de las Personas Sujetas que se encuentra a disposición de las autoridades correspondientes;
4. Recibir las comunicaciones de las operaciones de suscripción, compra o venta, de valores o instrumentos financieros realizadas por las Personas Sujetas o por sus personas vinculadas;
5. Recibir la información acerca de los posibles conflictos de interés de las Personas Sujetas, por causa de sus relaciones familiares, económicas o de cualquier naturaleza con alguna entidad del Grupo, y resolver las dudas dichos conflictos;
6. Vigilar, con el apoyo de la Unidad de Relación con Inversores, Agencias de Rating y Sostenibilidad, la cotización de los valores e instrumentos financieros emitidos por el Grupo, así como las noticias que los difusores profesionales de información económica y los medios de divulgación emitan y les puedan afectar; y
7. Difundir la Información Privilegiada u Otra Información Relevante, previa consulta con el Presidente del Consejo de Administración, cuando sea necesario.

El Comité de Auditoría de la Entidad tiene encomendada la función de dar conocimiento del RIC a las Personas Sujetas, examinar el cumplimiento del RIC y el Código Ético y hacer las propuestas necesarias para su mejora y actualización. Desde el ejercicio 2021 ha implementado un curso de realización obligatoria por parte de las Personas Sujetas en relación con el contenido del RIC.

Asimismo, el Comité de Auditoría es el encargado de conocer los eventuales incumplimientos de las disposiciones del RIC y del Código Ético y, en su caso, adoptar las medidas oportunas al respecto.

- **Canal de denuncias, que permita la comunicación a la comisión de auditoría de irregularidades de naturaleza financiera y contable, en adición a eventuales incumplimientos del código de conducta y actividades irregulares en la organización, informando, en su caso, si éste es de naturaleza confidencial y si permite realizar comunicaciones anónimas respetando los derechos del denunciante y del denunciado.**

El Reglamento del Consejo de Administración recoge en su articulado que el Comité de Auditoría establecerá y supervisará un mecanismo que permita a los consejeros, empleados y accionistas del Grupo, así como a la red de agentes y colaboradores, comunicar, las irregularidades de potencial trascendencia, incluyendo las financieras y contables, que adviertan en el seno de la Entidad o su Grupo, respetando los derechos de denunciante y denunciado.

En aplicación de lo establecido en dicho Reglamento, el Grupo cuenta, tal y como se ha comentado anteriormente, con un "Canal de denuncias de irregularidades y fraudes (Canal de Denuncias)". El citado Canal de Denuncias se revisa con una periodicidad anual, habiendo sido revisado por última vez por el Comité de Verificación del Cumplimiento el pasado 20 de septiembre de 2023 y aprobado por el Consejo de Administración de la Entidad, el 30 de noviembre de 2023, introduciendo mejoras técnicas menores en su redactado.

Se consideran hechos denunciabiles aquellas prácticas o conductas consideradas como no apropiadas o no acordes con el marco legal vigente, el Código Ético, sus protocolos de desarrollo, así como cualquier otra normativa o política interna del Grupo y/o sus Entidades individualmente consideradas y que se describen en mayor profundidad en el citado Protocolo.

El correo electrónico y el correo postal al que deben dirigirse dichas denuncias están incluidos en el citado Canal de Denuncias, disponible en la intranet de la Entidad y sus entidades dependientes, así como en la Política de comunicación de información económico-financiera, no financiera y corporativa y de contactos con accionistas, inversores institucionales y asesores de voto, accesible a través de la página web de la Entidad. Sin perjuicio de lo anterior, el hecho de que no se usen los canales previstos no será impedimento para que la Dirección de Auditoría Interna Corporativa analice las denuncias recibidas.

En este sentido, se garantiza la confidencialidad total y absoluta del denunciante, denunciado y de otras personas que pudieran estar relacionadas, así como del contenido de la denuncia. Asimismo, se prevé la posibilidad de recibir denuncias anónimas, siendo aceptadas para su tramitación aquellas en las que no consten los datos de identificación del denunciante, investigándose la misma con la mayor prudencia y proporcionalidad.

Con el fin de garantizar dicha confidencialidad y anonimato, el Director de Auditoría Interna Corporativa es la única persona que tiene acceso al correo electrónico al que deben dirigirse dichas denuncias. En estos casos, el mismo se encarga de que, en los correspondientes informes, no figure la identidad del denunciante.

Una vez que la Dirección de Auditoría Interna Corporativa recibe la comunicación de que se ha producido una irregularidad, debe proceder a analizar la misma y realizar las correspondientes actuaciones de conformidad con el "Procedimiento y Metodología para el análisis de irregularidades y fraude interno de Auditoría Interna Corporativa".

Por otra parte, el Procedimiento también contempla tanto la priorización de las denuncias recibidas en función de su importe para la realización, en su caso, de los correspondientes informes de control interno, como su periodicidad de comunicación a la Alta Dirección y al Comité de Auditoría.

Finalmente, debe señalarse que, al igual que ocurre con el Código Ético, tanto Atradius como Mémora, por la especialidad de sus negocios, cuentan con sus propios Canales de Denuncias, de características análogas al descrito.

- Programas de formación y actualización periódica para el personal involucrado en la preparación y revisión de la información financiera, así como en la evaluación del SCIIF, que cubran al menos, normas contables, auditoría, control interno y gestión de riesgos:

La Entidad proporciona al personal del área financiera del Grupo, involucrado en la preparación y revisión de la información financiera, la posibilidad de recibir formación continuada, ya sea proporcionada de forma interna como mediante la asistencia a cursos y seminarios externos.

En particular, y en lo referente a la formación interna, los responsables del área financiera, junto con la Dirección de Recursos Humanos, realizan un análisis periódico de las necesidades de formación y actualización del personal de dicha área, como consecuencia de las novedades en materia legal, fiscal o contable que puedan surgir. En este sentido, durante el ejercicio 2023, el personal de esta área ha realizado formación tanto interna como externa por un total de 1.396 horas y 203 asistencias a un total de 75 acciones formativas. De entre estas actividades, destaca la formación relacionada con normas contables y de solvencia, auditoría, control interno y gestión de riesgos, el riesgo de crédito. Lo anterior se complementa con formación en idiomas y desarrollo de habilidades directivas.

F.2. Evaluación de riesgos de la información financiera.

Informe, al menos, de:

F.2.1 Cuáles son las principales características del proceso de identificación de riesgos, incluyendo los de error o fraude, en cuanto a:

- Si el proceso existe y está documentado:

La Entidad tiene identificados riesgos, tanto de negocio (Departamento de Control Interno) como financieros (Departamento de Control de Gestión y Planificación). En relación a estos últimos, la Entidad ha definido dos tipologías de riesgo:

- i. Riesgo de que la información se genere erróneamente.
- ii. Riesgo de que la información se genere a destiempo.

Tanto el riesgo de fraude como el riesgo de error se consideran integrados en la primera tipología.

Dichos riesgos han sido identificados como consecuencia de la implantación de un proceso en el que intervino colegiadamente el Departamento de Control de Gestión y Planificación, el Departamento de Control Interno y consultores externos.

Los riesgos relacionados con la generación errónea o a destiempo de la información financiera están identificados en todos y cada uno de los procesos relativos a la información financiera formalizados por la Entidad y demás entidades del Grupo. La supervisión de este proceso de identificación de riesgos es continua, en especial, en aquellos procesos que por su materialidad son más relevantes (facturación, provisiones, siniestralidad...) y está documentado formalmente, siendo la unidad responsable de su revisión y actualización la Unidad de Control Interno de la Información Financiera, que forma parte del Departamento de Control de Gestión y Planificación.

Dichos procesos detallan procedimientos, incorporando flujogramas y narrativas relacionados con el proceso de obtención y preparación de la información financiera y describen los controles identificados para mitigar los principales riesgos a los que se ha hecho referencia anteriormente, indicando especialmente (i) la actividad de control, (ii) el personal responsable, (iii) la periodicidad y (iv) la documentación para la ejecución del citado control. La unidad responsable de revisarlos y actualizarlos es la señalada Unidad de Control Interno de la Información Financiera. Estos procedimientos están dentro del SCIIF y siguen el protocolo planificado para que la información esté controlada desde que se genera en la Entidad y las entidades del Grupo hasta que llega al Consejo de Administración de la Entidad, pasando por la Dirección Financiera y por la Dirección General de la misma, entre otros filtros.

- Si el proceso cubre la totalidad de objetivos de la información financiera, (existencia y ocurrencia; integridad; valoración; presentación, desglose y comparabilidad; y derechos y obligaciones), si se actualiza y con qué frecuencia:

El proceso de identificación de riesgos se concentra en el riesgo de que la información financiera se genere erróneamente o de que se genere con retrasos (no se han identificado de forma separada las aserciones financieras). Los procesos en los que se genera la información financiera se analizan, como mínimo, con periodicidad anual en aras a identificar los posibles riesgos de error.

- La existencia de un proceso de identificación del perímetro de consolidación, teniendo en cuenta, entre otros aspectos, la posible existencia de estructuras societarias complejas, entidades instrumentales o de propósito especial:

Los perímetros de consolidación contable, de gestión y fiscal están definidos e identificados, de acuerdo con la normativa vigente y se revisan y actualizan cuando existen cambios en la participación accionarial de la Entidad, directa o indirectamente, en cualquier entidad del Grupo, y cada vez que cualquiera de las entidades del Grupo constituye o adquiere una entidad fuera de dicho perímetro, se ve afectada por un proceso de reestructuración societaria (fusión, escisión) o es disuelta o liquidada.

El proceso de definición e identificación del perímetro es efectuado por la Unidad de Normativa y Políticas Contables de la Entidad, que comunica cualquier cambio que se produce y las diferencias y ajustes de consolidación al Departamento de Control de Gestión y Planificación.

- Si el proceso tiene en cuenta los efectos de otras tipologías de riesgos (operativos, tecnológicos, financieros, legales, fiscales, reputacionales, medioambientales, etc.) en la medida que afecten a los estados financieros:

Dentro del entorno de la información financiera tienen especial relevancia, además de los riesgos operativos, financieros y legales propios del sector económico en el que desarrolla su actividad la Entidad y las entidades que pertenecen a su Grupo, el riesgo tecnológico. Todos los anteriores riesgos se monitorizan, a través de la Unidad de Control Interno del Grupo (tal y como se ha explicado en el apartado E anterior), reportándose con carácter semestral al Consejo de Administración de la Entidad, cualquier pérdida operacional superior a 10.000 euros derivada de los anteriores riesgos, iniciándose un plan de acción para mitigar la misma y evitar que se repita en el futuro.

Para mitigar dichos riesgos hay establecidos para cada proceso una serie de controles específicos que han sido descritos en el Apartado E.3 anterior.

- Qué órgano de gobierno de la entidad supervisa el proceso:

De conformidad con el Reglamento del Consejo de Administración, el Consejo de Administración ha delegado en el Comité de Auditoría de la Entidad la función de supervisar periódicamente el SCIIF, de tal forma que dichos sistemas permitan que los principales riesgos se identifiquen, gestionen y den a conocer adecuadamente.

F.3. Actividades de control.

Informe, señalando sus principales características, si dispone al menos de:

- F.3.1 Procedimientos de revisión y autorización de la información financiera y la descripción del SCIIF, a publicar en los mercados de valores, indicando sus responsables, así como de documentación descriptiva de los flujos de actividades y controles (incluyendo los relativos a riesgo de fraude) de los distintos tipos de transacciones que puedan afectar de modo material a los estados financieros, incluyendo el procedimiento de cierre contable y la revisión específica de los juicios, estimaciones, valoraciones y proyecciones relevantes

El Comité de Auditoría informa al Consejo de Administración con carácter previo a la adopción de decisiones sobre todas aquellas materias sobre las que sea requerido y, en particular, la información financiera que la Entidad deba hacer pública periódicamente asegurándose que la información intermedia se formula con los criterios contables de las cuentas anuales.

Los flujos de actividades y controles se explican en el punto F.2.1 anterior.

El procedimiento de revisión de la información financiera es el siguiente:

- i. Los diferentes departamentos (Áreas de IT, Técnicas de Seguros Generales y Vida, Contabilidad, Inversiones, etc) preparan la información financiera que es revisada por el correspondiente responsable.

ii. El Departamento de Control de Gestión y Planificación valida que la información financiera es correcta antes de su publicación y comunicación a la autoridad pública correspondiente.

iii. Periódicamente se realizan informes sobre la actividad semestral y anual en los que se incluye un resumen y principales conclusiones de las auditorías.

El procedimiento de Cierre Contable está documentado en detalle y está integrado en el conjunto de documentos descriptivos de los Procesos de Información Financiera que incluyen los flujos de actividades y controles. La revisión específica de los juicios, estimaciones, valoraciones y proyecciones, que principalmente se concretan en provisiones técnicas, inversiones financieras, deterioros de valor de activos, cálculo del impuesto sobre sociedades, provisiones no técnicas y gastos periodificados, está debidamente documentada por las Áreas responsables.

Todos los criterios de cálculo de las distintas magnitudes que intervienen en la información financiera están definidos y documentados en los procedimientos descritos en el punto F.2.1, y son por tanto conocidos por todos los agentes intervinientes y han seguido el mismo protocolo de autorizaciones que está establecido y planificado en el SCIIF de la Entidad.

F.3.2 Políticas y procedimientos de control interno sobre los sistemas de información (entre otras, sobre seguridad de acceso, control de cambios, operación de los mismos, continuidad operativa y segregación de funciones) que soporten los procesos relevantes de la entidad en relación a la elaboración y publicación de la información financiera.

La Entidad cuenta con políticas, normativas y procedimientos para garantizar la seguridad y fiabilidad de la información. Entre los documentos de que dispone en relación al control interno de los sistemas de información, se encuentran los que se citan a continuación:

(i) Sistema de confidencialidad de acceso a las aplicaciones del ordenador central, que contiene la descripción del mismo abarcando todos los entornos posibles;

(ii) Normas de Desarrollo y Mantenimiento de Sistemas, en las que se detallan los requisitos de seguridad, la validación de datos y el mantenimiento y gestión de cambios;

(iii) Política de Seguridad de la Información Corporativa Grupo Catalana Occidente - ISPO1, que se alinea con las directrices de seguridad de los sistemas de información definidas según los estándares ISO/IEC 27001 y NIST que establece un marco de referencia de seguridad respaldado y reconocido internacionalmente;

(iv) Norma de Continuidad del Negocio, en el que se detallan los planes de contingencia para (a) garantizar dicha continuidad, (b) permitir la recuperación de datos en caso de su pérdida; y (c) registrar las transacciones en caso de que se produzca una interrupción de los sistemas operados habitualmente;

(v) Procedimiento de Gestión y Control de Cambios, en el que se detallan:

a. Los sistemas de supervisión y validación de los cambios dentro del ciclo de vida de los sistemas de información; y

b. La Segregación de Funciones, como medida de control interno de forma que se garantice la fiabilidad e integridad de la información, el cumplimiento de normas, políticas y legislación, y la salvaguarda de los activos y su adecuado uso.

(vi) En caso de compra de una nueva aplicación informática, se efectúan los procedimientos de testeo, validación externa e interna (con especial atención en los nuevos proyectos de tecnología que deben aprobarse previamente) y validación de usuarios definidos por la Dirección de Operaciones del Grupo, de acuerdo con la política definida a tal efecto; y

(vii) Política de Calidad del Dato: Tiene como objetivo definir el proceso de actuación para asegurar la calidad de los datos utilizados en los procesos de cálculo de provisiones técnicas y en el proceso del modelo interno parcial del negocio de crédito.

F.3.3 Políticas y procedimientos de control interno destinados a supervisar la gestión de las actividades subcontratadas a terceros, así como de aquellos aspectos de evaluación, cálculo o valoración encomendados a expertos independientes, que puedan afectar de modo material a los estados financieros.

En el marco del cumplimiento de los requerimientos establecidos en el artículo 67 de la Ley 20/2015 de ordenación, supervisión y solvencia de las entidades aseguradoras y reaseguradoras, el Consejo de Administración de la Entidad aprobó en su sesión de 29 de octubre de 2015 la política de externalización de las funciones fundamentales y actividades operativas críticas o importantes que deben realizar las entidades aseguradoras y reaseguradoras que conforman el Grupo, considerando las mismas como aquellas esenciales para el funcionamiento sin las cuales serían incapaces de prestar sus servicios incluyendo:

(a) el diseño y establecimiento de precios de los productos de seguro

(b) la gestión de carteras o de inversiones en activos

- (c) la tramitación de siniestros (siempre que no se realicen por intermediarios o agentes)
- (d) la provisión de servicios que den un soporte regular o constante en materia de verificación del cumplimiento, auditoría interna, contabilidad, gestión del riesgo o funciones actuariales
- (e) la provisión de almacenamiento de datos
- (f) la prestación de servicios de mantenimiento o soporte de sistemas informáticos con carácter ordinario y cotidiano
- (g) el proceso de autoevaluación de riesgos y solvencia.

La selección de los proveedores de las funciones fundamentales y actividades operativas críticas o importantes requiere de un examen detallado para comprobar que los mismos pueden desarrollar las mismas satisfactoriamente, debiéndose verificar que el proveedor es idóneo para (i) prestar el servicio; (ii) desarrollar las funciones o actividades requeridas de modo satisfactorio, (iii) poseer la capacidad técnica y financiera y cualquier autorización exigida por la normativa para prestar el servicio, así como (iv) que se hayan adoptado las medidas necesarias para garantizar que ningún conflicto de interés explícito o potencial ponga en peligro las necesidades de la Entidad.

Asimismo, la citada política, revisada anualmente por el Consejo de Administración (la última revisión es de 26 de mayo de 2023), establece el contenido mínimo de los contratos con dichos proveedores, la revisión periódica de sus actuaciones y la notificación de los mismos, cuando corresponda, a la DGSFP.

No hay aspectos de evaluación, cálculo o valoración encomendados a expertos independientes, que puedan afectar de modo material a los estados financieros.

Para el resto de actividades no fundamentales, existe un manual de procedimientos para la selección de proveedores, que forma parte de la normativa de desarrollo del Código Ético, a disposición de todos los individuos objeto del mismo. En él se describen los procedimientos de contratación de dichos proveedores externos en los distintos supuestos, según sean las necesidades a cubrir, y se establecen las comprobaciones oportunas a efectuar para determinar la idoneidad o no de su contratación: aptitud, capacidad, precio, continuidad de negocio, solvencia, entre otros criterios.

F.4. Información y comunicación.

Informe, señalando sus principales características, si dispone al menos de:

- F.4.1** Una función específica encargada de definir, mantener actualizadas las políticas contables (área o departamento de políticas contables) y resolver dudas o conflictos derivados de su interpretación, manteniendo una comunicación fluida con los responsables de las operaciones en la organización, así como un manual de políticas contables actualizado y comunicado a las unidades a través de las que opera la entidad.

La Unidad de Normativa y Políticas Contables, dependiente de Dirección Financiera, es la responsable de definir y coordinar las políticas contables de la Entidad y de las entidades del Grupo. En particular, tiene, entre otras funciones, la de analizar los cambios normativos que puedan afectar a las políticas de contabilidad de la Entidad y de las entidades del Grupo, supervisar la aplicación de dichas políticas y, en su caso, coordinar la implementación de los cambios internos que afecten al flujo de información financiera en lo relativo a las políticas contables.

Con periodicidad mensual, se realizan Subcomités de Coordinación Contable con Atradius NV, entidad holandesa que forma parte de GCO. En dichos comités intervienen el Director Financiero del Grupo, el Director de Contabilidad Corporativa, el Director Financiero de Atradius NV, el Director de Control de gestión y planificación y los responsables dentro del Grupo de los departamentos de Consolidación y de Control del negocio del seguro de crédito y los temas tratados son, entre otros, las incidencias y dudas acerca de interpretaciones y criterios contables así como el seguimiento de aquellos otros aspectos relevantes que pudieran afectar a la contabilidad de dichas entidades. De estas reuniones se levantan actas internas.

La Entidad, como sociedad matriz del grupo consolidado, dispone de políticas contables escritas que se van actualizando con las normas contables que entran en vigor y con los cambios internos que se implementan para establecer mejoras en los procesos.

En este sentido, cabe destacar que la aprobación de la norma contable IFRS 17, que entro en vigor el 1 de enero de 2023, ha obligado a readaptar las políticas contables existentes, así como a redactar nuevas. Durante el ejercicio 2023 se ha seguido organizando sesiones de trabajo para cerrar las políticas contables y el análisis del impacto de la aplicación de la norma NIIF 17- IFRS9, se ha realizado el refinamiento de la información técnica y financiera simulada en el entorno de NIIF 17, se ha avanzado en la formalización de los procesos operacionales impactados por NIIF 17 y de definición del sistema de gobierno de los mismos. Estas actividades han garantizado la aplicación de NIIF 17 en tiempo y forma a su entrada en vigor y transición a la misma, de conformidad con el plan de implementación definido.

En el ejercicio 2024 se deberá automatizar y realizar las mejoras detectadas en la memoria anual 2023 así como para el reporting a CNMV y DGSFP bajo IFRS17. En paralelo se desarrollarán los nuevos requerimientos de reporting para el consolidado de gestión bajo IFRS y se avanzará en la gobernanza de los procesos para que el cierre de IFRS17 esté integrado dentro de los procesos de cierre habituales de la Entidad y su Grupo a nivel de riesgos y controles. Estas actividades se encuentran detalladas en el calendario del plan de implementación de cierre del proyecto.

F.4.2 Mecanismos de captura y preparación de la información financiera con formatos homogéneos, de aplicación y utilización por todas las unidades de la entidad o del grupo, que soporten los estados financieros principales y las notas, así como la información que se detalle sobre el SCIIF.

GCO elabora su información financiera consolidada y reporting sobre la plataforma HFM.

Por su parte, las entidades que forman parte de GCO, utilizan diversos aplicativos para su gestión contable y realizan el proceso de carga de información en la plataforma HFM con carácter mensual utilizando el aplicativo Financial Data Quality Management (FDM) y plantillas de Excel Smart View, según los requerimientos de contenido y formato diseñados.

Una vez completados los señalados procesos de carga de información y consolidación, tanto la Entidad como sus entidades dependientes disponen de información de gestión mínima según un reporting y criterios homogéneos.

En el proceso de consolidación se han establecido una serie de controles preventivos o detectivos para garantizar la fiabilidad de los datos contables que, asimismo, se contrastan con la Información de Gestión que se publica.

F.5. Supervisión del funcionamiento del sistema.

Informe, señalando sus principales características, al menos de:

F.5.1 Las actividades de supervisión del SCIIF realizadas por la comisión de auditoría así como si la entidad cuenta con una función de auditoría interna que tenga entre sus competencias la de apoyo a la comisión en su labor de supervisión del sistema de control interno, incluyendo el SCIIF. Asimismo se informará del alcance de la evaluación del SCIIF realizada en el ejercicio y del procedimiento por el cual el encargado de ejecutar la evaluación comunica sus resultados, si la entidad cuenta con un plan de acción que detalle las eventuales medidas correctoras, y si se ha considerado su impacto en la información financiera.

Las actividades de supervisión del Comité de Auditoría están desarrolladas en el apartado F.1.1. (ii) anterior.

Asimismo, tal y como se señala en el citado apartado F.1.1, la Dirección de Auditoría Interna Corporativa, que depende jerárquicamente del Comité de Auditoría, apoya a dicho comité en su labor de supervisión del SCIIF.

En particular, la Política de Auditoría Interna especifica que el Director de Auditoría Interna Corporativa informará a los miembros del Comité de Auditoría de las auditorías que se prevé realizar en cada ejercicio y les reportará las auditorías realizadas.

Asimismo, la Dirección de Auditoría Interna Corporativa asiste a la Alta Dirección y al Consejo de Administración de una manera eficiente y efectiva en la valoración y supervisión del control interno existente en la Entidad, incluyendo el SCIIF.

En cuanto a los recursos disponibles de la Dirección de Auditoría Interna Corporativa, el equipo está integrado por 23 personas incluido su director, realizando esta función de forma exclusiva, destinando a ello la totalidad de su tiempo de trabajo.

La Dirección de Auditoría Interna Corporativa realiza las auditorías a partir de un plan plurianual de auditorías, que es aprobado por el Comité de Auditoría.

La Entidad dispone de un documento interno denominado "Procedimiento y Metodología de Auditoría Interna" en el que se describen los pasos que deben darse en la realización de una misión de auditoría, así como marcar los principios que sirven para uniformar y estandarizar la realización de las mismas. Esta metodología distingue las tres fases naturales y cronológicas que debe tener una auditoría: (i) planificación; (ii) trabajo de campo y su realización; e (iii) informe de auditoría.

Como consecuencia de la aplicación de la valoración del nivel de control interno observado en la auditoría, la Dirección de Auditoría Interna Corporativa efectúa las recomendaciones que estima oportunas en caso de detectar la necesidad de llevar a cabo acciones correctoras. Dichas recomendaciones son comunicadas a los auditados y, si estos están de acuerdo, pasan a ser de obligado cumplimiento. En aquellos casos en que no estén de acuerdo, las discrepancias son elevadas al Comité de Auditoría, que decide si se deben implementarlas o no.

Asimismo, se lleva un registro de todas las recomendaciones a implementar, así como de los plazos en los que los auditados deben hacerlo. Una vez finalizado el plazo establecido se solicita información sobre su grado de implantación siempre que los auditados no hayan informado previamente de su cumplimiento. Una vez verificado este extremo, el Director de Auditoría Interna Corporativa informa al Comité de Auditoría de la evolución y el estado de las recomendaciones formuladas.

Durante el ejercicio 2023, la Unidad de Control de Gestión y Planificación, con dependencia de la Dirección Financiera de Grupo, ha coordinado los proyectos relacionados con el SCIIF para la Entidad, en concreto la descripción de los procesos identificados relacionados con la información

financiera, elaborándose un documento por parte de los responsables en el que de una forma pautada para garantizar una cierta homogeneidad, se incluye toda la información relevante del proceso, incluyéndose ejemplos de evidencias de los controles efectuados. Este documento está aprobado por los representantes de las unidades implicadas, y se adjunta a un acta de aprobación con acceso para todas las partes interesadas. El documento se rubrica de nuevo cada vez que hay modificaciones significativas y, como mínimo, anualmente.

La Dirección de Auditoría Interna Corporativa audita todos los procesos del SCIIF en ciclos quinquenales con los objetivos de identificar los riesgos inherentes al SCIIF y validar los controles descritos, evaluar el grado de integridad y consistencia de la información financiera, estableciendo si los controles establecidos son o no suficientes para garantizar la fiabilidad de la información financiera que se pretende obtener y efectuar un diagnóstico sobre el entorno de Control interno existente en las áreas implicadas. En los casos en los que se observen debilidades de control se formulan recomendaciones con planes de acción acordados con los auditados, con el objetivo de fortalecer las debilidades detectadas. Las recomendaciones y los planes de acción acordados se registran en una base de datos con el responsable de su implementación y el plazo acordado para hacerlo. Una vez cumplido el plazo, se comprueba con sus responsables la implementación de las mismas.

Durante el ejercicio 2023, todas las auditorías del SCIIF se realizaron con recursos propios de la Dirección de Auditoría Interna Corporativa.

En particular, la Dirección de Auditoría Interna Corporativa ha realizado la auditoría de los siguientes procesos del SCIIF:

- Proceso de Facturación GCO Tecnología y Servicios AIE
- Proceso de Facturación GCO Contact Center AIE
- ii. Proceso de Información SCIIF al Consejo (GCO)
- iii. Proceso de Gestión de Cuentas Contables (GCO)

Actualmente, todos los controles de información financiera acordados están incorporados en la herramienta de control interno que permite a los responsables de la elaboración de la información financiera manifestar su conformidad a la correcta ejecución de los controles, e incluso adjuntar una evidencia en los de mayor relevancia con la periodicidad establecida para cada control. También están incorporados en dicha herramienta de control interno todos los controles de información financiera correspondientes a las Entidades No Aseguradoras del Negocio Tradicional del Grupo.

Por lo que respecta al negocio de Seguro de Crédito, durante el ejercicio 2023, la Dirección de Auditoría Interna Corporativa ha verificado en Atradius Crédito y Caución S.A. de Seguros y Reaseguros, un total de 357 controles relacionados con controles de reporte financiero.

F.5.2 Si cuenta con un procedimiento de discusión mediante el cual, el auditor de cuentas (de acuerdo con lo establecido en las NTA), la función de auditoría interna y otros expertos puedan comunicar a la alta dirección y a la comisión de auditoría o administradores de la entidad las debilidades significativas de control interno identificadas durante los procesos de revisión de las cuentas anuales o aquellos otros que les hayan sido encomendados. Asimismo, informará de si dispone de un plan de acción que trate de corregir o mitigar las debilidades observadas.

En la Política de Auditoría Interna se establece que, la Dirección de Auditoría Interna Corporativa puede formular recomendaciones en cada una de las auditorías que realiza si lo considera necesario con el objetivo de corregir debilidades de control interno.

Adicionalmente, tal y como se ha señalado en el apartado F.5.1 anterior, esta informa al Comité de Auditoría tanto sobre las recomendaciones formuladas como sobre aquellas con las que no están de acuerdo los auditados para que éste decida sobre su conveniencia. También informa al citado Comité de Auditoría sobre el seguimiento y la implementación de las recomendaciones y/o debilidades detectadas.

En este sentido, los informes provisionales de auditoría, o cualquier información relacionada con la misma, es enviada al director o responsable de la unidad auditada quien deberá manifestar por escrito su conformidad o disconformidad con las conclusiones y/o recomendaciones antes de que sea enviado al Comité de Auditoría.

Adicionalmente, con periodicidad semestral, la Dirección de Auditoría Interna Corporativa emite un informe de actividad que se eleva al Comité de Auditoría, en el que se recoge un detalle de (i) las auditorías realizadas durante el primer semestre y el año natural respectivamente, indicando si se han detectado incidencias / recomendaciones; (ii) un mapa de riesgos de las actividades auditadas; así como (iii) una relación de irregularidades y fraudes significativos detectados y el seguimiento sobre la implementación de las recomendaciones formuladas.

Por su parte, aquellas auditorías que son realizadas por auditores externos, cuentan con la colaboración de la Dirección de Auditoría Interna Corporativa, con la que coordinan y revisan sus recomendaciones antes de comunicar las conclusiones de sus auditorías junto con las debilidades detectadas al Presidente y al Secretario del Comité de Auditoría.

En la Política de Auditoría Interna, se recoge un apartado específico denominado "Cooperación con los auditores externos y los supervisores" en el que se indica que el auditor(es) externo(s), que emite(n) el informe sobre las cuentas anuales de la Entidad y sus filiales, y el Director de Auditoría Interna deberán tener una apropiada sintonía respecto a las actividades de auditoría realizadas por ambas partes. En este sentido, se reunirán cuando lo estimen oportuno para hablar de materias de interés común, y en su caso, de los resultados de sus trabajos. En dichas comunicaciones, se asegurarán ambas partes que las técnicas de trabajos, métodos y terminología de los trabajos a realizar son apropiadamente comprendidas por ambas partes.

F.6. Otra información relevante.

No existe otra información relevante que señalar.

F.7. Informe del auditor externo.

Informe de:

F.7.1 Si la información del SCIIF remitida a los mercados ha sido sometida a revisión por el auditor externo, en cuyo caso la entidad debería incluir el informe correspondiente como anexo. En caso contrario, debería informar de sus motivos.

La información sobre SCIIF contenida en el presente Informe Anual de Gobierno Corporativo será sometida a revisión por parte del auditor externo de la sociedad, PricewaterhouseCoopers Auditores, S.L. En lo menester, la Entidad incluirá el correspondiente informe emitido por el auditor externo junto con la información que se remita al respecto al mercado.

G. GRADO DE SEGUIMIENTO DE LAS RECOMENDACIONES DE GOBIERNO CORPORATIVO

Indique el grado de seguimiento de la sociedad respecto de las recomendaciones del Código de buen gobierno de las sociedades cotizadas.

En el caso de que alguna recomendación no se siga o se siga parcialmente, se deberá incluir una explicación detallada de sus motivos de manera que los accionistas, los inversores y el mercado en general, cuenten con información suficiente para valorar el proceder de la sociedad. No serán aceptables explicaciones de carácter general.

1. Que los estatutos de las sociedades cotizadas no limiten el número máximo de votos que pueda emitir un mismo accionista, ni contengan otras restricciones que dificulten la toma de control de la sociedad mediante la adquisición de sus acciones en el mercado.

Cumple Explique

2. Que, cuando la sociedad cotizada esté controlada, en el sentido del artículo 42 del Código de Comercio, por otra entidad, cotizada o no, y tenga, directamente o a través de sus filiales, relaciones de negocio con dicha entidad o alguna de sus filiales (distintas de las de la sociedad cotizada) o desarrolle actividades relacionadas con las de cualquiera de ellas informe públicamente con precisión acerca de:

- a) Las respectivas áreas de actividad y eventuales relaciones de negocio entre, por un lado, la sociedad cotizada o sus filiales y, por otro, la sociedad matriz o sus filiales.
- b) Los mecanismos previstos para resolver los eventuales conflictos de intereses que puedan presentarse.

Cumple Cumple parcialmente Explique No aplicable

3. Que durante la celebración de la junta general ordinaria, como complemento de la difusión por escrito del informe anual de gobierno corporativo, el presidente del consejo de administración informe verbalmente a los accionistas, con suficiente detalle, de los aspectos más relevantes del gobierno corporativo de la sociedad y, en particular:

- a) De los cambios acaecidos desde la anterior junta general ordinaria.
- b) De los motivos concretos por los que la compañía no sigue alguna de las recomendaciones del Código de Gobierno Corporativo y, si existieran, de las reglas alternativas que aplique en esa materia.

Cumple Cumple parcialmente Explique

4. Que la sociedad defina y promueva una política relativa a la comunicación y contactos con accionistas e inversores institucionales en el marco de su implicación en la sociedad, así como con los asesores de voto que sea plenamente respetuosa con las normas contra el abuso de mercado y dé un trato semejante a los accionistas que se encuentren en la misma posición. Y que la sociedad haga pública dicha política a través de su página web, incluyendo información relativa a la forma en que la misma se ha puesto en práctica e identificando a los interlocutores o responsables de llevarla a cabo.

Y que, sin perjuicio de las obligaciones legales de difusión de información privilegiada y otro tipo de información regulada, la sociedad cuente también con una política general relativa a la comunicación de información económico-financiera, no financiera y corporativa a través de los canales que considere adecuados (medios de comunicación, redes sociales u otras vías) que contribuya a maximizar la difusión y la calidad de la información a disposición del mercado, de los inversores y demás grupos de interés.

Cumple [X] Cumple parcialmente [] Explique []

5. Que el consejo de administración no eleve a la junta general una propuesta de delegación de facultades, para emitir acciones o valores convertibles con exclusión del derecho de suscripción preferente, por un importe superior al 20% del capital en el momento de la delegación.

Y que cuando el consejo de administración apruebe cualquier emisión de acciones o de valores convertibles con exclusión del derecho de suscripción preferente, la sociedad publique inmediatamente en su página web los informes sobre dicha exclusión a los que hace referencia la legislación mercantil.

Cumple [X] Cumple parcialmente [] Explique []

6. Que las sociedades cotizadas que elaboren los informes que se citan a continuación, ya sea de forma preceptiva o voluntaria, los publiquen en su página web con antelación suficiente a la celebración de la junta general ordinaria, aunque su difusión no sea obligatoria:

- a) Informe sobre la independencia del auditor.
- b) Informes de funcionamiento de las comisiones de auditoría y de nombramientos y retribuciones.
- c) Informe de la comisión de auditoría sobre operaciones vinculadas.

Cumple [X] Cumple parcialmente [] Explique []

7. Que la sociedad transmita en directo, a través de su página web, la celebración de las juntas generales de accionistas.

Y que la sociedad cuente con mecanismos que permitan la delegación y el ejercicio del voto por medios telemáticos e incluso, tratándose de sociedades de elevada capitalización y en la medida en que resulte proporcionado, la asistencia y participación activa en la Junta General.

Cumple [X] Cumple parcialmente [] Explique []

8. Que la comisión de auditoría vele por que las cuentas anuales que el consejo de administración presente a la junta general de accionistas se elaboren de conformidad con la normativa contable. Y que en aquellos supuestos en que el auditor de cuentas haya incluido en su informe de auditoría alguna salvedad, el presidente de la comisión de auditoría explique con claridad en la junta general el parecer de la comisión de auditoría sobre su contenido y alcance, poniéndose a disposición de los accionistas en el momento de la publicación de la convocatoria de la junta, junto con el resto de propuestas e informes del consejo, un resumen de dicho parecer.

Cumple [X] Cumple parcialmente [] Explique []

9. Que la sociedad haga públicos en su página web, de manera permanente, los requisitos y procedimientos que aceptará para acreditar la titularidad de acciones, el derecho de asistencia a la junta general de accionistas y el ejercicio o delegación del derecho de voto.

Y que tales requisitos y procedimientos favorezcan la asistencia y el ejercicio de sus derechos a los accionistas y se apliquen de forma no discriminatoria.

Cumple [X] Cumple parcialmente [] Explique []

10. Que cuando algún accionista legitimado haya ejercitado, con anterioridad a la celebración de la junta general de accionistas, el derecho a completar el orden del día o a presentar nuevas propuestas de acuerdo, la sociedad:

- a) Difunda de inmediato tales puntos complementarios y nuevas propuestas de acuerdo.
- b) Haga público el modelo de tarjeta de asistencia o formulario de delegación de voto o voto a distancia con las modificaciones precisas para que puedan votarse los nuevos puntos del orden del día y propuestas alternativas de acuerdo en los mismos términos que los propuestos por el consejo de administración.
- c) Someta todos esos puntos o propuestas alternativas a votación y les aplique las mismas reglas de voto que a las formuladas por el consejo de administración, incluidas, en particular, las presunciones o deducciones sobre el sentido del voto.
- d) Con posterioridad a la junta general de accionistas, comunique el desglose del voto sobre tales puntos complementarios o propuestas alternativas.

Cumple [] Cumple parcialmente [] Explique [] No aplicable [X]

11. Que, en el caso de que la sociedad tenga previsto pagar primas de asistencia a la junta general de accionistas, establezca, con anterioridad, una política general sobre tales primas y que dicha política sea estable.

Cumple [] Cumple parcialmente [] Explique [] No aplicable [X]

12. Que el consejo de administración desempeñe sus funciones con unidad de propósito e independencia de criterio, dispense el mismo trato a todos los accionistas que se hallen en la misma posición y se guíe por el interés social, entendido como la consecución de un negocio rentable y sostenible a largo plazo, que promueva su continuidad y la maximización del valor económico de la empresa.

Y que en la búsqueda del interés social, además del respeto de las leyes y reglamentos y de un comportamiento basado en la buena fe, la ética y el respeto a los usos y a las buenas prácticas comúnmente aceptadas, procure conciliar el propio interés social con, según corresponda, los legítimos intereses de sus empleados, sus proveedores, sus clientes y los de los restantes grupos de interés que puedan verse afectados, así como el impacto de las actividades de la compañía en la comunidad en su conjunto y en el medio ambiente.

Cumple [X] Cumple parcialmente [] Explique []

13. Que el consejo de administración posea la dimensión precisa para lograr un funcionamiento eficaz y participativo, lo que hace aconsejable que tenga entre cinco y quince miembros.

Cumple [X] Explique []

14. Que el consejo de administración apruebe una política dirigida a favorecer una composición apropiada del consejo de administración y que:

- a) Sea concreta y verificable.
- b) asegure que las propuestas de nombramiento o reelección se fundamenten en un análisis previo de las competencias requeridas por el consejo de administración; y
- c) favorezca la diversidad de conocimientos, experiencias, edad y género. A estos efectos, se considera que favorecen la diversidad de género las medidas que fomenten que la compañía cuente con un número significativo de altas directivas.

Que el resultado del análisis previo de las competencias requeridas por el consejo de administración se recoja en el informe justificativo de la comisión de nombramientos que se publique al convocar la junta general de accionistas a la que se someta la ratificación, el nombramiento o la reelección de cada consejero.

La comisión de nombramientos verificará anualmente el cumplimiento de esta política y se informará de ello en el informe anual de gobierno corporativo.

Cumple [X] Cumple parcialmente [] Explique []

15. Que los consejeros dominicales e independientes constituyan una amplia mayoría del consejo de administración y que el número de consejeros ejecutivos sea el mínimo necesario, teniendo en cuenta la complejidad del grupo societario y el porcentaje de participación de los consejeros ejecutivos en el capital de la sociedad.

Y que el número de consejeras suponga, al menos, el 40% de los miembros del consejo de administración antes de que finalice 2022 y en adelante, no siendo con anterioridad inferior al 30%.

Cumple [] Cumple parcialmente [] Explique []

La Sociedad cumple la primera parte de la recomendación en cuanto a que los consejeros dominicales e independientes constituyan una amplia mayoría del consejo de administración y que el número de consejeros ejecutivos sea el mínimo necesario, habiéndose reducido en los últimos ejercicios de cuatro a uno, pero cumple parcialmente la segunda parte de la misma en cuanto al número de consejeras. Al respecto, el Consejo de Administración en su sesión celebrada el pasado 25 de mayo de 2023 procedió al nombramiento por cooptación de una nueva consejera independiente - cuya reelección y, en lo menester, nombramiento se ha presentado como propuesta a la Junta General de Accionistas a celebrar el próximo 25 de abril de 2024 -, reforzando así la mayoría de dominicales e independientes en el consejo, y aumentando el porcentaje de consejeras del 22,22% al actual 33,33% del total de miembros del Consejo y el 37,5% del total de consejeros externos.

16. Que el porcentaje de consejeros dominicales sobre el total de consejeros no ejecutivos no sea mayor que la proporción existente entre el capital de la sociedad representado por dichos consejeros y el resto del capital.

Este criterio podrá atenuarse:

- a) En sociedades de elevada capitalización en las que sean escasas las participaciones accionarias que tengan legalmente la consideración de significativas.
- b) Cuando se trate de sociedades en las que exista una pluralidad de accionistas representados en el consejo de administración y no tengan vínculos entre sí.

Cumple [] Explique []

17. Que el número de consejeros independientes represente, al menos, la mitad del total de consejeros.

Que, sin embargo, cuando la sociedad no sea de elevada capitalización o cuando, aun siéndolo, cuente con un accionista o varios actuando concertadamente, que controlen más del 30% del capital social, el número de consejeros independientes represente, al menos, un tercio del total de consejeros.

Cumple [] Explique []

18. Que las sociedades hagan pública a través de su página web, y mantengan actualizada, la siguiente información sobre sus consejeros:

- a) Perfil profesional y biográfico.
- b) Otros consejos de administración a los que pertenezcan, se trate o no de sociedades cotizadas, así como sobre las demás actividades retribuidas que realice cualquiera que sea su naturaleza.
- c) Indicación de la categoría de consejero a la que pertenezcan, señalándose, en el caso de consejeros dominicales, el accionista al que representen o con quien tengan vínculos.
- d) Fecha de su primer nombramiento como consejero en la sociedad, así como de las posteriores reelecciones.
- e) Acciones de la compañía, y opciones sobre ellas, de las que sean titulares.

Cumple [X] Cumple parcialmente [] Explique []

19. Que en el informe anual de gobierno corporativo, previa verificación por la comisión de nombramientos, se expliquen las razones por las cuales se hayan nombrado consejeros dominicales a instancia de accionistas cuya participación accionarial sea inferior al 3% del capital; y se expongan las razones por las que no se hubieran atendido, en su caso, peticiones formales de presencia en el consejo procedentes de accionistas cuya participación accionarial sea igual o superior a la de otros a cuya instancia se hubieran designado consejeros dominicales.

Cumple [X] Cumple parcialmente [] Explique [] No aplicable []

20. Que los consejeros dominicales presenten su dimisión cuando el accionista a quien representen transmita íntegramente su participación accionarial. Y que también lo hagan, en el número que corresponda, cuando dicho accionista rebaje su participación accionarial hasta un nivel que exija la reducción del número de sus consejeros dominicales.

Cumple [X] Cumple parcialmente [] Explique [] No aplicable []

21. Que el consejo de administración no proponga la separación de ningún consejero independiente antes del cumplimiento del periodo estatutario para el que hubiera sido nombrado, salvo cuando concurra justa causa, apreciada por el consejo de administración previo informe de la comisión de nombramientos. En particular, se entenderá que existe justa causa cuando el consejero pase a ocupar nuevos cargos o contraiga nuevas obligaciones que le impidan dedicar el tiempo necesario al desempeño de las funciones propias del cargo de consejero, incumpla los deberes inherentes a su cargo o incurra en algunas de las circunstancias que le hagan perder su condición de independiente, de acuerdo con lo establecido en la legislación aplicable.

También podrá proponerse la separación de consejeros independientes como consecuencia de ofertas públicas de adquisición, fusiones u otras operaciones corporativas similares que supongan un cambio en la estructura de capital de la sociedad, cuando tales cambios en la estructura del consejo de administración vengán propiciados por el criterio de proporcionalidad señalado en la recomendación 16.

Cumple [X] Explique []

22. Que las sociedades establezcan reglas que obliguen a los consejeros a informar y, en su caso, a dimitir cuando se den situaciones que les afecten, relacionadas o no con su actuación en la propia sociedad, que puedan perjudicar al crédito y reputación de esta y, en particular, que les obliguen a informar al consejo de administración de cualquier causa penal en la que aparezcan como investigados, así como de sus vicisitudes procesales.

Y que, habiendo sido informado o habiendo conocido el consejo de otro modo alguna de las situaciones mencionadas en el párrafo anterior, examine el caso tan pronto como sea posible y, atendiendo a las circunstancias concretas, decida, previo informe de la comisión de nombramientos y retribuciones, si debe o no adoptar alguna medida, como la apertura de una investigación interna, solicitar la dimisión del consejero o proponer su cese. Y que se informe al respecto en el informe anual de gobierno corporativo, salvo que concurran circunstancias especiales que lo justifiquen, de lo que deberá dejarse constancia en acta. Ello sin perjuicio de la información que la sociedad deba difundir, de resultar procedente, en el momento de la adopción de las medidas correspondientes.

Cumple [X] Cumple parcialmente [] Explique []

23. Que todos los consejeros expresen claramente su oposición cuando consideren que alguna propuesta de decisión sometida al consejo de administración puede ser contraria al interés social. Y que otro tanto hagan, de forma especial, los independientes y demás consejeros a quienes no afecte el potencial conflicto de intereses, cuando se trate de decisiones que puedan perjudicar a los accionistas no representados en el consejo de administración.

Y que cuando el consejo de administración adopte decisiones significativas o reiteradas sobre las que el consejero hubiera formulado serias reservas, este saque las conclusiones que procedan y, si optara por dimitir, explique las razones en la carta a que se refiere la recomendación siguiente.

Esta recomendación alcanza también al secretario del consejo de administración, aunque no tenga la condición de consejero.

Cumple [X] Cumple parcialmente [] Explique [] No aplicable []

24. Que cuando, ya sea por dimisión o por acuerdo de la junta general, un consejero cese en su cargo antes del término de su mandato, explique de manera suficiente las razones de su dimisión o, en el caso de consejeros no ejecutivos, su parecer sobre los motivos del cese por la junta, en una carta que remitirá a todos los miembros del consejo de administración.

Y que, sin perjuicio de que se dé cuenta de todo ello en el informe anual de gobierno corporativo, en la medida en que sea relevante para los inversores, la sociedad publique a la mayor brevedad posible el cese incluyendo referencia suficiente a los motivos o circunstancias aportados por el consejero.

Cumple [X] Cumple parcialmente [] Explique [] No aplicable []

25. Que la comisión de nombramientos se asegure de que los consejeros no ejecutivos tienen suficiente disponibilidad de tiempo para el correcto desarrollo de sus funciones.

Y que el reglamento del consejo establezca el número máximo de consejos de sociedades de los que pueden formar parte sus consejeros.

Cumple [X] Cumple parcialmente [] Explique []

26. Que el consejo de administración se reúna con la frecuencia precisa para desempeñar con eficacia sus funciones y, al menos, ocho veces al año, siguiendo el programa de fechas y asuntos que establezca al inicio del ejercicio, pudiendo cada consejero individualmente proponer otros puntos del orden del día inicialmente no previstos.

Cumple [X] Cumple parcialmente [] Explique []

27. Que las inasistencias de los consejeros se reduzcan a los casos indispensables y se cuantifiquen en el informe anual de gobierno corporativo. Y que, cuando deban producirse, se otorgue representación con instrucciones.

Cumple [X] Cumple parcialmente [] Explique []

28. Que cuando los consejeros o el secretario manifiesten preocupación sobre alguna propuesta o, en el caso de los consejeros, sobre la marcha de la sociedad y tales preocupaciones no queden resueltas en el consejo de administración, a petición de quien las hubiera manifestado, se deje constancia de ellas en el acta.

Cumple [X] Cumple parcialmente [] Explique [] No aplicable []

29. Que la sociedad establezca los cauces adecuados para que los consejeros puedan obtener el asesoramiento preciso para el cumplimiento de sus funciones incluyendo, si así lo exigieran las circunstancias, asesoramiento externo con cargo a la empresa.

Cumple [X] Cumple parcialmente [] Explique []

30. Que, con independencia de los conocimientos que se exijan a los consejeros para el ejercicio de sus funciones, las sociedades ofrezcan también a los consejeros programas de actualización de conocimientos cuando las circunstancias lo aconsejen.

Cumple Explique No aplicable

31. Que el orden del día de las sesiones indique con claridad aquellos puntos sobre los que el consejo de administración deberá adoptar una decisión o acuerdo para que los consejeros puedan estudiar o recabar, con carácter previo, la información precisa para su adopción.

Cuando, excepcionalmente, por razones de urgencia, el presidente quiera someter a la aprobación del consejo de administración decisiones o acuerdos que no figuraran en el orden del día, será preciso el consentimiento previo y expreso de la mayoría de los consejeros presentes, del que se dejará debida constancia en el acta.

Cumple Cumple parcialmente Explique

32. Que los consejeros sean periódicamente informados de los movimientos en el accionariado y de la opinión que los accionistas significativos, los inversores y las agencias de calificación tengan sobre la sociedad y su grupo.

Cumple Cumple parcialmente Explique

33. Que el presidente, como responsable del eficaz funcionamiento del consejo de administración, además de ejercer las funciones que tiene legal y estatutariamente atribuidas, prepare y someta al consejo de administración un programa de fechas y asuntos a tratar; organice y coordine la evaluación periódica del consejo, así como, en su caso, la del primer ejecutivo de la sociedad; sea responsable de la dirección del consejo y de la efectividad de su funcionamiento; se asegure de que se dedica suficiente tiempo de discusión a las cuestiones estratégicas, y acuerde y revise los programas de actualización de conocimientos para cada consejero, cuando las circunstancias lo aconsejen.

Cumple Cumple parcialmente Explique

34. Que cuando exista un consejero coordinador, los estatutos o el reglamento del consejo de administración, además de las facultades que le corresponden legalmente, le atribuya las siguientes: presidir el consejo de administración en ausencia del presidente y de los vicepresidentes, en caso de existir; hacerse eco de las preocupaciones de los consejeros no ejecutivos; mantener contactos con inversores y accionistas para conocer sus puntos de vista a efectos de formarse una opinión sobre sus preocupaciones, en particular, en relación con el gobierno corporativo de la sociedad; y coordinar el plan de sucesión del presidente.

Cumple Cumple parcialmente Explique No aplicable

35. Que el secretario del consejo de administración vele de forma especial para que en sus actuaciones y decisiones el consejo de administración tenga presentes las recomendaciones sobre buen gobierno contenidas en este Código de buen gobierno que fueran aplicables a la sociedad.

Cumple Explique

36. Que el consejo de administración en pleno evalúe una vez al año y adopte, en su caso, un plan de acción que corrija las deficiencias detectadas respecto de:
- a) La calidad y eficiencia del funcionamiento del consejo de administración.
 - b) El funcionamiento y la composición de sus comisiones.
 - c) La diversidad en la composición y competencias del consejo de administración.
 - d) El desempeño del presidente del consejo de administración y del primer ejecutivo de la sociedad.
 - e) El desempeño y la aportación de cada consejero, prestando especial atención a los responsables de las distintas comisiones del consejo.

Para la realización de la evaluación de las distintas comisiones se partirá del informe que estas eleven al consejo de administración, y para la de este último, del que le eleve la comisión de nombramientos.

Cada tres años, el consejo de administración será auxiliado para la realización de la evaluación por un consultor externo, cuya independencia será verificada por la comisión de nombramientos.

Las relaciones de negocio que el consultor o cualquier sociedad de su grupo mantengan con la sociedad o cualquier sociedad de su grupo deberán ser desglosadas en el informe anual de gobierno corporativo.

El proceso y las áreas evaluadas serán objeto de descripción en el informe anual de gobierno corporativo.

Cumple Cumple parcialmente Explique

37. Que cuando exista una comisión ejecutiva en ella haya presencia de al menos dos consejeros no ejecutivos, siendo al menos uno de ellos independiente; y que su secretario sea el del consejo de administración.

Cumple Cumple parcialmente Explique No aplicable

38. Que el consejo de administración tenga siempre conocimiento de los asuntos tratados y de las decisiones adoptadas por la comisión ejecutiva y que todos los miembros del consejo de administración reciban copia de las actas de las sesiones de la comisión ejecutiva.

Cumple Cumple parcialmente Explique No aplicable

39. Que los miembros de la comisión de auditoría en su conjunto, y de forma especial su presidente, se designen teniendo en cuenta sus conocimientos y experiencia en materia de contabilidad, auditoría y gestión de riesgos, tanto financieros como no financieros.

Cumple Cumple parcialmente Explique

40. Que bajo la supervisión de la comisión de auditoría, se disponga de una unidad que asuma la función de auditoría interna que vele por el buen funcionamiento de los sistemas de información y control interno y que funcionalmente dependa del presidente no ejecutivo del consejo o del de la comisión de auditoría.

Cumple Cumple parcialmente Explique

41. Que el responsable de la unidad que asuma la función de auditoría interna presente a la comisión de auditoría, para su aprobación por esta o por el consejo, su plan anual de trabajo, le informe directamente de su ejecución, incluidas las posibles incidencias y limitaciones al alcance que se presenten en su desarrollo, los resultados y el seguimiento de sus recomendaciones y le someta al final de cada ejercicio un informe de actividades.

Cumple Cumple parcialmente Explique No aplicable

42. Que, además de las previstas en la ley, correspondan a la comisión de auditoría las siguientes funciones:

1. En relación con los sistemas de información y control interno:
 - a) Supervisar y evaluar el proceso de elaboración y la integridad de la información financiera y no financiera, así como los sistemas de control y gestión de riesgos financieros y no financieros relativos a la sociedad y, en su caso, al grupo —incluyendo los operativos, tecnológicos, legales, sociales, medioambientales, políticos y reputacionales o relacionados con la corrupción— revisando el cumplimiento de los requisitos normativos, la adecuada delimitación del perímetro de consolidación y la correcta aplicación de los criterios contables.
 - b) Velar por la independencia de la unidad que asume la función de auditoría interna; proponer la selección, nombramiento y cese del responsable del servicio de auditoría interna; proponer el presupuesto de ese servicio; aprobar o proponer la aprobación al consejo de la orientación y el plan de trabajo anual de la auditoría interna, asegurándose de que su actividad esté enfocada principalmente en los riesgos relevantes (incluidos los reputacionales); recibir información periódica sobre sus actividades; y verificar que la alta dirección tenga en cuenta las conclusiones y recomendaciones de sus informes.
 - c) Establecer y supervisar un mecanismo que permita a los empleados y a otras personas relacionadas con la sociedad, tales como consejeros, accionistas, proveedores, contratistas o subcontratistas, comunicar las irregularidades de potencial trascendencia, incluyendo las financieras y contables, o de cualquier otra índole, relacionadas con la compañía que adviertan en el seno de la empresa o su grupo. Dicho mecanismo deberá garantizar la confidencialidad y, en todo caso, prever supuestos en los que las comunicaciones puedan realizarse de forma anónima, respetando los derechos del denunciante y denunciado.
 - d) Velar en general por que las políticas y sistemas establecidos en materia de control interno se apliquen de modo efectivo en la práctica.
2. En relación con el auditor externo:
 - a) En caso de renuncia del auditor externo, examinar las circunstancias que la hubieran motivado.
 - b) Velar que la retribución del auditor externo por su trabajo no comprometa su calidad ni su independencia.
 - c) Supervisar que la sociedad comunique a través de la CNMV el cambio de auditor y lo acompañe de una declaración sobre la eventual existencia de desacuerdos con el auditor saliente y, si hubieran existido, de su contenido.
 - d) Asegurar que el auditor externo mantenga anualmente una reunión con el pleno del consejo de administración para informarle sobre el trabajo realizado y sobre la evolución de la situación contable y de riesgos de la sociedad.
 - e) Asegurar que la sociedad y el auditor externo respetan las normas vigentes sobre prestación de servicios distintos a los de auditoría, los límites a la concentración del negocio del auditor y, en general, las demás normas sobre independencia de los auditores.

Cumple

Cumple parcialmente

Explicar

43. Que la comisión de auditoría pueda convocar a cualquier empleado o directivo de la sociedad, e incluso disponer que comparezcan sin presencia de ningún otro directivo.

Cumple Cumple parcialmente Explique

44. Que la comisión de auditoría sea informada sobre las operaciones de modificaciones estructurales y corporativas que proyecte realizar la sociedad para su análisis e informe previo al consejo de administración sobre sus condiciones económicas y su impacto contable y, en especial, en su caso, sobre la ecuación de canje propuesta.

Cumple Cumple parcialmente Explique No aplicable

45. Que la política de control y gestión de riesgos identifique o determine al menos:

- a) Los distintos tipos de riesgo, financieros y no financieros (entre otros los operativos, tecnológicos, legales, sociales, medio ambientales, políticos y reputacionales, incluidos los relacionados con la corrupción) a los que se enfrenta la sociedad, incluyendo entre los financieros o económicos, los pasivos contingentes y otros riesgos fuera de balance.
- b) Un modelo de control y gestión de riesgos basado en diferentes niveles, del que formará parte una comisión especializada en riesgos cuando las normas sectoriales lo prevean o la sociedad lo estime apropiado.
- c) El nivel de riesgo que la sociedad considere aceptable.
- d) Las medidas previstas para mitigar el impacto de los riesgos identificados, en caso de que llegaran a materializarse.
- e) Los sistemas de información y control interno que se utilizarán para controlar y gestionar los citados riesgos, incluidos los pasivos contingentes o riesgos fuera de balance.

Cumple Cumple parcialmente Explique

46. Que bajo la supervisión directa de la comisión de auditoría o, en su caso, de una comisión especializada del consejo de administración, exista una función interna de control y gestión de riesgos ejercida por una unidad o departamento interno de la sociedad que tenga atribuidas expresamente las siguientes funciones:

- a) Asegurar el buen funcionamiento de los sistemas de control y gestión de riesgos y, en particular, que se identifiquen, gestionen, y cuantifiquen adecuadamente todos los riesgos importantes que afecten a la sociedad.
- b) Participar activamente en la elaboración de la estrategia de riesgos y en las decisiones importantes sobre su gestión.
- c) Velar por que los sistemas de control y gestión de riesgos mitiguen los riesgos adecuadamente en el marco de la política definida por el consejo de administración.

Cumple Cumple parcialmente Explique

47. Que los miembros de la comisión de nombramientos y de retribuciones –o de la comisión de nombramientos y la comisión de retribuciones, si estuvieren separadas– se designen procurando que tengan los conocimientos, aptitudes y experiencia adecuados a las funciones que estén llamados a desempeñar y que la mayoría de dichos miembros sean consejeros independientes.

Cumple Cumple parcialmente Explique

48. Que las sociedades de elevada capitalización cuenten con una comisión de nombramientos y con una comisión de remuneraciones separadas.

Cumple Explique No aplicable

49. Que la comisión de nombramientos consulte al presidente del consejo de administración y al primer ejecutivo de la sociedad, especialmente cuando se trate de materias relativas a los consejeros ejecutivos.

Y que cualquier consejero pueda solicitar de la comisión de nombramientos que tome en consideración, por si los encuentra idóneos a su juicio, potenciales candidatos para cubrir vacantes de consejero.

Cumple Cumple parcialmente Explique

50. Que la comisión de retribuciones ejerza sus funciones con independencia y que, además de las funciones que le atribuya la ley, le correspondan las siguientes:

- a) Proponer al consejo de administración las condiciones básicas de los contratos de los altos directivos.
- b) Comprobar la observancia de la política retributiva establecida por la sociedad.
- c) Revisar periódicamente la política de remuneraciones aplicada a los consejeros y altos directivos, incluidos los sistemas retributivos con acciones y su aplicación, así como garantizar que su remuneración individual sea proporcionada a la que se pague a los demás consejeros y altos directivos de la sociedad.
- d) Velar por que los eventuales conflictos de intereses no perjudiquen la independencia del asesoramiento externo prestado a la comisión.
- e) Verificar la información sobre remuneraciones de los consejeros y altos directivos contenida en los distintos documentos corporativos, incluido el informe anual sobre remuneraciones de los consejeros.

Cumple Cumple parcialmente Explique

51. Que la comisión de retribuciones consulte al presidente y al primer ejecutivo de la sociedad, especialmente cuando se trate de materias relativas a los consejeros ejecutivos y altos directivos.

Cumple Cumple parcialmente Explique

52. Que las reglas de composición y funcionamiento de las comisiones de supervisión y control figuren en el reglamento del consejo de administración y que sean consistentes con las aplicables a las comisiones legalmente obligatorias conforme a las recomendaciones anteriores, incluyendo:
- a) Que estén compuestas exclusivamente por consejeros no ejecutivos, con mayoría de consejeros independientes.
 - b) Que sus presidentes sean consejeros independientes.
 - c) Que el consejo de administración designe a los miembros de estas comisiones teniendo presentes los conocimientos, aptitudes y experiencia de los consejeros y los cometidos de cada comisión, delibere sobre sus propuestas e informes; y que rindan cuentas, en el primer pleno del consejo de administración posterior a sus reuniones, de su actividad y que respondan del trabajo realizado.
 - d) Que las comisiones puedan recabar asesoramiento externo, cuando lo consideren necesario para el desempeño de sus funciones.
 - e) Que de sus reuniones se levante acta, que se pondrá a disposición de todos los consejeros.

Cumple [X] Cumple parcialmente [] Explique [] No aplicable []

53. Que la supervisión del cumplimiento de las políticas y reglas de la sociedad en materia medioambiental, social y de gobierno corporativo, así como de los códigos internos de conducta, se atribuya a una o se reparta entre varias comisiones del consejo de administración que podrán ser la comisión de auditoría, la de nombramientos, una comisión especializada en sostenibilidad o responsabilidad social corporativa u otra comisión especializada que el consejo de administración, en ejercicio de sus facultades de auto-organización, haya decidido crear. Y que tal comisión esté integrada únicamente por consejeros no ejecutivos, siendo la mayoría independientes y se le atribuyan específicamente las funciones mínimas que se indican en la recomendación siguiente.

Cumple [X] Cumple parcialmente [] Explique []

54. Las funciones mínimas a las que se refiere la recomendación anterior son las siguientes:

- a) La supervisión del cumplimiento de las reglas de gobierno corporativo y de los códigos internos de conducta de la empresa, velando asimismo por que la cultura corporativa esté alineada con su propósito y valores.
- b) La supervisión de la aplicación de la política general relativa a la comunicación de información económico-financiera, no financiera y corporativa así como a la comunicación con accionistas e inversores, asesores de voto y otros grupos de interés. Asimismo se hará seguimiento del modo en que la entidad se comunica y relaciona con los pequeños y medianos accionistas.
- c) La evaluación y revisión periódica del sistema de gobierno corporativo y de la política en materia medioambiental y social de la sociedad, con el fin de que cumplan su misión de promover el interés social y tengan en cuenta, según corresponda, los legítimos intereses de los restantes grupos de interés.
- d) La supervisión de que las prácticas de la sociedad en materia medioambiental y social se ajustan a la estrategia y política fijadas.
- e) La supervisión y evaluación de los procesos de relación con los distintos grupos de interés.

Cumple [X] Cumple parcialmente [] Explique []

55. Que las políticas de sostenibilidad en materias medioambientales y sociales identifiquen e incluyan al menos:

- a) Los principios, compromisos, objetivos y estrategia en lo relativo a accionistas, empleados, clientes, proveedores, cuestiones sociales, medio ambiente, diversidad, responsabilidad fiscal, respeto de los derechos humanos y prevención de la corrupción y otras conductas ilegales
- b) Los métodos o sistemas para el seguimiento del cumplimiento de las políticas, de los riesgos asociados y su gestión.
- c) Los mecanismos de supervisión del riesgo no financiero, incluido el relacionado con aspectos éticos y de conducta empresarial.
- d) Los canales de comunicación, participación y diálogo con los grupos de interés.
- e) Las prácticas de comunicación responsable que eviten la manipulación informativa y protejan la integridad y el honor.

Cumple [X] Cumple parcialmente [] Explique []

56. Que la remuneración de los consejeros sea la necesaria para atraer y retener a los consejeros del perfil deseado y para retribuir la dedicación, cualificación y responsabilidad que el cargo exija, pero no tan elevada como para comprometer la independencia de criterio de los consejeros no ejecutivos.

Cumple [X] Explique []

57. Que se circunscriban a los consejeros ejecutivos las remuneraciones variables ligadas al rendimiento de la sociedad y al desempeño personal, así como la remuneración mediante entrega de acciones, opciones o derechos sobre acciones o instrumentos referenciados al valor de la acción y los sistemas de ahorro a largo plazo tales como planes de pensiones, sistemas de jubilación u otros sistemas de previsión social.

Se podrá contemplar la entrega de acciones como remuneración a los consejeros no ejecutivos cuando se condicione a que las mantengan hasta su cese como consejeros. Lo anterior no será de aplicación a las acciones que el consejero necesite enajenar, en su caso, para satisfacer los costes relacionados con su adquisición.

Cumple [X] Cumple parcialmente [] Explique []

58. Que en caso de remuneraciones variables, las políticas retributivas incorporen los límites y las cautelas técnicas precisas para asegurar que tales remuneraciones guardan relación con el rendimiento profesional de sus beneficiarios y no derivan solamente de la evolución general de los mercados o del sector de actividad de la compañía o de otras circunstancias similares.

Y, en particular, que los componentes variables de las remuneraciones:

- a) Estén vinculados a criterios de rendimiento que sean predeterminados y medibles y que dichos criterios consideren el riesgo asumido para la obtención de un resultado.
- b) Promuevan la sostenibilidad de la empresa e incluyan criterios no financieros que sean adecuados para la creación de valor a largo plazo, como el cumplimiento de las reglas y los procedimientos internos de la sociedad y de sus políticas para el control y gestión de riesgos.
- c) Se configuren sobre la base de un equilibrio entre el cumplimiento de objetivos a corto, medio y largo plazo, que permitan remunerar el rendimiento por un desempeño continuado durante un período de tiempo suficiente para apreciar su contribución a la creación sostenible de valor, de forma que los elementos de medida de ese rendimiento no giren únicamente en torno a hechos puntuales, ocasionales o extraordinarios.

Cumple [X] Cumple parcialmente [] Explique [] No aplicable []

59. Que el pago de los componentes variables de la remuneración quede sujeto a una comprobación suficiente de que se han cumplido de modo efectivo las condiciones de rendimiento o de otro tipo previamente establecidas. Las entidades incluirán en el informe anual de remuneraciones de los consejeros los criterios en cuanto al tiempo requerido y métodos para tal comprobación en función de la naturaleza y características de cada componente variable.

Que, adicionalmente, las entidades valoren el establecimiento de una cláusula de reducción ('malus') basada en el diferimiento por un período suficiente del pago de una parte de los componentes variables que implique su pérdida total o parcial en el caso de que con anterioridad al momento del pago se produzca algún evento que lo haga aconsejable.

Cumple [X] Cumple parcialmente [] Explique [] No aplicable []

60. Que las remuneraciones relacionadas con los resultados de la sociedad tomen en cuenta las eventuales salvedades que consten en el informe del auditor externo y minoren dichos resultados.

Cumple Cumple parcialmente Explique No aplicable

61. Que un porcentaje relevante de la remuneración variable de los consejeros ejecutivos esté vinculado a la entrega de acciones o de instrumentos financieros referenciados a su valor.

Cumple Cumple parcialmente Explique No aplicable

En lo referente a los consejeros ejecutivos, existe un equilibrio adecuado entre los componentes fijos y variables de la remuneración, si bien la Sociedad no ha considerado necesario introducir en el sistema de remuneración planes de entrega de acciones o de instrumentos financieros referenciados a su valor, por cuanto (i) la probada estabilidad de los mismos en la Sociedad y el Consejo de Administración, por una parte; y (ii) el establecimiento de parámetros para el devengo de la remuneración variable que no incentivan objetivos cortoplacistas han sido considerados elementos suficientes.

En este sentido, debe destacarse que los parámetros que sirven para fijar dicha retribución variable están fundamentalmente vinculados a los resultados ordinarios de la Sociedad, sus filiales y su Grupo consolidado, excluyendo, por tanto, aquellos parámetros que incentivan otro tipo de estrategias que difieran de un crecimiento sostenido, como pueden ser los resultados extraordinarios de la Sociedad y su Grupo consolidado u otros factores exógenos, como puede ser la cotización de la Sociedad en bolsa.

62. Que una vez atribuidas las acciones, las opciones o instrumentos financieros correspondientes a los sistemas retributivos, los consejeros ejecutivos no puedan transferir su titularidad o ejercerlos hasta transcurrido un plazo de al menos tres años.

Se exceptúa el caso en el que el consejero mantenga, en el momento de la transmisión o ejercicio, una exposición económica neta a la variación del precio de las acciones por un valor de mercado equivalente a un importe de al menos dos veces su remuneración fija anual mediante la titularidad de acciones, opciones u otros instrumentos financieros.

Lo anterior no será de aplicación a las acciones que el consejero necesite enajenar para satisfacer los costes relacionados con su adquisición o, previa apreciación favorable de la comisión de nombramientos y retribuciones, para hacer frente a situaciones extraordinarias sobrevenidas que lo requieran.

Cumple Cumple parcialmente Explique No aplicable

63. Que los acuerdos contractuales incluyan una cláusula que permita a la sociedad reclamar el reembolso de los componentes variables de la remuneración cuando el pago no haya estado ajustado a las condiciones de rendimiento o cuando se hayan abonado atendiendo a datos cuya inexactitud quede acreditada con posterioridad.

Cumple Cumple parcialmente Explique No aplicable

64. Que los pagos por resolución o extinción del contrato no superen un importe equivalente a dos años de la retribución total anual y que no se abonen hasta que la sociedad haya podido comprobar que el consejero ha cumplido con los criterios o condiciones establecidos para su percepción.

A efectos de esta recomendación, entre los pagos por resolución o extinción contractual se considerarán cualesquiera abonos cuyo devengo u obligación de pago surja como consecuencia o con ocasión de la extinción de la relación contractual que vinculaba al consejero con la sociedad, incluidos los importes no previamente consolidados de sistemas de ahorro a largo plazo y las cantidades que se abonen en virtud de pactos de no competencia post-contractual.

Cumple [X]

Cumple parcialmente []

Explique []

No aplicable []

H. OTRAS INFORMACIONES DE INTERÉS

1. Si existe algún aspecto relevante en materia de gobierno corporativo en la sociedad o en las entidades del grupo que no se haya recogido en el resto de apartados del presente informe, pero que sea necesario incluir para recoger una información más completa y razonada sobre la estructura y prácticas de gobierno en la entidad o su grupo, detállelos brevemente.
2. Dentro de este apartado, también podrá incluirse cualquier otra información, aclaración o matiz relacionado con los anteriores apartados del informe en la medida en que sean relevantes y no reiterativos.

En concreto, se indicará si la sociedad está sometida a legislación diferente a la española en materia de gobierno corporativo y, en su caso, incluya aquella información que esté obligada a suministrar y sea distinta de la exigida en el presente informe.

3. La sociedad también podrá indicar si se ha adherido voluntariamente a otros códigos de principios éticos o de buenas prácticas, internacionales, sectoriales o de otro ámbito. En su caso, se identificará el código en cuestión y la fecha de adhesión. En particular, hará mención a si se ha adherido al Código de Buenas Prácticas Tributarias, de 20 de julio de 2010:

Nota respecto al Apartado C.1.14

Existe un Comité de Dirección a nivel de Grupo, que está compuesto por el Consejero Delegado de la Sociedad, los principales directivos de la misma (esto es, los tres primeros directivos señalados en el apartado C.1.14, D^a. Clara Gómez Bermúdez, D. Joaquín Guallar Pérez y D. Manuel Francisco Sánchez Blanco) y de sus filiales más representativas (D. Juan Closa Cañellas, D. David Capdevila Ponce y D. Xavier Fontanet Serarols), siendo la remuneración global de estos tres últimos igual a 2.640 miles de euros.

Nota respecto al Apartado G. Recomendación 2

La Sociedad informa en el apartado D.2 del informe anual de gobierno corporativo de las relaciones de negocio que existen entre la sociedad matriz del grupo o sus filiales (distintas de las filiales de la cotizada), por un lado, y la sociedad cotizada o alguna de las filiales de esta última, por otro, existiendo un Protocolo interno de conducta en el ámbito de la delegación de la aprobación de operaciones vinculadas intragrupo en relación con el accionista de referencia de la Sociedad, para resolver los eventuales conflictos de interés que puedan presentarse.

Nota respecto al Apartado G. Recomendación 18

La Sociedad hace pública a través de su página web corporativa y mantiene actualizada, toda la información a la que hace referencia la Recomendación 18, con la excepción de informar sobre las demás actividades retribuidas que realicen los consejeros, cualquiera que sea su naturaleza, por cuanto la misma ya se hace pública en el apartado C.1.11 del presente Informe, disponible en la página web corporativa de la Sociedad (www.gco.com).

Nota respecto al Apartado H.3

El Consejo de Administración acordó en su reunión del 28 de octubre de 2016 que la Sociedad en su condición de entidad dominante de un grupo de sociedades en el sentido del artículo 42 del Código de Comercio, se adhiriera al Código de Buenas Prácticas Tributarias y al anexo al mismo, aprobados, respectivamente, el 23 de julio de 2010 y el 3 de noviembre de 2015.

Asimismo, la Sociedad y su Grupo están adheridos al Pacto Mundial de las Naciones Unidas, una iniciativa voluntaria por la cual se compromete a alinear sus estrategias y operaciones con diez principios universalmente aceptados, agrupados en cuatro áreas: derechos humanos, estándares laborales, medioambiente y corrupción. Trabaja también de forma constante en el desarrollo de los Objetivos de Desarrollo Sostenible definidos por la ONU en septiembre de 2015. Además, desde 2020 el Grupo es signatario de los Principios para la Sostenibilidad en Seguros (PSI) y de los Principios para la Inversión Responsable (PRI) de Naciones Unidas.

Todo ello está explicado en mayor detalle en la Memoria de Sostenibilidad del Grupo Catalana Occidente, disponible en la página web corporativa (www.gco.com).

Este informe anual de gobierno corporativo ha sido aprobado por el consejo de Administración de la sociedad, en su sesión de fecha:

[29/02/2024]

Indique si ha habido consejeros que hayan votado en contra o se hayan abstenido en relación con la aprobación del presente Informe.

[] Sí
[✓] No



08.

Annual remuneration report

In accordance with the provisions of article 538 of Royal Legislative Decree 1/2010, of 2 July, approving the revised text of the Capital Companies Act, a separate section of this Directors' Report includes the annual remuneration report.

The content of this section of the management report coincides with that of the annual remuneration report also sent, as a separate document, to the National Securities Market Commission (CNMV) for publication on www.cnmv.es.

DATOS IDENTIFICATIVOS DEL EMISOR

Fecha fin del ejercicio de referencia: [31/12/2023]

CIF: [A-08168064]

Denominación Social:

[**GRUPO CATALANA OCCIDENTE, S.A.**]

Domicilio social:

[PASEO DE LA CASTELLANA, 4 MADRID]

A. POLÍTICA DE REMUNERACIONES DE LA SOCIEDAD PARA EL EJERCICIO EN CURSO

A.1.1 Explique la política vigente de remuneraciones de los consejeros aplicable al ejercicio en curso. En la medida que sea relevante se podrá incluir determinada información por referencia a la política de retribuciones aprobada por la junta general de accionistas, siempre que la incorporación sea clara, específica y concreta.

Se deberán describir las determinaciones específicas para el ejercicio en curso, tanto de las remuneraciones de los consejeros por su condición de tal como por el desempeño de funciones ejecutivas, que hubiera llevado a cabo el consejo de conformidad con lo dispuesto en los contratos firmados con los consejeros ejecutivos y con la política de remuneraciones aprobada por la junta general.

En cualquier caso, se deberá informar, como mínimo, de los siguientes aspectos:

- a) Descripción de los procedimientos y órganos de la sociedad involucrados en la determinación, aprobación y aplicación de la política de remuneraciones y sus condiciones.
- b) Indique y, en su caso, explique si se han tenido en cuenta empresas comparables para establecer la política de remuneración de la sociedad.
- c) Información sobre si ha participado algún asesor externo y, en su caso, identidad del mismo
- d) Procedimientos contemplados en la política de remuneraciones vigente de los consejeros para aplicar excepciones temporales a la política, condiciones en las que se puede recurrir a esas excepciones y componentes que pueden ser objeto de excepción según la política.

La política de remuneraciones (la "Política") de Grupo Catalana Occidente, S.A. (la "Sociedad"), aplicable al ejercicio en curso ha sido propuesta motivadamente en la fecha de este Informe por el Consejo de Administración de la Sociedad (el "Consejo"), junto con el correspondiente informe de la Comisión de Nombramientos y Retribuciones (la "Comisión") de 27 de febrero de 2024, y será sometida a aprobación en la Junta General de Accionistas convocada el 25 de abril de 2024, en primera convocatoria. Dicha Política es continuista con las aprobadas en ejercicios pasados, y tiene prevista una vigencia desde la fecha de su aprobación por la Junta General y los 3 ejercicios siguientes (2025, 2026 y 2027, inclusive), basándose en los siguientes principios:

- (i) Crear valor a largo plazo.
- (ii) Recompensar la consecución de resultados basados en una asunción prudente y responsable de riesgos.
- (iii) Atraer y retener a los mejores profesionales.
- (iv) Recompensar el nivel de responsabilidad y la trayectoria profesional.
- (v) Velar por la equidad interna y la competitividad externa.

En este sentido, los anteriores principios se traducen en los siguientes pilares, tal y como se incardinan en el artículo 19 de los Estatutos Sociales y el artículo 27 del Reglamento del Consejo:

- (i) Moderación.
- (ii) Coherencia y sostenibilidad.
- (iii) Proporcionalidad y adecuación.
- (iv) Transparencia.
- (v) Verificación del Cumplimiento.

Los criterios utilizados para establecer la Política son determinados por el Consejo, a propuesta de la Comisión, dentro del marco establecido por la ley, los Estatutos Sociales y el Reglamento del Consejo.

En particular, cada ejercicio, la Comisión procede a la revisión anual de la Política, tras recibir el informe emitido por la Dirección de Recursos Humanos con la ayuda de la Unidad de Verificación del Cumplimiento, sobre las potenciales modificaciones a incluir.

Una vez estudiado, la Comisión propone al Consejo (i) si la Política debe ser objeto de alguna modificación o, por el contrario, no es necesario modificarla, y (ii) cuál debe ser (a) el importe de las atenciones estatutarias y las dietas por asistencia a devengar por el Consejo durante el ejercicio en curso, para que el Consejo, a su vez, eleve dicha propuesta a la Junta General de Accionistas, y (b) la distribución entre los consejeros de la cantidad global fijada por la Junta General de Accionistas en el ejercicio anterior en su condición de tales.

Asimismo, la Comisión revisa las remuneraciones de los miembros del Consejo en las principales sociedades filiales y examina el cumplimiento de los parámetros establecidos para la percepción de la remuneración variable del ejercicio cerrado por parte de los consejeros ejecutivos y los parámetros de la remuneración variable del ejercicio en curso, todo ello a la luz de las cuentas anuales formuladas por el Consejo y auditadas por el auditor externo. Con base en dicho análisis, la Comisión determina, para su elevación al Consejo, el importe de la remuneración variable a percibir por los consejeros ejecutivos, de conformidad con la Política y los contratos firmados con los mismos.

Una vez tomados los correspondientes acuerdos por parte de la Comisión, los mismos son elevados al Consejo para su información, análisis y, en su caso, posterior sometimiento a la Junta General de Accionistas.

Puesto que tanto la remuneración fija como la variable a percibir por los consejeros, ya sea en su condición de tales o como ejecutivos, está basada, en gran medida, en los resultados financieros ordinarios de la Sociedad y sus sociedades dependientes, la Comisión cuenta con la colaboración de la Alta Dirección y, en particular, de su Dirección de Recursos Humanos y su Dirección Financiera, que proporcionan los elementos cualitativos y cuantitativos necesarios para que la Comisión pueda desarrollar su cometido.

En el presente ejercicio 2024, la Comisión ha procedido a la revisión anual de la Política, tras recibir el informe de la Dirección de Recursos Humanos. En dicho informe, se ha propuesto incorporar ciertas modificaciones técnicas descritas en el Apartado A.2 siguiente.

En cuanto a los criterios utilizados para establecer la Política y si se han tenido en cuenta empresas comparables para establecer la misma, cabe señalar que esta es difícilmente comparable a la de otras sociedades por cuanto únicamente existen dos entidades del mismo sector económico en el que desarrolla su actividad la Sociedad cuyas acciones cotizan en los mercados secundarios españoles y, en ambos casos, sus características difieren sustancialmente de las de esta Sociedad. No obstante, sí cabe señalar que, a la vista de los informes públicos de expertos externos sobre los consejos de administración de las sociedades españolas cotizadas, tanto el importe de las dietas por asistencia a las reuniones del Consejo como la remuneración fija que éstos reciben, están alineadas con las que se perciben por los miembros de los consejos de sociedades cotizadas de tamaño similar.

Aunque el artículo 16.3 del Reglamento del Consejo establece que, para el mejor cumplimiento de sus funciones, la Comisión podrá recabar el asesoramiento de profesionales externos, durante el presente ejercicio no se prevé requerir el mismo.

A.1.2 Importancia relativa de los conceptos retributivos variables respecto a los fijos (mix retributivo) y qué criterios y objetivos se han tenido en cuenta en su determinación y para garantizar un equilibrio adecuado entre los componentes fijos y variables de la remuneración. En particular, señale las acciones adoptadas por la sociedad en relación con el sistema de remuneración para reducir la exposición a riesgos excesivos y ajustarlo a los objetivos, valores e intereses a largo plazo de la sociedad, lo que incluirá, en su caso, una referencia a medidas previstas para garantizar que en la política de remuneración se atienden a los resultados a largo plazo de la sociedad, las medidas adoptadas en relación con aquellas categorías de personal cuyas actividades profesionales tengan una repercusión material en el perfil de riesgos de la entidad y medidas previstas para evitar conflictos de intereses.

Asimismo, señale si la sociedad ha establecido algún período de devengo o consolidación de determinados conceptos retributivos variables, en efectivo, acciones u otros instrumentos financieros, un período de diferimiento en el pago de importes o entrega de instrumentos financieros ya devengados y consolidados, o si se ha acordado alguna cláusula de reducción de la remuneración diferida aún no consolidada o que obligue al consejero a la devolución de remuneraciones percibidas, cuando tales remuneraciones se hayan basado atendiendo a unos datos cuya inexactitud haya quedado después demostrada de forma manifiesta.

En relación a la importancia relativa de los conceptos retributivos variables respecto a los fijos y los criterios seguidos para determinar los distintos componentes del paquete retributivo de los consejeros, debe diferenciarse entre los conceptos retributivos relativos a la condición de consejeros como tales, por una parte, y los conceptos relativos al desempeño de funciones ejecutivas, por otra.

Consejeros en su condición de tales

En lo referente a los conceptos retributivos que perciben los consejeros por su condición de tales, éstos se basan únicamente en componentes fijos (esto es, atenciones estatutarias y dietas por asistencia), tal y como se expone en el Apartado siguiente.

Dichos componentes son sometidos anualmente a la aprobación de la Junta General de Accionistas, con carácter previo a su distribución, con lo que el Consejo ha articulado un sistema que busca un refrendo por parte de la Junta General y no una votación meramente consultiva, de conformidad con lo previsto en el artículo 217.3 LSC.

Asimismo, las atenciones estatutarias están vinculadas al beneficio consolidado del ejercicio y limitadas al 5% de dicho importe, mientras que las dietas han permanecido inalteradas durante más de diez años, a pesar de que tanto los resultados de la Sociedad como las nuevas obligaciones impuestas a los consejeros han experimentado un gran crecimiento en este período.

Igualmente, debe resaltarse tanto que gran parte de los consejeros han sido propuestos por accionistas con una participación, directa o indirecta, significativa, como la consistencia de los mismos en el Consejo en los últimos años, lo que desincentiva por sí mismo la aplicación de una política cortoplacista que no esté alineada con los intereses de accionistas y otros stakeholders.

Con el fin de evitar duplicidades, la Política establece que los consejeros no percibirán remuneración adicional alguna cuando formen parte del órgano de administración de aquellas entidades dependientes en las que la Sociedad tenga una participación, directa o indirecta, superior al 95% del capital social.

En virtud de todo lo anterior, por lo que respecta a la remuneración de los consejeros en su condición de tales, la Sociedad considera que el sistema de remuneración vigente se ajusta a sus objetivos, valores e intereses a largo plazo.

Consejeros ejecutivos

De conformidad con la Política, el único consejero ejecutivo (esto es, el Consejero Delegado, D. Hugo Serra Calderón) percibe una remuneración fija determinada conforme a los estándares de mercado y que se refleja en su contrato, de acuerdo con lo que establece la LSC. La cuantía de la remuneración fija se determina con base anual (ver Apartado más adelante relativo a los componentes fijos devengados por el desempeño de funciones de alta dirección).

Dicho consejero ejecutivo percibe asimismo una remuneración variable, con un equilibrio adecuado entre los componentes fijos y variables de su remuneración, por los motivos que se exponen a continuación.

En primer lugar, los parámetros que sirven para fijar dicha remuneración variable están en gran medida vinculados a los resultados ordinarios de la Sociedad y su grupo consolidado (el "Grupo"), excluyendo, por tanto, aquellos que incentivan otro tipo de estrategias que difieran de un crecimiento sostenido, como pueden ser los resultados extraordinarios de la Sociedad u otros factores exógenos, como puede ser el precio de cotización de las acciones de la Sociedad en bolsa.

Además, con el fin de evitar que dicha remuneración dependa excesivamente de los componentes variables, la Política prevé que la base de la remuneración variable no podrá exceder del 100% de la retribución fija (por la consecución del 100% de los objetivos establecidos), si bien dicha base, de conformidad con su contrato, es en la actualidad significativamente inferior al 100% de la retribución fija (ver Apartado más adelante relativo a los componentes variables).

En cuanto al pago de dicha remuneración, de conformidad con la Política, el 30% de la remuneración variable dineraria es pagadera con un período de diferimiento de 3 años respecto al ejercicio al que haga referencia el reglamento interno de remuneración variable suscrito por dicho consejero ejecutivo (el "Reglamento Individual"), a razón de un 10% por cada uno de los 3 años. La parte correspondiente a cada uno de dichos 3 años se corrige mediante la aplicación a la misma del porcentaje de liquidación de la retribución variable correspondiente al ejercicio objeto de la percepción, con el límite del 125%.

Asimismo, y sin perjuicio de la aplicación de los principios generales del derecho en materia contractual y laboral, su Reglamento Individual cuenta, de conformidad con las recomendaciones de buen gobierno aplicables a las sociedades cotizadas, tanto con cláusulas de reducción de la remuneración variable diferida que se encuentra pendiente de abono ("malus") como de recuperación de retribuciones variables ya satisfechas ("clawback"), en los términos que se exponen a continuación:

- Cláusula "malus": la remuneración variable diferida que se encuentre pendiente de abono será objeto de reducción si, durante el periodo hasta su consolidación, ocurre (i) una reformulación de cuentas anuales que resultase en una remuneración variable a liquidar inferior a la inicialmente devengada; (ii) una actuación fraudulenta por parte del Consejero Delegado; (iii) el acaecimiento de circunstancias que determinasen el despido disciplinario procedente del mismo o su cese, (iv) la realización de alguna actuación u omisión dolosa o negligente que cause daños graves a la Sociedad o la sanción al Consejero Delegado por incumplimiento de la normativa interna de la Sociedad, o (v) si como consecuencia de una gestión imputable al Consejero Delegado se producen cambios negativos significativos en el perfil de riesgos de la Sociedad por actuaciones realizadas al margen de las políticas y límites de la misma.

- Cláusula "clawback": la remuneración variable ya satisfecha, haya sido diferida o no, será objeto de recuperación, parcial o total, por parte de la Sociedad, cuando durante los 3 años siguientes al cierre del ejercicio del que la referida remuneración proceda, se detecte que la misma se ha producido total o parcialmente en base a información cuya falsedad o inexactitud grave quede demostrada, a posteriori, de forma manifiesta, produciéndose un efecto negativo material sobre las cuentas consolidadas del Grupo de cualquiera de los ejercicios en los que sea de aplicación esta cláusula.

A.1.3 Importe y naturaleza de los componentes fijos que se prevé devengarán en el ejercicio los consejeros en su condición de tales.

Los componentes fijos de las retribuciones que se prevé devengarán los miembros del Consejo en cuanto a tales son los siguientes:

(i) las atenciones estatutarias, determinadas en su importe global por la Junta General de Accionistas, dentro del límite establecido por los Estatutos Sociales. A estos efectos, la remuneración fija de los consejeros en su condición de tales consiste en una asignación fija en metálico que en ningún caso excederá del 5% del beneficio neto anual consolidado del último ejercicio cerrado de la Sociedad; y que el Consejo en su sesión de fecha de hoy ha acordado proponer a la Junta General en la cifra de 2.078.981,80 euros para el ejercicio 2024, igual al ejercicio 2023.

(ii) las dietas por asistencia a los diferentes consejos de administración celebrados durante el ejercicio, que se han venido abonando para compensar el tiempo dedicado tanto a la preparación de dichas reuniones como a las reuniones en sí. A estos efectos, el Consejo en su sesión

de fecha de hoy ha acordado, como en los últimos ejercicios, no aumentar las mismas, quedando por tanto fijadas para el ejercicio 2024 en la cantidad de 2.225,00 euros por reunión.

Al igual que en el ejercicio cerrado 2023, no existirán en el ejercicio en curso remuneraciones adicionales por el cargo de Presidente o miembro de alguna comisión del Consejo. No obstante, en atención a las funciones y responsabilidades atribuidas, se prevé que el reparto que realice el Consejo de la atención estatutaria que a nivel global determine la Junta General de Accionistas, sea con una asignación al Presidente del Consejo, Don José María Serra Farré, de un importe igual al doble del que corresponde al resto de los consejeros individualmente.

En virtud de lo anterior, y de conformidad con la Política, el Consejo ha acordado en fecha de hoy someter a la aprobación de la Junta General de Accionistas, conforme al artículo 217.3 LSC, el mantenimiento de la cantidad máxima global a percibir por los consejeros, en su condición de tales, para el ejercicio en curso, por importe total de 2.600.000 euros.

Adicionalmente, está previsto que aquellos miembros del Consejo que son, a su vez, consejeros en sociedades dependientes en las que (a) la Sociedad tiene una participación, directa o indirecta, inferior al 95% del capital social; o (b) la Sociedad participa de forma minoritaria, puedan percibir retribuciones fijas en dichas sociedades, si así lo establecieran sus estatutos sociales y/o política de remuneraciones, en su caso.

En particular, se prevé que aquellos consejeros que durante el ejercicio 2024 ocupen cargos en (i) el consejo supervisor (supervisory board) de Atradius NV; (ii) el comité de auditoría (audit committee) y el comité de retribuciones y nombramientos (remuneration and selection appointment committee) de Atradius NV; (iii) el consejo de administración de Grupo Compañía Española de Crédito y Caución, S.L.; y (iv) el comité consultivo de Grupo Compañía Española de Crédito y Caución, S.L.; perciban unas remuneraciones fijas similares a las señaladas en el Apartado C.1(b) (i) del presente Informe respecto al ejercicio anterior.

Finalmente, con independencia de las remuneraciones descritas en los párrafos anteriores, se reembolsarán a los consejeros todos los gastos razonables debidamente justificados que estén relacionados directamente con el desempeño del cargo.

A.1.4 Importe y naturaleza de los componentes fijos que serán devengados en el ejercicio por el desempeño de funciones de alta dirección de los consejeros ejecutivos.

Tal y como prevé la Política, los consejeros ejecutivos percibirán una remuneración fija por el desempeño de sus funciones de alta dirección, de conformidad con lo dispuesto en sus correspondientes contratos. En particular, el Consejero Delegado percibirá dicha remuneración fija de la Sociedad, por importe de 540.800 euros lo que supone que su remuneración fija se verá incrementada en un 4% respecto al ejercicio anterior.

Lo anterior ha sido acordado a propuesta de la Comisión, mediante la correspondiente novación de su contrato mercantil, aprobada en fecha de hoy por el Consejo, de conformidad con el artículo 529 octodécies LSC.

La anterior remuneración se abona al consejero ejecutivo en efectivo, y no existen otros beneficios ligados a la remuneración fija del mismo que sean satisfechos de otra forma, salvo por las remuneraciones en especie percibidas de conformidad con el Apartado siguiente.

A.1.5 Importe y naturaleza de cualquier componente de remuneración en especie que será devengado en el ejercicio incluyendo, pero no limitado a, las primas de seguros abonadas en favor del consejero.

Como en ejercicios anteriores, existen dos pólizas de seguro de responsabilidad civil de consejeros y directivos del Grupo al que pertenece la Sociedad y cuyo tomador es esta última. A los efectos del presente Informe, no se tienen en cuenta las mismas, por cuanto el perímetro de los beneficiarios excede a los miembros del Consejo y además no es posible distribuir el coste de las primas sufragadas por la Sociedad entre los mismos. En cualquier caso, a efectos informativos, se señala que las primas asociadas a dichas pólizas fue en el ejercicio 2023 de 94 miles de euros.

Por su parte, el Consejero Delegado es remunerado en especie mediante las siguientes atribuciones:

(i) Seguro de vida temporal y seguro de salud, estando las primas de suscripción a cargo de la Sociedad. Los importes de las mismas correspondientes al ejercicio 2023 están descritos en el Apartado C.1(a) (iv) de los cuadros incluidos en el presente Informe, y se estima que no variarán sustancialmente en este ejercicio respecto a las imputadas en dicho ejercicio 2023.

(ii) Vehículo de empresa. Las cantidades imputadas a dicho uso en el ejercicio 2023 están descritas en el Apartado C.1(a) (i) de los cuadros incluidos en el presente Informe, y se estima que no variarán sustancialmente en este ejercicio respecto a las imputadas en dicho ejercicio 2023.

A.1.6 Importe y naturaleza de los componentes variables, diferenciando entre los establecidos a corto y largo plazo. Parámetros financieros y no financieros, incluyendo entre estos últimos los sociales, medioambientales y de cambio climático, seleccionados para determinar la remuneración variable en el ejercicio en curso, explicación de en qué medida tales parámetros guardan relación con el rendimiento, tanto del consejero, como de la entidad y con su perfil de riesgo, y la metodología, plazo necesario y técnicas previstas para poder determinar, al finalizar el ejercicio, el grado efectivo de cumplimiento de los parámetros utilizados en el diseño de la remuneración variable, explicando los criterios y factores que aplica en cuanto al tiempo requerido y métodos

para comprobar que se han cumplido de modo efectivo las condiciones de rendimiento o de cualquier otro tipo a las que estaba vinculado el devengo y la consolidación de cada componente de la retribución variable.

Indique el rango en términos monetarios de los distintos componentes variables en función del grado de cumplimiento de los objetivos y parámetros establecidos, y si existe algún importe monetario máximo en términos absolutos.

Los consejeros en su condición de tales no son beneficiarios de ningún sistema retributivo o plan que incorpore una remuneración variable.

Por su parte, el Consejero Delegado, de conformidad con su contrato mercantil, sí es beneficiario de un plan retributivo que incorpora una parte variable.

En particular, tiene un importe variable de carácter anual establecido y aprobado anualmente con una base del 50% sobre la remuneración fija bruta, por la consecución del 100% de los objetivos establecidos para cada anualidad. La remuneración variable queda fijada en su respectivo Reglamento Individual, que complementa a su contrato mercantil y que fija los parámetros de percepción de la misma.

De conformidad con lo establecido en la Política, el Reglamento Individual es redactado por la Dirección de Recursos Humanos de la Sociedad, siendo validado por la Comisión con carácter previo a su aprobación por el Consejo. Una vez aprobado, y en señal de conformidad con el mismo, el Consejero Delegado debe suscribirlo. A estos efectos, el Reglamento Individual incluye el compromiso del mismo de no utilizar ninguna estrategia de cobertura personal ni ningún seguro relacionado con la remuneración y la responsabilidad que menoscabe los efectos de adaptación al riesgo implícitos en su sistema remunerativo y, en particular, el relacionado con su remuneración variable

En cuanto a la fijación de los objetivos, tanto financieros como no financieros, éstos se han establecido sobre la base de parámetros de gestión objetivos y medibles que tienen asignados, cada uno de ellos, un determinado porcentaje de la base total en función de su prioridad pudiendo ser tanto anuales como plurianuales, sin que la cuantía máxima a percibir por cada objetivo pueda superar el 125% de la parte de la base que tiene asignada. En caso de que el resultado consolidado de la Sociedad y sus sociedades dependientes fuese negativo o el ratio de solvencia del Grupo fuera inferior al 100%, no se devengaría importe alguno.

En particular, los parámetros financieros de valoración para el Consejero Delegado son (i) el resultado atribuido a la sociedad dominante del grupo consolidado (Grupo Catalana Occidente, S.A.), con un peso del 30% en la valoración; (ii) el resultado neto ordinario del negocio del seguro tradicional y del derivado del seguro de crédito, con un peso del 15% y 10%, respectivamente; (iii) la facturación del negocio del seguro tradicional y del derivado del seguro de crédito, con un peso del 7% y el 5%, respectivamente; (iv) el ratio de eficacia del negocio del seguro tradicional, con un peso del 8%.

Por su parte, los parámetros no financieros (incluyendo entre estos últimos los sociales, medioambientales y de cambio climático) de valoración para el Consejero Delegado, con un peso total del 25% de la valoración, incluyen el cumplimiento de los proyectos principales del Grupo entre los que se encuentran los proyectos de simplicidad corporativa, canales de distribución, cliente, oferta de valor, eficiencia, y Plan Director de Sostenibilidad.

Una vez finalizado el ejercicio, calculado el grado de cumplimiento de los diferentes parámetros objetivos y determinado el importe variable, el Consejero Delegado percibirá dicho importe íntegramente como remuneración dineraria.

En este sentido, respecto a la estimación del importe absoluto de la retribución variable a la que daría origen el plan retributivo en el ejercicio 2024, cabe señalar que la cantidad prevista para una cumplimentación del 100% de los objetivos es de aproximadamente 270.400 euros para el Consejero Delegado, si bien cabe señalar que un 30% del importe correspondiente a la remuneración variable dineraria queda diferido en los términos descritos anteriormente.

A.1.7 Principales características de los sistemas de ahorro a largo plazo. Entre otra información, se indicarán las contingencias cubiertas por el sistema, si es de aportación o prestación definida, la aportación anual que se tenga que realizar a los sistemas de aportación definida, la prestación a la que tengan derecho los beneficiarios en el caso de sistemas de prestación definida, las condiciones de consolidación de los derechos económicos a favor de los consejeros y su compatibilidad con cualquier tipo de pago o indemnización por resolución o cese anticipado, o derivado de la terminación de la relación contractual, en los términos previstos, entre la sociedad y el consejero.

Se deberá indicar si el devengo o consolidación de alguno de los planes de ahorro a largo plazo está vinculado a la consecución de determinados objetivos o parámetros relacionados con el desempeño a corto y largo plazo del consejero.

Los consejeros de la Sociedad en su condición de tales no son beneficiarios de ningún sistema de ahorro a largo plazo, incluyendo jubilación o cualquier otra prestación de supervivencia, financiados parcial o totalmente por la Sociedad.

Por su parte, en la actualidad, el Presidente del Consejo D. Jose María Serra Farré, anterior Presidente Ejecutivo (ver apartado B6 siguiente), se encuentra en la misma situación descrita en el párrafo anterior, si bien cuenta con un fondo acumulado en ejercicios anteriores cuyo importe se encuentra detallado en el Apartado C(b) (iii) de los cuadros incluidos en el presente Informe.

Asimismo, el Consejero Delegado es beneficiario de un sistema de previsión social, para complementar su pensión pública de jubilación, fallecimiento e incapacidad adicional, con carácter de aportación definida en régimen de expectativa de derecho por cuanto pierde el derecho a percibir las prestaciones en el caso de cese debido a un incumplimiento grave y culpable de las obligaciones que se les imponen en su condición de administradores por la Ley, los Estatutos de las sociedades del Grupo o en virtud de su respectivo contrato mercantil declarado por sentencia judicial firme. La aportación definida consiste en una aportación anual del 20% de la remuneración fija.

Acaecida alguna de las contingencias señaladas, el Consejero Delegado tendrá derecho a una prestación cuyo importe se encontrará determinado por la suma de las dotaciones/aportaciones realizadas por la Sociedad hasta ese momento, conforme a los parámetros anteriores, y, en su caso, los rendimientos generados. El Consejero Delegado, o sus beneficiarios en caso de fallecimiento, podrá/n optar por percibir la prestación en forma de capital, renta o una combinación de ambas.

Se prevé que la aportación al sistema de previsión social correspondiente al 20% de la remuneración fija será de aproximadamente 108.160 euros.

Dicho sistema es compatible con la indemnización por terminación de la relación contractual entre la Sociedad y el Consejero Delegado por sus funciones ejecutivas, según corresponda, y que está descrita en los Apartados siguientes.

A.1.8 Cualquier tipo de pago o indemnización por resolución o cese anticipado o derivado de la terminación de la relación contractual en los términos previstos entre la sociedad y el consejero, sea el cese a voluntad de la empresa o del consejero, así como cualquier tipo de pactos acordados, tales como exclusividad, no concurrencia post-contractual y permanencia o fidelización, que den derecho al consejero a cualquier tipo de percepción.

No está previsto abonar indemnización alguna a ningún consejero como consecuencia de la terminación de sus funciones, ni tampoco existen indemnizaciones pactadas con los actuales miembros del Consejo para el caso de que los mismos cesen en sus cargos en su condición de consejeros, distintas de las señaladas en el Apartado siguiente.

A.1.9 Indique las condiciones que deberán respetar los contratos de quienes ejerzan funciones de alta dirección como consejeros ejecutivos. Entre otras, se informará sobre la duración, los límites a las cuantías de indemnización, las cláusulas de permanencia, los plazos de preaviso, así como el pago como sustitución del citado plazo de preaviso, y cualesquiera otras cláusulas relativas a primas de contratación, así como indemnizaciones o blindajes por resolución anticipada o terminación de la relación contractual entre la sociedad y el consejero ejecutivo. Incluir, entre otros, los pactos o acuerdos de no concurrencia, exclusividad, permanencia o fidelización y no competencia post-contractual, salvo que se hayan explicado en el apartado anterior.

De conformidad con lo ya expuesto anteriormente, existe un único miembro del Consejo que tiene la condición de consejero ejecutivo.

Ostenta dicho cargo desde el pasado 1 de enero de 2022 (anteriormente Director General Adjunto a Presidencia de la Sociedad), encontrándose integrado en el Consejo de la misma, además de ser miembro del órgano de administración de otras sociedades dependientes. En el ejercicio 2015, suscribió un contrato mercantil de duración indefinida con la Sociedad (novado en los aspectos ya señalados en este y anteriores Informes). No existen previsiones de indemnización por desvinculación laboral, permanencia, ni cualesquiera otras relativas a primas de contratación.

El citado contrato contiene una cláusula de no competencia cuya duración está vinculada al periodo que establezca el Reglamento del Consejo en cada momento (actualmente fijado en dos años, en virtud del artículo 22.3 de dicho Reglamento).

En cuanto a los pactos de no concurrencia, el consejero ejecutivo anteriormente señalado, al igual que el resto de consejeros externos, tienen, en virtud del artículo 229 LSC (así como por el artículo 31 del Reglamento del Consejo), la obligación de abstenerse de desarrollar actividades por cuenta propia o cuenta ajena que entrañen una competencia efectiva, sea actual o potencial, con la Sociedad o que, de cualquier otro modo, le sitúen en un conflicto permanente con los intereses de la Sociedad. La obligación de no competir solo podrá ser objeto de dispensa en el supuesto de que no quepa esperar daño para la Sociedad o el que quepa esperar se vea compensado por los beneficios que prevén obtenerse de la dispensa. La dispensa se concederá de conformidad con la LSC y el Reglamento del Consejo de la Sociedad.

A.1.10 La naturaleza e importe estimado de cualquier otra remuneración suplementaria que será devengada por los consejeros en el ejercicio en curso en contraprestación por servicios prestados distintos de los inherentes a su cargo.

No está prevista ninguna remuneración suplementaria que vaya a ser devengada por los consejeros en el ejercicio en curso como contraprestación por servicios prestados distintos de los inherentes a su cargo.

A.1.11 Otros conceptos retributivos como los derivados, en su caso, de la concesión por la sociedad al consejero de anticipos, créditos y garantías y otras remuneraciones.

No está previsto otorgar remuneración alguna en forma de anticipos, créditos y garantías a los miembros del Consejo durante el ejercicio en curso. Igualmente, ni la Sociedad ni ninguna de sus sociedades dependientes tiene previsto asumir obligación alguna por cuenta de un consejero a título de garantía durante el ejercicio en curso.

A.1.12 La naturaleza e importe estimado de cualquier otra remuneración suplementaria prevista no incluida en los apartados anteriores, ya sea satisfecha por la entidad u otra entidad del grupo, que se devengará por los consejeros en el ejercicio en curso.

No está prevista ninguna remuneración suplementaria no incluida en los apartados anteriores, ya sea satisfecha por la Sociedad u otra entidad del grupo, a devengar por los consejeros en el ejercicio en curso.

A.2. Explique cualquier cambio relevante en la política de remuneraciones aplicable en el ejercicio en curso derivada de:

- a) Una nueva política o una modificación de la política ya aprobada por la Junta.
- b) Cambios relevantes en las determinaciones específicas establecidas por el consejo para el ejercicio en curso de la política de remuneraciones vigente respecto de las aplicadas en el ejercicio anterior.
- c) Propuestas que el consejo de administración hubiera acordado presentar a la junta general de accionistas a la que se someterá este informe anual y que se propone que sean de aplicación al ejercicio en curso.

Está previsto someter la Política descrita en el presente Informe a la aprobación de la Junta General de Accionistas convocada el próximo 25 de abril de 2024, en primera convocatoria, a pesar de que solo ha cumplido el primero de los 3 años de vigencia desde su aprobación.

Sin perjuicio de que (i) la Política sigue una línea continuista con la vigente en ejercicios anteriores; (ii) no ha variado el esquema retributivo de los miembros del Consejo de Administración; y (iii) cumple con la normativa aseguradora en relación con esta temática, la Sociedad ha considerado necesario realizar determinadas modificaciones con el fin de adaptarla a los requisitos específicos de información respecto a la remuneración de los consejeros ejecutivos incluidos en los artículos 527 septdecies a novodecies LSC.

A.3. Identifique el enlace directo al documento en el que figure la política de remuneraciones vigente de la sociedad, que debe estar disponible en la página web de la sociedad.

El enlace directo a la Política de remuneraciones vigente de la Sociedad disponible en la página web de la misma, es el siguiente:

<https://www.gco.com/accionistas-inversores/gobierno/gobierno-corporativo>

A.4. Explique, teniendo en cuenta los datos facilitados en el apartado B.4, cómo se ha tenido en cuenta el voto de los accionistas en la junta general a la que se sometió a votación, con carácter consultivo, el informe anual de remuneraciones del ejercicio anterior.

Tal y como se señala en el Apartado B.4 siguiente, el Informe Anual sobre Remuneraciones del ejercicio 2022 fue aprobado consultivamente en la Junta General de Accionistas por la práctica totalidad de los accionistas presentes y representados (98,53151% de los votos emitidos), manteniendo el alto grado de aprobación que ya se había obtenido en ejercicios anteriores.

En este sentido, visto el respaldo mayoritario al informe anual de remuneraciones, el Consejo de Administración ha acordado, a propuesta de la Comisión, proponer a la Junta General de Accionistas una Política que, salvo por las modificaciones mencionadas en el Apartado A.2 anterior, es continuista con la que le antecede.

B. RESUMEN GLOBAL DE CÓMO SE APLICÓ LA POLÍTICA DE RETRIBUCIONES DURANTE EL EJERCICIO CERRADO

B.1.1 Explique el proceso que se ha seguido para aplicar la política de remuneraciones y determinar las retribuciones individuales que se reflejan en la sección C del presente informe. Esta información incluirá el papel desempeñado por la comisión de retribuciones, las decisiones tomadas por el consejo de administración y, en su caso, la identidad y el rol de los asesores externos cuyos servicios se hayan utilizado en el proceso de aplicación de la política retributiva en el ejercicio cerrado.

Los trabajos preparatorios y el proceso de toma de decisiones en relación con la Política y la determinación de las retribuciones individuales no han diferido de los aplicados en ejercicios anteriores.

En particular, la Comisión propuso al Consejo, en la reunión de éste último para la formulación de las cuentas anuales del ejercicio 2022, cuál debía ser (i) el importe de las atenciones estatutarias y las dietas por asistencia a devengar por el Consejo durante el ejercicio 2023, para que el Consejo, a su vez, elevara dicha propuesta a la Junta General de Accionistas, y (ii) la concreta distribución entre los consejeros de la cantidad global fijada por la Junta General de Accionistas en el ejercicio 2022 por su condición de consejeros como tales.

Asimismo, la Comisión revisó las remuneraciones de los miembros del Consejo en las principales sociedades filiales y examinó el cumplimiento de los parámetros establecidos para la percepción de la remuneración variable del ejercicio anterior por parte de los consejeros ejecutivos y los parámetros de la remuneración variable para el ejercicio 2023, todo ello a la luz de las cuentas anuales formuladas por el Consejo y auditadas por el auditor externo. Con base en dicho análisis, la Comisión determinó, para su elevación al Consejo, el importe de la remuneración variable a percibir por los consejeros ejecutivos por su desempeño en el ejercicio anterior, de conformidad con la Política y los contratos firmados con los mismos.

Una vez tomados los correspondientes acuerdos por parte de la Comisión, los mismos fueron elevados al Consejo para su información, análisis y, en su caso, posterior sometimiento a la Junta General de Accionistas.

Puesto que tanto la remuneración fija como la variable a percibir por los consejeros, ya sea en su condición de tales o como ejecutivos, estaba basada, en gran medida, en los resultados financieros ordinarios de la Sociedad y sus sociedades dependientes, la Comisión contó con la colaboración de la Alta Dirección de la Sociedad y, en particular, de su Dirección de Recursos Humanos y su Dirección Financiera, que proporcionaron los elementos cualitativos y cuantitativos necesarios para que la Comisión pudiera desarrollar su cometido.

Por otra parte, aunque el artículo 16.3 del Reglamento del Consejo establece que, para el mejor cumplimiento de sus funciones, la Comisión podrá recabar el asesoramiento de profesionales externos, durante el ejercicio 2023 no se requirió de dicho asesoramiento.

B.1.2 Explique cualquier desviación del procedimiento establecido para la aplicación de la política de remuneraciones que se haya producido durante el ejercicio.

No se ha producido ninguna desviación del procedimiento establecido para la aplicación de la Política durante el ejercicio social cerrado el 31 de diciembre de 2023.

B.1.3 Indique si se ha aplicado cualquier excepción temporal a la política de remuneraciones y, de haberse aplicado, explique las circunstancias excepcionales que han motivado la aplicación de estas excepciones, los componentes específicos de la política retributiva afectados y las razones por las que la entidad considera que esas excepciones han sido necesarias para servir a los intereses a largo plazo y la sostenibilidad de la sociedad

en su conjunto o para asegurar su viabilidad. Cuantifique, asimismo, el impacto que la aplicación de estas excepciones ha tenido sobre la retribución de cada consejero en el ejercicio.

No se ha aplicado ninguna excepción temporal a la Política en los términos señalados en el enunciado durante el ejercicio social cerrado el 31 de diciembre de 2023.

B.2. Explique las diferentes acciones adoptadas por la sociedad en relación con el sistema de remuneración y cómo han contribuido a reducir la exposición a riesgos excesivos y ajustarlo a los objetivos, valores e intereses a largo plazo de la sociedad, incluyendo una referencia a las medidas que han sido adoptadas para garantizar que en la remuneración devengada se ha atendido a los resultados a largo plazo de la sociedad y alcanzado un equilibrio adecuado entre los componentes fijos y variables de la remuneración, qué medidas han sido adoptadas en relación con aquellas categorías de personal cuyas actividades profesionales tengan una repercusión material en el perfil de riesgos de la entidad, y qué medidas han sido adoptadas para evitar conflictos de intereses, en su caso.

En el ejercicio cerrado 2023 no se han adoptado medidas particulares en relación con el sistema de remuneraciones diferentes a las incluidas en la Política aprobada por la Junta General de Accionistas de 27 de abril de 2023.

Como se ha indicado ya en este Informe, en lo referente a los conceptos retributivos que perciben los consejeros por su condición de tales, éstos se basaron únicamente en componentes fijos, es decir, (i) atenciones estatutarias en la cuantía determinada por el Consejo en base a la cantidad global fijada por la Junta General de Accionistas, dentro del límite establecido por los Estatutos Sociales; y (ii) dietas por asistencia a los diferentes consejos de la Sociedad y a las comisiones y consejos de determinadas sociedades dependientes, celebrados durante el ejercicio.

Dichos componentes son sometidos anualmente a la aprobación de la Junta General de Accionistas, con carácter previo a su distribución, con lo que el Consejo ha articulado un sistema que busca un refrendo por parte de la Junta General y no una votación meramente consultiva.

Asimismo, en aras de la moderación y la proporcionalidad, las atenciones estatutarias están vinculadas al beneficio consolidado del ejercicio y limitadas al 5% de dicho importe, mientras que las dietas han permanecido inalteradas durante más de diez años, a pesar de que tanto los resultados de la Sociedad como las nuevas obligaciones impuestas a los Consejeros han experimentado un gran crecimiento en este periodo.

Igualmente, debe resaltarse tanto que la mayoría de los consejeros han sido propuestos por accionistas con una participación, directa o indirecta, significativa, como la consistencia de los mismos en el Consejo en los últimos años, lo que desincentiva por sí mismo la aplicación de una política cortoplacista que no esté alineada con los intereses de accionistas y otros stakeholders.

En cuanto a los consejeros ejecutivos, estos han percibido una remuneración fija determinada conforme a los estándares de mercado, con base anual, que se refleja en sus correspondientes contratos mercantiles, de acuerdo con la LSC. Respecto al consejero ejecutivo que ha percibido una remuneración variable en el ejercicio cerrado, existe un equilibrio adecuado entre los componentes fijos y variables de la remuneración, por los mismos motivos que se han expuesto anteriormente en el Apartado A.1 y que se resumen a continuación.

En primer lugar, los parámetros que sirven para fijar dicha remuneración están en gran medida vinculados a los resultados ordinarios de la Sociedad y su Grupo consolidado, excluyendo, por tanto, aquellos que incentivan otro tipo de estrategias que difieran de un crecimiento sostenido, como pueden ser los resultados extraordinarios de la Sociedad u otros factores exógenos, como puede ser la cotización de la Sociedad en bolsa. Por otro lado, con el fin de evitar que la remuneración del consejero ejecutivo dependa excesivamente de los componentes variables, la Política prevé que la base de la remuneración variable no pueda exceder de un determinado porcentaje de la retribución fija, tal y como se ha explicado anteriormente.

En este sentido, para contribuir a reducir la exposición a riesgos excesivos y ajustar la Política a los objetivos, valores e intereses a largo plazo de la Sociedad, ya en 2021:

(a) Se detalló en mayor medida los criterios no financieros que podrían ser usados como parámetros para fijar la remuneración variable en el Reglamento Individual y establecer que, como mínimo, dichos criterios no financieros deberían tener un peso del 25% del total a efectos del cálculo del importe de la remuneración variable.

(b) Se añadió como parámetro general, que si el ratio de solvencia del Grupo fuese inferior al 100% al cierre del ejercicio de referencia, no se devengaría importe alguno por dicho concepto.

(c) Se precisó que la remuneración variable susceptible de pago dinerario resultante de la aplicación del Reglamento Individual sería diferida "en un mínimo" del 30%, dando mayor flexibilidad al ajuste de dicho porcentaje, considerándose el mismo como una parte sustancial de la remuneración variable.

En cuanto al pago de dicha remuneración, la Política establece un sistema de diferimiento del 30% de la remuneración variable dineraria que se ha explicitado en el Apartado A.1 bajo el epígrafe "Importancia relativa de los conceptos retributivos variables respecto a los fijos".

Asimismo, y sin perjuicio de la aplicación de los principios generales del derecho en materia contractual y laboral, el Reglamento Individual aplicable al consejero ejecutivo en el ejercicio 2023 cuenta tanto con cláusulas de reducción de la remuneración variable diferida que se encuentra pendiente de abono ("malus") como de recuperación de retribuciones variables ya satisfechas ("clawback"), en los mismos términos que se han expuesto anteriormente (ver Apartado A.1, epígrafe "Importancia relativa de los conceptos retributivos variables respecto a los fijos").

B.3. Explique cómo la remuneración devengada y consolidada en el ejercicio cumple con lo dispuesto en la política de retribución vigente y, en particular, cómo contribuye al rendimiento sostenible y a largo plazo de la sociedad.

Informe igualmente sobre la relación entre la retribución obtenida por los consejeros y los resultados u otras medidas de rendimiento, a corto y largo plazo, de la entidad, explicando, en su caso, cómo las variaciones en el rendimiento de la sociedad han podido influir en la variación de las remuneraciones de los consejeros, incluyendo las devengadas cuyo pago se hubiera diferido, y cómo éstas contribuyen a los resultados a corto y largo plazo de la sociedad.

La remuneración devengada cumple estrictamente con lo dispuesto en la Política aprobada por la Junta General de Accionistas de 27 de abril de 2023.

Tal y como se ha expuesto en el presente Informe, el importe de las atenciones estatutarias de los consejeros en su condición de tales, respecto del ejercicio cerrado, no superó el umbral máximo del 5% del beneficio consolidado del ejercicio establecido en la Política, así como tampoco se ha superado la cantidad máxima global a percibir por los consejeros en su condición de tales acordado por la citada Junta General.

Asimismo, tal y como se detalla en los Apartados B.2, B.6 y B.7 siguientes, la remuneración variable del Consejero Delegado (y por extensión, la parte de la misma destinada a sistemas de previsión social) está vinculada a los resultados y otros parámetros financieros y no financieros de la Sociedad y sus principales filiales, de manera que el rendimiento de la Sociedad, en lo relativo a dichos parámetros, influye directamente en el importe final a percibir por el consejero ejecutivo en concepto de retribución variable o a ser aportado a sus sistemas de previsión social.

De igual forma, el establecer el sistema de diferimiento del 30% de la retribución variable dineraria en un periodo de tres años (complementado con las cláusulas de reducción de la remuneración variable diferida que se encuentre pendiente de abono ("malus") y de recuperación de retribuciones variables ya satisfechas ("clawback"), tal y como se ha descrito en el Apartado B.2 anterior, sirve como medida de seguridad frente a cualquier mala praxis o actuación cortoplacista que pudiera producirse para influir en los resultados a corto plazo de la Sociedad, contribuyendo al rendimiento sostenible y a largo plazo de la Sociedad.

B.4. Informe del resultado de la votación consultiva de la junta general al informe anual sobre remuneraciones del ejercicio anterior, indicando el número de abstenciones y de votos negativos, en blanco y a favor que se hayan emitido:

	Número	% sobre el total
Votos emitidos	92.726.291	77,27
	Número	% sobre emitidos
Votos negativos	1.329.502	1,43
Votos a favor	91.364.618	98,53
Votos en blanco		0,00
Abstenciones	32.171	0,03

Observaciones

B.5. Explique cómo se han determinado los componentes fijos devengados y consolidados durante el ejercicio por los consejeros en su condición de tales, su proporción relativa para cada consejero y cómo han variado respecto al año anterior.

Tal y como se ha indicado en el Apartado A.1 anterior, los componentes fijos de las retribuciones de los miembros del Consejo en cuanto a tales son los siguientes:

(i) las atenciones estatutarias, determinadas en su importe global por la Junta General de Accionistas, dentro del límite establecido por los Estatutos Sociales; y

(ii) las dietas por asistencia a los diferentes consejos de administración celebrados durante el ejercicio, determinadas también por la Junta General de Accionistas.

El importe de las atenciones estatutarias (2.078.981,80 euros) fue propuesto por el Consejo de 23 de febrero de 2023 a la Junta General de Accionistas, que lo aprobó en su reunión de 27 de abril de 2023, al igual que el importe de las dietas por asistencia a los diferentes consejos, reduciéndose el importe total tanto de las atenciones estatutarias como de las dietas respecto al ejercicio anterior como consecuencia de la reducción en un miembro del número total de consejeros.

El importe desglosado por cada uno de dichos conceptos está referenciado en los Apartados C.1(a) (i), C.1(b) (i) y C2 de los cuadros incluidos en el presente Informe.

La suma de los anteriores dos conceptos está por debajo de la cantidad máxima global a percibir por los consejeros, en su condición de tales, aprobada por la Junta General de Accionistas de 27 de abril de 2023 (2.600.000 euros).

Adicionalmente, de conformidad con la Política, aquellos miembros del Consejo que son, a su vez, consejeros en (i) sociedades dependientes en las que la Sociedad tiene una participación, directa o indirecta, inferior al 95% del capital social, o (ii) en la que la Sociedad participa de forma minoritaria, pudieron percibir retribuciones fijas en dichas sociedades.

En particular, aquellos consejeros que durante el ejercicio 2023 han ocupado cargos en (i) el consejo supervisor (supervisory board) de Atradius NV; (ii) el comité de auditoría (audit committee) y el comité de retribuciones y nombramientos (remuneration and selection appointment committee) de Atradius NV; (iii) el consejo de administración de Grupo Compañía Española de Crédito y Caución, S.L.; y (iv) el consejo consultivo de Grupo Compañía Española de Crédito y Caución, S.L.; han percibido las remuneraciones fijas señaladas en el Apartado C.1(b) (i) de los cuadros incluidos en el presente Informe.

Dichas cantidades, han sido acordadas por los respectivos órganos de administración de las citadas compañías de conformidad con sus estatutos sociales.

B.6. Explique cómo se han determinado los sueldos devengados y consolidados, durante el ejercicio cerrado, por cada uno de los consejeros ejecutivos por el desempeño de funciones de dirección, y cómo han variado respecto al año anterior.

Los consejeros ejecutivos han percibido una remuneración fija por el desempeño de funciones de alta dirección de conformidad con lo establecido en sus contratos mercantiles, tal y como estos quedaron novados respecto al sueldo por acuerdo del Consejo de 23 de febrero de 2023.

Todas las anteriores remuneraciones se han abonado a los consejeros en efectivo, y no existen otros beneficios ligados a la remuneración fija de los consejeros que sean satisfechos de otra forma, salvo por las remuneraciones en especie percibidas por los consejeros ejecutivos de conformidad con el Apartado B.14 siguiente.

En particular, en cuanto al anterior Presidente Ejecutivo y al Consejero Delegado aumentaron un 4%, desde el 1 de enero de 2023, con la correspondiente novación de sus contratos mercantiles, situándose en 306.884 euros y 520.000 euros, respectivamente.

No obstante, de dicho importe, el Presidente Ejecutivo únicamente ha percibido 179.000 euros, como consecuencia de la terminación de su contrato mercantil en fecha 27 de julio de 2023, al renunciar a su condición de ejecutivo de la Sociedad.

B.7. Explique la naturaleza y las principales características de los componentes variables de los sistemas retributivos devengados y consolidados en el ejercicio cerrado.

En particular:

- a) Identifique cada uno de los planes retributivos que han determinado las distintas remuneraciones variables devengadas por cada uno de los consejeros durante el ejercicio cerrado, incluyendo información

sobre su alcance, su fecha de aprobación, fecha de implantación, condiciones en su caso de consolidación, periodos de devengo y vigencia, criterios que se han utilizado para la evaluación del desempeño y cómo ello ha impactado en la fijación del importe variable devengado, así como los criterios de medición que se han utilizado y el plazo necesario para estar en condiciones de medir adecuadamente todas las condiciones y criterios estipulados, debiendo explicarse en detalle los criterios y factores que ha aplicado en cuanto al tiempo requerido y métodos para comprobar que se han cumplido de modo efectivo las condiciones de rendimiento o de cualquier otro tipo a las que estaba vinculado el devengo y consolidación de cada componente de la retribución variable.

- b) En el caso de planes de opciones sobre acciones u otros instrumentos financieros, las características generales de cada plan incluirán información sobre las condiciones tanto para adquirir su titularidad incondicional (consolidación), como para poder ejercitar dichas opciones o instrumentos financieros, incluyendo el precio y plazo de ejercicio.
- c) Cada uno de los consejeros, y su categoría (consejeros ejecutivos, consejeros externos dominicales, consejeros externos independientes u otros consejeros externos), que son beneficiarios de sistemas retributivos o planes que incorporan una retribución variable.
- d) En su caso, se informará sobre los periodos de devengo o de aplazamiento de pago establecidos que se hayan aplicado y/o los periodos de retención/no disposición de acciones u otros instrumentos financieros, si existieran.

Explique los componentes variables a corto plazo de los sistemas retributivos:

Los consejeros en su condición de tales no son beneficiarios de ningún sistema retributivo o plan que incorpore una remuneración variable. Asimismo, y por lo que respecta al Presidente Ejecutivo, tampoco era beneficiario de ningún sistema retributivo o plan que incorporase una remuneración variable.

Por su parte, el Consejero Delegado, ha sido beneficiario en el ejercicio cerrado 2023 de un plan retributivo que incorpora una parte variable.

En particular, y tal y como se ha expuesto anteriormente, el citado consejero ejecutivo ha sido beneficiario, de conformidad con su contrato mercantil, de un importe variable de carácter anual establecido y aprobado anualmente con una base del 50% sobre la remuneración fija bruta, por la consecución del 100% de los objetivos establecidos para cada anualidad. La remuneración variable se fijó en su Reglamento Individual, que complementa a su contrato mercantil y que fija los parámetros de percepción de la misma.

De conformidad con la Política, el Reglamento Individual, con una duración anual, fue redactado por la Dirección de Recursos Humanos de la Sociedad, siendo validado por la Comisión en fecha 22 de febrero de 2023 con carácter previo a su aprobación por el Consejo de 23 de febrero de 2023. Una vez aprobado, fue suscrito por el citado consejero ejecutivo.

En cuanto a la fijación de los objetivos, éstos se establecieron sobre la base de parámetros de gestión objetivos y medibles que tenían asignados, cada uno de ellos, un determinado porcentaje de la base total en función de su prioridad, estando referenciados al presupuesto de la Sociedad y sus sociedades dependientes para ese ejercicio, sin que la cuantía máxima a percibir por cada objetivo pueda superar el 125% de la parte de la base asignada.

En particular, los parámetros financieros de valoración para el Consejero Delegado fueron (i) el resultado atribuido a la sociedad dominante del grupo consolidado (Grupo Catalana Occidente, S.A.), con un peso del 30% en la valoración; (ii) el resultado neto ordinario del negocio del seguro tradicional y del derivado del seguro de crédito, con un peso del 15% y 10%, respectivamente; (iii) la facturación del negocio del seguro tradicional y del derivado del seguro de crédito, con un peso del 7% y el 5%, respectivamente; (iv) el ratio de eficacia del negocio del seguro tradicional, con un peso del 8%.

Por su parte, los parámetros no financieros (incluyendo entre estos últimos los sociales, medioambientales y de cambio climático) de valoración, con un peso total del 25% de la valoración, incluyeron el cumplimiento de los proyectos principales del Grupo entre los que se encontraban los proyectos de simplicidad corporativa, canales de distribución, omnicanalidad y cliente, oferta de valor, evolución tecnológica, eficiencia, entornos de trabajo e incorporación del Grupo Mémora.

Una vez finalizado el ejercicio, se ha calculado el grado de cumplimiento de los diferentes parámetros objetivos en base a como han quedado reflejados en las cuentas anuales individuales y consolidadas de la Sociedad que se han formulado en la fecha de este Informe por el Consejo.

determinándose así el importe variable resultante, que ha resultado igual al 106,15% de la base que se había establecido en su Reglamento Individual por la consecución del 100% de los objetivos establecidos en el mismo.

En este sentido, cabe señalar que un 30% del importe correspondiente a la remuneración variable dineraria del Consejero Delegado queda diferido en los términos descritos anteriormente. Asimismo, la remuneración variable devengada se encuentra sujeta a las cláusulas "malus" y "clawback" también descritas anteriormente.

Explique los componentes variables a largo plazo de los sistemas retributivos:

La Política establece que el 30% de la remuneración variable dineraria sea pagadera con un período de diferimiento de 3 años respecto al ejercicio al que haga referencia el Reglamento Individual de cada uno de los consejeros ejecutivos, a razón de un 10% por cada uno de los 3 años. La parte correspondiente a cada uno de dichos 3 años se corrige mediante la aplicación a la misma del porcentaje de liquidación de la retribución variable correspondiente al ejercicio objeto de la percepción, con el límite del 125%.

En consecuencia, el 10% de la remuneración variable dineraria correspondiente a cada uno de los ejercicios 2020, 2021 y 2022, a percibir por el consejero ejecutivo en relación con el ejercicio 2023, se ha corregido de conformidad con el criterio establecido en el anterior párrafo.

Asimismo, dicha remuneración variable, se encuentra sujeta a determinados ajustes (i.e., cláusulas "malus" y "clawback"), todo ello en los términos ya descritos anteriormente.

Por otra parte, la Sociedad no ha concedido planes de opciones sobre sus acciones u otros instrumentos financieros a ninguno de sus consejeros.

Ninguno de los miembros del Consejo ha tenido una remuneración en concepto de participación en beneficios o primas y tampoco ha existido ningún sistema de primas anuales (bonus) aplicable a los miembros del Consejo.

B.8. Indique si se ha procedido a reducir o a reclamar la devolución de determinados componentes variables devengados cuando se hubiera, en el primer caso, diferido el pago de importes no consolidados o, en el segundo caso, consolidado y pagado, atendiendo a unos datos cuya inexactitud haya quedado después demostrada de forma manifiesta. Describa los importes reducidos o devueltos por la aplicación de las cláusulas de reducción (malus) o devolución (clawback), por qué se han ejecutado y los ejercicios a que corresponden.

No se ha procedido a reducir o a reclamar la devolución de componente variable alguno, ni en el caso de aquellos consolidados y cuyo pago está diferido, ni en aplicación de las cláusulas de reducción o devolución ("clawback") que tienen suscritas los consejeros ejecutivos, puesto que no se ha puesto de manifiesto ninguna inexactitud que haya derivado en la aplicación de cualquiera de los supuestos anteriores.

B.9. Explique las principales características de los sistemas de ahorro a largo plazo cuyo importe o coste anual equivalente figura en los cuadros de la Sección C, incluyendo jubilación y cualquier otra prestación de supervivencia, que sean financiados, parcial o totalmente, por la sociedad, ya sean dotados interna o externamente, indicando el tipo de plan, si es de aportación o prestación definida, las contingencias que cubre, las condiciones de consolidación de los derechos económicos a favor de los consejeros y su compatibilidad con cualquier tipo de indemnización por resolución anticipada o terminación de la relación contractual entre la sociedad y el consejero.

Las principales características de los sistemas de ahorro a largo plazo ya se han descrito en el Apartado A.1 bajo el epígrafe "Principales características de los sistemas de ahorro a largo plazo" sin que hayan sufrido modificación alguna entre el ejercicio en curso y el ejercicio cerrado.

B.10. Explique, en su caso, las indemnizaciones o cualquier otro tipo de pago derivados del cese anticipado, sea el cese a voluntad de la empresa o del consejero, o de la terminación del contrato, en los términos previstos en el mismo, devengados y/o percibidos por los consejeros durante el ejercicio cerrado.

Durante el ejercicio cerrado 2023, no se ha pagado ni devengado indemnización alguna en favor de ningún consejero como consecuencia del cese anticipado de los mismos o la terminación de su contrato.

Sin perjuicio de lo anterior, tal y como ya se informó en los Informes de Remuneraciones del ejercicio 2021 y 2022, D. José Ignacio Álvarez Juste (el "Consejero Delegado Saliente") dimitió de su cargo como consejero de la Sociedad, suscribiendo la Sociedad y el Consejero Delegado Saliente la resolución de su contrato mercantil con fecha de efectos al final del día 31 de diciembre de 2021, sin derecho a percibir indemnización alguna por la extinción del mismo.

No obstante, como consecuencia de la citada extinción y, de acuerdo con lo previsto en su Contrato de alta dirección con la entonces filial Bilbao Compañía Anónima de Seguros y Reaseguros de 22 de enero de 2002, se reactivó dicha relación laboral especial de manera automática desde el día 1 de enero de 2022, que fue resuelta de mutuo acuerdo el 31 de enero de 2022, pactándose una indemnización que incluía 400.000 euros que se abonarían en dos anualidades de 200.000 euros en función del cumplimiento de las obligaciones de no competencia post-contractuales asumidas por el Consejero Delegado Saliente. Habiéndose cumplido dicho compromiso, el 29 de diciembre de 2023 se devengó la obligación de abonar la segunda anualidad anteriormente señalada.

B.11. Indique si se han producido modificaciones significativas en los contratos de quienes ejerzan funciones de alta dirección como consejeros ejecutivos y, en su caso, explique las mismas. Asimismo, explique las condiciones principales de los nuevos contratos firmados con consejeros ejecutivos durante el ejercicio, salvo que se hayan explicado en el apartado A.1.

Tal y como se ha indicado anteriormente, el 22 de febrero de 2023, la Comisión propuso al Consejo de Administración aumentar un 4% la retribución fija del entonces Presidente Ejecutivo y del Consejero Delegado.

Dicha propuesta fue aprobada en fecha 23 de febrero de 2023 por el Consejo de Administración, de conformidad con los artículos 249 y 529 octodécimos LSC, mediante la correspondiente novación de sus respectivos contratos mercantiles.

Asimismo, tal y como se ha indicado en el Apartado B6 anterior, la Sociedad y el Presidente Ejecutivo, en fecha 27 de julio de 2023 suscribieron la terminación de su contrato mercantil, como consecuencia de su renuncia a la condición de ejecutivo, sin derecho al percibo de indemnización alguna por razón de dicha renuncia.

B.12. Explique cualquier remuneración suplementaria devengada a los consejeros como contraprestación por los servicios prestados distintos de los inherentes a su cargo.

Los consejeros no han recibido ninguna remuneración suplementaria como contraprestación por los servicios prestados distintos de los inherentes a su cargo.

B.13. Explique cualquier retribución derivada de la concesión de anticipos, créditos y garantías, con indicación del tipo de interés, sus características esenciales y los importes eventualmente devueltos, así como las obligaciones asumidas por cuenta de ellos a título de garantía.

No ha habido ninguna remuneración derivada de la concesión de anticipos, créditos y garantías concedidos a los miembros del Consejo. Igualmente, ni la Sociedad ni ninguna de sus sociedades dependientes ha asumido obligación alguna por cuenta de un consejero a título de garantía.

B.14. Detalle la remuneración en especie devengada por los consejeros durante el ejercicio, explicando brevemente la naturaleza de los diferentes componentes salariales.

Tal y como suele ser habitual en las sociedades cotizadas, existen pólizas de seguro de responsabilidad civil de consejeros y directivos del Grupo al que pertenece la Sociedad, cuyo tomador es esta última. A los efectos del presente Informe, no se tiene en cuenta las mismas, por cuanto el perímetro de los beneficiarios excede a los miembros del Consejo y además no es posible distribuir el coste de las primas sufragadas por la Sociedad entre los mismos. En cualquier caso, tal y como se ha indicado en el Apartado A.1 anterior, se señala que las primas asociadas a dichas pólizas fue en el ejercicio 2023 de 94 miles de euros.

Por su parte, los consejeros ejecutivos fueron remunerados en especie mediante las siguientes atribuciones (en el caso del Presidente Ejecutivo, hasta la fecha en que renunció a dicho cargo):

(i) Seguro de vida temporal y seguro de salud, estando las primas de suscripción a cargo de la Sociedad. Los importes de las mismas correspondientes al ejercicio 2023 están descritos en el Apartado C.1(a) (iv) de los cuadros incluidos en el presente Informe.

(ii) Vehículo de empresa. Las cantidades imputadas a dicho uso a los consejeros ejecutivos en el ejercicio 2023 están descritas en el Apartado C.1(a) (iv) del cuadro incluido en el presente Informe.

Adicionalmente, el Presidente, fue remunerado con un seguro de viudedad, estando las primas de suscripción a cargo de la Sociedad. Los importes de las mismas correspondientes al ejercicio 2023 están descritas en el Apartado C.1(a) (iv) de los cuadros incluidos en el presente Informe.

B.15. Explique las remuneraciones devengadas por el consejero en virtud de los pagos que realice la sociedad cotizada a una tercera entidad en la cual presta servicios el consejero, cuando dichos pagos tengan como fin remunerar los servicios de éste en la sociedad.

La Sociedad no ha realizado pago alguno a una tercera entidad en la cual presta servicios un consejero, que tenga como fin remunerar los servicios de éste en la Sociedad.

B.16. Explique y detalles los importes devengados en el ejercicio en relación con cualquier otro concepto retributivo distinto de los anteriores, cualquiera que sea su naturaleza o la entidad del grupo que lo satisfaga, incluyendo todas las prestaciones en cualquiera de sus formas, como cuando tenga la consideración de operación vinculada o, especialmente, cuando afecte de manera significativa a la imagen fiel de las remuneraciones totales devengadas por el consejero, debiendo explicarse el importe otorgado o pendiente de pago, la naturaleza de la contraprestación recibida y las razones por las que se habría considerado, en su caso, que no constituye una remuneración al consejero por su condición de tal o en contraprestación por el desempeño de sus funciones ejecutivas, y si se ha considerado apropiado o no incluirse entre los importes devengados en el apartado de “otros conceptos” de la sección C.

No existen otros conceptos retributivos satisfechos por la Sociedad distintos de los ya descritos en el presente Informe que tengan la consideración de operación vinculada o cuya emisión distorsione la imagen fiel de las remuneraciones totales devengadas por los consejeros.

C. DETALLE DE LAS RETRIBUCIONES INDIVIDUALES CORRESPONDIENTES A CADA UNO DE LOS CONSEJEROS

Nombre	Tipología	Periodo de devengo ejercicio 2023
Don JOSÉ MARIA SERRA FARRÉ	Presidente Dominical	Desde 01/01/2023 hasta 31/12/2023
Don HUGO SERRA CALDERÓN	Consejero Delegado	Desde 01/01/2023 hasta 31/12/2023
Don JUAN IGNACIO GUERRERO GILABERT	Consejero Independiente	Desde 01/01/2023 hasta 25/05/2023
Don FRANCISCO JAVIER PÉREZ FARGUELL	Consejero Independiente	Desde 01/01/2023 hasta 31/12/2023
Doña BEATRIZ MOLINS DOMINGO	Consejero Independiente	Desde 01/01/2023 hasta 31/12/2023
Don JORGE ENRICH SERRA	Consejero Dominical	Desde 01/01/2023 hasta 31/12/2023
Doña MARIA ASSUMPTA SOLER SERRA	Consejero Dominical	Desde 01/01/2023 hasta 31/12/2023
Don FEDERICO HALPERN BLASCO	Consejero Dominical	Desde 01/01/2023 hasta 31/12/2023
Don ALVARO JUNCADELLA DE PALLEJÁ	Consejero Dominical	Desde 01/01/2023 hasta 31/12/2023
Doña RAQUEL CORTIZO ALMEIDA	Consejero Independiente	Desde 25/05/2023 hasta 31/12/2023

C.1. Complete los siguientes cuadros respecto a la remuneración individualizada de cada uno de los consejeros (incluyendo la retribución por el ejercicio de funciones ejecutivas) devengada durante el ejercicio.

a) Retribuciones de la sociedad objeto del presente informe:

i) Retribución devengada en metálico (en miles de €)

Nombre	Remuneración fija	Dietas	Remuneración por pertenencia a comisiones del consejo	Sueldo	Retribución variable a corto plazo	Retribución variable a largo plazo	Indemnización	Otros conceptos	Total ejercicio 2023	Total ejercicio 2022
Don JOSÉ MARIA SERRA FARRÉ	416	22		179					617	733

INFORME ANUAL SOBRE REMUNERACIONES DE LOS CONSEJEROS DE SOCIEDADES ANONIMAS COTIZADAS

Nombre	Remuneración fija	Dietas	Remuneración por pertenencia a comisiones del consejo	Sueldo	Retribución variable a corto plazo	Retribución variable a largo plazo	Indemnización	Otros conceptos	Total ejercicio 2023	Total ejercicio 2022
Don HUGO SERRA CALDERÓN	208	22		520	193	64			1.007	972
Don JUAN IGNACIO GUERRERO GILABERT	87	11							98	230
Don FRANCISCO JAVIER PÉREZ FARGUELL	208	22							230	230
Doña BEATRIZ MOLINS DOMINGO	208	22							230	221
Don JORGE ENRICH SERRA	208	22							230	230
Doña MARIA ASSUMPTA SOLER SERRA	208	22							230	230
Don FEDERICO HALPERN BLASCO	208	22							230	230
Don ALVARO JUNCADELLA DE PALLEJÁ	208	22							230	221
Doña RAQUEL CORTIZO ALMEIDA	121	11							132	

Observaciones

Las cifras indicadas en este Apartado C podrían reflejar variaciones no significativas respecto a otros documentos que contengan información sobre retribuciones de los consejeros de Grupo Catalana Occidente publicados o que vayan a ser publicados, debido a la necesidad de completar este informe con cifras en miles de euros.

ii) Cuadro de movimientos de los sistemas de retribución basados en acciones y beneficio bruto de las acciones o instrumentos financieros consolidados.

Nombre	Denominación del Plan	Instrumentos financieros al principio del ejercicio 2023		Instrumentos financieros concedidos durante el ejercicio 2023		Instrumentos financieros consolidados en el ejercicio				Instrumentos vencidos y no ejercidos	Instrumentos financieros al final del ejercicio 2023	
		Nº instrumentos	Nº Acciones equivalentes	Nº instrumentos	Nº Acciones equivalentes	Nº instrumentos	Nº Acciones equivalentes/ consolidadas	Precio de las acciones consolidadas	Beneficio bruto de las acciones o instrumentos financieros consolidados (miles €)	Nº instrumentos	Nº instrumentos	Nº Acciones equivalentes
Don JOSÉ MARIA SERRA FARRÉ	N/A							0,00				

INFORME ANUAL SOBRE REMUNERACIONES DE LOS CONSEJEROS DE SOCIEDADES ANONIMAS COTIZADAS

Nombre	Denominación del Plan	Instrumentos financieros al principio del ejercicio 2023		Instrumentos financieros concedidos durante el ejercicio 2023		Instrumentos financieros consolidados en el ejercicio				Instrumentos vencidos y no ejercidos	Instrumentos financieros al final del ejercicio 2023	
		Nº instrumentos	Nº Acciones equivalentes	Nº instrumentos	Nº Acciones equivalentes	Nº instrumentos	Nº Acciones equivalentes/ consolidadas	Precio de las acciones consolidadas	Beneficio bruto de las acciones o instrumentos financieros consolidados (miles €)	Nº instrumentos	Nº instrumentos	Nº Acciones equivalentes
Don HUGO SERRA CALDERÓN	N/A							0,00				
Don JUAN IGNACIO GUERRERO GILABERT	N/A							0,00				
Don FRANCISCO JAVIER PÉREZ FARGUELL	N/A							0,00				
Doña BEATRIZ MOLINS DOMINGO	N/A							0,00				
Don JORGE ENRICH SERRA	N/A							0,00				
Doña MARIA ASSUMPTA SOLER SERRA	N/A							0,00				
Don FEDERICO HALPERN BLASCO	N/A							0,00				
Don ALVARO JUNCADELLA DE PALLEJÁ	N/A							0,00				
Doña RAQUEL CORTIZO ALMEIDA	N/A							0,00				

Observaciones

iii) Sistemas de ahorro a largo plazo.

Nombre	Remuneración por consolidación de derechos a sistemas de ahorro
Don JOSÉ MARIA SERRA FARRÉ	
Don HUGO SERRA CALDERÓN	
Don JUAN IGNACIO GUERRERO GILABERT	
Don FRANCISCO JAVIER PÉREZ FARGUELL	
Doña BEATRIZ MOLINS DOMINGO	
Don JORGE ENRICH SERRA	
Doña MARIA ASSUMPTA SOLER SERRA	
Don FEDERICO HALPERN BLASCO	
Don ALVARO JUNCADELLA DE PALLEJÁ	
Doña RAQUEL CORTIZO ALMEIDA	

INFORME ANUAL SOBRE REMUNERACIONES DE LOS CONSEJEROS DE SOCIEDADES ANONIMAS COTIZADAS

Nombre	Aportación del ejercicio por parte de la sociedad (miles €)				Importe de los fondos acumulados (miles €)			
	Sistemas de ahorro con derechos económicos consolidados		Sistemas de ahorro con derechos económicos no consolidados		Sistemas de ahorro con derechos económicos consolidados		Sistemas de ahorro con derechos económicos no consolidados	
	Ejercicio 2023	Ejercicio 2022	Ejercicio 2023	Ejercicio 2022	Ejercicio 2023	Ejercicio 2022	Ejercicio 2023	Ejercicio 2022
Don JOSÉ MARIA SERRA FARRÉ								
Don HUGO SERRA CALDERÓN			104	100			204	100
Don JUAN IGNACIO GUERRERO GILABERT								
Don FRANCISCO JAVIER PÉREZ FARGUELL								
Doña BEATRIZ MOLINS DOMINGO								
Don JORGE ENRICH SERRA								
Doña MARIA ASSUMPTA SOLER SERRA								
Don FEDERICO HALPERN BLASCO								
Don ALVARO JUNCADELLA DE PALLEJÁ								
Doña RAQUEL CORTIZO ALMEIDA								

Observaciones

Al igual que en el ejercicio anterior, al establecer el importe de los fondos acumulados no se proporciona el sumatorio de las aportaciones realizadas sino el valor de liquidación de los instrumentos de previsión social en que están instrumentados a cierre del ejercicio correspondiente, incluyendo tanto las aportaciones realizadas durante el año.

iv) Detalle de otros conceptos

Nombre	Concepto	Importe retributivo
Don JOSÉ MARIA SERRA FARRÉ	Póliza vida riesgo	22
Don JOSÉ MARIA SERRA FARRÉ	Póliza viudedad	22
Don JOSÉ MARIA SERRA FARRÉ	Póliza salud	6
Don JOSÉ MARIA SERRA FARRÉ	Vehículo	4
Don HUGO SERRA CALDERÓN	Póliza vida riesgo	3
Don HUGO SERRA CALDERÓN	Póliza salud	4
Don HUGO SERRA CALDERÓN	Vehículo	10

Observaciones

b) Retribuciones a los consejeros de la sociedad cotizada por su pertenencia a órganos de administración de sus entidades dependientes:

i) Retribución devengada en metálico (en miles de €)

Nombre	Remuneración fija	Dietas	Remuneración por pertenencia a comisiones del consejo	Sueldo	Retribución variable a corto plazo	Retribución variable a largo plazo	Indemnización	Otros conceptos	Total ejercicio 2023	Total ejercicio 2022
Don JOSÉ MARIA SERRA FARRÉ		44							44	44
Don HUGO SERRA CALDERÓN	60	44	5						109	109
Don JUAN IGNACIO GUERRERO GILABERT	60	44	10						114	114
Don FRANCISCO JAVIER PÉREZ FARGUELL										
Doña BEATRIZ MOLINS DOMINGO										
Don JORGE ENRICH SERRA		23							23	23
Doña MARIA ASSUMPTA SOLER SERRA										
Don FEDERICO HALPERN BLASCO		23							23	23
Don ALVARO JUNCADELLA DE PALLEJÁ										
Doña RAQUEL CORTIZO ALMEIDA										

Observaciones

[

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ii) Cuadro de movimientos de los sistemas de retribución basados en acciones y beneficio bruto de las acciones o instrumentos financieros consolidados.

Nombre	Denominación del Plan	Instrumentos financieros al principio del ejercicio 2023		Instrumentos financieros concedidos durante el ejercicio 2023		Instrumentos financieros consolidados en el ejercicio				Instrumentos vencidos y no ejercidos	Instrumentos financieros al final del ejercicio 2023	
		Nº instrumentos	Nº Acciones equivalentes	Nº instrumentos	Nº Acciones equivalentes	Nº instrumentos	Nº Acciones equivalentes/ consolidadas	Precio de las acciones consolidadas	Beneficio bruto de las acciones o instrumentos financieros consolidados (miles €)	Nº instrumentos	Nº instrumentos	Nº Acciones equivalentes
Don JOSÉ MARIA SERRA FARRÉ	N/A							0,00				
Don HUGO SERRA CALDERÓN	N/A							0,00				
Don JUAN IGNACIO GUERRERO GILABERT	N/A							0,00				
Don FRANCISCO JAVIER PÉREZ FARGUELL	N/A							0,00				
Doña BEATRIZ MOLINS DOMINGO	N/A							0,00				
Don JORGE ENRICH SERRA	N/A							0,00				
Doña MARIA ASSUMPTA SOLER SERRA	N/A							0,00				

Nombre	Denominación del Plan	Instrumentos financieros al principio del ejercicio 2023		Instrumentos financieros concedidos durante el ejercicio 2023		Instrumentos financieros consolidados en el ejercicio				Instrumentos vencidos y no ejercidos	Instrumentos financieros al final del ejercicio 2023	
		Nº instrumentos	Nº Acciones equivalentes	Nº instrumentos	Nº Acciones equivalentes	Nº instrumentos	Nº Acciones equivalentes/ consolidadas	Precio de las acciones consolidadas	Beneficio bruto de las acciones o instrumentos financieros consolidados (miles €)	Nº instrumentos	Nº instrumentos	Nº Acciones equivalentes
Don FEDERICO HALPERN BLASCO	N/A							0,00				
Don ALVARO JUNCADELLA DE PALLEJÁ	N/A							0,00				
Doña RAQUEL CORTIZO ALMEIDA	N/A							0,00				

Observaciones

iii) Sistemas de ahorro a largo plazo.

Nombre	Remuneración por consolidación de derechos a sistemas de ahorro
Don JOSÉ MARIA SERRA FARRÉ	

INFORME ANUAL SOBRE REMUNERACIONES DE LOS CONSEJEROS DE SOCIEDADES ANONIMAS COTIZADAS

Nombre	Aportación del ejercicio por parte de la sociedad (miles €)				Importe de los fondos acumulados (miles €)			
	Sistemas de ahorro con derechos económicos consolidados		Sistemas de ahorro con derechos económicos no consolidados		Sistemas de ahorro con derechos económicos consolidados		Sistemas de ahorro con derechos económicos no consolidados	
	Ejercicio 2023	Ejercicio 2022	Ejercicio 2023	Ejercicio 2022	Ejercicio 2023	Ejercicio 2022	Ejercicio 2023	Ejercicio 2022
Don JOSÉ MARIA SERRA FARRÉ					2.428	2.252		
Don HUGO SERRA CALDERÓN								
Don JUAN IGNACIO GUERRERO GILABERT								
Don FRANCISCO JAVIER PÉREZ FARGUELL								
Doña BEATRIZ MOLINS DOMINGO								
Don JORGE ENRICH SERRA								
Doña MARIA ASSUMPTA SOLER SERRA								
Don FEDERICO HALPERN BLASCO								
Don ALVARO JUNCADELLA DE PALLEJÁ								
Doña RAQUEL CORTIZO ALMEIDA								

Observaciones

Al igual que en el ejercicio anterior, al establecer el importe de los fondos acumulados no se proporciona el sumatorio de las aportaciones realizadas sino el valor de liquidación de los instrumentos de previsión social en que están instrumentados a cierre del ejercicio correspondiente, incluyendo las aportaciones realizadas. Asimismo, se pone de manifiesto que en el caso de Don José María Serra Farré no ha habido aportaciones con derechos económicos consolidados en el presente ejercicio y las variaciones de los fondos acumulados se deben a la variación del valor de liquidación de los correspondientes planes de jubilación o pólizas de vida ahorro, según corresponda, entre 31 diciembre 2022 y 31 diciembre 2023.

iv) Detalle de otros conceptos

Nombre	Concepto	Importe retributivo
Sin datos		

Observaciones

INFORME ANUAL SOBRE REMUNERACIONES DE LOS CONSEJEROS DE SOCIEDADES ANONIMAS COTIZADAS

c) Resumen de las retribuciones (en miles de €):

Se deberán incluir en el resumen los importes correspondientes a todos los conceptos retributivos incluidos en el presente informe que hayan sido devengados por el consejero, en miles de euros.

Nombre	Retribución devengada en la Sociedad					Retribución devengada en sociedades del grupo					Total ejercicio 2023 sociedad + grupo
	Total Retribución metálico	Beneficio bruto de las acciones o instrumentos financieros consolidados	Remuneración por sistemas de ahorro	Remuneración por otros conceptos	Total ejercicio 2023 sociedad	Total Retribución metálico	Beneficio bruto de las acciones o instrumentos financieros consolidados	Remuneración por sistemas de ahorro	Remuneración por otros conceptos	Total ejercicio 2023 grupo	
Don JOSÉ MARIA SERRA FARRÉ	617			54	671	44				44	715
Don HUGO SERRA CALDERÓN	1.007			17	1.024	109				109	1.133
Don JUAN IGNACIO GUERRERO GILABERT	98				98	114				114	212
Don FRANCISCO JAVIER PÉREZ FARGUELL	230				230						230
Doña BEATRIZ MOLINS DOMINGO	230				230						230
Don JORGE ENRICH SERRA	230				230	23				23	253
Doña MARIA ASSUMPTA SOLER SERRA	230				230						230
Don FEDERICO HALPERN BLASCO	230				230	23				23	253

INFORME ANUAL SOBRE REMUNERACIONES DE LOS CONSEJEROS DE SOCIEDADES ANONIMAS COTIZADAS

Nombre	Retribución devengada en la Sociedad					Retribución devengada en sociedades del grupo					Total ejercicio 2023 sociedad + grupo
	Total Retribución metálico	Beneficio bruto de las acciones o instrumentos financieros consolidados	Remuneración por sistemas de ahorro	Remuneración por otros conceptos	Total ejercicio 2023 sociedad	Total Retribución metálico	Beneficio bruto de las acciones o instrumentos financieros consolidados	Remuneración por sistemas de ahorro	Remuneración por otros conceptos	Total ejercicio 2023 grupo	
Don ALVARO JUNCADELLA DE PALLEJÁ	230				230						230
Doña RAQUEL CORTIZO ALMEIDA	132				132						132
TOTAL	3,234			71	3,305	313				313	3,618

Observaciones

Las cifras indicadas en este Apartado C podrían reflejar variaciones no significativas respecto a otros documentos que contengan información sobre retribuciones de los consejeros de Grupo Catalana Occidente publicados o que vayan a ser publicados, debido a la necesidad de completar este informe con cifras en miles de euros.
La remuneración por sistemas de ahorro no incluye las aportaciones a planes de previsión social no consolidadas tal y como se ha explicado en los apartados B.9 y A.1 del Informe de Remuneraciones.

C.2. Indique la evolución en los últimos 5 años del importe y variación porcentual de la retribución devengada por cada uno de los consejeros de la cotizada que lo hayan sido durante el ejercicio, de los resultados consolidados de la sociedad y de la remuneración media sobre una base equivalente a tiempo completo de los empleados de la sociedad y de sus entidades dependientes que no sean consejeros de la cotizada.

	Importes totales devengados y % variación anual								
	Ejercicio 2023	% Variación 2023/2022	Ejercicio 2022	% Variación 2022/2021	Ejercicio 2021	% Variación 2021/2020	Ejercicio 2020	% Variación 2020/2019	Ejercicio 2019
Consejeros ejecutivos									
Don HUGO SERRA CALDERÓN	1.133	3,28	1.097	30,75	839	3,58	810	3,58	782

INFORME ANUAL SOBRE REMUNERACIONES DE LOS CONSEJEROS DE SOCIEDADES ANONIMAS COTIZADAS

	Importes totales devengados y % variación anual								
	Ejercicio 2023	% Variación 2023/2022	Ejercicio 2022	% Variación 2022/2021	Ejercicio 2021	% Variación 2021/2020	Ejercicio 2020	% Variación 2020/2019	Ejercicio 2019
Consejeros externos									
Don JOSÉ MARIA SERRA FARRÉ	715	-16,28	854	1,43	842	0,84	835	3,47	807
Don JORGE ENRICH SERRA	253	0,00	253	3,69	244	-	0	-	0
Don JUAN IGNACIO GUERRERO GILABERT	212	-38,37	344	49,57	230	-0,86	232	0,87	230
Don FEDERICO HALPERN BLASCO	253	0,00	253	0,00	253	-0,78	255	0,79	253
Don ALVARO JUNCADELLA DE PALLEJÁ	230	4,07	221	-	0	-	0	-	0
Doña BEATRIZ MOLINS DOMINGO	230	4,07	221	-	0	-	0	-	0
Doña MARIA ASSUMPTA SOLER SERRA	230	0,00	230	0,00	230	-0,86	232	0,87	230
Don FRANCISCO JAVIER PÉREZ FARGUELL	230	0,00	230	0,00	230	-0,86	232	0,87	230
Doña RAQUEL CORTIZO ALMEIDA	132	-	0	-	0	-	0	-	0
Resultados consolidados de la sociedad									
	615.452.987	13,43	542.574.265	15,86	468.292.319	73,36	270.132.442	-36,37	424.530.032
Remuneración media de los empleados									
	52.201	1,71	51.322	-1,57	52.143	-2,24	53.337	6,75	49.966

Observaciones

Para proporcionar una información consistente con los anteriores informes emitidos por la Sociedad, se ha modificado los importes relativos a los "resultados consolidados de la Sociedad" para reportarlos después de impuestos y no antes de dicho efecto impositivo. Asimismo, el resultado consolidado se reporta bajo la normativa IFRS4, para poder establecer la comparativa con los ejercicios anteriores (que se reportaron bajo dicha normativa) y no bajo la normativa IFRS17 (en este segundo caso, el resultado consolidado de la sociedad después del efecto impositivo es 645.111.649,58).

D. OTRAS INFORMACIONES DE INTERÉS

Si existe algún aspecto relevante en materia de remuneración de los consejeros que no se haya podido recoger en el resto de apartados del presente informe, pero que sea necesario incluir para recoger una información más completa y razonada sobre la estructura y prácticas retributivas de la sociedad en relación con sus consejeros, detállelos brevemente.

No existe ningún aspecto relevante en materia de remuneración de los consejeros que no se haya podido recoger en el resto de apartados del presente Informe, pero que sea necesario incluir para recoger una información más completa y razonada sobre la estructura y prácticas retributivas de la Sociedad.

Finalmente, y en relación con el Apartado A.3 se pone de manifiesto que la Política de Remuneraciones de la Sociedad, propuesta por el Consejo en la fecha de este Informe y sometida a aprobación de la próxima Junta General de Accionistas, está disponible en la página web de la Sociedad en el apartado "Accionistas e Inversores", subapartados "Gobierno Corporativo" y "Junta General de Accionistas 2024", bajo el epígrafe "Propuesta motivada del Consejo de Administración sobre la Política de Remuneraciones".

Este informe anual de remuneraciones ha sido aprobado por el consejo de administración de la sociedad, en su sesión de fecha:

29/02/2024

Indique si ha habido consejeros que hayan votado en contra o se hayan abstenido en relación con la aprobación del presente Informe.

- Si
 No



09.

Glossary

Glossary

Item	Definition	Formulation	Importance and relevance of use
Technical profit/(loss) after expenses	Result of the insurance activity	Technical profit/(loss) after expenses = (earned premiums from direct insurance + earned premiums from accepted reinsurance + information services and commissions) – Technical cost – Bonuses and rebates – Net operating expenses – Other technical expenses	Relevant Entity Relevant investors
Reinsurance profit/(loss)	Profit/(loss) due to transferring business to the reinsurer or accepting business from other entities.	Reinsurance profit/(loss) = Profit/(loss) of accepted reinsurance + Profit/(loss) of ceded reinsurance	Relevant Entity Relevant investors
Financial profit/(loss)	Profit/(loss) of the financial investments.	Financial profit/(loss) = income from financial assets (coupons, dividends, actions) – financial expenses (commissions and other expenses) + profit/(loss) of subsidiary companies – interest accrued on the debt – interest paid to the insured parties of the life insurance business	Relevant Entity Relevant investors
Technical/financial profit/(loss)	Profit/(loss) of the insurance activity, including the financial Profit/(loss). This profit/(loss) is particularly relevant for Life insurance.	Technical/financial profit/(loss) = Technical Profit/(loss) + Financial profit/(loss)	Relevant Entity Relevant investors
Profit/(loss) of non-technical non-financial account	Income and expenses that cannot be assigned to the technical or financial profits/(losses).	Profit/(loss) of non-technical non-financial account = Income – expenses that cannot be assigned to the technical or financial profits/(losses).	Relevant Entity Relevant investors
Profit/(loss) from complementary activities	Profit/(loss) from activities that cannot be assigned to the purely insurance business. Includes the funeral business and ancillary credit activities (mainly: information services, debt collection, management of the Dutch state's export account).	Profit/(loss) from complementary activities = income – expenses of these businesses	Relevant Entity Relevant investors
Ordinary profit/(loss)	Profit/(loss) from the entity's regular activity	Ordinary profit/(loss) = technical/financial Profit/(loss) + non-technical account profit/(loss) – taxes, all resulting from normal activity	Relevant Entity Relevant investors
Non-ordinary profit/(loss)	Extraordinary or atypical movements that may undermine the analysis of the income statement. These are classified depending on their nature (technical, expenses and financial) and by business type (traditional and credit insurance)	Non-ordinary profit/(loss) = technical/financial profit/(loss) + non-technical account profit/(loss) – taxes, all resulting from extraordinary or atypical activity.	Relevant Entity Relevant investors
Turnover	Turnover is the Group's business volume. It includes premiums that the Group generates in each of the business lines and the income from services pertaining to the credit insurance	Turnover = Premiums invoiced + Income from information Written premiums = premiums issued from direct insurance + premiums from accepted reinsurance	Relevant Entity Relevant investors
Managed funds	Amount of the financial and property assets managed by the Group	Managed funds = Financial and property assets entity risk + Financial and property assets policyholder risk + Managed pension funds Managed funds = fixed income + variable income + properties + deposits in credit entities + treasury + investee companies	Relevant investors
Financial strength	This shows the debt and solvency situation. This is principally measured through the debt ratio, the interest coverage ratio and the credit rating.	Debt Ratio = Debt / Equity + Debt	Relevant investors
Technical cost	Direct costs of claims coverage. See claims.	Technical cost = claims in the year, net of reinsurance + variation of other technical provisions, net of reinsurance	
Average cost of the claims	Reflects the average cost per claim	Average cost of claims = Technical cost / number of claims corresponding to that period.	

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Deposits for ceded re-insurance	Deposits retained by the Group to secure the financial obligations of reinsurers	Deposits from ceded reinsurance Amounts received from ceded reinsurance to guarantee obligations arising from re-insurance contracts, the amount corresponds to the balance shown in the balance sheet	
Dividend yield	The profitability per dividend or dividend yield shows the relationship existing between the dividends distributed in the previous year with the value of the average share. Indicator used to value the shares of an entity	Dividend yield = dividend paid in the year per share / value of the price of the average share	Relevant investors
Modified Duration	Sensitivity of the value of the assets to movements in interest rates	Modified duration = Represents an approximation of the value of the percentage change in the value of the financial assets for each percentage point (100 basic points) of change in the interest rates.	
Expenses	The general expenses include the costs incurred for management of the business, excluding those that can be assigned to claims.	Expenses = personnel expenses + commercial expenses + various expenses and services (allowance, training, management rewards, material and other office expenses, leases, external services, etc.)	Relevant Entity Relevant investors
Permanence index	This measures the customer's expectations of continuing with the entity Scale from less than 1 year to over 5 years	Permanence index = how long do you think that you will remain a customer?	Relevant Entity Relevant investors
Satisfaction with company index	This measures the general satisfaction of the customer with the entity Scale from 1 to 10	Overall satisfaction index = (Satisfied – dissatisfied) / respondents Satisfied responses with result from 7 to 10 Dissatisfied responses with result from 1 to 4	Relevant Entity Relevant investors
Service satisfaction index	This measures the evaluation of the service received Scale from 1 to 10	Service satisfaction index = (Satisfied – dissatisfied) / respondents Satisfied responses with result from 7 to 10 Dissatisfied responses with result from 1 to 4	Relevant Entity Relevant investors
Income from insurance	This measures income directly derived from the activities of insurance and information services	Income from insurance = premiums accrued from direct insurance + premiums accrued from accepted reinsurance + information services and commissions	Relevant Entity Relevant investors
Income from information	Income obtained from the study of the financial information of debtors of the credit business' policyholders in order to contract a policy	Income from information = Information services and commissions	Relevant Entity Relevant investors
Managed funds	A group of assets managed by the Group in order to obtain a financial return on them.	Financial assets on the entity's balance sheet (real estate, fixed income, equities, ...) plus assets managed by the Group for its customers in pension plans and mutual funds	Relevant Entity Relevant investors
Investments in associated / subsidiary entities	Non-dependant entities where the Group has significant influence	Investments in associated / subsidiary entities = accounting value of the economic investment	
Net Promoter Score NPS	This measures the degree of customer loyalty with the entity.	Net Promoter score = Would you recommend the company to family and friends? = (promoters-critics)/ respondents Promoters: responses with result equal to 9 or 10 Critics: responses with result from 1 to 6	Relevant Entity Relevant investors
Pay out	Ratio that indicates the part of the result distributed among investors through dividends	Pay out = (Total dividend/ Result of the year attributable to the parent company) x 100	Relevant investors
Price Earnings Ratio PER	The price-earnings ratio or PER measures the relationship between the price or value of the entity and the results. Its value expresses what the market pays for each monetary unit of results. It is representative of the entity's capacity to generate results.	PER = Price of the share at market close / Result of the year attributable to the parent company per share	Relevant investors
Recurring premiums	Total premiums without considering non-periodic premiums in the Life business	Recurring premiums = Earned premiums - single and supplementary life business premiums	Relevant Entity Relevant investors
Technical provisions	Amount of the obligations assumed that are derived from insurance and reinsurance contracts.		Relevant Entity Relevant investors

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Combined ratio	Indicator that measures the technical profitability of the Non Life insurance policies.	Combined ratio = Ratio of claims + ratio of expenses	Relevant Entity Relevant investors
Net combined ratio	Indicator that measures the technical profitability of the non-life insurances net of the reinsurance effect	Net combined ratio = Net ratio of claims + net ratio of expenses	
Efficiency ratio	Ratio reflecting the portion of premium income devoted to operating expenses and commissions	Efficiency Ratio = (Total expenses and commissions) / Recurring premiums	Relevant Entity Relevant investors
Expenses ratio	Ratio that reflects the part of the income from premiums dedicated to expenses.	Expenses ratio = Expenses from operation / Income from insurance	
Net expenses ratio	Ratio that reflects the part of the income from premiums dedicated to expenses, net of the reinsurance effect	Net expenses ratio = (Net expenses from reinsurance operation) / (premiums attributed to direct business and accepted reinsurance + information services and commissions)	
Claims ratio	Business indicator, consisting of the proportion between claims and earned premiums.	Claims ratio = Claims / Income from insurance	Relevant Entity Relevant investors
Net claims ratio	Business indicator, consisting of the proportion between claims and earned premiums, net of the reinsurance effect.	Net claims ratio = Claims in the year, net of reinsurance / (premiums attributed to direct business and accepted reinsurance + information services and commissions)	
Permanent resources	Resources that can be included in own funds.	Permanent resources = Total net equity + subordinated liabilities	Relevant Entity Relevant investors
Permanent resources at market value	Resources that can be included in own funds at market value	Permanent resources at market value = Total net equity + subordinated liabilities + capital gains associated to properties for own use + capital gains associated to property investments	Relevant Entity Relevant investors
Resources transferred to society	Amount that the Group returns to the main groups of interest.	Resources transferred to the company = claims paid + taxes + commissions + personnel expenses + dividends	
Return On Equity ROE	Financial profitability or rate of return Measures the performance of the capital	ROE = (Result of the year. Attributable to the parent company) / (Simple average of the Equity attributable to shareholders of the parent company at the start and end of the period (twelve months)) x 100	Relevant investors
Claims	See technical cost. Economic assessment of claims.	Claims = Payments made from direct insurance + Variation of the provision for services of direct insurance + expenses attributable to services	
Total expenses and commissions	Commissions and expenses (except those that can be allocated to claims) arising from the management of the business.	Expenses and commissions = Operating expenses + commissions paid on policies	
Total Potential Exposure TPE	This is the potential exposure to risk, also "cumulative risk". Credit insurance business term	TPE = the sum of the credit risks underwritten by the Group for each buyer	Relevant Entity Relevant investors
Value of responsible investments with respect to total investments and funds under management	Ratio that reflects the assets managed by the Group that comply with the Group's Responsible Investment Policy, with respect to the total investments and funds managed by the Group.	Investments that comply with the Group's Responsible Investment Policy/ Total investments and funds managed by the Group	
Generated economic value	The generated economic value is the aggregation of the value distributed by the Group and the value retained by the Group.	Direct generated economic value = economic value distributed + economic value retained	
Distributed economic value	Economic value that the Group has allocated to the following stakeholders: customers, public administrations, intermediaries, employees, shareholders and contributions to foundations and non-profit organisations.	Distributed economic value = payment of benefits to customers + taxes paid and social security contributions + payments to suppliers + salaries and employee benefits + dividends paid + Group contributions to foundations and non-profit organisations.	
Retained economic value	Amount of GCO's undistributed annual net income.	Retained economic value = Annual amount of GCO's after-tax income allocated to Reserves.	
Theoretical book value	The value per share that a company has for accounting purposes. Book value per share.	Theoretical book value = net equity/ number of shares	Relevant investors

2024 Calendar

January	February	March	April	May	June	July	August	September	October	November	December
	29 Prof-its/(losses) 12M2023		25 Prof-its/(losses) 3M2024			25 Prof-its/(losses) 6M2024			31 Prof-its/(losses) 9M2024		
		1 Presentation of results 12M2023 11.30	26 Presentation of results 3M2024 11.00			25 Presentation of results 6M2024 16.30			31 Presentation of results 9M2024 16.30		
			25 General Shareholders' Meeting 2023								
	Interim dividend 2023			Comple-mentary dividend 2023		Interim divi- dend 2024			Interim divi- dend 2024		

Contact

www.gco.com

For further information please contact:

Analysts and investors

+34 915 661 302

analistas@gco.com

Shareholder services

+34 935 820 667

accionistas@gco.com



10.

Consolidated annual accounts

GRUPO CATALANA OCCIDENTE, S.A. AND SUBSIDIARIES
(Grupo Catalana Occidente)

CONSOLIDATED BALANCE SHEETS AT 31 DECEMBER 2023
AND 31 DECEMBER 2022 (Notes 1 to 3)

(Figures in thousands of euros)

ASSETS	Note	31.12.2023	31.12.2022 (*)
1. Cash and other equivalent liquid assets	6	1.373.741	2.126.407
2. Financial assets held for trading		-	-
3. Financial assets at fair value through profit or loss	7.a.	1.737.696	1.688.819
a) Equity instruments		532.493	612.032
b) Debt securities		115.882	107.121
c) Investments held for the benefit of policyholders who bear the investment risk		869.715	748.723
d) Bank deposits		219.606	220.943
4. Financial assets at fair value through other comprehensive income	7.a.	9.175.697	8.293.395
a) Equity instruments		1.855.423	1.429.911
b) Debt securities		7.215.633	6.751.811
c) Deposits with credit institutions		104.641	111.673
5. Financial assets measured at amortised cost		855.970	637.751
a) Loans and other financial assets	7.a.	523.564	338.856
b) Receivables	7.b.	330.040	297.064
c) Investments held for the benefit of policyholders who bear the investment risk	7.a.	2.366	1.831
6. Hedging derivatives		-	-
7. Assets under insurance contracts	14	122.619	105.621
8. Assets under reinsurance contracts	14	780.049	771.549
a) Assets for remaining coverage		279.017	326.726
b) Assets for claims incurred		501.032	444.823
9. Property, plant and equipment and investment property		1.242.907	1.138.195
a) Property, plant and equipment	9.a.	511.040	388.914
b) Investment property	9.b.	731.867	749.281
10. Intangible fixed assets		1.591.364	923.036
a) Goodwill	10.a.	1.167.496	787.112
b) Policy portfolio acquisition costs	10	145	169
c) Other intangible assets	10	423.723	135.755
11. Investments in entities accounted for using the equity method	8	119.076	112.268
12. Tax assets		448.314	404.078
a) Current tax assets	11.b.	166.901	92.787
b) Deferred tax assets	11.c.	281.413	311.291
13. Other assets	12	171.690	143.284
14. Assets held for sale	5.d.	-	34.742
TOTAL ASSETS		17.619.123	16.379.145

(*) Presented solely and exclusively for comparison purposes. Comparative data have been restated. See Note 2.e) of the accompanying Notes to the Financial Statements. The accompanying Notes 1 to 22 described in the attached Report and Appendices I and II are an integral part of the Consolidated Balance Sheet at 31 December 2023.

GRUPO CATALANA OCCIDENTE, S.A. AND SUBSIDIARIES
(Grupo Catalana Occidente)

CONSOLIDATED BALANCE SHEETS AT 31 DECEMBER 2023
AND 31 DECEMBER 2022 (Notes 1 to 3)

(Figures in thousands of euros)

NET LIABILITIES AND EQUITY	Note	31.12.2023	31.12.2022 (*)	
TOTAL LIABILITIES		12.002.834		11.525.183
1. Financial liabilities designated at fair value through profit or loss		-		-
2. Financial liabilities at amortised cost		1.128.648		935.689
a) Subordinated liabilities	13.a.	156.205	191.345	
b) Other payables	13.b.	972.443	744.344	
3. Hedging derivatives		-		-
4. Liabilities under insurance contracts	14	9.839.514		9.610.139
a) Liabilities for remaining coverage		7.622.766	7.628.529	
b) Liabilities for incurred claims		2.216.748	1.981.610	
5. Liabilities under reinsurance contracts	14	755		37
6. Non-technical provisions	15	245.228		245.354
7. Tax liabilities		670.666		587.909
a) Current tax liabilities	11.b.	93.091	95.105	
b) Deferred tax liabilities	11.c.	577.575	492.804	
8. Other liabilities		118.023		124.204
9. Liabilities linked to assets held for sale	5.d.	-		21.851
TOTAL NET EQUITY		5.616.289		4.853.962
Equity		4.520.506		4.067.168
1. Capital	16.a	36.000		36.000
2. Share Premium	16.b	1.533		1.533
3. Reserves	16.b	3.925.162		3.579.446
4. Less: Shares and holdings in own equity	16.c	(22.787)		(22.787)
5. Profit/(loss) for the year attributable to the parent company		580.598		472.976
6. Less: Interim dividend	16.e	-		-
Other accumulated comprehensive income	16.g	582.619		332.850
1. Items that will not be re-classified to profits/(losses)		528.654		339.976
a) Changes in the fair value of equity instruments measured at fair value through other comprehensive income		528.654	339.976	
2. Items that may be subsequently reclassified to profit or loss		53.965		(7.126)
a) Changes in the fair value of debt instruments measured at fair value through other comprehensive income		(40.334)	(229.267)	
b) Exchange-rate differences		7.484	27.127	
c) Changes in the fair value of insurance contracts measured at fair value through other comprehensive income		93.139	194.197	
d) Changes in the fair value of reinsurance contracts held measured at fair value through other comprehensive income		1.301	3.958	
e) Entities accounted for using the equity method		(7.625)	(3.141)	
EQUITY ATTRIBUTABLE TO THE PARENT COMPANY		5.103.125		4.400.018
MINORITY INTERESTS	17	513.164		453.944
1. Other accumulated comprehensive income		6.703		(11.500)
2. Other		506.461		465.444
TOTAL NET EQUITY AND LIABILITIES		17.619.123		16.379.145

(*) Presented solely and exclusively for comparison purposes. Comparative data have been restated. See Note 2.e) of the accompanying Notes to the Financial Statements. The accompanying Notes 1 to 22 described in the attached report and Appendices I and II are an integral part of the Consolidated Balance Sheet at 31 December 2023.

GRUPO CATALANA OCCIDENTE, S.A. AND SUBSIDIARIES
(Grupo Catalana Occidente)

CONSOLIDATED PROFIT AND LOSS ACCOUNTS FOR FINANCIAL YEARS ENDING 31 DECEMBER 2023 AND 2022 (Notes 1 to 3)

(Figures in thousands of euros)

	Note	Year 2023	Year 2022 (*)
1. Insurance service income	19	4.768.400	4.419.623
a) Income from contracts measured under the general method (BBA) and equity method (VFA)		2.487.063	2.268.007
a.1) Amounts related to changes in the liability for the remaining coverage		1.755.980	1.612.794
- Expected benefits and expenses		1.398.021	1.254.667
- Changes in the risk adjustment for non-financial risk		115.359	87.388
- CSM recognised for services provided		242.600	270.739
a.2) Release (recovery) of acquisition costs allocated to the period		524.145	456.111
a.3) Adjustment of experience related to current services		206.938	199.102
b) Contract income measured under the simplified approach (PAA)		2.281.337	2.151.616
2. Insurance service expenses	19	(3.775.632)	(3.348.501)
a) Benefits and expenses incurred		(2.706.533)	(2.345.957)
b) Acquisition costs		(1.102.576)	(1.007.729)
c) Change in liability for incurred claims		33.477	5.185
A) PROFIT/(LOSS) ASSOCIATED WITH INSURANCE CONTRACTS ISSUED		992.768	1.071.122
3. Reinsurance expenses	19	(656.761)	(568.692)
4. Income from reinsurance recoveries	19	370.086	257.045
B) PROFIT/(LOSS) ASSOCIATED WITH REINSURANCE CONTRACTS HELD		(286.675)	(311.647)
C) PROFIT/(LOSS) OF THE INSURANCE SERVICE (A + B)		706.093	759.475
5. Income from interest	7.c	187.742	144.462
6. Income from dividends	7.c	69.211	65.520
7. Net gain / (loss) on financial instruments	7.c	136.339	(225.285)
8. Reversal / (loss) for impairment of financial instruments	7.c	3.708	(3.808)
9. Net gain / (loss) for exchange rate	7.c	(3.286)	10.580
10. Other financial income / (expenses)	19	14.384	(15.720)
11. Income / (expenses) from property, plant and equipment and investment property	19	(9.546)	9.219
12. Profits/(losses) of entities accounted for using the equity method	19	13.288	19.656
D) NET INVESTMENT PROFIT/(LOSS)		411.840	4.624
13. Financial income / (expenses) for insurance associated with insurance contracts issued	19	(320.452)	72.848
14. Financial income / (expenses) associated with reinsurance contracts held	19	11.542	(5.408)
E) TOTAL FINANCIAL INCOME OR EXPENSES FOR INSURANCE		(308.910)	67.440
F) NET INSURANCE AND INVESTMENT PROFIT/(LOSS) (C+D+E)		809.023	831.539
15. Other income	19	491.952	285.382
16. Other expenses	19	(462.574)	(366.251)
G) PROFIT BEFORE TAX		838.401	750.670
17. Income tax	11.e	(197.603)	(181.018)
H) PROFIT/(LOSS) FOR THE YEAR FROM ON-GOING TRANSACTIONS		640.798	569.652
18. Profit/(loss) for the year from discontinued operations and/or held for sale, net of taxes	5.d	4.314	(41.102)
I) CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR		645.112	528.550
a) Profit attributable to equity holders of the parent company		580.598	472.976
b) Profit attributable to minority interests	17	64.514	55.574
(figures in Euros)			
EARNINGS PER SHARE			
Basic	16.f	4,92	4,01
Diluted	16.f	4,92	4,01

(*) Presented solely and exclusively for comparison purposes. Comparative data have been restated. See Note 2.e) of the accompanying Notes to the Financial Statements. The accompanying Notes 1 to 22 described in the attached report and Appendices I and II are an integral part of the Consolidated Profit and Loss Account for 2023.

GRUPO CATALANA OCCIDENTE, S.A. AND SUBSIDIARIES
(Grupo Catalana Occidente)

CONSOLIDATED STATEMENTS OF RECOGNISED INCOME AND EXPENSE FOR FINANCIAL YEARS ENDING 31 DECEMBER 2023 AND 2022 (Notes 1 to 3)

(Figures in thousands of euros)

	Note	Year 2023	Year 2022 (*)
A) CONSOLIDATED PROFIT/(LOSS) FOR THE PERIOD		645.112	528.550
B) OTHER COMPREHENSIVE INCOME - ITEMS NOT RECLASSIFIED IN THE PROFIT/(LOSS) FOR THE PERIOD		180.050	(111.323)
1. Actuarial Gains/(losses) on long term remuneration to personnel	15	10.707	42.735
2. Movement related to equity instruments at fair value through other comprehensive income	7.a	211.006	(184.196)
3. Tax effect	11.d	(41.663)	30.138
C) OTHER COMPREHENSIVE INCOME - ITEMS THAT CAN BE RECLASSIFIED AFTER THE PROFIT/(LOSS) FOR THE PERIOD		71.946	123.558
1. Movement related to debt instruments at fair value through other comprehensive income	7.a	262.150	(776.890)
a) Valuation gains/(losses)		265.049	(761.206)
b) Amounts transferred to the profit and loss account		(2.899)	(15.684)
c) Other reclassifications		-	-
2. Financial income /(expenses) from insurance contracts	7.c	(140.130)	894.050
a) Valuation gains/(losses)		(140.130)	894.050
b) Amounts transferred to the profit and loss account		-	-
c) Other reclassifications		-	-
3. Financial income /(expenses) from reinsurance contracts	7.c	(3.134)	(420)
a) Valuation gains/(losses)		(3.134)	(420)
b) Amounts transferred to the profit and loss account		-	-
c) Other reclassifications		-	-
4. Exchange rate differences		(25.235)	58.671
a) Valuation gains/(losses)		(25.235)	58.671
b) Amounts transferred to the profit and loss account		-	-
c) Other reclassifications		-	-
5. Entities accounted for using the equity method		(4.485)	3.024
a) Valuation gains/(losses)	8	(4.485)	3.024
b) Amounts transferred to the profit and loss account		-	-
c) Other reclassifications		-	-
6. Tax effect	11.d	(17.220)	(54.877)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A + B + C)		897.108	540.785
a) Attributable to equity holders of the parent company		813.301	493.655
b) Attributable to minority interests		83.807	47.130

(*) Presented solely and exclusively for comparison purposes. Comparative data have been restated. See Note 2.e) of the accompanying Notes to the Financial Statements.

The accompanying Notes 1 to 22 described in the attached report and Appendices I and II are an integral part of the consolidated Statement of Recognised Income and Expenses for the 2023 financial year.

GRUPO CATALANA OCCIDENTE, S.A. AND SUBSIDIARIES
(Grupo Catalana Occidente)

CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY FOR FINANCIAL YEARS ENDING 31 DECEMBER 2023 AND 2022 (Notes 1 to 3)

	Note	Equity attributable to equity holders of the parent company					Other accumulated comprehensive income	Minority interests	Total net equity
		Equity							
		Capital or mutual fund	Share premium and Reserves	Shares and holdings in own equity	Profit/(loss) for the year attributable to the parent company	(Interim dividends)			
(Figures in thousands of euros)									
Closing balance at 31 December 2021 (*)		36.000	2.769.039	(23.262)	427.227	-	867.630	396.206	4.472.840
Adjustment for initial application of IFRS 17 and IFRS 9 (net of tax effect)	2.e.	-	898.943	-	(427.227)	-	(523.265)	38.325	(13.224)
Adjustment for errors		-	-	-	-	-	-	-	-
Adjusted opening balance at 1 January 2022 (*) (restated)		36.000	3.667.982	(23.262)	-	-	344.365	434.531	4.459.616
I. Total recognised income/(expenses) 2022		-	32.194	-	472.976	-	(11.515)	47.130	540.785
II. Transactions with shareholders or owners		-	(63.012)	475	-	(53.556)	-	(26.959)	(143.052)
1. Capital increases/(decreases)		-	-	-	-	-	-	-	-
2. Dividend distribution		-	(63.012)	-	-	(53.556)	-	(26.959)	(143.527)
3. Transactions with treasury shares or holdings (net)	16.c.	-	-	475	-	-	-	-	475
4. Increases (decreases) due to business combinations		-	-	-	-	-	-	-	-
III. Other changes in equity		-	(56.185)	-	-	53.556	-	(758)	(3.387)
1. Transfers between equity components		-	(53.556)	-	-	53.556	-	-	-
2. Other changes		-	(2.629)	-	-	-	-	(758)	(3.387)
Closing balance at 31 December 2022 (*)		36.000	3.580.979	(22.787)	472.976	-	332.850	453.944	4.853.962
Adjustment for changes in accounting policies		-	(2.693)	-	-	-	-	-	(2.693)
Adjustment for errors		-	-	-	-	-	-	-	-
Opening balance adjusted to 1 January 2023		36.000	3.578.286	(22.787)	472.976	-	332.850	453.944	4.851.269
I. Total recognised income/(expenses) 2023		-	(17.066)	-	580.598	-	249.769	83.807	897.108
II. Transactions with shareholders or owners		-	(67.728)	-	-	(58.908)	-	(23.843)	(150.479)
1. Capital increases/(decreases)		-	-	-	-	-	-	-	-
2. Dividend distribution	16.e.	-	(67.728)	-	-	(58.908)	-	(31.856)	(158.492)
3. Transactions with treasury shares or holdings (net)	16.c.	-	-	-	-	-	-	-	-
4. Increases (decreases) due to business combinations		-	-	-	-	-	-	8.013	8.013
III. Other changes in equity		-	433.203	-	(472.976)	58.908	-	(744)	18.391
1. Transfers between equity components	16.d.	-	414.068	-	(472.976)	58.908	-	-	-
2. Other changes		-	19.135	-	-	-	-	(744)	18.391
Closing balance at 31 December 2023		36.000	3.926.695	(22.787)	580.598	-	582.619	513.164	5.616.289

(*) Presented solely and exclusively for comparison purposes. Comparative data have been restated. See Note 2.e) of the accompanying Notes to the Financial Statements.
The accompanying Notes 1 to 22 described in the attached report and Appendices I and II are an integral part of the Consolidated Statement of Changes in Equity at 31 December 2023.

GRUPO CATALANA OCCIDENTE, S.A. AND SUBSIDIARIES
(Grupo Catalana Occidente)

CONSOLIDATED CASH FLOW STATEMENTS FOR FINANCIAL YEARS ENDING 31 DECEMBER 2023 AND 2022 (DIRECT METHOD) (Notes 1 to 3)

(Figures in thousands of euros)

Note	Year 2023	Year 2022 (*)
A) CASH FLOWS FROM OPERATING ACTIVITIES (1+2+3)	428.091	534.415
1. Insurance activities:	720.293	691.344
(+) Cash received from insurance activities	6.153.873	6.167.077
(-) Cash paid in insurance activities	(5.433.580)	(5.475.733)
2. Other operating activities:	(94.599)	11.571
(+) Cash received from other operating activities	483.342	141.731
(-) Cash paid in other operating activities	(577.941)	(130.160)
3. Income tax refunded/(paid)	(197.603)	(168.500)
B) CASH FLOWS FROM INVESTING ACTIVITIES (1 + 2)	(882.785)	(12.113)
1. Cash received from investing activities:	2.818.881	3.059.543
(+) Property, plant and equipment	9.a 5.228	70
(+) Investment property	9.b 62.116	64.754
(+) Intangible assets	-	-
(+) Financial instruments	7.a 2.475.316	2.562.428
(+) Subsidiaries and other business units	-	24.250
(+) Interest received	7.c 187.742	144.462
(+) Dividends received	7.c 69.211	65.520
(+) Other cash received in relation to investing activities	19.268	198.059
2. Payments from investment activities:	(3.701.666)	(3.071.656)
(-) Property, plant and equipment	9.a (48.659)	(21.231)
(-) Investment property	9.b (32.755)	(50.765)
(-) Intangible assets	10 (13.491)	(13.926)
(-) Financial instruments	7.a (3.029.926)	(2.821.768)
(-) Subsidiaries and other business units	5.a (401.319)	(3.521)
(-) Other cash paid in relation to investing activities	(175.516)	(160.445)
C) CASH FLOWS FROM FINANCING ACTIVITIES (1 + 2)	(308.002)	(125.991)
1. Cash received from financing activities:	-	675
(+) Subordinated liabilities	-	-
(+) Disposal of treasury shares	16.c -	475
(+) Other cash received in relation to financing activities	-	200
2. Cash paid in investing activities:	(308.002)	(126.666)
(-) Dividends to shareholders	16.e (126.636)	(116.568)
(-) Interest paid	(9.012)	(10.098)
(-) Subordinated liabilities	-	-
(-) Purchase of own securities	16.c -	-
(-) Other cash paid in relation to financing activities	(172.354)	-
D) EFFECT OF CHANGES IN EXCHANGE RATES	10.030	(3.026)
E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)	(752.666)	393.285
F) CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD	2.126.407	1.733.122
G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E+F)	1.373.741	2.126.407
COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	Year 2023	Year 2022 (*)
(+) Cash and banks	6 1.322.329	2.071.830
(+) Other financial assets	6 51.412	54.577
(-) Less : Bank overdrafts repayable on demand	-	-
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1.373.741	2.126.407

(*) Presented solely and exclusively for comparison purposes. Comparative data have been restated. See Note 2.e) of the accompanying Notes to the Financial Statements.

The accompanying Notes 1 to 22 described in the attached report and Appendices I and II are an integral part of the Consolidated Cash Flow Statement for 2023.

Grupo Catalana Occidente, S.A. and Subsidiaries (Grupo Catalana Occidente)

Notes to the Consolidated Financial Statements
corresponding to the year ended
on 31 December 2023

In accordance with current legislation on the content of consolidated financial statements, these Notes complete, elaborate on and provide a commentary on the consolidated balance sheet, profit and loss account, statement of recognised income and expenses, statement of changes in equity and cash flow statement (hereinafter the “consolidated financial statements”). Together with the financial statements, they form a whole, whose purpose is to provide a true and fair view of the consolidated assets and consolidated financial position of Grupo Catalana Occidente at 31 December 2023 and of the result of its activities, the changes in its equity and the cash flows registered in the year then ended.

1. General information on the parent company and its activities

1.a) Incorporation, term and registered address

Grupo Catalana Occidente, S.A. (hereinafter “the parent company” or “GCO”) is a public limited company that was incorporated for an indefinite period on 18 July 1864, in Spain and initially under the name “La Catalana, Sociedad de Seguros contra Incendios a Prima Fija”. In 1988 it changed its name to Catalana Occidente, S. A. de Seguros y Reaseguros, and again in 2001 to Grupo Catalana Occidente, Sociedad Anónima, to reflect the change in its corporate activities following the transfer of all its insurance and reinsurance business to the subsidiary Occident GCO, S.A.U. de Seguros y Reaseguros (formerly Seguros Catalana Occidente, S.A.U. de Seguros y Reaseguros, see Note 5.b) by means of a non-monetary contribution of a branch of activity comprising all the assets and liabilities assigned to the business transferred and all its personnel.

The registered office of the parent company is at Paseo de la Castellana 4, Madrid (Spain).

1.b) Corporate purpose, legal framework and lines of business in which the Company operates

The Company’s corporate purpose is to purchase, underwrite, hold, administer, swap and sell all manner of domestic and foreign securities and shares, for its own account and without engaging in brokerage activities, for the purpose of directing, administering and managing such securities and shares.

In carrying out these activities, especially as regards the securities of insurance undertakings and other companies whose activities are subject to the private insurance regulations in Spain, the parent company ensures that applicable legal requirements are met. The parent company is not directly involved in insurance activity, this is performed by subsidiary companies of the Group which have the corresponding legal authority. The Directorate General of Insurance and Pension Funds (hereinafter “DGSFP”) performs the functions assigned under current legislation by the Spanish Ministry of Economic Affairs in relation to private insurance and reinsurance, insurance agency and brokerage services, capitalisation and pension funds.

The parent company directs and manages its capital investment in the other companies by organising human and material resources. These entities are mainly active in ancillary insurance activities, as well as in the provision of funeral services.

The insurance companies that depend on GCO operate in the following lines of business: life, credit, surety, accident, illness, health care, land, sea, lake and river vehicles (hulls), air vehicles, railway vehicles, transported goods, fire and natural elements, other damage to property (combined agricultural insurance, theft or other), civil liability (in land motor vehicles, air vehicles, sea, lake, river and rail vehicles, arising from nuclear risks or other risks), various pecuniary losses, legal defence, assistance and funeral business. The Group considers all of the branches it operates in to be traditional business except for the Credit and Surety lines, which is included within the credit insurance business.

Furthermore, the subsidiary GCO Gestora de Pensiones, E.G.F.P, S.A. ('GCO Gestora de Pensiones') manages the pension funds "GCO Pensiones Renta Fija, Fondo de Pensiones", "GCO Pensiones Mixto Fijo, Fondo de Pensiones", "GCO Pensiones Renta Variable, Fondo de Pensiones", "GCO Pensiones Mixto Variable, Fondo de Pensiones", "GCO Pensiones Empleados, Fondo de Pensiones", "GCO Pensiones Colectivo, Fondo de Pensiones" and "Cat Previsió, Fondo de Pensiones". In addition, Occident GCO, S.A.U. de Seguros y Reaseguros is a promoter partner of "GCO Previsión, EPSV Individual". The total amount of assets from managed funds and EPSV amounted to €707,812 thousand at 31 December 2023 (€632,447 at 31 December 2022). The gross income earned from management fees of the various funds amounted to €6,151 thousand in 2023 (€5,859 thousand in 2022) and was recognised, net of the related marketing expenses, under "Other Technical Income" in the consolidated life insurance profit and loss account.

Also, the subsidiary company Grupo Catalana Occidente Gestión de Activos, S.G.I.I.C. ("GCO Gestión de Activos") manages the investment funds "GCO Mixto, IF", "GCO Acciones, IF", "GCO Eurobolsa, IF", "GCO Renta Fija, IF", "GCO Global 50, IF", "GCO Internacional, IF", "GCO Bolsa USA, IF" and "GCO Ahorro, IF" (see Note 7.a.2). The total amount of assets of the investments funds managed comes to €807,285 thousand at 31 December 2023 (€691,117 at 31 December 2022).

In view of the business activity carried out by the parent company and its subsidiaries, the Group has no environmental liabilities, expenses, assets, provisions or contingencies that might be material with respect to the Group's equity, financial position or results. Therefore, no specific disclosures are included in these notes to the consolidated financial statements with respect to information regarding environmental issues.

The non-financial information to be included in accordance with Law 11/2018, of 28 December, which amends the Code of Commerce, Consolidated Text of the Spanish Capital Companies Law and the Account Auditing Law regarding non-financial information and diversity, which is included by reference in the consolidated management report for Grupo Catalana Occidente.

1.c) Group structure and distribution systems

The subsidiaries Occident GCO, S.A.U. de Seguros y Reaseguros (hereinafter 'Occident'), Nortehispana, de Seguros y Reaseguros S. A. (hereinafter 'Nortehispana') and the subsidiary subgroup Atradius N.V. (hereinafter 'Atradius N.V.'), have their own independent organisational structure and network.

From an organisational standpoint, the companies comprising Grupo Catalana Occidente (hereinafter "the Group") have a structure involving centralised corporate functions and decentralised operations, with the following service centres: claim centres with staff distributed between Sant Cugat, Valencia, Madrid, Bilbao, Malaga, Santander, Seville and La Coruña and call centres with staff distributed between Sabadell, Madrid and Seville.

The Group has a territorial structure comprising 1,366 offices spread across Spain and 84 offices abroad.

To deliver personal and high-quality advice to customers, the Group distributes its products in Spain through an extensive sales network, consisting mainly of exclusive, full-time insurance agents. The Group also uses insurance brokers, part-time agents and other specialist distribution networks. On 31 December 2023 the Group worked with a total of 14,709 agents throughout Spain (15,032 agents at 31 December 2022).

The Group operates in more than 50 countries through Atradius N.V., which at 31 December 2023 had 2,425 intermediaries (2,412 at 31 December 2022).

In relation to the mediation channels, in accordance with Royal Decree-Law 3/2020, of 4 February, on urgent measures by which various European Union directives are incorporated into Spanish law in the areas of public procurement in certain sectors; private insurance; pension plans and funds; taxation and tax litigation, and by virtue of the application of the provisions of its Fifth Transitional Provision, all agency contracts in force are considered for all purposes to be insurance agency contracts on an exclusive basis. In this way, the following subsidiary companies act as exclusive agency companies:

- Tecniseguros, Sociedad de Agencia de Seguros, S.A.U., S. Órbita, Sociedad Agencia de Seguros, S.A.U., Bilbao Vida y Gestores Financieros, S.A.U. and Bilbao Telemark, S.L.U. as agencies of Occident.
- Nortehispana Mediación Agencia de Seguros, S.A.U. as an agency of Nortehispana

1.d) Other information

All of the parent company's shares are listed on the Spanish Stock Exchange Interconnection System (Continuous Market). At 31 December 2023, the shares traded at €30.90 per share (€29.55 per share at 31 December 2022).

2. Basis of presentation for consolidated accounts

2.a) Regulatory framework of financial reporting applicable to the Group

These consolidated financial statements have been produced by the Board Members of the parent company in accordance with the financial reporting regulatory framework applicable to the Group, which is established by:

- a) The Spanish Code of Commerce and other commercial legislation.
- b) The International Financial Reporting Standards (hereinafter, "IFRS") as adopted by the European Union through EU Regulations, pursuant to Regulation (EU) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 and subsequent amendments thereto.
- c) Royal Decree 1060/2015 of 20 November 2015 on the Regulation, Supervision and Solvency of Insurance and Reinsurance Entities (hereinafter "ROSSEAR") and the regulatory provisions established by the Directorate General of Insurance and Pension Funds.
- d) Law 20/2015, of 14 July, on Organisation, Supervision and Solvency of Insurance and Reinsurance Entities (hereinafter, "LOSSEAR").

2.b) True and Fair View

The Group's consolidated financial statements have been obtained from the accounting records of the parent company and its subsidiaries and investees are presented in accordance with the financial reporting regulatory framework applicable and in particular the accounting principles and criteria it contains. Therefore they present a true reflection of the equity, financial position, results of the Group and cash flows for the year concerned. These consolidated financial statements were prepared by the Board of Directors of Grupo Catalana Occidente, S.A. at their meeting on 29 February 2024, shall be subject, as well as those from investee companies, to the approval by the respective Annual General Shareholders' Meeting. The 2022 consolidated annual financial statements were approved by the Annual General Shareholders' Meeting of Grupo Catalana Occidente, S.A. which was held on 27 April 2023.

The Group's consolidated financial statements have been prepared from accounting records maintained by the parent company and the other companies of the Group and include certain adjustments and reclassifications to standardise the principles and criteria used by the various companies integrated into Grupo Catalana Occidente.

As recommended by IAS 1, assets and liabilities are generally classified in the balance sheet according to their liquidity, but not by classifying assets and liabilities as current or non-current, which is more relevant for the purposes of insurance groups. As with other insurance groups, expenses in the profit and loss account are classified and presented according to their nature.

2.c) Responsibility for information and matters subject to judgement and uncertainty

The information in these financial statements is the responsibility of the Board Members of the parent company, who have taken due care to ensure the effective operation of the various controls put in place to guarantee the quality of financial and accounting information, both for the parent company and the companies of the Group.

In preparing the consolidated financial statements, judgements and estimates were occasionally made by the management of the parent company and of the consolidated companies, which were subsequently ratified by the Board Members, and these judgements and estimates relate, inter alia, to:

- The fair value of certain unlisted financial assets (Notes 3.b.3).
- Impairment of financial assets (Note 3.b.5).

- Significant increase in credit risk (Note 3.b.3).
- The useful life of the property, plant and equipment and investment property (Notes 3.c and 3.d) and intangible assets (Note 3.e).
- The determination of the recoverable amount of goodwill on consolidation and other intangible assets with a definite and indefinite useful life (Note 3.e).
- Determining the recoverable amount of brands and administrative concessions (Notes 3.e.3 and 5.a).
- The actuarial assumptions for the calculation of pension liabilities and commitments, in addition to the assumptions taken into account in other non-technical provisions of an occupational nature (Note 3.j).
- The determination of the discount rate used in the calculation of the financial liability arising from leases subject to IFRS 16 (Note 3.c.2).
- The identification of investment components (Note 3.i.2).
- Interpretation of the limits of the contract (Note 3.i.4).
- The hedging unit allocation method (Note 3.i.5.1)
- Assumptions and hypotheses included in the calculation of future cash flows, discount rate and risk adjustment for non-financial risk (Note 3.i.5.1)
- The assessment of the impracticability of the full retrospective approach on transition to IFRS 17 and the assumptions used in the calculation under the fair value methodology (Note 2.e).

The aforementioned judgements and estimates have been made taking into account the current risk environment described in Note 4.

These estimates affect both the amounts recorded in the balance sheet and profit and loss account and those appearing in the statement of recognised income and expenses. Although they were prepared using the best information available, future events may make it necessary to revise these estimates (upwards or downwards) in coming years. Any such revisions would be applied prospectively, recognising the effects of the changed estimates in the consolidated financial statements.

2.d) New and revised standards

2.d.1) Standards, amendments and interpretations adopted in 2023

New accounting standards and/or amendments have come into force in 2023 which have naturally been taken into account in preparing the attached consolidated financial statements.

- Amendment to IAS 1 Accounting Policy Disclosures: It enables entities to properly identify material accounting policy information that should be disclosed in the financial statements.
- Amendment to IAS 8 Definition of Accounting Estimates: Amendments and clarifications on what should be understood as a change in accounting estimate.
- IFRS 17 Insurance Contract: This replaces IFRS 4 and sets out the principles for recording, measuring, presenting and disclosing insurance contracts in order for an entity to provide relevant and reliable information to enable users of the information to determine the effect of contracts on financial statements.
- Amendment to IFRS 17. Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information: Amendments of limited scope to the transition requirements of IFRS 17 Insurance Contracts (does not affect any other requirement of the standard). IFRS 17 and IFRS 9 Financial Instruments have different transition requirements. For some insurers, these differences may result in one-off accounting asymmetries between financial assets and insurance contract liabilities in the comparative information they present in their financial statements when they apply IFRS 17

and IFRS 9 for the first time. The amendment will help insurers avoid these asymmetries and thus improve the usefulness of comparative information for investors.

- Amendment to IAS 12 Deferred taxes arising from assets and liabilities resulting from a single transaction: Clarifications on how entities should record deferred tax arising on transactions such as leases and decommissioning obligations.
- Amendment to IAS 12 International Tax Reform - Pillar Two Model standards: Proposes a temporary exemption from the requirement to recognise and itemise deferred taxes arising from an enacted or substantially enacted tax law that implements the Pillar Two model standards published by the OECD.

As a result, the Group applies IFRS 17 and IFRS 9 for the first time on 1 January 2023. These standards entail significant changes in the accounting for insurance and reinsurance contracts and financial instruments, respectively.

IFRS 9 is the standard that replaces IAS 39 and whose aim is to establish the principles for financial reporting of financial assets and liabilities, so as to present useful and relevant information to users of financial statements for the assessment of the amounts, timing and uncertainty of the entity's future cash flows. IFRS 9 is similar in scope to IAS 39, so that financial instruments that are within the scope of IAS 39 will also be within the scope of IFRS 9. The Group has applied IFRS 9 at the same time as IFRS 17 and the comparative period has been restated.

The impact of adopting this standard is significant, which is why the provisions of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the IASB's amendment to IFRS 17 on comparative information on initial application of IFRS 17 and IFRS 9 have been taken into account (see note 2.e).

Any accounting policy or measurement principle which can have a material effect on the 2023 consolidated financial statements has been applied in its preparation.

2.d.2) Standards, amendments and interpretations issued not in force

At the date these consolidated financial statements were authorised for release, the most significant standards and interpretations that had been published by the IASB but had not yet come into force, either because their effective date was after the date of the consolidated financial statements, or because they have not yet been adopted by the European Union (in the latter, only the most significant are included):

New standards, amendments and interpretations		Mandatory application for periods beginning as from:
Approved for use in the European Union:		
Amendments and/or interpretations		
Amendment to IAS 1: Classification of liabilities as current or non-current	Presentation of financial statements - Classification of liabilities as current or non-current	01/01/2024
Amendment to IAS 1: Non-current liabilities with conditions ("covenants")	It seeks to improve the information provided when the right to defer payment of a liability is subject to the fulfilment of conditions ("covenants") within twelve months after the reporting period.	01/01/2024
Amendment to IFRS 16: Lease liability in a sale and leaseback sale	Explains how a company should account for a sale and leaseback after the date of the transaction.	01/01/2024
Not approved for use in the European Union:		
Amendments and/or interpretations		
Amendment to IFRS 7 and IAS 7: Supplier financing arrangements	This amendment introduces disclosure requirements specific to supplier financing arrangements and their effects on the company's liabilities and cash flows, including liquidity risk and associated risk management.	01/01/2024
Amendment to IAS 21: Lack of exchangeability	This amendment establishes an approach that specifies when one currency can be exchanged for another, and if not, determining the exchange rate to be used.	01/01/2025

The Group has not made plans for the anticipated application of the aforementioned standards and interpretations and in any case their application will be subject to consideration by the Group upon approval, if applicable, by the European Union.

2.e) Comparison of information

The consolidated financial statements for 2023 are presented comparatively with the previous year, pursuant to the requirements of *IAS 1 - Presentation of Financial Statements*.

As indicated in this note under "Basis of presentation of the consolidated financial statements", the Group has applied IFRS 17 and IFRS 9 from 1 January 2023, although the transition date for IFRS 17 is 1 January 2022.

Transition

With respect to the application of the transition approach, the decisions taken in the Group's businesses are as follows:

In the case of traditional business, it was concluded that reasonable and supportable information was not available for the application of the full retrospective method to calculate the liability for the remaining coverage of contracts measured under the General Model (or the "Building Block Approach" or "BBA") and the Variable Fee Approach (or the "VFA") for those insurance contracts issued prior to the transition date. Therefore, the fair value approach has been applied to these contracts. The application of the full retroactive method is considered impracticable as a result of the following factors:

- (i) Inability to allocate premiums and expected benefits at the level of granularity required by IFRS 17, which prevents obtaining the initial contractual service margin.

- (ii) For closings prior to the entry into force of Solvency II, it is not possible to reconstruct, under Best Estimate assumptions, the expected future cash flows, the non-financial risk adjustment, the discount rate and the coverage units. On the other hand, for closings after the entry into force of Solvency II, the information on expected cash flows cannot be obtained at the level of granularity required by IFRS 17. Therefore, it is not possible to obtain the value of the liability at each closing or the movement of the contractual service margin.
- (iii) Non-availability of information on actual cash flows at the level of granularity required by IFRS 17, so it would not be possible to reconstruct the income statement or determine adjustments to the contractual service margin.

If significant costs were to be incurred in order to make these data available, it would have to be done with efforts far beyond what could be considered reasonable. This would jeopardize the timely implementation of IFRS 17.

For products priced under the “*Premium Allocation Approach*” (PAA), for products with contract limits equal to or less than one year or eligible under paragraphs 53 (a) and 54 of the standard, it is possible to apply the full retrospective method from the date of the last issue or renewal.

In the case of the liability for claims incurred, as it has no implicit future benefit (contractual service margin), it is considered appropriate to measure this from the date of the last issue or renewal, as the amount of the liability for claims incurred is independent at each reporting date and has no effect on the contractual service margin.

In the case of the credit insurance business, the full retrospective method has been applied for annual cohorts starting from the 2021 cohort. In turn, the amended retroactive method has been applied for those cohorts starting prior to 2021 and corresponding to products with longer coverage periods. This second amended method has been applied to periods in which it is not possible to determine a future estimate of cash flows and therefore no changes are made to the models. This is a consequence of the fact that the historical source data, in order to apply them, are not available with the necessary granularity, and the cost of obtaining them is very significant, requiring efforts that are much higher than those considered reasonable.

Level of aggregation in transition

The Group has included insurance contracts prior to 1 January 2022, for traditional business, in groups of contracts issued in periods longer than one year, as there was no reasonable and sustainable information available to make the division into annual cohorts. In the case of the credit insurance business, the groups of contracts have been divided into annual cohorts on the basis of supportable and reasonable information at that date.

Measurement at the transition date

In the case of traditional life business measured under BBA or VFA, when applying the fair value approach at the transition date, the “*Contractual Service Margin*” (or “CSM”) or the loss component of the liability for the remaining hedge has been estimated as the difference between the fair value, as required by IFRS 13, and the cash flows arising from the performance of the group of contracts as of that date. In this regard, the CSM and the non-financial risk adjustment are calculated as a return on the adjusted Solvency II capital requirement, in line with the discount rate used for the calculation of the value in use of the relevant business, using a cost-of-capital method.

In applying the amended retrospective method, the credit insurance business has estimated the future cash flows from the initial recognition of the groups of contracts as equal to the amount of future cash flows at the transition date and adjusted for cash flows occurring between the date of initial recognition and the transition date. In turn, the non-financial risk adjustment has been determined at the date of initial recognition by reducing the non-financial risk adjustment at the transition date by the expected release of risk before the transition date.

Transition discount rates

In determining the discount rates at initial recognition, the approach has varied by business and segment.

The Group has applied the bottom-up approach to the non-life business (both traditional business and credit insurance) and to the life business of the traditional business, except for the OCI matching portfolio where the top-down approach is applied. The accounting option of "Other Comprehensive Income" or "OCI" has been used for the portfolios of the pre-1999 life business and matching, provided that the option of recognising the financial impact in the income statement (P&L option) is not chosen to avoid asymmetries with the asset portfolio. For the portfolio measured under the modified BBA, the transition option chosen was not to recognise the differences between the interest rates at the current curve and those accrued on the basis of the initial recognition rate in "Other comprehensive income".

The discount rates determined under the bottom-up method are based on applying a volume and duration weighted average locked-in rate for each product based on the risk-free benchmark assets of the German government bond (before the euro came into force) and the Euroswap curve (after the euro came into force), which incorporate the corresponding illiquidity premiums.

This situation has led to changes in the classification and valuation changes of certain items in the consolidated financial statements (amounts in thousands of euros):

Balance sheet reconciliation as at 01-01-2023

(Figures in Thousands of Euros)

ASSETS	31/12/2022	Reclassifications	Changes in measurement	01/01/2023 restated
Cash and other equivalent liquid assets	2,126,413	-	(6)	2,126,407
Financial assets held for trading	-	-	-	-
Other financial assets at fair value through profit or loss	748,769	(748,769)	-	-
a) Equity instruments	46	(46)	-	-
b) Investments held for the benefit of policyholders who bear the investment risk	748,723	(748,723)	-	-
Available-for-sale financial assets	9,233,445	(9,233,445)	-	-
a) Equity instruments	2,041,897	(2,041,897)	-	-
b) Debt securities	6,858,932	(6,858,932)	-	-
c) Deposits with credit institutions	332,616	(332,616)	-	-
Loans and receivables	1,333,738	(1,333,738)	-	-
a) Loans and other financial assets	340,409	(340,409)	-	-
b) Receivables	991,498	(991,498)	-	-
c) Investments held for the benefit of policyholders who bear the investment risk	1,831	(1,831)	-	-
Financial assets at fair value through profit or loss	-	1,688,819	-	1,688,819
a) Equity instruments	-	612,032	-	612,032
b) Debt securities	-	107,121	-	107,121
c) Investments held for the benefit of policyholders who bear the investment risk	-	748,723	-	748,723
d) Bank deposits	-	220,943	-	220,943
Financial assets at fair value through other comprehensive income	-	8,293,395	-	8,293,395
a) Equity instruments	-	1,429,911	-	1,429,911
b) Debt securities	-	6,751,811	-	6,751,811
c) Deposits with credit institutions	-	111,673	-	111,673
Financial assets measured at amortised cost	-	1,333,738	(695,987)	637,751
a) Loans and other financial assets	-	340,409	(1,553)	338,856
b) Receivables	-	991,498	(694,434)	297,064
c) Investments held for the benefit of policyholders who bear the investment risk	-	1,831	-	1,831
Reinsurance share of technical provisions	1,200,037	-	(1,200,037)	-
Assets under insurance contracts	-	-	105,621	105,621
Reinsurance contract assets	-	-	771,549	771,549
a) Assets for remaining coverage	-	-	326,726	326,726
b) Assets for claims incurred	-	-	444,823	444,823
Property, plant and equipment and investment property	1,138,195	-	-	113,8195
Intangible fixed assets	923,036	-	-	923,036
Investments in entities accounted for using the equity method	112,268	-	-	112,268
Tax assets	375,068	-	29,010	404,078
Other assets	705,187	-	(561,903)	143,284
Assets held for sale	74,626	-	(39,884)	34,742
TOTAL ASSETS	17,970,782	-	(1,591,637)	16,379,145

(Figures in Thousands of Euros)

LIABILITY	31/12/2022	Reclassifications	Changes in measurement	01/01/2023 restated
TOTAL LIABILITIES	13,788,162	-	(2,262,979)	11,525,183
Debits and payables	1,137,213	(1,137,213)	-	
Financial liabilities at amortised cost		1,137,213	(201,524)	935,689
Technical provisions	11,730,108	-	(11,730,108)	
a) For unearned premiums	1,485,407	-	(1,485,407)	
b) For unexpired risks	1,822	-	(1,822)	
c) For life insurance				
- Provision for unearned premiums and unexpired risks	27,376	-	(27,376)	
- Mathematical provision	5,627,816	-	(5,627,816)	
- Provision for life insurance where the investment risk is borne by policyholders	750,878	-	(750,878)	
d) For claims	3,634,013	-	(3,634,013)	
e) For policyholder dividends and return premiums	31,371	-	(31,371)	
f) Other technical provisions	171,425	-	(171,425)	
Liabilities from insurance contracts		-	9,610,139	9,610,139
a) Liabilities for remaining coverage		-	7,628,529	7,628,529
b) Liabilities for incurred claims		-	1,981,610	1,981,610
Liabilities under reinsurance contracts		-	37	37
Non-technical provisions	258,296	-	(12,942)	245,354
Tax liabilities	403,797	-	184,112	587,909
Other liabilities	191,304	-	(67,100)	124,204
Liabilities linked to assets held for sale	67,444	-	(45,593)	21,851
TOTAL NET EQUITY	4,182,620	-	671,342	4,853,962
Own funds	3,605,313	42,906	418,949	4,067,168
Capital	36,000	-	-	36,000
Issue premium	1,533	-	-	1,533
Reserves	3,103,999	42,906	432,541	3,579,446
Less: Shares and holdings in own equity	(22,787)	-	-	(22,787)
Profit/(loss) for the year attributable to the parent company	486,568	-	(13,592)	472,976
Less: Interim dividend	-	-	-	-
Other accumulated comprehensive income	177,099	(42,906)	198,657	332,850
Items that will not be re-classified to profits/(losses)	-	339,976	-	339,976
a) Changes in the fair value of equity instruments measured at fair value through other comprehensive income		339,976	-	339,976
Items that may be subsequently reclassified to profit or loss	177,099	(382,882)	198,657	(7,126)
a) Available-for-sale financial assets	153,468	(86,360)	(67,108)	
b) Changes in the fair value of debt securities measured at fair value through other comprehensive income		(253,616)	24,349	(229,267)
c) Exchange-rate differences	(16,134)	-	43,261	27,127
d) Correction of accounting mismatches	42,906	(42,906)	-	
e) Insurance contracts		-	194,197	194,197
f) Reinsurance contracts		-	3,958	3,958
g) Entities accounted for using the equity method	(3,141)	-	-	(3,141)
EQUITY OF THE PARENT COMPANY	3,782,412	-	617,606	4,400,018
MINORITY INTERESTS	400,208	-	53,736	453,944
Other accumulated comprehensive income	(23,076)	-	11,576	(11,500)
Other	423,284	-	42,160	465,444
TOTAL EQUITY AND LIABILITIES	17,970,782	-	(1,591,637)	16,379,145

Balance sheet reconciliation as at 01-01-2022

(Figures in Thousands of Euros)

ASSETS	31/12/2021	Reclassifications	Changes in measurement	01/01/2022 restated
Cash and other equivalent liquid assets	1,733,173	-	(51)	1,733,122
Financial assets held for trading	-	-	-	-
Other financial assets at fair value through profit or loss	719,745	(719,745)	-	
a) Equity instruments	48	(48)	-	
b) Investments held for the benefit of policyholders who bear the investment risk	719,697	(719,697)	-	
Available-for-sale financial assets	10,213,620	(10,213,620)	-	
a) Equity instruments	2,381,083	(2,381,083)	-	
b) Debt securities	7,396,774	(7,396,774)	-	
c) Deposits with credit institutions	435,763	(435,763)	-	
Loans and receivables	1,407,412	(1,407,412)	-	
a) Loans and other financial assets	434,072	(434,072)	-	
b) Receivables	935,804	(935,804)	-	
c) Investments held for the benefit of policyholders who bear the investment risk	37,536	(37,536)	-	
Financial assets at fair value through profit or loss		1,874,271	-	1,874,271
a) Equity instruments		718,044	-	718,044
b) Debt securities		139,539	-	139,539
c) Investments held for the benefit of policyholders who bear the investment risk		719,697	-	719,697
d) Bank deposits		296,991	-	296,991
Financial assets at fair value through other comprehensive income		9,059,094	-	9,059,094
a) Equity instruments		1,663,087	-	1,663,087
b) Debt securities		7,257,235	-	7,257,235
c) Deposits with credit institutions		138,772	-	138,772
Financial assets measured at amortised cost		1,407,412	(379,622)	1,027,790
a) Loans and other financial assets		434,072	(1,502)	432,570
b) Receivables		935,804	(378,120)	557,684
c) Investments held for the benefit of policyholders who bear the investment risk		37,536	-	37,536
Reinsurance share of technical provisions	1,101,471	-	(1,101,471)	
Assets under insurance contracts		-	132,810	132,810
Reinsurance contract assets		-	737,475	737,475
a) Assets for remaining coverage		-	351,988	351,988
b) Assets for claims incurred		-	385,487	385,487
Property, plant and equipment and investment property	1,130,958	-	-	1,130,958
Intangible fixed assets	945,543	-	-	945,543
Investments in entities accounted for using the equity method	99,072	-	-	99,072
Tax assets	297,608	-	77,238	374,846
Other assets	624,263	-	(498,945)	125,318
Assets held for sale	-	-	-	-
TOTAL ASSETS	18,272,865	-	(1,032,566)	17,240,299

LIABILITY	31/12/2021	Reclassifications	Changes in measurement	01/01/2022 restated
TOTAL LIABILITIES	13,800,025	-	(1,019,342)	12,780,683
Debits and payables	1,309,982	(1,309,982)	-	
Financial liabilities at amortised cost		1,309,982	(43,227)	1,266,755
Technical provisions	11,294,466	-	(11,294,466)	
a) For unearned premiums	1,400,192	-	(1,400,192)	
b) For unexpired risks	1,636	-	(1,636)	
c) For life insurance				
- Provision for unearned premiums and unexpired risks	26,642	-	(26,642)	
- Mathematical provision	5,783,136	-	(5,783,136)	
- Provision for life insurance where the investment risk is borne by policyholders	757,760	-	(757,760)	
d) For claims	3,176,272	-	(3,176,272)	
e) For policyholder dividends and return premiums	31,148	-	(31,148)	
f) Other technical provisions	117,680	-	(117,680)	
Liabilities from insurance contracts		-	10,601,619	10,601,619
a) Liabilities for remaining coverage		-	8,663,318	8,663,318
b) Liabilities for incurred claims		-	1,938,301	1,938,301
Liabilities under reinsurance contracts		-	34	34
Non-technical provisions	196,056	-	(14,305)	181,751
Tax liabilities	555,794	-	48,270	604,064
Other liabilities	443,727	-	(317,267)	126,460
Liabilities linked to assets held for sale	-	-	-	-
TOTAL NET EQUITY	4,472,840	-	(13,224)	4,459,616
Own funds	3,209,004	(164,462)	636,178	3,680,720
Capital	36,000	-	-	36,000
Issue premium	1,533	-	-	1,533
Reserves	2,767,506	(164,462)	1,063,405	3,666,449
Less: Shares and holdings in own equity	(23,262)	-	-	(23,262)
Profit/(loss) for the year attributable to the parent company	427,227	-	(427,227)	-
Less: Interim dividend	-	-	-	-
Other accumulated comprehensive income	867,630	164,462	(687,727)	344,365
Items that will not be re-classified to profits/(losses)	-	485,630	-	485,630
a) Changes in the fair value of equity instruments measured at fair value through other comprehensive income		485,630	-	485,630
Items that may be subsequently reclassified to profit or loss	867,630	(321,168)	(687,727)	(141,265)
a) Available-for-sale financial assets	1,059,465	(832,706)	(226,759)	
b) Changes in the fair value of debt securities measured at fair value through other comprehensive income		347,076	10,384	357,460
c) Exchange-rate differences	(21,661)	-	-	(21,661)
d) Correction of accounting mismatches	(164,462)	164,462	-	
e) Insurance contracts		-	(475,670)	(475,670)
f) Reinsurance contracts		-	4,318	4,318
g) Entities accounted for using the equity method	(5,712)	-	-	(5,712)
EQUITY OF THE PARENT COMPANY	4,076,634	-	(51,549)	4,025,085
MINORITY INTERESTS	396,206	-	38,325	434,531
Other accumulated comprehensive income	6,186	-	(6,047)	139
Other	390,020	-	44,372	434,392
TOTAL EQUITY AND LIABILITIES	18,272,865	-	(1,032,566)	17,240,299

The reconciliation of the consolidated profit and loss accounts under IFRS 4 and IFRS 17 as at 31 December 2023 and 31 December 2022 is presented below:

(Figures in thousands of euros)	31/12/2023 IFRS 4	Reclassifications	Changes in measurement	31/12/2023 IFRS 17
Earned premiums for the year, net of reinsurance	4,309,531	-	(4,309,531)	
Income from property, plant and equipment and investments	480,317	(480,317)	-	
Income from insurance investments where the risk is borne by the policyholder	116,805	(116,805)	-	
Other technical income	244,544	(244,544)	-	
Claims incurred in the year, net of reinsurance	(2,924,259)	-	2,924,259	
Change in other technical provisions, net of reinsurance	74,226	-	(74,226)	
Provision for policyholder dividends and return premiums	(31,482)	-	31,482	
Net operating expenses	(1,212,430)	-	1,212,430	
Other technical expenses	(38,584)	38,584	-	
Expenses arising from property, plant and equipment and investments	(156,587)	156,587	-	
Expenses for investments relating to insurance where the risk is borne by the policyholder	(15,506)	15,506	-	
Technical account profit/(loss)	846,575	(630,989)	(215,586)	
I) Insurance service income		-	4,768,400	4,768,400
I.1) Income measured under the simplified BBA and VFA)		-	2,487,063	2,487,063
I.1.1. Amounts related to changes in the liability for the remaining coverage		-	1,755,980	1,755,980
I.1.1.1. Expected benefits and expenses		-	1,398,021	1,398,021
I.1.1.2. Changes in the risk adjustment for non-financial risk		-	115,359	115,359
I.1.1.3. CSM recognised for services provided		-	242,600	242,600
I.1.2. Release (recovery) of acquisition costs allocated to the period		-	524,145	524,145
I.1.3. Adjustment of experience related to current services		-	206,938	206,938
I.2) Income from contracts measured under PAA		-	2,281,337	2,281,337
II) Insurance service expenses		-	(3,775,632)	(3,775,632)
II.1. Benefits and expenses incurred		-	(2,706,533)	(2,706,533)
II.2. Acquisition costs		-	(1,102,576)	(1,102,576)
II.3. Change in liability for incurred claims		-	33,477	33,477
III) Profit/(loss) associated with insurance contracts issued (I+ II)		-	992,768	992,768
IV.1) Reinsurance expenses		-	(656,761)	(656,761)
IV.2) Income from reinsurance recoveries		-	370,086	370,086
IV) Profit/(loss) associated with reinsurance contracts held (IV.1+ IV.2))		-	(286,675)	(286,675)
V) Insurance service result (III+IV)		-	706,093	706,093
VI) Net investment profit/(loss)		376,502	35,338	411,840
Financial income / (expenses) for insurance associated with insurance contracts issued		-	(320,452)	(320,452)
Financial income / (expenses) associated with reinsurance contracts held		-	11,542	11,542
VII) Total financial income or expenses for insurance		-	(308,910)	(308,910)
VIII) Net insurance and investment income (V+ VI+VII)		376,502	432,521	809,023
Income from property, plant and equipment and investments	(19,413)	19,413	-	
Expenses arising from property, plant and equipment and investments	(29,114)	29,114	-	
Other income	238,797	253,155	-	491,952
Other expenses	(240,810)	(47,195)	(174,569)	(462,574)
Profit before tax	796,035	-	42,366	838,401
Tax on profits	(182,729)	-	(14,874)	(197,603)
Profit/(loss) for the period from on-going transactions	613,306	-	27,492	640,798
Profit/(loss) for the year from discontinued operations and/or held for sale, net of taxes	2,147	-	2,167	4,314
Consolidated profit/loss for the year	615,453	-	29,659	645,112
a) Profit attributable to equity holders of the parent company	551,795	-	28,803	580,598
b) Profit attributable to minority interests	63,658	-	856	64,514

Consolidated Profit and Loss Account - Reconciliation of the restatement of balances at 31-12-2022

(Figures in thousands of euros)	31/12/2022	Reclassifications	Changes in measurement	31/12/2022 restated
Earned premiums for the year, net of reinsurance	4,037,955	-	(4,037,955)	
Income from property, plant and equipment and investments	475,723	(475,723)	-	
Income from insurance investments where the risk is borne by the policyholder	71,097	(71,097)	-	
Other technical income	233,257	(233,257)	-	
Claims incurred in the year, net of reinsurance	(2,567,776)	-	2,567,776	
Change in other technical provisions, net of reinsurance	115,412	-	(115,412)	
Provision for policyholder dividends and return premiums	(22,898)	-	22,898	
Net operating expenses	(1,165,572)	-	1,165,572	
Other technical expenses	(11,764)	11,764	-	
Expenses arising from property, plant and equipment and investments	(175,803)	175,803	-	
Expenses for investments relating to insurance where the risk is borne by the policyholder	(137,970)	137,970	-	
Technical account profit/(loss)	851,661	(454,540)	(397,121)	
I) Insurance service income		-	4,419,623	4,419,623
I.1) Income measured under the simplified BBA and VFA		-	2,268,007	2,268,007
I.1.1. Amounts related to changes in the liability for the remaining coverage		-	1,612,794	1,612,794
I.1.1.1. Expected benefits and expenses		-	1,254,667	1,254,667
I.1.1.2. Changes in the risk adjustment for non-financial risk		-	87,388	87,388
I.1.1.3. CSM recognised for services provided		-	270,739	270,739
I.1.2) Release (recovery) of acquisition costs allocated to the period		-	456,111	456,111
I.1.3) Adjustment of experience related to current services		-	199,102	199,102
I.2) Income from contracts measured under PAA		-	2,151,616	2,151,616
II) Insurance service expenses		-	(3,348,501)	(3,348,501)
II.1. Benefits and expenses incurred		-	(2,345,957)	(2,345,957)
II.2. Acquisition costs		-	(1,007,729)	(1,007,729)
II.3. Change in liability for incurred claims		-	5,185	5,185
III) Profit/(loss) associated with insurance contracts issued (I+ II)		-	1,071,122	1,071,122
IV.1) Reinsurance expenses		-	(568,692)	(568,692)
IV.2) Income from reinsurance recoveries		-	257,045	257,045
IV) Profit/(loss) associated with reinsurance contracts held (IV.1+ IV.2))		-	(311,647)	(311,647)
V) Insurance service result (III+IV)		-	759,475	759,475
VI) Net investment profit/(loss)		223,239	(218,615)	4,624
Financial income / (expenses) for insurance associated with insurance contracts issued		-	72,848	72,848
Financial income / (expenses) associated with reinsurance contracts held		-	(5,408)	(5,408)
VII) Total financial income or expenses for insurance		-	67,440	67,440
VIII) Net insurance and investment income (V+ VI+VII)		223,239	608,300	831,539
Income from property, plant and equipment and investments	(421)	421	-	
Expenses arising from property, plant and equipment and investments	(9,387)	9,387	-	
Other income	49,078	236,304	-	285,382
Other expenses	(172,097)	(14,811)	(179,343)	(366,251)
Profit before tax	718,834	-	31,836	750,670
Tax on profits	(154,627)	-	(26,391)	(181,018)
Profit/(loss) for the period from on-going transactions	564,207	-	5,445	569,652
Profit/(loss) for the year from discontinued operations and/or held for sale, net of taxes	(21,633)	-	(19,469)	(41,102)
Consolidated profit/loss for the year	542,574	-	(14,024)	528,550
a) Profit attributable to equity holders of the parent company	486,568	-	(13,592)	472,976
b) Profit attributable to minority interests	56,006	-	(432)	55,574

The following is an explanation of the main changes in the new IFRS 17 compared to the previous accounting standard IFRS 4. Compared to the information presented under IFRS 4, IFRS 17 involves a change in the presentation of balance sheet items, but primarily in the income statement. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts and reinsurance contracts. The following changes and impacts, among others, should be highlighted:

- The heading "Financial assets at amortised cost" groups together those previously called "Loans and receivables", with the main exception of:
 - o The fractioning of premiums to be issued, classified in IFRS 4 under the asset item "Receivables from direct insurance operations", which in IFRS 17 is classified under the liability item "Liabilities for remaining hedges".
 - o Part of the receivables from the credit insurance business, which are included in the calculation of the current value of the cash flows under the heading "Liabilities for remaining coverage."

- IFRS 17 introduces the heading "Assets under insurance contracts", which mainly classifies consumer credit contracts (ICP) from the credit insurance business, where premium and recovery flows exceed payment and expense flows.

- The accrual of acquisition commissions and expenses, classified in IFRS 4 under "Other assets", is classified in IFRS 17 under the liability item "Liabilities for remaining hedges".

- IFRS 17 introduces the BBA and VFA models that measure groups of contracts based on estimates of the present value of future cash flows (FCF), a non-financial risk adjustment and a contractual service margin (CSM). Current assumptions at each close are used to calculate the liability for the remaining hedge. The establishment of the CSM is one of the relevant factors causing the increase in insurance contract liabilities in the transition, in addition to the remeasurement of the cash flows arising from compliance.

In the case of the simplified model (PAA), the measurement of liabilities for remaining coverage is similar to the treatment in IFRS4.

- In measuring incurred claims liabilities, future cash flows are discounted (unless they are expected to occur within one year or less from the date on which the claims are incurred) and an adjustment for non-financial risk is included.

- The impact on OCI mainly comprises two components: i) changes in value of the investment portfolio classified at fair value with changes in other comprehensive income and ii) changes in value of liabilities between the initial recognition rate (the so-called "locked-in-rate") and the current rate.

- Under IFRS 17, the Group no longer applies the shadow accounting approach. This has an impact on "Other comprehensive income" and "Other liabilities" with a corresponding deferred tax impact.

- Insurance service income: Income from premiums is replaced by changes in the liability for the remaining coverage in the BBA and VFA models, including the recognition of the service margin earned on insurance contracts (CSM). In the PAA model, the insurance service income is similar to the earned premium concept under IFRS4.

In the case of the credit insurance business, income derived from risk analyses of its policyholders' debtors is not considered as insurance service income and is therefore accounted for under IFRS 15 and classified under "Other income".

- Investment components are no longer included in insurance service income or expenses.
- Insurance finance income and expenses: includes the effect of credited interest on the current value of the associated future cash flows, on the non-financial risk adjustment and on the CSM of insurance contract liabilities, as well as the effect of discount rate restatement for insurance contract liabilities measured under BBA/VFA and allocated to the income statement.

Additionally, at balance sheet level, the above changes imply, in terms of presentation, both in assets and liabilities, the replacement of the current headings of "Reinsurance participation in technical provisions" and "Technical provisions" by "Assets/liabilities under reinsurance contracts held" and "Assets/liabilities under insurance contracts issued", respectively.

With regard to the end of the deferral of the application of IFRS 9 on insurance activities, the Group has applied this standard retroactively, restating the classification and disclosures of some of its financial assets. IFRS 9 establishes three measurement categories according to the characteristics of the financial instruments:

- The heading mainly impacted by the application of IFRS 9 is that of financial assets at fair value through profit or loss, which increases their value due to the reclassification of those assets that do not pass the SPPI test, such as investment funds and some fixed income instruments and deposits, which were measured through adjustments for changes in value in equity.
- The impact of IFRS 9 on financial assets at fair value through other comprehensive income for those financial assets whose main purpose is to hedge obligations with policyholders. This heading includes the previously available-for-sale financial assets that pass the SPPI test, mainly fixed income. With regard to equities, IFRS 9 establishes that shares measured at fair value through other comprehensive income will not have the possibility of recycling realisation gains or losses to profit or loss.
- Lastly, the heading defined by IFRS 9 as financial assets at amortised cost will include the same amounts as under IAS 39 under loans and receivables, with the exception of recoveries and instalment payments, which will be reclassified to insurance contract liabilities.

The potential relevant impact of IFRS 9 on the transition is the expected impairment loss resulting from the new methodology established in the standard. The Group has made the calculation at the transition date and the impact is not significant.

2.f) Consolidation principles

The Group's scope of consolidation was defined according to the provisions of *IFRS 10 – Consolidated Financial Statements* and *IAS 28 – Investments in Associates* (see Appendices I and II).

These consolidated financial statements for 2023 include all the companies of the Group, using the consolidation methods applicable in each case, in accordance with Article 42 of the Código de Comercio (Spanish Commercial Code). The parent company is not required to prepare consolidated financial statements with a scope greater than that of these consolidated financial statements, as it is itself part of a group headed by CO Sociedad de Gestión y Participación, S.A. which prepares its consolidated annual financial statements separately.

2.f.1) Subsidiaries

Subsidiaries are considered to be those entities in which the Group has control, i.e. when it is exposed to or has variable rights of return on the entity and has the capacity to influence such returns.

Appendix I to these Consolidated Notes contains significant information on these companies and Note 5 provides information about the most significant changes during 2023 and between the balance sheet date and the date these financial statements were authorised for release.

The annual financial statements of subsidiaries are fully consolidated with the Group financial statements by aggregating assets, liabilities, net equity and income and expenses of a similar nature, which are recognised in the individual financial statements after harmonisation and restatement to comply with IFRS. The carrying amount of direct and indirect interests in the equity of subsidiaries is offset against the portion of the net assets of the subsidiaries that each represents. All other material balances and transactions between consolidated companies are eliminated on consolidation. In addition, third-party ownership interests in the Group's equity and in profit for the year are presented under the headings "Minority Interests" in the consolidated balance sheet and "Profit attributable to minority interests" in the consolidated profit and loss account, respectively.

The individual financial statements of the parent and subsidiaries used in preparing the consolidated financial statements are prepared with the same reporting date.

The consolidation of the profits generated by the companies acquired in a financial year is carried out taking into account only those relating to the period between the date of acquisition and the end of that financial year. In the case of subsidiaries that cease to be subsidiaries, the results are included up to the date on which they cease to be a Group subsidiary, and the assets and liabilities of the subsidiary and any minority interest or component of the equity.

In cases where the Group increases its share of a subsidiaries' voting rights, any difference between the cost of the new acquisition and the additional portion of net assets acquired is calculated on the value at which they were accounted for in the consolidated accounting records.

Regarding holdings in investments funds managed by companies of the Group where the holding in them is above 20%, the Group opts not to consolidate, taking into consideration the provisions of IAS 8 *Accounting policies, changes in accounting estimates and errors*, section 8, which indicates that the accounting policies do not need to be applied when the effect of the use is not significant. The holdings in said funds are classified in the section "Financial investments - holdings in investment funds".

The effect of consolidating on 31 December 2023, the funds which the Group has control over (i.e. GCO Acciones, IF; GCO Eurobolsa, IF and GCO Bolsa USA IF; see Note 7.a.2), would imply an increase in the assets and liabilities of the financial situation statement of €18,146 thousand, which is 0.1% of the total assets (€21,033 thousand 0.1% of the total at 31 December 2022)

In application of IAS 8, the Group will proceed to consolidate its holding in said funds in the case of evaluating the effect of consolidation as significant in later years.

2.f.2) Associates

Associates are entities, other than subsidiaries, over which the Group has significant influence, i.e. the power to participate in the financial and operating policy decisions of the investee but not to exercise full or joint control over it.

In general, it is presumed that the Group exercises significant influence if it holds, directly or indirectly, 20% or more of the voting power of the investee, unless it can be clearly demonstrated that such influence does not exist.

However, the entity CLAL Crédit Insurance Ltd., where the Group holds less than 20% of voting rights, is considered an associate company because the Group is able to exercise significant influence over it.

Appendix II provides relevant information about these entities.

Associates are integrated in the consolidated annual financial statements using the equity method, whereby the investment is initially recognised at cost and subsequently adjusted to reflect any changes in the Group's share of net assets of the investee. The Group's results for the year include its share of the profit or loss of investees, less any treasury shares held by each investee, after deduction of dividends and other appropriations.

The Group's share in discontinued operations is recognised separately in the consolidated profit and loss account, while its share in the changes that associates have recognised directly in equity are also recognised directly in the Group's net equity, with the details being recorded in the statement of recognised income and expenses.

In applying the equity method, the most recent available financial statements of each associate are used.

If an associate uses accounting policies other than those used by the Group, the appropriate adjustments are made to make the associate's accounting policies consistent with those of the Group.

If there is any indication of an impairment loss in the investment in the associate, the impairment loss is deducted in the first place from any remaining goodwill in the investment.

Notes 5 and 8 to the consolidated financial statements give details of the significant new acquisitions in 2023 in associates, any increases in the Group's holdings in the capital of companies already classified as affiliates at the start of the year, as well as information on the sale and loss through impairment of holdings, if any.

2.g) Offsetting

Asset and liability balances are offset and therefore recorded in the consolidated financial statements on a net basis if, and only if, they arise from transactions in which offsetting is contractually or legally permitted and which the Company intends to settle on a net basis or realise the asset and settle the liability simultaneously.

2.h) Financial information by segment

IFRS 8 – Segment Reporting confirms the principles governing the preparation of financial information by business lines and geographical area.

Segment information is presented according to the control, monitoring and internal management of the Group's insurance activities and results and is prepared for all the insurance lines and sub-lines which the Group operates, taking the Group's structure and organisation into account. The Board of Directors of Grupo Catalana Occidente is the highest body in terms of making operational decisions to define the operating segments.

The current management of the business is based on financial information reported to Group management under IFRS 4 and IAS 39 and, therefore, segment and geographical information (Note 18) is broken down under the accounting principles established by these standards, until the business is managed and decisions are made based on financial information reported (including the consolidated management report) under the principles established in IFRS 9 and 17 (accounting standards applicable to these financial statements).

The Group has defined the main segments as 'Traditional business', 'Credit insurance business' and 'Funeral business' (see Note 1.b).

'Traditional business' includes life and non-life insurance, which are subject to risks and returns inherent in the insurance business. Life insurance groups together all those insurance contracts that guarantee hedging of a risk that may affect the existence, physical integrity or health of the insured party; and non-life insurance groups together insurance contracts other than life insurance, which may be broken down into the branches of motor, multi-risk and other various types of insurance.

In addition, 'Traditional business' includes 'Other activities' to group together all operating operations other than, or not related to, the insurance or funeral business itself. Thus, the income and expenses included in this category include the results of the Group's subsidiaries that do not directly carry out insurance or funeral activities, as well as other income and expenses, as detailed in Note 18.

The 'Credit insurance business' comprises the credit and surety lines and consists mainly of the insurance business of Atradius N.V., which is active both in Spain and abroad.

Each of the insurance companies directly or indirectly controlled by the Group may be classified as a single-line or multi-line company, based on the definition of insurance lines provided by the DGSFP. Note 1.b gives details of the specific lines in which the Group is authorised to operate.

The accounting policies applied by each of the segments are the same as those used for preparing and presenting the Group's consolidated financial statements, including all the accounting policies relating specifically to financial information of the segments.

Both the assets and liabilities of the segments as well as the income and expenses were set before the elimination of the balances and intra-group transactions carried out in the consolidation process, except when those balances and transactions were undertaken between companies within one segment. This is the prevailing scenario in the Group, with all intra-group transactions being carried out at current market prices.

The rules for allocating assets and liabilities and income and expenses to the Group's segments are as follows:

Allocation of assets and liabilities to the segments

Assets for each segment are those relating to the Group's insurance and complementary operations that are used by a segment to provide its services, including assets that are directly attributable to the segment or that can reasonably be allocated to it.

Segment assets include investments accounted for by the equity method, based on the allocation of these investments in the "Investment Book" of each dependent subsidiary. The profit or loss from such investments is included in the ordinary profit or loss of the segment in question.

Segment liabilities include the Group's share of the liabilities arising from the segment's activities that are directly attributable to the segment or can reasonably be allocated to it. If the segment result includes interest expense, the related interest-bearing liabilities are included in segment liabilities.

Allocation of Income and Expenses to the segments

Technical income and expenses arising from insurance operations are allocated directly to the traditional business segment and the credit insurance business segment, respectively, and in the case of the former, to its various activities, depending on the nature of the transaction from which they arise.

Financial income and expenses are allocated to the segments according to the prior allocation of the assets that generated the income or expense in question, as shown in the each company's "Investment Book". The same financial instrument may be allocated to more than one segment. The Group's share of the profits/(losses) of associates, which is shown separately in the income statement, has been allocated to the different segments on the basis of the percentage of the investment that each segment represents within each investment portfolio.

The aforesaid financial income and expenses is allocated between the various non-life insurance mainly on the basis of the technical provisions established for each of the lines in question. Likewise, the income and expenses deriving from equity securities and other financial instruments not directly related to the insurance business are assigned to 'Other Activities'

All other non-technical and non-financial income and expense directly or indirectly related to the different segments has been assigned to the corresponding segments directly, according to the segment that generated it or on some other fair basis. In the latter case, a cost allocation method based on functional activities has been used. This involves identifying the activities and tasks performed in each business process and allocating to each activity the resources it uses or generates. Thus, in the accompanying consolidated profit and loss account, part of the overheads are presented under the headings 'Benefits and expenses incurred', 'Amortisation of acquisition costs', 'Change in claims liabilities incurred', 'Income / (expenses) from property, plant and equipment and investment property' and 'Other expenses'.

The appendices to the Group's consolidated financial statements and Note 18 provide consolidated segment financial information, including breakdowns of ordinary income and expense and segment assets and liabilities, as well as any assets and liabilities which have been excluded or have not been allocated. This information is provided independently of the obligation under Spanish GAAP, applicable to the Spanish insurance companies included in the consolidated group, to disclose accounting and statistical information to the DGSFP.

The Group has aligned the segment reporting note consistently with the information used internally for management reporting and with that presented in other public documents.

2.i) Cash flow statement

The following expressions are used in the cash flow statement:

- Cash flows: inflows and outflows of cash and cash equivalents. Cash equivalents are highly liquid short-term investments, with a maturity of less than three months which are readily convertible into specific cash amounts and are subject to negligible risk of changes in value.
- Operating activities: activities typical of insurance companies and other activities that cannot be classified as investment or finance activities.
- Investing activities: those of acquisition, sale or other disposal of long-term assets and other investments not included in cash equivalents.
- Financing activities: activities that result in changes in the size and composition of equity and of the liabilities that are not part of operating activities. Transactions with own shares are considered financing activities. Dividends paid by the parent company to its shareholders are also included in this category.

3. Significant accounting principles and policies and measurement bases used in the consolidated financial statements

The main accounting principles required by legislation, as well as accounting policies and measurement bases used in preparing the Group's consolidated financial statements are as follows:

3.a) Cash and other cash equivalents

This balance sheet item consists of liquid assets, including cash, sight deposits, and cash equivalents.

Cash equivalents are highly liquid short-term investments, with a maturity of less than three months which are readily convertible into specific cash amounts and are subject to negligible risk of changes in value.

3.b) Financial instruments

3.b.1) Recognition

Financial instruments are recognised in accordance with IFRS 9 Financial Instruments.

3.b.2) Classification of financial instruments

The criteria established by the accounting regulatory framework for the classification of financial assets according to the following variables: the entity's business model and the contractual cash flow characteristics of the assets. Accordingly, the Group classifies its financial assets as follows:

- (i) Financial assets at amortised cost: the aim of their business model is to hold the financial asset in order to collect contractual cash flows and, according to the terms of the contract, cash flows are received on specific dates that exclusively constitute payments of principal plus interest on such principal. Interest, impairment and exchange differences are recorded in income.

- (ii) Financial assets at fair value through other comprehensive income (VROCI): the business model has the aim of both obtaining contractual cash flows and selling them and, according to the terms of the contract, cash flows are received on specific dates that exclusively constitute payments of principal plus interest on such principal. Interest, impairment and exchange differences are recorded in income, as well as in the amortised cost model. Other changes in fair value are recorded in equity and may be recycled to profit or loss on their sale.
- (iii) Financial assets at fair value through profit or loss (VRPL): a financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

This category includes instruments that do not meet the SPPI ("*solely payments of principal and interest*") test and units in mutual funds, since this type of instrument does not meet the definition of equity instruments in accordance with IAS 32 and, consequently, cannot be measured at fair value through other comprehensive income and must be measured at fair value through profit or loss.

In addition, the Group has considered the application of irrevocable designation options at initial recognition:

- a) An equity instrument (meeting the requirements of IAS 32), as long as it is not held for trading purposes, may be classified at fair value through other comprehensive income (equity), but may not be recycled to profit or loss on sale, and only dividends are taken to profit or loss.

The Group has assumed that equity securities represent investments that the Group intends to hold for long-term strategic purposes. As permitted by IFRS 9, it has designated these investments as "fair value through other comprehensive income".

- b) A financial asset may also be designated for measurement at fair value through profit or loss if doing so reduces or eliminates an accounting mismatch.

Investments in associated entities are accounted for under the specific sub-heading of "Investments in entities accounted for using the equity method".

A financial liability is a contractual obligation requiring the Group to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity on terms that are potentially unfavourable. Financial liabilities include those debits and payables that the Group has and that have arisen from the purchase of goods and services in the ordinary course of the company's business.

Financial liabilities are classified into the following categories: "Financial liabilities held for trading" and "Financial liabilities at amortised cost". In particular, financial liabilities that are not classified as held for trading are recorded in the "Financial liabilities at amortised cost" portfolio. Balances recorded in this category include subordinated liabilities, as well as accounts payable and deposits linked to the insurance business. Trade payables falling due in less than one year without a contractual interest rate are carried at their face value at both initial recognition and subsequent measurement, provided that the effect of not discounting flows is not significant.

No securities have been issued that are convertible into shares of the parent company or that grant privileges or rights which may, under certain circumstances, make the securities convertible into shares. The Group's most significant financial liabilities relate to the subordinated debt issued by Atradius N.V. (see Note 13.a).

At 31 December 2023, neither the parent company nor any other Group company has guaranteed any other debt securities issued by associates or third parties unrelated to the Group.

3.b.3) Measurement of financial instruments

The Group requires that, on initial recognition, a financial asset or financial liability is measured at fair value, increasing or decreasing, in the case of a financial asset or financial liability that is not carried at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

After initial recognition, an entity shall measure a financial asset: i) at amortised cost; ii) at fair value through other comprehensive income; or iii) at fair value through profit or loss.

The fair value of a financial instrument on a given date is taken to be the amount for which the asset could be exchanged between knowledgeable, willing parties who are properly informed and in a mutual independence condition. The most objective and common reference for the fair value of a financial instrument is the price that would be determined on the basis of the quoted prices published in the active market. When such reference exists, it is used to measure the financial asset. However, in certain cases the price quotations provided by the various counterparties who would be willing to exchange a certain financial asset or the prices indicated by the contributors are also considered.

In the absence of an active market for a financial instrument, the Group determines fair value using generally accepted techniques.

In addition, the Group has contracted the service of structured investment valuation with an independent expert from the Management, Serfiex, a specialist in the sector. This service enables the valuations provided by the contributors to be compared with internal valuation methods. For those structured investments where liquidity is not guaranteed through the contributor being quoted on an active market, the Group recognises the market value calculated by Serfiex.

Financial instruments are therefore classified into to three levels, according to the inputs used to determine their fair value:

- Level 1: the measurement is performed directly using the quoted price of the financial instrument, which is observable and available from independent price sources and refers to active markets accessible to the entity at the measurement date.
- Level 2: for instruments for which there is no directly observable price, their fair value is estimated by applying commonly accepted measurement techniques, where the variables used are based on observable market data.

These mainly include fiduciary deposits and fixed income assets associated with interest rate swaps, for which the Group has the separate measurement of the bond and the swap. The measurement of these assets, in most cases, are obtained using the Current Value Method (discounted future cash flows) obtained directly from the counterparty or calculated internally. This measurement technique uses the future cash flows of each instrument, which are established in the various contracts signed with the counterparty, discounted using the market curve plus a credit spread, both of which are observable.

- Level 3: instruments are measured using measurement techniques that use specific and significant variables that are not obtained from observable market data.

These mainly include equity assets, where the realisable value is generally estimated on the basis of the individual characteristics of the asset. In these cases, the measurement is usually carried out by asking a third party for a reference measurement. The main measurement technique used is the Net Asset Value or Theoretical Carrying Amount of the unit and, additionally, for units in investment funds, the net asset values not published by management companies. Net Asset Value represents the most recent available net total value of the company's assets less liabilities, applying the percentage of the holding in the company.

The measurement models used are selected and validated by the Group's management.

Instruments measured at amortised cost are measured taking into account the effective interest rate method. Amortised cost is taken to be the amount at which the financial instrument was initially measured, minus principal repayments, plus or minus, as appropriate, the cumulative gradual amortisation or allocation, using the effective interest rate method, of any difference between that initial amount and the redemption value upon maturity, minus any reduction for impairment or non-collectability.

Financial investments shall be derecognised when the rights to receive cash flows have expired or when practically all the risks and rewards of ownership of the financial asset have been transferred. If there are transfers of assets in which control is maintained, the accounting asset continues to be recognised.

3.b.4) Recognition of changes in measurements of financial instruments

A gain or loss arising from a change in the fair value of a financial asset or financial liability that is not part of a hedging transaction is recognised as follows:

- The unrealised gain or loss on a financial asset or liability at fair value through profit or loss (including those relating to 'investments for the account of holders that assume the investment risk', is recognised in the profit and loss account for the year under the subheading 'Net gain / (loss) on financial instruments'.
- The unrealised gain or loss on a financial asset at fair value through other comprehensive income is recognised directly in equity under the heading "accumulated other comprehensive income" until the financial asset is derecognised, except for impairment losses and foreign exchange gains or losses. In the case of equity financial assets classified as 'Financial assets at fair value through other comprehensive income', where an irrevocable decision has been made to present changes in fair value through other comprehensive income, foreign exchange differences are recognised in equity under 'Accumulated other comprehensive income'. On derecognition the gain or loss that has previously been recognised in equity is recorded in reserves for the year.

However, interest calculated using the effective interest method is recognised in profit or loss. Dividends on an equity instrument classified as an 'asset at fair value through other comprehensive income' or 'financial asset at fair value through profit or loss' are recognised in profit or loss when the Group's right to receive payment is established.

When a financial asset recognised at amortised cost is derecognised or impaired, or the effective interest rate method is applied to it, the resulting income and expenses are recognised through the profit and loss account. This category also includes those financial assets without price disclosure and other related assets associated with 'Investments for the benefit of holders that assume the investment risk' (short-term deposits with credit institutions and current accounts).

3.b.5) Impairment of financial instruments

The Group applies the impairment requirements to financial assets measured at amortised cost and those measured at fair value through other comprehensive income.

Impairment losses for the period on debt instruments are recognised as an expense under "Impairment losses on credit risk" in the profit and loss account. Impairment losses on debt instruments at amortised cost are recognised against an allowance account that reduces the carrying amount of the asset, while those at fair value through other comprehensive income are recognised against accumulated other comprehensive income.

The amount of impairment loss allowances is calculated based on whether or not there has been a significant increase in credit risk since the initial recognition of the transaction, and whether or not an event of default has occurred. The Group assumes that the credit risk of a financial instrument has not increased significantly since initial recognition if the credit risk of that instrument at the reporting date is determined to be low, i.e. equivalent to an Investment Grade credit rating (AAA to BBB-), which results in recognising an impairment provision for 12-month expected credit losses.

The Group has defined a set of indications that identify events of default (Stage 3) and significant increases in risk (Stage 2) at the transaction level for all financial instruments measured at amortised cost and at fair value through other comprehensive income, assuming that the so-called expected credit loss is recognised over the life of the transaction.

The main issues to be taken into account in the Group's estimate of the expected loss are as follows:

- Probability of default (PD) and loss given default (LGD) ratio: the need to define the parameters incorporating a forward looking view.
- Debt size or exposure at default (EAD): need to define credit conversion factors for undrawn commitments, as well as early amortisation assumptions.
- Discounted flows: consideration of the effective interest rate (EIR) or adjusted EIR for those assets acquired or originated as impaired (known as "Credit impaired").

The credit risk of financial investments is determined on the basis of an average of the four rating agencies S&P, Moody's, Fitch and DBRS, known as a composite rating. In turn, these are grouped into higher levels called buckets, so that each financial asset in the Group will have one bucket assigned at initial recognition of the asset and another assigned at the reporting date based on the combined rating at the reporting date.

For equity instruments without a price listed in the section "Investment in entities accounted for using the equity method", the Group undertakes deterioration tests according to the methodology described in Note 3.e.1).

3.c) Property, Plant and Equipment

3.c.1) Buildings, improvements in own buildings, transport elements, data processing equipment and other tangible fixed assets

Under this balance sheet item, the Group records all owner-occupied properties and those occupied by Group companies and those under construction or development for future use as properties for own use.

"Property, plant and equipment" also includes transport equipment, furniture and fixtures, and computer hardware.

Property, plant and equipment assets are stated at acquisition or construction cost, less accumulated depreciation and, where applicable, accumulated impairment losses, but never at less than their residual value. The cost of additions and improvements that expand the capacity or floor area, increase the returns or extend the useful life of property held by the Group subsequent to initial recognition are capitalised and recorded under "Other property, plant and equipment". Conversely, upkeep and maintenance costs are expensed to the profit and loss account in the year incurred.

When payments on acquisition of a property are deferred, their cost is the cash price equivalent. The difference between the cash price equivalent and the total payment is recognised as interest expense over the deferred period.

In general, the Group applies the straight-line systematic depreciation method to the acquisition cost, excluding the residual value, over the following estimated useful lives:

Property, plant and equipment items	Estimated useful life
Property (excluding land)	Between 33 and 77 years
Improvements to owned property	10 years
Transport equipment	Between 5 and 7 years
Data processing hardware	Between 3 and 5 years
Other property, plant and equipment	Between 3 and 10 years

Property under construction is depreciated from the moment it is in a usable condition.

The values and the residual lives of these assets are reviewed at each balance sheet date and adjusted as appropriate. The recognised carrying amount of an asset is immediately reduced in line with its recoverable amount if the carrying amount is greater than the estimated recoverable value. Profits and losses on disposal are calculated by comparing the net sale proceeds with the recognised carrying amounts.

The market value of owner-occupied property indicated in Note 9.a) to the consolidated financial statements has been obtained from appraisals carried out by independent experts. The generally used measurement methods correspond to the methodology established in the Order ECO/805/2003, of 27 March, partially amended by Order EHA 3011/2007, of 4 October: the method of comparison, the method of cost, the residual abbreviated method and the method of income update, depending on the characteristics of the asset to be measured.

These measurements correspond to Level 2 and Level 3 of the hierarchy of fair value established by *IFRS 13 Measurement of the fair value* (see Note 3.b.3), depending on whether said value is determined depending on variables observed in the market or on estimates where a significant variable is not based on observable market data, respectively.

Regarding the main inputs used in the mentioned measurement techniques, it should be highlighted that:

- The comparison method (based on the principle of substitution) values the property by comparison with other property values on the market and, based on specific information on real transactions and firm offers, current cash purchase prices are obtained for said properties in accordance with standardisation coefficients (Level 2);
- The cost method calculates the replacement or substitution value based on the elements necessary in order to achieve a property of the same characteristics (value of the land, cost of construction and the expenses necessary in current prices). This is mostly applicable to the valuation of all types of buildings and elements of buildings, in design, in construction or rehabilitation or finished) (Level 2);
- The residual abbreviated method is based on the fact that the value of each of the components (generally the value of the land or the building) is the difference between the total value of each asset and the values attributable to the costs of building in order to finish the property from its current status, residually obtaining the value of the land. Fundamentally applied to urban land or land that can be developed (Level 2);
- The income update method updates the anticipated future utility (cash flow anticipated from rent or from associated economic activity) and uses unobservable inputs such as the probability of future occupation and/or current or anticipated payment defaults.

3.c.2) Leases

At the beginning of a contract, the Group assesses whether it is a lease. A contract is a lease if it gives the customer the right to exercise control over the use of the identified asset for a period of time in return for a consideration, i.e. the Group is entitled to obtain substantially all of the economic benefits from the use of an identified asset and has the right to direct the use of that asset.

As Lessee

At the commencement of the lease, the Group recognises an asset for right of use and a liability for lease. The right-of-use asset is initially measured at cost, which includes the amount of the lease liability, any lease payments made before or at the inception of the lease, and any initial direct costs incurred less any incentives received. The lease liability is initially measured at the current value of the lease payments to be made, discounted using the interest rate implicit in the lease or, if this cannot be readily determined, the *incremental borrowing rate* of the lessee. The Group normally uses its incremental interest rate as a discount rate. This rate has been calculated for the different portfolios defined by the Group based on the economic environment, the durations of the contracts, the debt position of the Group and the quality of the underlying assets.

The right-to-use asset is subsequently depreciated using a straight-line method based on the shorter of the asset's useful life and the duration of the lease. The lease liability is subsequently measured at amortised cost using the effective interest method. The depreciation expense for the right of use and the interest expense for the lease liability are recorded separately in the profit and loss account.

The Group presents its assets by right of use under the heading 'Property, plant and equipment' in the balance sheet and the liabilities for leasing under the heading 'Debts and payables - Other debts'.

As Lessor

The Group classifies all leases in which it is the lessor as operating leases. Lease payments under operating leases are recognised as income on a straight-line basis in the profit and loss account.

3.d) Investment property

Under this balance sheet item, the Group records properties held for capital gains or long-term rental income that are not occupied by Group companies and those under construction or development for future use as investment property.

Also included under this item is land held for a currently undetermined future use and buildings that are currently vacant.

Some properties are partly held to earn rentals and partly owner-occupied. If the two parts can be sold separately, the Group accounts for the parts separately. Otherwise, dual-use property is classified as investment property only if the owner-occupied part is insignificant.

"Investment property" includes land and buildings held by the Group in full ownership. It is recognised at acquisition or construction cost, less accumulated depreciation and, where applicable, accumulated impairment losses, but never at less than its residual value. Acquisition cost consists of the purchase price and any expenses directly attributable to the acquisition (associated transaction costs). The acquisition cost of self-constructed investment property is the property's cost at the date when construction or development is complete.

The accounting treatment of the costs of any addition, modernisation or improvement and the impairment tests, depreciation methods and useful lives established for investment property are similar to those used for owner-occupied property (see Note 3.c).

The market value of the investment property indicated in Note 9.b) to the consolidated financial statements has been obtained in accordance with the valuation methods described in the previous section on owner-occupied property. In addition, the market value of investment property for non-insurance companies has been obtained from valuations under RICS standards, based on the rental update method and comparable market methods, described in the previous point.

3.e) Intangible assets

“Intangible assets” comprise all identifiable non-monetary assets without physical substance that arise as a result of an acquisition from a third party or are generated internally by a company of the Group. Intangible assets that are identifiable, have future economic benefits and are under the Group’s control are recognised if, and only if, their cost can be reliably estimated and the future economic benefits associated with them are likely to flow to the Group.

The Group measures intangible assets initially at acquisition or production cost and subsequently at cost less any accumulated amortisation and impairment losses, and the accumulated amount of losses from value impairment, if any. To determine whether intangible assets are impaired, the Group applies *IAS 36 – Impairment of Assets* and subsequent interpretations.

Intangible assets may have an indefinite useful life - when, based on an analysis of all the relevant factors, it is concluded that there is no foreseeable limit to the period over which they are expected to generate net cash inflows for the consolidated entities - or a finite useful life, in all other cases, in which case the duration is assessed.

3.e.1) Goodwill on Consolidation

“Goodwill on Consolidation” reflects any positive consolidation differences arising from the acquisition of equity interests in subsidiaries. It is equal to the excess of the cost of the business combination over the net fair value of the identifiable assets, liabilities and contingent liabilities acquired, provided such excess cannot be assigned to specific tangible or intangible assets.

In accordance with the provisions of the IFRS 3, a maximum measurement period of one year from the date of acquisition is specified, during which the acquiring company can retroactively adjust the provision amounts recognised at the acquisition date, when additional information not known at the time of assignment is available.

Goodwill acquired through a business combination is not amortised, but is tested annually for impairment, or more frequently if there are signs of impairment.

The Group defines a Cash Generating Unit (CGU) as each of the companies in which it holds an interest, either directly or indirectly.

In accordance with the requirements established in *IAS 36 Impairment of Assets*, there is impairment when the carrying amount of the CGU assigned to the goodwill is higher than its recoverable value. For determination of the value or amount recoverable, the value in use is estimated. The value in use of the CGUs corresponding to the insurance business is obtained through subtracting the distributable dividends, a technique that refers to the current value of the potential distributable dividends once the solvency requirements have been attended to. Regarding the CGUs that do not correspond to the insurance business itself, the technique of subtracting available cash flow is used.

These values are estimated taking into account different parameters or variables such as the current macroeconomic environment (effect of inflation and interest rate hikes), the type of business, historical performance, etc. All the parameters used in the calculation are internally consistent with each other, as well as with the Group’s strategic assumptions in general and for each business in particular.

The key assumptions on which Group's management has based its earnings projections to determine the current value of future cash flows from investments in companies belonging to the insurance business, based on the periods covered by the most recent budgets or forecasts approved by the respective governing bodies, are as follows:

- Premium income: an annual increase is projected based on the business forecasts for each company for the coming years.
- Claims: the claim over premium ratio is projected based on the business forecasts for each company for the coming years.
- Operating expenses: maintenance of current ratios over premiums.
- Financial profit/(loss): according to company forecasts for the coming years and related to its existing asset portfolio and reinvestment expectations.
- Available capital: in the projections to obtain the cash flow and therefore the distributable amount, the withholding of cash flow necessary to obtain excess capital available over the Capital Required by Solvency II has been taken into consideration.

On the other hand, regarding the key assumptions associated to investments relative to companies pertaining to the non-insurance business, the Group Management has taken the following decisions:

- Income from operation and investment in capital: an annual increase is projected based on the business forecasts for each company for the coming years.
- EBITDA margin level: there is a forecast depending on the evolution estimate for the business of each company.
- Investment in circulating capital in accordance with the collections period and the payment period in line with the historic averages in each company.

In all cases, the approach used to determine the values assigned to key assumptions reflect past experience and are consistent with external information sources available when they are prepared.

The Group continuously evaluates whether there are any signs that the value of the consolidation goodwill could have been impaired, based on internal and external factors that imply an adverse incidence in the same.

In the event of an impairment loss on goodwill, the loss is recognised in the income statement for the year in which the loss occurs and cannot be reversed either at the end of that year or in subsequent years. Furthermore, to this effect, the Group periodically carries out an exercise to update the projected cash flow in order to incorporate possible deviations to the recoverable value estimate and also evaluating the next year that the projections used in the test of the previous year did not significantly deviate from reality. On 31 December 2023, it was shown that the differences between the projections used in the previous test and the reality did not affect the conclusions of the previous analysis.

Goodwill attached to associates is included, purely for presentation purposes, in the carrying amount of the CGU. In order to determine a possible loss in value, this is verified for the entirety of the carrying amount of the investment, using IAS 36, and will be calculated using the comparison of the recoverable amount (the highest between the value of use of the fair value, minus the sales costs) with the carrying amount, provided that the application of IAS 36 shows that the CGU value may have been impaired. In order to determine the value of use of the CGU, the Group:

- Calculates the present value of the portion of the future cash flows the subsidiary is expected to generate that is attributable to the Group, taking into account all future cash flows projected to derive from the subsidiary's ordinary operations, plus any amounts expected ultimately to be realised on the sale, or disposal by other means, of the investment or asset in question; or

- Updates the projected future cash flows it expects to receive by way of dividends and on the ultimate sale or other disposal of the investment.

Furthermore, as with the consolidation goodwill, the Group continuously evaluates whether there are any signs that the value of the consolidation goodwill related to associated companies could have been impaired, based on internal and external factors that imply an adverse incidence in the same. To this effect, the Group periodically carries out an exercise to update the projected cash flow in order to incorporate possible deviations to the recoverable value estimate and also evaluating the next year that the projections used in the test of the previous year did not significantly deviate from reality. On 31 December 2023, it was shown that the differences between the projections used in the previous test and the reality did not affect the conclusions of the previous analysis.

3.e.2) Policy portfolio acquisition expenses

The amount of this balance sheet item corresponds basically to the difference between the price paid for an insurance business transfer and the related carrying amount. This item also includes amounts paid upon acquisition of a group of policies from various agents.

These assets are systematically amortised in the period of time when economic performance is anticipated, considering a maximum useful life of three to five years.

3.e.3) Other intangible assets

The specific accounting policies applied to the main assets included in Other intangible assets are described below:

Computer software

This balance sheet line consists primarily of deferred charges associated with the development of IT systems and electronic communication channels.

Acquired software licences are valued on the basis of acquisition costs and right of use of the specific software, provided they are expected to be used for several years, and are recorded as computer software acquired entirely from third parties. Also included in this line are the costs of third parties involved in developing software for the Group.

Where software is developed internally, the Group capitalises the expenses directly associated with the production of exclusive, identifiable computer software controlled by the Group, that is, the labour costs of the software development teams and the corresponding portion of associated indirect costs. The rest of the costs associated with the development or maintenance of internal projects are expensed as incurred.

Subsequent costs are capitalised only if they increase the future benefits of the related intangible assets. Recurring costs incurred as a result of modifications or updates of computer software or systems and system overhaul and maintenance costs are recognised in profit or loss as incurred.

Computer software is amortised systematically over its useful life, which is estimated to be a maximum of three to five years for software acquired from third parties and a maximum of ten years for software developed internally.

The Group assesses, at each balance sheet date, whether there is any indication of impairment of any asset. If any such indication exists, the Group will take into account the recoverable amount of the asset.

In assessing whether there is any indication that an asset may be impaired in value, the Group will consider the following factors at least:

- (i) Evidence is available from internal reporting that indicates that the economic performance of the asset is, or will be, worse than expected.
- (ii) During the year, significant changes have taken place or are expected to take place in the near future in the extent or manner in which the asset is used or is expected to be used, which will adversely affect the Group.
- (iii) Evidence is available of the obsolescence or physical damage of an asset.

Administrative concessions

With respect to the classification of reversible assets associated with administrative concessions, the Group has followed the criteria established by *IFRIC 12 Service Concession Arrangements*.

In accordance with current regulations, the Group recognises under "Administrative concessions" the amount corresponding to the consideration paid in the concession agreements entered into, as well as the total cost incurred in the construction or acquisition of the works, facilities and other tangible assets necessary to provide the services associated with the concession agreement.

In this regard, IFRIC 12 regulates the treatment of public-private agreements for service concession contracts where:

- the Grantor controls or regulates what services the concessionaire must use the infrastructure for, to whom it must provide those services, and at what price; and
- the Grantor controls any significant residual interest in the infrastructure at the end of the term of the agreement.

In general, there are two clearly differentiated stages, a first stage in which the concessionaire provides and/or subcontracts construction or improvement services which are recognised by reference to the stage of completion in accordance with *IAS 11 Construction Contracts*, with a balancing entry in an intangible or financial asset, and a second stage in which a series of maintenance and/or operation services are provided for the aforementioned infrastructure which are recognised in accordance with *IFRS 15 Income from Contracts with Customers*.

The Group has recognised an intangible asset in accordance with paragraph 17 of IFRIC 12: "An operator shall recognise an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. A right to charge users of a public service is not an unconditional right to receive cash because the amounts are subject to the extent to which the public uses the service". Concession contracts do not include payments guaranteed by the grantors.

The Group assesses the borrowings or generic financing assignable to concession agreements in order to determine whether they should be capitalised as an increase in the value of the asset. Intangible assets are amortised over the concession term on a straight-line basis, unless the pattern of use can be reliably estimated by reference to the demand or use of the public service measured in physical units, in which case this method is used as the depreciation method, provided that it is the most representative of the economic usefulness of the asset. Furthermore, tangible assets associated with the administrative concession are depreciated on a straight-line basis over the shorter of the useful life corresponding to the period between the acquisition of the asset and the remaining period of operation of the funeral parlour and the estimated useful lives detailed in Note 3.c.

Intangible assets from business combinations

In the case of the acquisition of control of new companies, the Group identifies intangible assets at the time of purchase and estimates them when they are considered significant and can be measured reliably. The identifiable assets acquired were brands, distribution networks, policies in the portfolio and administrative concessions, which are measured at fair value at the acquisition date and the related costs incurred by the acquirer are recognised as an expense in the year in which they are incurred.

The distribution networks and policies in the portfolio have a finite useful life and are therefore depreciated accordingly (ten years). In the case of trademarks, the measurement process determines whether their useful life is finite or infinite, and only those with a finite useful life are depreciated on the basis of their duration. Administrative concessions have a finite useful life and are depreciated according to the duration of each contract.

In addition, impairment tests are carried out at least annually regardless of the useful life of these assets.

3.f) Non-current assets held for sale and associated liabilities

Assets held for sale are generally recognised at the lower of their carrying amount and fair value, less estimated costs to sell, the latter being understood to mean all marginal costs directly attributable to their disposal, excluding any finance costs and corporation tax.

Non-current assets classified as held for sale are not depreciated.

Impairment losses of their carrying amount are recognised in the profit and loss account. Should the loss be reversed, the reversal is recognised in the profit and loss account for an amount equal to the impairment loss previously recognised.

3.g) Transactions in foreign currency

3.g.1) Functional currency

The functional currency of the parent company and of the subsidiaries that have their registered office in the European Monetary Union is the Euro. Certain subsidiaries of Atradius N.V. present their financial statements in the currency of the main economic environment in which they operate, so their functional currency is other than the euro.

The consolidated financial statements are presented in euros, the Group's presentation currency.

3.g.2) Rules for translation of foreign currency balances

Foreign currency balances are translated into euros in two steps:

- The foreign currency is translated into the functional currency (the currency of the main economic environment in which the subsidiary operates or into the euro in the case of companies domiciled in the Monetary Union), and
- The balances held in the functional currencies of subsidiaries whose functional currency is not the euro are translated into euros.

Translation of foreign currency into the functional currency:

Foreign currency transactions carried out by consolidated entities (or entities accounted for by the equity method) that are not domiciled in EMU countries are recognised initially at their equivalent value in the entities' functional currency, using the exchange rates prevailing at the transaction dates. Monetary items in foreign currency are subsequently translated to the companies' functional currencies using the closing rate. Similarly:

- Non-monetary items measured at historical cost are translated into the functional currency at the exchange rate at the date of acquisition,
- Non-monetary items measured at fair value are translated at the exchange rate on the date when the fair value was determined,
- Income and expenses are translated at the average exchange rates for the period for all the transactions performed during the year,
- The balances arising from non-hedging forward foreign currency/foreign currency and foreign currency/euro purchase and sale transactions are translated at the closing rates prevailing in the forward foreign currency market for the related maturity.

The Group follows the same rules when converting the foreign currency items and transactions of subsidiaries domiciled in the Monetary Union into euros.

Translation of functional currencies into euros:

The balances reported by consolidated entities (or entities accounted for by the equity method) whose functional currency is not the euro are translated into euros as follows:

- Assets and liabilities, at the closing rate.
- Income and expenses, using the average monthly exchange rates (unless the average is not a fair approximation to the cumulative effect of the rates in force at the transaction dates, in which case the rates prevailing on the transaction dates are used), and
- Equity, at the historical exchange rates.

3.g.3) Recording of exchange-rate differences

Exchange-rate differences arising on translation of foreign currency balances into the functional currency are generally recognised in the profit and loss account at their net amount. However:

- Exchange-rate differences arising on non-monetary items whose fair value is adjusted against equity are recognised in equity under "Other comprehensive income and accumulated in equity - Items that can be reclassified to profits - Available-for-sale financial assets".
- Exchange-rate differences arising on non-monetary items whose gains and losses are recognised in profit or loss for the year are also recognised in profit or loss, without differentiating them from other changes in fair value.
- Exchange-rate differences arising on translation of the financial information of subsidiaries denominated in functional currencies other than the euro are recorded in consolidated equity under the heading "Exchange-rate differences" until the subsidiary or associate concerned is removed from the balance sheet, at which time they are recognised in profit or loss.

3.g.4) Exchange rates used

The functional currencies of the most important subsidiaries and associates of Atradius N.V. and the currencies of the Group's other foreign currency balances are listed, showing their year-end and average exchange rate for the years ended 31 December 2023 and 2022:

Currency	Year-end rate		Average annual rate	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
U.S. Dollar	0.905	0.938	0.915	0.964
Pound sterling	1.151	1.127	1.158	1.156
Australian Dollar	0.615	0.637	0.605	0.648

3.h) Company income tax

The company income tax charge for the year is computed on the basis of accounting profit before taxes, determined in accordance with generally accepted accounting principles in Spain and the other countries in which the subsidiaries of Atradius N.V. operate, adjusted for any permanent differences, these being differences between taxable profit (resulting from the application of the applicable legislation) and accounting profit before tax that do not reverse in subsequent periods and differences arising from application of the new IFRS in respect of which, likewise, no reversal will take place. When the differences in value are recognised in equity, the related income tax is likewise charged to equity.

Both temporary differences arising from differences between the carrying amount and the tax base of an asset or liability and, where assets are capitalised, tax assets arising from tax credits and rebates and tax losses give rise to deferred tax assets or liabilities. Such deferred tax assets or liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

The Group recognises deferred tax liabilities for all taxable temporary differences. Deferred tax assets are recognised only to the extent that it is considered highly probable that the consolidated companies will have sufficient taxable profits in the future against which the deferred tax asset can be utilised.

The assets and liabilities for deferred taxes are determined in application of the regulations and the tax rates approved or on the verge of being approved on the date of the balance sheet and which are anticipated to be applied when the corresponding deferred tax assets take place or the deferred tax liabilities are settled.

Current tax assets and liabilities are measured at the amount expected to be paid to or recovered from the tax authorities, using the statutory tax rates enacted or substantively enacted by the balance sheet date. Accordingly, the Group has calculated the corporate income tax at 31 December 2023 applying the tax regulations in force in companies registered in Spain and taking the various tax regimes for foreign companies into account (subsidiaries of Atradius N.V.).

As indicated in July 2014 by the IFRS Interpretations Committee, the Group recognises tax assets arising from payments required by the tax administration under inspection procedures in accordance with the provisions of IAS 12.

In accordance with IFRIC 23, the Group recognises under current and deferred tax assets and liabilities the amounts that the entity estimates to reflect the contingencies arising from litigation with the tax authorities in relation to corporate income tax.

3. i) Insurance and reinsurance assets and liabilities

The Group applies the requirements established in *IFRS 17 – Insurance Contracts* to all the insurance assets and liabilities recognised in its consolidated financial statements that derive from insurance contracts, as defined in this standard.

3.i.1) Definition and classification

The Group assesses whether the contracts meet the definition of an insurance contract, i.e. whether a significant insurance risk is accepted from another party by agreeing to compensate the policyholder if an uncertain future event occurs that adversely affects the policyholder. From this assessment it is concluded that all insurance contracts previously under the scope of IFRS 4 meet the definition of an insurance contract and therefore the introduction of IFRS 17 does not result in any reclassification. The Group assesses that contracts meet the definition of an insurance contract on a contract-by-contract basis and has not identified contracts that have the legal form of an insurance contract but do not transfer significant insurance risk (with the exception of managed vehicles: Investment and Pension Funds).

3.i.2) Segregation of components

The Group assesses its products to determine whether any of these components are distinct from insurance and whether they need to be separated and accounted for using other Standards. The Group has not identified components susceptible to segregation, so all components will be accounted for under IFRS 17.

Non-segregated investment components

Taking into account that the investment component is "the amount that an insurance contract requires the entity to reimburse the policyholder under any circumstances, regardless of whether the insured event has occurred", in traditional business, the existence of a non-segregated investment component has been determined for the savings and annuity business (except for annuities with no surrender option or guaranteed payments). Therefore, such investment components will be accounted for under IFRS 17.

In the case of credit insurance business, the Group receives and pays the reinsurance commission. This component cannot be segregated and therefore this component will be accounted for under IFRS 17.

3.i.3) Aggregation

The Group defined the units of account based on the portfolio mix, year of issue and profitability, as detailed below.

- In terms of portfolios, the Group identifies portfolios by aggregating insurance contracts that are subject to similar risks and are managed together, depending on the characteristics of the product's main and supplementary guarantees and factors such as risk management, including ALM coordination, or claims management and settlement policy, among others, respectively.

Local credit business and surety business is managed at the level of the country that issued the insurance contracts. However, comprehensive credit insurance, special products and payment protection insurance are managed at Group level.

- As for the second level of aggregation, on initial recognition the Group segregates contracts on the basis of their issuance, i.e. in annual cohorts.

- Finally, each portfolio is broken down into three groups of contracts: (i) contracts that are onerous on initial recognition, (ii) contracts that, on initial recognition, have no significant possibility of subsequently becoming onerous, and (iii) the remaining contracts in the portfolio.

These groups represent the level of aggregation at which insurance contracts are initially recognised and measured and not subsequently reconsidered:

In the traditional business, for contracts accounted for under PAA, the Group determines that contracts are not onerous at initial recognition, unless there are facts and circumstances that indicate otherwise. For contracts measured under BBA and VFA, the assessment of onerousness is made at individual contract level.

In the credit insurance business, the Group monitors the profitability of contracts within the portfolios, as well as their financial and insurance exposure, with the aim of identifying potential onerous contracts at country or unit level. The assessment of onerousness at initial recognition is by portfolio. Only in very exceptional circumstances and for strategic reasons will contracts be issued that are onerous at initial recognition. In traditional credit insurance, the Group considers that contracts should not be grouped as onerous at initial recognition as the contracts are managed in conjunction with contracts yet to be recognised as a result of the ability to dynamically underwrite these risks.

3.i.4) Recognition and limits of the contract

The Group recognises groups of insurance contracts issued as of the earliest of the following dates: (i) at the beginning of the coverage period of the group of contracts; (ii) the due date of the first policyholder payment (in the absence of the contract maturity date, this is deemed to be when the first payment is received); and (iii) when the Group determines that a group of contracts becomes onerous.

The Group includes all future cash flows expected to arise within the limits of each of the contracts in the group in the measurement of a group of insurance contracts. The Group determines whether cash flows are within contract limits when substantive rights and obligations arise and exist during the reporting period in which the Group can force the policyholder to pay premiums or the Group has a substantive obligation to provide services to the insured party. The substantive obligation to provide services ends when:

- the Group has the practical ability to reassess the risks of a particular insured party and as a result reassess the premium charged or the level of benefits provided by the premium to substantially reflect the new level of risk; or
- the Group has the practical ability to re-assess the portfolio premium to fully reflect the risk of all policyholders and the Group's premium setting does not take into account risks beyond the next re-assessment date.

In the case of credit insurance business, the existence of credit limits (insured sales coverage) determines the existence of the insurance contract, and not the policy itself, although insured sales are grouped by policy and month in which they occur. The definition of the insured event, as well as the occurrence of the claim, have been aligned with the description included in the policy conditions (legal insolvency or prolonged default).

3.i.5) Measurement of insurance contracts issued

The liability (asset) for the remaining coverage represents the Group's obligation to investigate and pay valid claims under existing contracts for insured events that have not yet occurred and comprises (a) cash flows derived from compliance related to future services and (b) the CSM.

The liability (asset) for claims incurred includes the Group's liability to investigate and pay valid claims for insured events that have already occurred, other incurred insurance expenses arising from prior service coverage and includes the reserve for claims incurred but not yet reported.

3.i.5.1) Measurement model for contracts measured under BBA and VFA

In the case of Liability for Remaining Coverage (or "LRC"), the Group measures a group of contracts at initial recognition as the sum of the cash flows arising from expected performance within the contract boundary and the contractual service margin.

It should be noted that the general model (BBA) applies to the credit insurance business and to those insurance contracts of the life business whose contract limits exceed one year and which do not have direct holding. In turn, the variable fee approach (VFA) applies to Unit Linked, which meet the conditions of direct participation contracts.

In the case of the Liability for Incurred Claims (LIC), which is measured under BBA, it should be noted that it is composed of the case-by-case reserve, the IBNR provision and the provision for internal settlement and claims expenses. The IBNR provision for traditional non-life business for the IFRS 17 process is calculated by reserving line of business, by accident year and mainly using the global projection method. Based on this method, the IBNR provision is calculated by the chain ladder method, differentiating, if applicable, between mass claims and peak claims.

For the credit insurance business, insurance contract liabilities are estimated on the basis of probability-weighted expected future cash flows. The estimate of such liabilities is determined as the average of various scenarios derived from information on past events, current conditions and forecasts of future conditions. The estimated future cash flows are calculated using a deterministic scenario that represents the probability-weighted average of a range of such scenarios.

Administration expenses are allocated to contracts based on the premiums for each contract, while claims expenses are allocated based on the outstanding provision for each claim.

The date of occurrence of claims corresponds to the insolvency date or the end date of the extended period of default, in accordance with the policy conditions and in line with Solvency II. The incurred claims provision is calculated by applying the best estimate to reported claims on a case-by-case basis, and by applying claims input distribution models for the IBNR provision for mass claims.

The most common methods used for the estimation of incurred claims are the "chain Ladder" and the "Bornhuetter-Ferguson", which are the standard methods used by the industry for this type of claims.

Uncertainty in the estimation of future claims payments arises primarily from the frequency and severity of claims and uncertainties about future inflation rates leading to growth in claims and claims-related expenses. The assumptions used to develop estimates of future cash flows are reassessed quarterly and adjusted as necessary.

Initial recognition

Cash flows within the limits of the contract

The Group estimates the expected future cash flows for a group of contracts at portfolio level and then allocates them to the groups in that portfolio in a systematic manner.

Contracts with cash flows that are dependent on underlying items that do not meet the definition of direct holding contracts (indirect holding contracts)

There is a variation of the BBA, the Modified BBA approach, which is applied to those contracts measured by the BBA model where changes in financial variables have a material effect on the flows paid to the policyholder, which in the case of the Group would correspond to indexed universal life products.

Discount rate

The Group measures the time value of money using discount rates that reflect the liquidity characteristics of the insurance contracts and the characteristics of the cash flows, consistent with current market prices and excluding factors that influence the market prices of the reference assets but do not affect the flows of the insurance contracts. The Group calculates the discount rate using the bottom-up approach after the transition ("bottom-up") based on the risk-free curve and an illiquidity premium. The risk-free curve is mainly based on the curve published monthly by EIOPA (European Insurance and Occupational Pensions Authority). In the traditional business, the illiquidity premium is assimilated to the volatility adjustment, while in the credit insurance business, an illiquidity premium of zero is applied as the liabilities are short-term insurance contracts.

The discount curves used at 31 December 2023 and 2022 are shown below:

	Currency	31/12/2023					31/12/2022				
		1 year	5 years	10 years	20 years	30 years	1 year	5 years	10 years	20 years	30 years
Traditional business	EUR	3.56%	2.52%	2.59%	2.60%	2.70%	3.37%	3.32%	3.28%	2.96%	2.89%
Credit insurance business (*)	EUR	3.19%	2.79%	2.86%	2.83%	2.89%	3.18%	3.13%	3.09%	2.77%	2.73%
	GBP	4.74%	4.06%	3.99%	4.03%	3.89%	4.46%	4.06%	3.71%	3.54%	3.36%
	USD	4.50%	3.97%	3.99%	3.99%	3.72%	5.07%	3.95%	3.75%	3.63%	3.27%

(*) The discount curve with a one-month time lag for 2023 has been used for the credit business.

Risk adjustment for non-financial risk

To estimate the non-financial risk adjustment for the liability (asset) for the remaining coverage and the non-financial risk adjustment for the liability (asset) for incurred claims of the traditional business, the Group uses the Value at Risk ("VaR") method. In the case of the non-financial risk adjustment for the liability (asset) for the remaining coverage of the credit insurance business, the Group uses the Cost of Capital method by simplifying the calculation used in Solvency.

As for the calculation of Value-at-Risk in traditional non-life business, this is done at "reserving line" level. The main assumptions are: (i) calculation separately for both "mass" and "peak" claims; (ii) normal distribution; (iii) the parameters used for this distribution are the "mean" of the present value of discounted future flows, without taking into account the provision for internal claims settlement expenses and the "standard deviation" depending on the method used to calculate the provision for outstanding claims "IBNR".

The Group allocates the total non-financial risk adjustment for life business at entity level to the groups based on each group's contributions to the underwriting SCR (Life and Non-Life).

The Group shall disaggregate, for life business, the change in the risk adjustment between the insurance service component and the financial component.

Applying the confidence level technique, the Group has estimated the probability distribution of the expected present value of the future cash flows of the insurance contracts at 31 December 2023 and 31 December 2022 and calculated the adjustment for non-financial risk as the excess of the value at risk at the 70-80th percentile (target confidence levels) for both traditional and credit insurance business over the expected present value of the future cash flow.

Contractual service margin (or "CSM")

CSM is a component of the total amount of a group of insurance contracts that represents the unearned profit that the Group will recognise as it provides insurance contract services during the period of coverage for the portfolio of insurance contracts existing at that date.

On initial recognition, the Group measures CSM at an amount that, unless a group of insurance contracts is onerous, results in no income being recognised in profit or loss arising from: (i) the expected cash flows arising from the fulfilment of the group of contracts; (ii) the amount of any assets derecognised for insurance acquisition cash flows allocated to the group; (iii) any other assets or liabilities previously recognised for cash flows relating to the group; (iv) any cash flows that have already arisen from the contracts at that date.

If a group of contracts is onerous, the Group recognises a loss on initial recognition.

Subsequent recognition

In estimating future cash flows arising from performance, the Group differentiates between those relating to claims and those relating to future service. At the end of each reporting period, the carrying amount of the group of insurance contracts shall reflect the estimated liability for the remaining coverage (LRC) at that date and the current estimate of Liability for incurred claims (LIC).

Changes in cash flows within contract boundaries

At the end of each reporting period, the Group updates the fulfilment cash flows for both LIC and LRC to reflect the current status of the estimated amounts, the estimated timing and uncertainty of future cash flows, as well as discount rates and other financial variables.

Experience adjustments related to current or past service are recognised in profit or loss. In the case of incurred claims liabilities (including IBNR) and other incurred insurance service expenses, experience adjustments always relate to current or past service. They are included in profit or loss as part of the insurance service expenses.

Experience adjustments related to future service are included in the liability for the remaining coverage by adjusting the CSM. The release of the CSM depends on whether the contract is without holding, indirect holding or direct holding in the performance of the specified underlying elements.

Contracts with cash flows that are dependent on underlying items that do not meet the definition of direct holding contracts (indirect holding contracts)

A change in discretionary cash flows is treated as related to future service and therefore adjusts the contractual service margin.

Contractual service margin

At subsequent points in time, the following changes in cash flows derived from compliance are considered to be related to future services and are adjusted to the CSM: (i) experience adjustments related to premiums received in the period and any related cash flows that relate to future services; (ii) the change in the estimate of the current value of the expected future cash flows on the liability for the remaining coverage measured at the discount rates at initial recognition; (iii) changes in the non-financial risk adjustment relating to future services; (iv) differences between the amount of the investment components expected to be paid in the period and the actual amounts.

Recognition of the CSM in profits/(losses)

The CSM is released and recognised as income due to the transfer of services in the period and such release is made based on the allocation of coverage units. The determination of the units of coverage has been made taking into account the services provided in each period. The Group selects the appropriate portfolio-by-portfolio method.

The proposed MSM release pattern by product type is as follows:

Traditional business:

- Non-renewable risk life and funeral: pattern based on the sum insured per death reached in each period.
- Annuities: pattern based on the amount of annuity paid in the period plus the surrender value (if the policy has this right)
- Other life savings:
 - a) General Model (BBA): pattern based on the survival capital achieved in the period plus the additional amount guaranteed in case of death. In traditional insurance, the survival capital taken into account is the amount payable at maturity, including the accumulated profit participation. In the case of universal modalities, the survival capital to be considered will be the accumulated balance of the policy at any given moment.
 - b) Variable fee approach (VFA): same pattern concept as for BBA.

Credit business:

- Traditional credit insurance: based on the expected period in which customer invoices are settled. After this payment, the Group no longer has any insurance risk.
- Surety business and special products: pro rata over the coverage period.

Main estimates and assumptions

The main estimates and assumptions used by the Group in the measurement of insurance contract liabilities measured under the BBA model are detailed below:

Traditional business:

	Initial recognition rate	
	Year 2023	Year 2022
Life Risk	-0.32%	-0.62%
Life Savings	2.59%	2.01%
Direct holding contracts	3.16%	-0.57%

Assumptions are within the Solvency II framework, where the Group uses surrender and fall-back assumptions based on past experience and biometrical assumptions comply with the Resolution of the DGSFP of 17 December 2020.

For credit insurance business, the main assumptions used are the frequency and severity of claims, which are affected by credit risk in general and country and economic risk in particular.

3.i.5.2) Measurement model for contracts measured under PAA

The Group applies PAA mainly to: (i) those products whose coverage period is one year or less, as is mostly the case in the non-life business of the traditional business and, exceptionally, to those whose measurement under PAA and BBA does not differ significantly and no significant variability in flows is expected; (ii) the products of the life business (among them, renewable funeral business) whose contract limits do not exceed one year.

On initial recognition, the Group measures the liability (asset) for the remaining coverage as the amount of premiums collected. It should be noted that in the traditional non-life business, the accounting policy option of amortising acquisition expenses according to the coverage of the contract has been chosen, while in life business, acquisition expenses are recorded when they have been incurred.

Applying PAA, insurance income is measured by the allocated amount of expected premium receipts, excluding any investment component. The allocation is made on the basis of the passage of time unless the expected pattern of risk release differs significantly from the passage of time, in which case it is recognised at the expected time of claims and benefits incurred.

On subsequent recognition, the carrying amount of a group of contracts is the sum of the liability for the remaining cover and the liability for claims incurred. The liability for the remaining cover is the result of the opening balance plus premiums received for the period less the amount recognised as insurance income for services provided in that period.

For the incurred claims liability, the key assumptions are the same as those used in the BBA model and are detailed in note 3.i.5.1.

3.i.6) Reinsurance Contracts ceded or held

Reinsurance contracts ceded or held are measured separately from the underlying insurance contracts written, with no difference in pooling and measurement from that shown for direct insurance.

3.i.7) Presentation

The Group presents the carrying amounts of the portfolios of insurance contracts that are assets and those that are liabilities, and the portfolios of reinsurance contracts held that are assets and those that are liabilities, separately in the consolidated balance sheet.

The Group disaggregates the amounts recognised in the consolidated profit and loss account and other comprehensive income into a subtotal of insurance service result comprising insurance income and insurance service expense and, separately from insurance service result, "net insurance finance income or expense" (see Note 3.1).

3.j) Non-technical provisions

The Group's consolidated financial statements include all the material provisions with respect to which it is considered more likely than not that the related obligation will have to be settled. Contingent liabilities are not recognised in the consolidated financial statements.

Provisions, which are quantified on the basis of the best information available regarding the consequences of the event giving rise to them and are reviewed and adjusted at the end of each year, are used to cater for the specific risks for which they were originally recognised. Provisions are fully or partially reversed when such risks cease to exist or are reduced.

3.j.1) Provisions for pensions and similar obligations

Post-retirement benefits

The most representative Group companies with pension and similar obligations are Occident and Atradius N.V.

These companies have post-employment pension obligations classified as either defined-contribution plans or defined-benefit plans, which are covered by insurance policies and employment pension plans or trustee-administered funds. Other post-employment benefits, as well as long-term benefits, such as service awards, are covered by internal provisions.

For defined contribution plans, Group companies make pre-determined contributions to a separate entity or to a Group entity, with no legal or effective obligation to make additional contributions if the separate entity is unable to pay employee benefits related to services rendered in the current and prior periods.

In defined-benefit plans the amount of the benefits will depend on one or several factors, such as age, length of service and salary. The Group makes the necessary contributions to a separate entity (or the Group, as applicable). In contrast with the case of defined-contribution plans, however, it does have a legal or effective obligation to make further contributions if the separate entity is unable to pay benefits due to employees in relation to services rendered in the current or previous years.

In accordance with *IAS 19 - Employee Benefits*, the liability recognised in the Group's balance sheet for defined-benefit plans is the present value of the defined-benefit obligation at the balance sheet date less the fair value of the plan assets (if any) out of which the obligations are to be settled directly.

The plan assets covering the defined benefit obligations of Atradius N.V. are represented by instruments, vehicles or insurance companies that are not part of the Group.

The Group has opted to recognise actuarial gains and losses on all post-employment defined-benefit plans in full outside the income statement, under the heading "Actuarial gains/(losses) on long-term employee benefits" in the statement of recognised income and expense. "Actuarial gains and losses" are considered to be those which result from changes in the actuarial assumptions used for quantification of our obligations, the difference between assumptions and experience, as well as the income of assets over net interest.

The annual calculation of the obligations under the defined benefit plans is carried out by independent experts, using the so-called "projected calculation unit" method and using unbiased and mutually compatible assumptions. The discount rate used to determine the present value of the obligations is the interest rate of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity that approximate the terms of the related pension liabilities. The estimated retirement age is the earliest age at which each employee is entitled to retire under current Social Security regulations.

The reversal of assets can occur when the plan assets are higher than the projected benefit obligation and the Group cannot recover any surplus through refunds from the pension's vehicle due to solvency or control requirements. These reversals are presented in the statement of recognised income and expense.

Contributions made to defined contribution pension plans are accounted as expenses on the profit and loss account of the year of occurrence in each company of the Group.

The cost of services in the current year, understanding the increase in actuarial value of bonds stemming from services rendered during the year by employees, are expensed in the profit and loss account in the year in which they are incurred in each of the Group companies.

3.j.2) Other non-technical provisions

Other non-technical provisions basically cover debts arising from payments the Group must make under agreements entered into with insurance companies and estimated amounts payable to meet potential or actual liabilities, such as restructuring, ongoing litigation, severance payments, outstanding staff settlements and other obligations.

3.k) Own shares

The negative balance of the "Equity – Treasury shares and participation units" account in the consolidated balance sheet relates to shares of the Group held exclusively by the subsidiary Sociedad Gestión Catalana Occidente, S.A. These shares are held at acquisition cost. The related adjustments and the profits and losses arising from disposal of treasury shares are credited or charged, as appropriate, to the equity heading "Other reserves for changes in accounting policies – Gains/(losses) on transactions in own shares".

A summary of the transactions carried out with the Group's own shares during the year is provided in Note 16.c) to the consolidated financial statements.

3.l) Income and expenses

The Group recognises income and expenses on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

The main principles used by the Group to recognise income and expenses are summarised below:

3.1.1) Insurance service income

As the Group provides insurance services for a group of insurance contracts issued, it reduces its LRC and recognises insurance income, which is measured at the amount of consideration the Group expects to be entitled to in exchange for those services.

For groups of insurance contracts measured under BBA and VFA, insurance income consists of the sum of the changes in LRC due to: (i) insurance service expenses incurred in the period measured at amounts expected at the beginning of the period, excluding: amounts allocated to the loss component, investment component reimbursements, insurance acquisition expenses and amounts relating to the non-financial risk adjustment; (ii) the change in the non-financial risk adjustment, excluding changes that relate to future service that adjust the CSM and amounts allocated to the loss component; (iii) the amount of CSM for services provided in the period; (iv) other amounts such as experience adjustments for premium receipts that relate to a current or past service, if applicable.

In applying the PAA, the Group recognises insurance income for the period based on the passage of time by allocating expected premium receipts including premium experience adjustments to each service period. However, when the expected pattern of risk release during the period of coverage differs significantly from the passage of time, premium receipts are allocated based on the expected pattern of insurance service expenses incurred.

3.1.2) Insurance service charges

Insurance service charges arising from a group of insurance contracts issued comprise of: (i) changes in LIC related to claims and expenses incurred in the period excluding reimbursement of the investment component; (ii) changes in LIC related to claims and expenses incurred in prior periods (related to past service); (iii) other directly attributable insurance service expenses incurred in the period; (iv) amortisation of insurance acquisition cash flows; (v) the loss component of onerous groups of contracts initially recognised in the period; (vi) changes in LRC related to future service that do not adjust the CSM, because they are changes in the loss components of onerous groups of contracts.

The Group allocates to the insurance contract portfolios all expenses that are attributable, i.e. those that are directly related to the performance of those contracts. Other expenses, such as innovation, training, product development costs and generic brand advertising, among others, are considered non-attributable and are recorded, when incurred, under "Other expenses" in the income statement.

3.1.3) Income or expenses from reinsurance contracts held

The Group presents income or expenses of a group and financial income or expenses from reinsurance contracts held separately in the profit and loss account. Income or expense from reinsurance contracts held is split into:

- Amounts recovered from reinsurers.
- An allocation of premiums paid

3.1.4) Financial income or expenses from insurance contracts

The measurement, in interaction between IFRS 9 and IFRS 17, through the possibility of applying the "other comprehensive income option" or the "income statement option", both for changes in the financial value of investments and liabilities, aims to eliminate any additional volatility in the income statement in a transparent, consistent manner, while maximising comparability.

The choice of the accounting option is made at the level of the portfolio of insurance contracts. In this respect, the "other comprehensive income option" is chosen for the portfolios of insurance contracts of traditional business and credit insurance, with the exception of those whose assigned assets have not passed the SPPI test (see Note 3.b.1) and, therefore, in order to avoid asymmetries between assets and liabilities in their measurement, the "income statement option" is used.

For indirect holding contracts, the amount presented in profit or loss is based on a systematic allocation of the total expected total insurance financial income or expense over the life of the group's contracts. For the duration of the contracts in the group, the total amount recognised in OCI will be zero.

3.1.5) Income from information services and other technical income

This income comes mainly from Atradius N.V. and includes fees for information services, collections and short-term credit management services and income from activities carried out as an agent of the Dutch state. This income is recognised when the service is provided, in line with IFRS 15.

3.1.6) Income from funeral services and other non-technical income

Income from Other activities mainly includes income from funeral services provided by the subsidiaries Asistea Servicios Integrales S.L.U. ('Asistea') and Grupo Mémora (see Note 5.a). This income is recognised in accordance with IFRS 15 at the fair value of the consideration received or receivable arising from the consideration, with income being recognised when, or as, the entity meets its performance obligation to its customers.

In addition, this section includes the income from management commissions for investment funds and pension funds.

3.1.7) Interest income and expense and similar items

In general, these items are recognised using the effective interest method, irrespective of the monetary or financial flow deriving from the financial assets. Dividends are recognised as income as the consolidated companies' right to receive them arises.

3.m) Business combinations

Business combinations are accounted for by applying the acquisition method which determines the date of acquisition and calculates the cost of the combination, registering the identifiable assets acquired and the liabilities assumed at their fair value referring to said date. In the case of liabilities from insurance contracts, these are registered in accordance with IFRS 17.

The cost of the combination is determined by aggregation of the price paid plus the amount of all minority interests plus the fair value of the prior shares from the business acquired, where applicable.

The goodwill represents the excess cost, including deferred payments, whether true or contingent, over the net amount on the date of acquisition of the identifiable assets acquired and the liabilities assumed.

In the exceptional case of there being a negative difference in the combination, this is attributed to the profit and loss account as income.

If on the close date of the year when the combination occurs the valuation processes necessary to apply the method of acquisition described above cannot be concluded, this accounting will be considered provisional, and said provisional values can be adjusted in the period necessary in order to obtain the information required which under no circumstances will be more than one year. The effects of the adjustments made in this period are accounted for retrospectively, modifying the comparative information if necessary.

The later changes to the fair value of the contingent payment are adjusted in comparison to the results, except where said payment has been classified as equity, in which case the later changes to the fair value are not recognised.

4. Risk and capital management

Grupo Catalana Occidente understands that solvency is ensured by gaining a strong capital position by achieving long-term results and a responsible and sustainable shareholder remuneration policy.

All Group entities must maintain the necessary financial strength to develop the business strategy, taking prudently risks and meeting the required solvency needs.

Risk management is one of the basic aspects of the insurance business.

4.a) Capital management

Grupo Catalana Occidente seeks to maintain a strong capital position.

Capital management is governed by the following principles:

- Ensure that Group companies have sufficient capitalisation to meet their financial obligations, even as they face extraordinary events.
- Manage the adaptation of capital of the Group and its entities in consideration of the economic and accounting perspective and the capital requirements and objectives established in the risk appetite.
- Optimise the capital structure through efficient allocation of resources between entities, ensuring financial flexibility and properly remunerating shareholders.

Grupo Catalana Occidente defines the strategic plan and the risk strategy considering the capital management policy, using the solvency projections made in the internal measurement process of risks and solvency (ORSA). Capital quantification is carried out at the Group level and at the level of each of the insurance and reinsurance entities, using different models for monitoring: ORSA, rating agencies, economic and regulatory models.

Since 1 January 2016 the Group's capital has been quantified on the basis of the standard formula set out in the Solvency II regulations, except in the credit and surety business for which, in order to take account of the specific features of the business, a model has been developed for calculating its underwriting risks, approved by the Board of Supervisors in July 2017. Thus, the Group's solvency ratio and that of each of its entities is the result of comparing the equity of the entity at market value (economic capital) to the mandatory solvency capital requirement (SCR). The mandatory solvency capital requirement includes all of the risks to which the entity is exposed, particularly the following: market risk, subscription risk, counterparty default risk and operational risk.

In October 2023, Moody affirmed the 'A1' rating with a stable outlook of the operating entities in the credit insurance business under the Atradius brand. The improvement of this rating reflects Moody's confidence in the strength of the Atradius brand, even in situations of economic uncertainty such as that generated by COVID-19 and the Ukraine - Russia conflict. This is due to the high quality of its risk exposure, its strong economic capitalisation and its solid positioning as the world's second largest credit insurer.

In turn, A.M. Best confirmed in July 2023 the financial strength rating of A (excellent) with a stable outlook for the Group's main operating entities, both in traditional business and credit insurance business. This rating reflects the solid balance sheet strength, excellent operating profits and appropriate capitalisation of the Group's main operating entities. In addition, it considers that exposure to natural disasters is limited, thanks to the existence of a national coverage system (Insurance Compensation Consortium).

GCO and all of its individual entities aim at maintaining a solvency ratio that allows them to favour growth and to undertake prudent and stable remuneration of shareholders.

GCO and its subsidiaries with insurance activity and domiciled in Spain are supervised by the DGSFP. The subsidiaries with insurance activity and domiciled outside Spain are: Atradius Seguros de Crédito, S.A. in Mexico, regulated by the Comisión Nacional de Seguros y Finanzas (CNSF); and Atradius Trade Credit Insurance, Inc. in the United States, regulated by the Maryland Insurance Administration (MIA). The regulators mentioned above are responsible for regulating the calculation of the solvency margin in their respective countries.

The Group has a robust and solvent asset position which is not expected to be materially impacted in the event of possible economic slowdowns as a result of the geopolitical crisis in Russia and Ukraine and the inflationary situation in the economic environment.

4.b) Risk management

The Group's risk management system works holistically, consolidating this management by business, activity, subsidiary and support area at the corporate level.

The principal elements that form part of the Risk Management System are:

- i.** Risk Governance: Organisational structure of the Risk Management System. Risk Governance is regulated by policies, other regulations and a clear attribution of roles and responsibilities.
- ii.** Risk Management Process: Establishes the process that the Group and its entities use to identify, accept, evaluate, monitor, mitigate and inform the risks. Furthermore, the process defines the Risk Strategy and insures that its integration with the Business Strategy permits compliance with the risk appetite and tolerance defined by the Board of Directors.
- iii.** Business Strategy: The Business Strategy is defined in the Strategic Plan. As mentioned in section ii above, the Business Strategy is in line with the Risk Strategy. The process of self-assessment of risks and solvency (ORSA) contributes towards guaranteeing this alignment.

These elements promote a common risk culture within the Group and ensure efficiency of the Risk Management System.

The Governance of the Risk management system is based on the principle of the "Three Lines of Defence". The principle of the three lines of defence establishes the levels of activity, roles and responsibilities that govern the Risk management system in such a manner that the first line of defence consists of the business units which are responsible for the risk and which assume the management of the same. The second line of defence consists of the actuarial function, the risk management control function and the compliance verification function. The third line of defence is the internal audit function.

On the other hand, the Board of Directors is responsible for guaranteeing efficiency of the Risk Management System through compliance with the general strategies of the Group and the Management Committee is responsible for ensuring correct implementation, maintenance and monitoring of the Risk Management System in conformance with the guidelines defined by the Board of Directors.

In order to complete the Governance of the Risk Management system, the Group and its entities have developed written policies that, together with the existing Technical Standards, guarantee ideal administration of the risks. These policies, in their content, identify the own risks of each affected area, establishes risk quantification measures, determines actions to supervise and control said risks, establishes measures to mitigate the impact of the same and determines the information and internal control systems that are used to control and manage the risks.

Through the risk management process, the Group and its entities identify, measure, control, manage and inform of the risks that are present or may be present. Specifically, the Group and its entities identify and determine, among others: (i) the different types of risks facing the group, (ii) the level of risk deemed acceptable, (iii) the mechanisms to mitigate the impact of the risks identified, should they materialise, and (iv) the information and internal control systems used to mitigate these risks, including contingent liabilities and off balance sheet risks. This system of risk management of the group also aims to develop processes and systems of capital allocation in light of the risks assumed by each area.

Based on this process, the Group defines its risk strategy by establishing the level of risk it is willing to take to achieve the targets set in its strategic plan and annual guidelines, according to the three pillars: Growth, Profitability and Solvency. Moreover, it stipulates risk limits controlled by the management units with the aim of appetite and tolerance levels being adhered to, thus ensuring that both are aligned with day-to-day business.

In the framework of risk management, the Group undertakes the internal assessment of future risks (ORSA; Own Risk and Solvency Assessment) according to the criteria defined in its ORSA Policy. The ORSA process is performed both for the Consolidated Group and the different companies of the traditional insurance business and credit insurance business. Within this process, the useful stress scenarios are also defined for decision making.

The Governing Bodies (Steering Committee and Board of Directors) play an active role in the prospective internal assessment of own risks, managing the process and checking results. The Board of Directors of each insurance entity, as ultimately responsible for risk management, approves the ORSA report specifying the capital consumption projection and capital available for the plan's medium-term time horizon for each entity, approving the ORSA report for the Group by the Board of Directors of the Company.

The main risks that may affect the achievement of the Group's objectives are as follows:

- Technical risks of traditional business
- Technical risks in the credit insurance business
- Financial market risks
- Operational risks
- Other non-operational risks such as reputational risk and strategic risk.
- Environmental, social and governance risks

In view of the geopolitical crisis in Russia and Ukraine, the Group is closely monitoring developments and taking appropriate action as required. Through Atradius N.V., ongoing discussions are held with our customers to assess current exposure and identify areas of focus. In addition, communications are maintained with intermediaries, reinsurers and regulatory agencies, among others. Given the rapid development of the sanctions imposed, special attention is being given to this area to ensure compliance. However, no significant impact is expected on the Group's continuity, nor a relevant impact on income.

The adverse scenario calculated in the ORSA framework is sufficiently severe and includes all the different components that could be affected due to the conflict between Ukraine and Russia: claims ratio, reduction of TPE due to mitigating measures and volatility of financial markets. The solvency ratio after these adverse conditions would also be above the Group's risk appetite.

The Group takes into consideration the current economic environment of rising inflation and rising costs in its forecasts and estimates, and is actively monitoring these risks. The impact of the increase in costs is transversally affecting the results of the different businesses, although it is being partially mitigated thanks to agreements with the network of suppliers (authorised workshops, large hospital groups, etc.). In credit insurance, the growth of inflation is having an impact on the insured limits (TPE), but also on the corresponding premiums.

Finally, after several years of unusually low interest rates, there has been a staggered rise in rates, which has had a positive impact on financial margins and made savings products more attractive.

A. Technical risks of traditional business

With regard to non-life insurance, underwriting risk is divided into underwriting risks of insufficient premiums and provisions in insurance contracts, portfolio decline and catastrophe risk. These risks are managed differently depending on the business line.

With regards to the life insurance, biometric risks are contemplated (including the risks of mortality, longevity, morbidity/disability) as well as non-biometric (falling portfolio, expenses and catastrophes).

The technical underwriting standards consider the specificities of each business and establish:

- The limits for underwriting, through delegation of powers to the customers based on their specific knowledge.
- The specific approvals for operations that exceed the established limits.
- Monitoring of the business.
- The assignment of risk through reinsurance contracts.

The Group measures the underwriting risk through the standard formula, except for the credit insurance business where the Group uses its internal model.

Measures taken to monitor and control these risks include:

- On-going development of Technical Standards, establishing automatic and preventive mechanisms to ensure that policy underwriting meets the standards.
- Analysis of products for the purpose of determining the contractual service margin or onerousness of insurance contracts.
- Business diversification in both general and life insurance.
- Quantification of European Embedded Value in the Life business line.
- Implementation of Appraisal Value methodology in Non-Life.
- Use of reinsurance to cover deviations from the expected claims rate, allowing the Group to retain as much business as possible, in so far as its scale of operations and solvency allow. For outward reinsurance, the Group uses only market-leading reinsurers, with ratings that guarantee the necessary solvency, financial and management capacity, and business and service continuity.
- Monitoring of an appropriate policy for analysing the performance (results) of policies, taking the necessary measures to avoid a high frequency and average cost of claims.
- Traceability mechanisms in Internal Control.

Furthermore, the Group carries out continuous monitoring of the level of risk concentration. In traditional business, it has a very diversified range of products. The distribution by business of the portfolio based on allocated direct insurance and accepted reinsurance premiums as at 31 December 2023 is as follows: Life 28.0%; Motor 22.5%; Multi-risk 26.5% and Others 23.0% (see Note 18).

The reinsurance business holds excess of loss, surplus and quota share reinsurance contracts.

The panel of reinsurers is:

- Solvent, in terms of credit rating: all reinsurers external to GCO have an A rating or higher on the S&P scale. In non-life insurance, 57% of assets/liabilities under reinsurance contracts are go back to reinsurers with a rating of AA- or higher. In life insurance, this percentage is 62.6%.
- Diversified, in the holdings assigned to reinsurers. In non-life insurance, the panel of external reinsurers consists of 12 reinsurers, with the top 5 companies in the panel accounting for 82.3% of premiums. In non-life insurance, the panel consists of 7 reinsurers, with the top 5 companies accounting for 80.8%.
- Stable, there is stability in the panel of reinsurers, thus comply with the principle of continuity for the business. There are no significant changes in the shares assigned to the reinsurers, nor in the inputs and outputs to the reinsurers panel.

Finally, when completing the risk management, the Group identifies the sources of uncertainty and undertakes the sensitivity analysis for the risks it is exposed to:

- The status of the economy is an important factor in the frequency and severity (average cost) of the claims, at the same time, all sections of the Group can be affected in provisions as a consequence of the legislative changes.
- In life insurance, the main sources of uncertainty are the evolution of interest rates, expenses, the behaviour of the policyholders and insured parties and the evolution of mortality and survival.
- In non-life insurance in traditional business, the principal sources of uncertainty are: the frequency of claims and their quantity, the number and size of serious claims and the estimate of recoverable percentages.

In addition, to assess the level of uncertainty of insurance contract assets and liabilities:

- In the case of non-life traditional business:

In non-life insurance, a stochastic analysis of the “chain ladder” method is undertaken, where the aim is to obtain predictive distribution of future payments based on the company’s experience. Specifically, a generalised overdispersed Poisson linear model is assumed where the prediction errors are estimated using the Bootstrap technique.

- In the case of life insurance:

For life insurances, there is a stochastic analysis of the value of the options and guarantees resulting from using one thousand random scenarios of the temporary structure of the interest rates without risk, including adjustment for volatility and consistent with the prices of the assets in the financial markets.

- With respect to the Group's main sensitivities in the traditional business, the analysis in 2023 of the key assumptions that may result in material impacts on results and equity is presented below (in € million):

Traditional business	Change in the assumption (%)	Impact on Profit before tax (€ million)	Impact on shareholders' equity (€ million)
Life Risk (includes funeral business)			
Survival	+10%	-	-
Fall (cancellations)	+10%	-	(0.2)
Discount rate	SCR (*)	-	(1.6)
Life Savings			
Survival	+10%	(1.7)	(4.7)
Fall (cancellations)	+10%	(0.6)	(14.0)
Discount rate	SCR (*)	(32.9)	(253.7)
Direct Holding Contracts			
Survival	+10%	-	-
Fall (cancellations)	+10%	-	-
Discount rate	SCR (*)	(0.3)	(0.3)
Motor			
Claims	+10%	(66.6)	(49.9)
Multi-risk			
Claims	+10%	(77.5)	(58.1)
Various others			
Claims	+10%	(32.0)	(24.0)

(*) The downward curve scenario published by EIOPA for Solvency II SCR has been used.

- Survival risk: the risk of loss or deviation in the measurement of life insurance contract liabilities arising from the movement/volatility of mortality rates, resulting in an increase or decrease in the value of such obligations.
- Fall/claim risk: the risk of loss or deviation from expected profits or losses, due to policy renewals, surrenders or cancellations, resulting in variations from the fall and loss assumptions initially applied in the measurement of such insurance liabilities.

The current economic situation, affected by the situation in Ukraine, as well as the inflationary environment and the increase in interest rates, have not had a significant impact on traditional business risks. In view of the above, no additional sensitivity scenarios have been performed in the traditional business as the first year results have remained at the usual levels and no significant impacts are expected.

B. Technical risks in the credit insurance business

The Group operates two main types of direct insurance products: credit and surety insurance. Credit insurance can be divided into three categories: traditional credit insurance, instalment protection and special products. Each of these categories has the characteristics of specific risks.

- **Traditional credit insurance**

The Group insures its customers against the risk of non-payment for commercial purposes. The causes of loss covered differ depending on the policy and usually include all forms of legal insolvency. Without intending to give an exhaustive list, policies can also cover so-called political causes of loss, which among others include the risk of non-payment due to cancellation of import-export licences, transfer problems and contract cancellation.

Each policy has defined credit limits that the policyholder can offer to its buyers without prior approval from the Group. Policies are issued for a fixed period, usually not longer than three years. In addition, customers are obliged to retain part of the risk (self-retention), using different formulas.

Customers are covered for the credit risk on a given buyer only if the Group has established a credit limit (rating) for that buyer. Credit limits are an important risk control and mitigation instrument because they allow the Group to limit its exposure to any given customer. Ratings may also be withdrawn in cases where the desired aggregate exposure on a certain customer thresholds is exceeded.

In this type of policy there are two underwriting processes: policy underwriting and risk underwriting. Policy underwriting is the process by which the Group decides which companies it accepts as policyholders and the terms and conditions of cover offered. Risk underwriting is the process whereby the Group sets risk limits for each buyer and establishes credit limits, thereby managing the risks of existing policies.

Credit limits are the key risk management tool for the Group, as they limit the amount that would have to be paid to a customer in the event of a claim. In addition, the Group can in principle withdraw a buyer's credit limit at any time if circumstances so require. Credit limits may be subject to specific conditions and the Group may also set conditions for country coverage or withdraw coverage for an entire country. These are important tools for managing risk exposure.

- **Instalment payment protection**

Instalment payment protection covers the medium and long-term risks that financial and corporate policyholders face in their multiple instalment payment agreements with companies and private individuals, and is available in Belgium and Luxembourg.

Here the Group typically insures portfolio loans. This product does not cover losses as a result of fraud by the customer.

- **Special products**

The Group also offers a range of customised policies insuring a variety of credit and political risks. This type of product includes policies covering individual transactions, individual business relationships and forfeiture of assets. A distinctive feature of special product policies is that, unlike traditional credit insurance, credit limits cannot normally be easily withdrawn. Special product policy conditions require increased supervision and due diligence on the insured.

- **Surety**

Surety insurance is marketed in Italy, France, Spain, Portugal, Germany, the Nordic countries and the Benelux countries. Surety insurance insures the beneficiaries against the risk of our customer's failure to meet contractual, legal or tax obligations. Beneficiaries include national, regional and local governments, tax authorities and businesses. The bond types issued vary by location, owing to differing legal environments, but typically include bid bonds, performance bonds and maintenance bonds. The Group manages risk by underwriting the obligations to be covered by the bond, the financial strength of customers and their ability to perform, and also by working with customers and beneficiaries of bonds to resolve any conflicts.

In addition, Atradius Crédito y Caución, S.A. de Seguros y Reaseguros (hereinafter 'Atradius CyC', see note 5.c) is the Group's reinsurer for credit insurance products. It has a diversified portfolio in about 70 countries. Most programmes are entered into quota-share.

Specific controls in the credit insurance business.

Fully defined risk authorisation systems and processes are in place. Sales staff has limited authority. As the credit limit increases, decisions need authorisation from one or more co-signatories of increasing seniority. Even senior levels have authority only up to certain thresholds.

Credit committees are in place at local level and for the entire credit insurance business. Local credit committees can authorise amounts up to certain limits, beyond these limits only the credit committee of the entire credit insurance business can decide. The Group Credit Committee also authorises exposures to large customers and customers with the largest overall exposure.

The Group monitors exposures by counterparty, sector and country through a single database (Symphony) that contains details of the majority of credit insurance policies and credit limits and all customers with whom the Group has exposure to default risk. This database is used as a source of management information. Due to the process of including the Spanish business through Atradius C&C in Atradius N.V., the database, although independent, is accessible to this global database.

Most policies, both new business and renewals, are priced according to a structured system based on the risks, costs and outlook assigned by the Group according to country, sector and buyer credit ratings.

Exposure from the instalment credit protection business is monitored separately, as the risk is assumed by consumers not companies. Premiums for these policies are calculated on the basis of the probability of default, expected losses, volume and maturity of loans.

All customers with whom the Group has significant exposure are reviewed annually, although on a continuous basis information concerning defaults, both from companies and from individuals, is received.

The Group is exposed to the concentration risk by purchaser and by country and sector of the purchaser. Concentration risk is controlled and monitored through what is known as Total Potential Exposure (TPE). The TPE is a higher credit limit approximate to the real exposure with individual purchasers.

On a portfolio level, the real exposure tends to be in the range of 10% to 30% of the TPE, without taking into account that the customers also have their own withholdings. Each policy stipulates the maximum discretionary limit permitted and, for the majority of policies, this is not more than €20 thousand per buyer. This illustrates that the TPE is an absolute measure of exposure and that, in aggregate, the actual exposure will be much lower.

Following there is a detail of TPE by country, sector and buyer group:

Buyer's country	Of which	TPE 2023 Millions of euros	TPE 2022 Millions of euros
Denmark, Finland, Norway, Netherlands, Sweden, Baltic Countries	The Netherlands Others	41,116 41,773	39,063 40,912
Austria, Czech Republic, Germany, Greece, Hungary, Poland, Slovakia, Switzerland and Others	Germany Others (*)	129,890 93,574	125,354 88,671
UK, North America, Australia, Asia and Others	United Kingdom Ireland USA and Canada Mexico and Central America Brazil Asia and Australia Others	64,223 6,685 93,244 18,966 14,625 127,401 14,911	59,740 6,313 95,616 16,431 14,144 121,807 14,835
Southern Europe	France Italy Spain and Portugal Belgium and Luxembourg	60,226 62,570 101,442 22,631	58,809 62,161 97,580 21,816
Total		893,277	863,252

(*) This group includes TPE from Russia and Ukraine. The total exposure in both countries has been reduced by 99% compared to year-end 2022, representing less than 0.01% of the total exposure.

Industrial sector	TPE 2023 Millions of euros	TPE 2022 Millions of euros
Durable consumer goods	91,213	91,125
Metals	99,523	94,888
Electronics	107,461	107,892
Construction	66,469	62,382
Chemicals	126,643	123,206
Transport	81,113	75,650
Machinery	57,551	55,280
Food	84,098	82,021
Construction Materials	41,276	41,563
Services	31,928	30,309
Textiles	21,054	19,997
Finance	21,791	19,961
Agriculture	43,483	39,751
Paper	19,674	19,227
Total	893,277	863,252

Grouping by number of buyers	TPE 2023 Millions of euros	TPE 2022 Millions of euros
0 – 20	427,053	413,003
20 – 100	156,707	154,124
100 – 250	103,669	98,212
250 – 500	77,604	72,296
500 – 1,000	67,699	67,739
Over 1,000	60,545	57,878
Total	893,277	863,252

Surety and instalment protection exposures have different characteristics and are therefore not included in the tables above. The surety exposure as at 31 December 2023 is €30,200 million and the term payment protection exposure amounts to €3,900 million.

In addition to the contributions from the standard components of the credit insurance contract liability methodology, an Event Based Provision (EBP) has been estimated specifically for the impact of the Russia-Ukraine conflict. This liability has been set aside to cover those risks which are not considered to be fully covered by the standard methodology. It is based on a case-by-case examination of the exposures related to such a conflict. Management has considered that the EBP covers two main types of risks:

- a. Notifications of non-payment related to customer business outside Russia, but related to the Russia-Ukraine conflict.
- b. Actual Outstanding Exposure related to traditional credit insurance of customers trading outside Russia and for Russian/Ukrainian buyers. This excludes the exposure for default notices already recorded.

As a result of the analysis performed, a gross reinsurance provision of €122 million (€92.3 million net of reinsurance) is maintained for claims already incurred.

With respect to the Group's main sensitivities in the credit insurance business, the analysis in 2023 of the key assumptions that may result in material impacts on results and equity is presented below (in € million):

Credit insurance business	Change in the assumption (%)	Impact on Profit before tax (€ million)	Impact on shareholders' equity (€ million)
Credit			
Claims	+10%	(82.0)	(76.0)
Discount rate	-0.5%	-	(2.0)

C. Financial market risks

The Group's investment policy approved by the Board of Directors takes into account the ratio of assets to liabilities, risk tolerance and liquidity of positions in different scenarios. It also expressly considers the prerequisites for the use of derivative instruments and structured financial products.

At present, the Group differentiates between four types of portfolios: life portfolios, non-life portfolios, credit insurance portfolios and portfolios in which the risk is borne by the customer.

The aim in the case of life portfolios is to optimise asset and liability matching using asset liability management (ALM) frameworks, while verifying compliance with legal and internal requirements. The aim in the case of Non-life portfolios is to maximise long-term return through appropriate diversification of assets. In the insurance credit portfolios, the aim is to maintain the solvency and liquidity required by the business. Lastly, the portfolios in which the risk is borne by the customer (whether in insurance contracts or in any other type of financial product) are managed in accordance with the policies established in each case in the statement of terms and conditions or prospectus.

- **Credit risk.** The credit risk is the risk that the issuer or other party in a financial operation does not comply with their contractual obligations. The Group's policy on credit risk is based on two basic principles:
 - **Prudence:** the minimum rating for fixed-income investments is A-. Any investment below this threshold requires express senior management approval and must be reported to the Board of Directors. If Spain's sovereign rating were to drop below A-, investment in government bonds issued or guaranteed by the State shall not require authorisation as long as the investment level is maintained. In this sense, in the selection or credit risks, priority is given to those with the highest credit rating.
 - **Diversification:** high diversification across industries and issuers, with maximum risk limits per issuer.
- **Liquidity risk** The Group's policy with respect to liquidity risk is to maintain sufficient cash balances to meet any contingencies arising from obligations to customers. Said liquidity risk is managed by adapting the investments to the characteristics of the liabilities in the various businesses where the Group operates. In this sense, there is a periodic ALM analysis for all portfolios that permit mitigation of this risk. On the other hand, almost all the investments are in securities traded in organised markets that permit flexibility, so the Group will be able to take measures if there is any liquidity pressure.

The maturity analysis of insurance and reinsurance contract assets and liabilities is shown below:

31 December 2023	Carrying amount	Discounted cash flows (Thousands of euros) (*)		
		Less than 1 year	Between 1 and 5 years	More than 5 years
Liabilities under insurance contracts (net of assets)	8,725,081	3,153,130	2,781,072	2,967,544
Assets under reinsurance contracts (net of liabilities)	596,841	433,446	164,402	27,565

(*) Cash flows for the credit business do not include the discount effect.

31 December 2022	Carrying amount	Discounted cash flows (Thousands of euros) (*)		
		Less than 1 year	Between 1 and 5 years	More than 5 years
Liabilities under insurance contracts (net of assets)	8,539,214	3,005,609	2,815,727	2,900,587
Assets under reinsurance contracts (net of liabilities)	616,092	438,035	219,698	25,298

(*) Cash flows for the credit business do not include the discount effect.

The maturity analysis of financial assets is shown in Note 7.

- Exchange rate risks. The Group has the objective of minimising the risks derived from the exchange rate. Thus, in the portfolios of companies with traditional insurance business, basically located in Spain, it only maintains positions in currencies other than the euro derived from its investment in international variable income, with the exposure considered to be reduced. On the other hand, in the specific case of the credit insurance business, in cases where the local legislation in each country of operation requires, investment is maintained in the corresponding currency. In these cases, the objective is for there to be natural coverage between the positions and the local business.
- Market risk. Market risk is the risk of loss in the fair value of the assets as a consequence of the movements in the market variables that incide in the valuation of the same. The Group regularly analyses the sensitivity of its portfolios to market risk, due mainly to changes in interest rates and stock prices. In this sense, there is a monthly control of the modified durations of the fixed income portfolios and, with a period nature, there is a study of the asset-liability suitability on a product level of analyse and verify the structural correspondence between the same, as well as different stress scenarios.

One of the standard measurements for market risk is the Value at Risk (VaR), which is based on a methodology of variance-covariance that uses the historic volatility of the prices in stock indexes, the exchange rates and the rate curves, and the correlation between them, as principal inputs. This risk measurement measures the maximum potential loss of the financial instruments due to adverse movements in the prices of the shares, the exchange rates and the interest rates within a fixed period of time and with a specific level of reliability (probability). Although the Group does not manage its investments based on the VaR level of the same, it uses this indicator as additional reference information together with the other periodic risk controls that it carries out on the investment portfolios. The risk of using the variance-covariance methodology or any other methodology based on historic data is that it underestimates the risk of the financial instruments. This is because these methods assume that the historic volatility and the correlation between the financial instruments will be repeated in the future. Therefore, the aim is not to represent future prices, but to use this as a guide only for information and comparison purposes for historic behaviour. In the specific case of the calculation carried out by the Group, there is a level of reliability of 99.5% and a period of 12 months, which implies that there is a probability of 0.5% of underestimating the maximum potential loss for the next 12 months.

The beginning of the 2023 financial year was marked by pessimistic forecasts about the evolution of the global economy that did not come true. The main world stock markets managed to make significant gains in the year, despite a global context of great uncertainty, marked by sharp rises in interest rates, the crisis of regional banks in the US and the intensification of armed conflicts in various territories such as Ukraine, Gaza and the Red Sea, which have caused problems in supply chains as well as higher transport costs. The economic balance has been better than expected in terms of both growth and inflation.

In terms of monetary policy, both the ECB and the Fed continued to raise interest rates until June and September, respectively. However, given the evolution of inflation, together with indicators of weaker economic activity, no further interest rate hikes are expected in 2024. Stock markets have recorded significant rises during the year, especially in January and November.

During 2024, inflation, interest rates and economic growth will continue to be key factors in the evolution of financial markets.

The Group has monitored its exposure to the various risks, specifically:

- The evolution of the positions held in liquidity has been monitored, although the levels of cash held minimise any impact in this regard.
- Credit exposure to the different sectors that are particularly affected by the current economic and price situation has been controlled. Additionally, the portfolio diversification controls in place would mitigate any risk in this regard.

- The sectoral diversification of these investments has been analysed in detail regarding variable income investments, as in the case of fixed income investments.

With regards to the main sensitivities performed by the Group for the financial market risks, we can highlight:

- Fixed Income: An increase in the curve of 100bps represents -1.5% solvency ratio whereas a decrease in the curve of 100 bps represents -0.5% in solvency ratio.
- Variable Income: An decrease in the variable income of the stock market of -10% represents +6% solvency ratio whereas a decrease in the variable income of -25% represents +7.8% in solvency ratio.
- Properties: A decrease in value of 5% of the property value implies -1.5% of the solvency ratio.
- A combined decrease of 10% in the variable income value and of 5% in the properties implies an increase of +4.5% of the Group's solvency ratio.

D. Operational risks

Defines operational risk is understood as the risk of loss of inadequate or poorly functioning internal processes, staff or systems, or as a result of external events. In order to meet the operational risk, the Group has various IT tools that permit monitoring and quantification for both the traditional business and the credit insurance business. In particular, the risks associated to the various processes have been categorized with the aim of standardizing this classification across all Group companies, which allows obtaining the necessary information that enhances operational risk management, in each Group company individually and in the Group as a whole.

This system allows fair undertaking of an appropriate operational risk management.

The Group likewise ensures compliance with the various regulations applicable to entities comprising the Group through audits carried out by various Departments. Amongst which we should highlight :

- Legal and General Secretariat Department: One of its goals is to maintain, through the Compliance Verification Unit, adequate compliance with legal and internal regulations within the organisation of the different entities of the Group, as well as to ensure that these regulations are applied consistently. To this end, it has a Compliance Verification Committee, whose task is to coordinate, supervise and establish common criteria in the Group's main entities. In addition, for those regulations that are particularly sensitive in relation to the sector in which the Group operates, such as those aimed at the prevention of money laundering and the financing of terrorism and the protection of personal data, internal committees have been set up to ensure compliance with these regulations.
- Management and Planning Control Department: The unit, belonging to the Company's Financial Management, among other goals, aims to arrange and implement adequate control of the Group's financial information and its budgets, and to ensure that it complies with domestic and international accounting standards.
- Corporate Internal Audit Department: This Department, under the Audit Committee, is responsible for seeing that the above bodies have successfully implemented the control and self-control measures stipulated by the Group, with regard to both operational and regulatory compliance risk.

E. Other non-operational risks such as reputational risk and strategic risk.

Reputational risk: Risk associated to the occurrence of an event that has a negative impact on the image or notoriety of the Group and, in consequence on its reputation. This risk is materialised through unfavourable information in public media, internet/social media or reports of a claim.

The causes can vary from poor management of a claim, inappropriate behaviour of employees or collaborators, defects in the provision of services, fraud in mediation, etc. For management of this risk, the Group:

- It has a reputational risk management policy whose purpose is to establish an action policy, as well as to establish an operating procedure and valid interlocutors for those events and/or situations that may cause a reputational crisis affecting the external image of the Group or of any of the individual entities that comprise it.
- It has a code of ethics signed by the board members, associates and service providers.
- There is a protocol for action in the event of irregularities and fraud (whistle-blowing channel) of the Group.
- It determines the requirements of aptitude and honour.
- It monitors the information published in communication media.

Strategic risk: Risk of loss in profit or capital resulting from inappropriate strategic decisions, defective execution of decisions or inappropriate adaptation to the evolution of the economic environment.

Compliance with the Group's goals is monitored by the steering committee and by each of the areas, in such a manner that there is exhaustive monitoring of the plan in the medium-term and of the circumstances that may occur therein.

Funeral business risks: Due to the Group's recent acquisition of the Mémora Group funeral services company (see Note 5.a), the Group is exposed to risks associated with this type of business.

These risks involve the possible loss of profits or capital of the Mémora Group's business arising from inefficient operational management, failure to adapt to trends and developments in the political, economic and competitive environment, and reputational impact affecting the entity or the funeral sector in general.

F. Environmental, social and governance risks

Sustainability risks are defined as those risks that constitute the possibility of losses driven by environmental, social and governance ("ESG") factors.

- With respect to investments, any environmental, social or governance event or condition that, if it were to occur, could have an actual or potential material adverse effect on the value of the investment.
- With respect to liabilities, an environmental, social or governance event or condition that, should it occur, may cause an actual or potential material adverse impact on the value of the liability.

Environmental risks are those arising from issues related to the quality and functioning of the natural environment and natural systems. These risks include: biodiversity loss, greenhouse gas emissions, climate change, renewable energy, energy efficiency, air, water or resource depletion or pollution, waste management, stratospheric ozone depletion, land use change, ocean acidification, and changes in the nitrogen and phosphorus cycles. Environmental risks are classified according to whether they are physical risks, transition risks or liability risks.

Social risks are those that encompass issues relating to the rights, welfare and interests of individuals and communities. These issues include: human rights; labour standards in the supply chain; child, slave and bonded labour; workplace health and safety; freedom of association and freedom of expression; human capital management and employee relations; diversity; relations with local communities; activities in conflict zones; health and access to medicine; HIV/AIDS; consumer protection; and controversial weapons.

Governance risks refer to issues related to the governance of companies and other investees, including: board structure, size, diversity, skills and independence, executive pay, shareholder rights, stakeholder interaction, information disclosure, business ethics, bribery and corruption, internal controls and risk management, and, in general, issues related to the relationship between a company's management, its board of directors, its shareholders and its stakeholders. This risk may also include business strategy issues, which encompass both the implications of the business strategy for environmental and social issues, as well as how the strategies will be implemented.

Bearing in mind that these risks may affect the Group as a whole directly or indirectly and that, therefore, they must be integrated transversally in the risk policies of Grupo Catalana Occidente, a Sustainability Committee has been defined at Group level with the aim of:

- Design a Sustainability Master Plan to land in an annual action plan the necessary actions corresponding to all areas to adapt the Group and all its entities to the "ESG" principles, criteria and commitments.
- Incorporate ESG risks into the risk management strategy through the Group's governance policies and, in particular, in a climate change and environment policy that serves as an umbrella, like the other policies, for the various action plans in this area.
- Define criteria on the content, methodology and presentation of the information to be disclosed with respect to ESG factors, including climate change.

The management, measurement and monitoring of these risks is defined in the climate change and environment policy, as well as in the rest of the Group's governance policies, according to which:

- The impacts of such risks, to the extent relevant, are analysed in financial planning with the aim of adapting, if necessary, strategic planning in the light of the risks identified.
- The necessary metrics are implemented to help measure and manage the risks and opportunities arising from climate change.
- A periodic report is made at the highest level on the quantification of the main risks to which the Group is exposed and the capital resources available to deal with them, as well as information on compliance with the limits set in the risk appetite.

During the 2023 financial year, Grupo Catalana Occidente has carried out an exercise to assess the risks derived from climate change in its activity under alternative climate scenarios. The Group's risk profile was used to estimate the impact on the Group of two opposing climate scenarios: one with a global temperature increase of no more than 2°C, and the other with an increase of more than 2°C.

To simulate both scenarios, an analysis of the climate scenarios proposed by the *Intergovernmental Panel on Climate Change* (IPCC) in report of August 2021 has been carried out, where the most robust climate futures have been defined, considering environmental and socio-economic factors intrinsically linked to climate change. Based on this information, the scenarios studied are:

- Scenario with global planetary temperature increase of no more than 2°C: the SSP1-RCP2.6 scenario has been selected in line with the upper limit of the achievement of the Paris Agreement targets and the nationally determined contributions updated at COP26.

- Scenario with global temperature increase exceeding 2°C: information from the SSP5-RCP8.5 scenario has been used, which represents a *non-climate-policy* scenario that allows us to study the most unfavourable conditions for the climate.

The results of the analysis of these scenarios projected over a 5-year time horizon show the following possible impacts on the business:

- On the one hand, an increase in claims ratio in traditional business of around 1% in the least worst-case scenario and around 5% in the worst-case scenario.
- On the other hand, a possible negative impact on the measurement of variable income of around 10% and a possible negative impact on the measurement of fixed income of around 1% in the SSP1-RCP2.6 scenario.

F. Monitoring of risks

Through mechanisms deployed to identify, analyse and address the associated risks in different areas, the Group recognises and addresses the risks it faces. To do so it boasts:

- Stringent strategic planning
- A process of internal self-evaluation of risks and solvency.
- Prudent management of operational risk

The Group's main committees are responsible for control and monitoring of the various risks.

Monitoring of the risk strategy is performed by the business units through early alert indicators that are the basis both for monitoring the risks and for compliance with the risk appetite approved by the Board of Directors. Also, the internal control area and the function of risk management control perform due monitoring.

H. Risk mitigation measures

The Group assesses and reviews risk mitigation measures. These include the following:

- Underwriting risk: The main mitigation mechanism is the reinsurance program and the underwriting techniques.
- Market risk: a detailed analysis of asset-liability matching (ALM) is carried out periodically, including VaR analysis of investment portfolios and sensitivity analysis of future scenarios.
- Counterparty default risk: The credit rating of major financial counterparties and reinsurers is monitored. Exposure from commercial credit risk with agents and the age of the debt is also monitored.
- Operational Risk: thought internal control system its monitoring via its integrated tool and the reporting, as described below.

Additionally, there are plans in place to ensure business continuity. These establish processes to minimise the impact on business functions in the event of a disaster, and thus reduce downtime of information and systems.

4.c) Internal Control

Grupo Catalana Occidente has an internal control system that guarantees the goals of effectiveness and efficiency in operations, reliability of financial and non-financial information, asset protection and compliance with applicable laws and regulations, and also allows it to have the appropriate mechanisms in place with respect to its solvency to identify and measure all significant existing risks and adequately cover them with eligible own funds.

To this end, the internal control system is built around five components:

- The **control environment** is an essential element of internal control, since all other components are based on it, and it boosts employees' awareness of its importance.

In order to ensure that the Group has an environment of adequate control, the Board of Directors applies the principles of Good Governance with transparency and rigour, availing of a human resources policy geared to motivate and retain talent and also has a Code of Ethics and Internal Behaviour Regulation that formalises the commitment of employees, Management and the Board of Directors to behave under the principles of good faith and integrity.

- **Risk assessment.** The Group knows and approaches all of the risks it faces, establishing mechanisms to identify, analyse and process the corresponding risks in the various areas and has a framework policy for the entire risk management system with specific policies for each specific risk, in conformance with the establishments of the insurance regulations.
- The **control activity.** The Group has a number of policies and procedures, with appropriate authorisation levels, and adequate segregation of duties, that help ensure that management and Board of Directors directives are carried out and risks associated with the achievement of goals are properly managed.

The control activities of the Group take place under a framework of: (i) a suitable segregation of tasks and responsibilities both between the personnel and between the functions carried out, (ii) a suitable structure of powers and capacities for the performance of operations linked to critical processes, establishing a system of limits adjusted to the same, (iii) a system of authorisations prior to the assumption of risks, global information security guidelines, understood as the preservation of the confidentiality, integrity and availability of the information and of the systems that process it against any threat, risk or damage that may be suffered, especially in the field of cybersecurity, in accordance with its importance for the Group, and (iv) the existence of the mechanisms necessary to guarantee the continuity of the business.

- **Information and communication.** The Group has adequate systems of internal and external communication.

Regarding internal communication, the Group avails of a structure of committees and different processes that guarantee transparency and correct supply of information.

In reference to communication with external stakeholders, it should be noted that, in compliance with the recommendations of the CNMV regarding the Internal Control System of Financial Reporting (SCIIF), in 2023 and through the Internal Control Unit and its mission, the Group has made progress in strengthening the reliability of the financial reporting released through the documentation of the processes, the homogenisation of criteria and the reflection on efficiency improvements. The result has been noticeable improvement in the traceability of this information.

- **Supervision.** The internal control system is subject to a monitoring process that verifies proper operation over time. This is achieved through continuous supervision activities and periodic supervision.

The continued supervision occurs over the course of the operations and includes both normal activities of management and supervision as well as other activities carried out by personnel during the performance of their roles. The scope and frequency of the periodic evaluations will essentially depend on an evaluation of the risks and the efficacy of the continued supervision processes.

In addition, the Group has independent supervisors who check that adequate operation of the internal control system is maintained over time. Specifically, there are three fundamental functions: risk management control function, actuarial function and compliance verification function, which act as the second line of defence, and an internal audit function which acts as the third line of defence, undertaking integral supervision of the internal control system.

Internal Control in the area of Financial Investments

The investment control systems constitute a useful early warning system given the current situation of financial markets.

In this sense, the concentration and dispersal of fixed income and equity, the average rating of the portfolio, exposures by rating and how they have changed, changes in the optionality of assets due to changes in interest rates, and the performance of underlying assets are monitored at monthly intervals.

Furthermore, based on the regulations derived from solvency II, the Group has continued to examine the capital charge that might result from the credit risk associated with investments.

The financial investments are valued at their fair value, which corresponds to the price that would be received for the sale of a financial asset through a transaction organised between the participants in the market on the date of valuation, except:

- Financial investments included in the "Maturity portfolio", which is valued for its amortised cost using the method of the effective interest rate.
- The financial assets which are capital instruments where the fair value cannot be estimated in a reliable manner, and are valued at cost.

Fair value measurements of financial investments included in the 'Financial assets held for trading', 'Financial assets at fair value through other comprehensive income' and 'Financial assets through profit or loss' portfolios are classified according to the levels of the variables used in their measurement (see Note 3.b.3).

The breakdown of financial assets at 31 December 2023 according to the inputs used is as follows (in € thousand):

	Level 1	Level 2	Level 3	Total at 31/12/2023
Financial assets held for trading	-	-	-	-
Derivatives	-	-	-	-
Financial assets at fair value through profit or loss (VRPL)	1,154,061	233,823	349,812	1,737,696
Financial Investments in capital	-	-	-	-
Holdings in investment funds	182,681	-	349,812	532,493
Debt securities	101,665	14,217	-	115,882
Investments held for the benefit of policyholders who bear the investment risk	869,715	-	-	869,715
Deposits with credit institutions	-	219,606	-	219,606
Financial assets at fair value through other comprehensive income (VROCI)	9,043,313	107,757	24,627	9,175,697
Financial Investments in capital	1,830,796	-	24,627	1,855,423
Debt securities	7,212,517	3,116	-	7,215,633
Deposits with credit institutions	-	104,641	-	104,641
Total at 31/12/2023	10,197,374	341,580	374,439	10,913,393

The same information reported at the end of the year 2022 is as follows (in € thousand):

	Level 1	Level 2	Level 3	Total at 31/12/2022
Financial assets held for trading	-	-	-	-
Derivatives	-	-	-	-
Financial assets at fair value through profit or loss (VRPL)	1,157,809	234,910	296,100	1,688,819
Financial Investments in capital	3,278	-	-	3,278
Holdings in investment funds	312,654	-	296,100	608,754
Debt securities	93,154	13,967	-	107,121
Investments held for the benefit of Policyholders who bear the investment risk	748,723	-	-	748,723
Deposits with credit institutions	-	220,943	-	220,943
Financial assets at fair value through other comprehensive income (VROCI)	8,063,996	120,907	108,492	8,293,395
Financial Investments in capital	1,321,419	-	108,492	1,429,911
Debt securities	6,742,577	9,234	-	6,751,811
Deposits with credit institutions	-	111,673	-	111,673
Total at 31/12/2022	9,221,805	355,817	404,592	9,982,214

At 31 December 2023, financial instruments at fair value classified in Tier 3 represent 3.18% of financial assets (3.81% at 31 December 2022).

The Group carries out a periodic review of the existing portfolio in order to analyse whether it is necessary to change the classification of any of the existing assets. As a result of this review, the following reclassifications between the different measurement levels that have taken place in the 2023 financial year:

	From	Level 3	
	To	Level 1	Level 2
Financial assets at fair value through other comprehensive income (VROCI)			
Financial Investments in capital		59,568	-
Debt securities		-	-
Deposits with credit institutions		-	-
Total at 31/12/2023		59,568	-

In the 2022 financial year there were no reclassifications between the different measurement levels.

In addition, below is a breakdown of the movement in financial assets classified in Level 3 (in € thousand):

	Financial assets at fair value through profit or loss (VRPL)	Financial assets at fair value through other comprehensive income (VROCI)	Total
	Holdings in investment funds	Financial Investments in capital	
Net carrying amount on 1 January 2022	192,718	86,156	278,874
Changes to the scope	-	-	-
Purchases	107,205	15,809	123,014
Sales and amortisations	(11,345)	-	(11,345)
Reclassifications and transfers	-	-	-
Changes in value against results or OCI	7,522	6,527	14,049
Effect of changes on the exchange rates	-	-	-
Net carrying amount on 31 December 2022	296,100	108,492	404,592
Changes to the scope	13,747	(27,699)	(13,952)
Purchases	74,464	3,057	77,521
Sales and amortisations	(29,980)	-	(29,980)
Reclassifications and transfers	-	(59,568)	(59,568)
Changes in value against results or OCI	(4,519)	345	(4,174)
Effect of changes on the exchange rates	-	-	-
Net carrying amount on 31 December 2023	349,812	24,627	374,439

In order to obtain the fair value of the equity assets classified in Level 3, for whose measurement there are no directly observable market data, alternative techniques are used, based mainly on quotations provided by brokers or market contributors. The Group has assessed that small changes in the assumptions used in these measurement models would involve no substantial changes in the values obtained. The credit rating of fixed income issuers and deposits with credit institutions at 31 December 2023 and 2022 (amounts in € thousand) according to phases or stages based on their risk of expected loss is detailed below (amounts in thousands of euros):

31/12/2023	Stage 1	Stage 2	Stage 3	Not	Total
Cash and other equivalent liquid assets	1,373,741	-	-	-	1,373,741
AAA	67,434	-	-	-	67,434
AA	47,063	-	-	-	47,063
A	1,224,897	-	-	-	1,224,897
BBB	22,655	-	-	-	22,655
Under investment grade	11,255	-	-	-	11,255
No rating	438	-	-	-	438
Gross amount	1,373,742	-	-	-	1,373,742
Value adjustments for impairment	(1)	-	-	-	(1)
FA at fair value through profit or loss				335,488	335,488
Debt securities - Public issuers				1,949	1,949
AAA				-	-
AA				1,949	1,949
A				-	-
BBB				-	-
Under investment grade				-	-
No rating				-	-
Debt securities - Private issuers				113,933	113,933
AAA				-	-
AA				-	-
To				73,115	73,115
BBB				40,818	40,818
Under investment grade				-	-
No rating				-	-
Deposits with credit institutions				219,606	219,606
AAA				-	-
AA				-	-
To				219,606	219,606
BBB				-	-
Under investment grade				-	-
No rating				-	-
FA at fair value through changes in other comprehensive income	7,306,133	14,141			7,320,274
Debt securities - Public issuers	3,009,707	14,141			3,023,848
AAA	331,583	-	-	-	331,583
AA	285,716	-	-	-	285,716
A	2,271,922	-	-	-	2,271,922
BBB	120,486	-	-	-	120,486
Under investment grade	-	14,141	-	-	14,141
No rating	-	-	-	-	-
Debt securities - Private issuers	4,191,785				4,191,785
AAA	10,974	-	-	-	10,974
AA	248,875	-	-	-	248,875
A	1,993,945	-	-	-	1,993,945
BBB	1,766,234	-	-	-	1,766,234
Under investment grade	156,472	-	-	-	156,472
No rating	15,285	-	-	-	15,285
Deposits with credit institutions	104,641				104,641
AAA	-	-	-	-	-
AA	-	-	-	-	-
To	101,229	-	-	-	101,229
BBB	-	-	-	-	-
Under investment grade	3,412	-	-	-	3,412
No rating	-	-	-	-	-
FA at amortised cost	476,935	796	9,062		486,793
Deposits with credit institutions	287,712				287,712
AAA	87,783	-	-	-	87,783
AA	36,103	-	-	-	36,103
A	158,073	-	-	-	158,073
BBB	5,753	-	-	-	5,753
Under investment grade	-	-	-	-	-
No rating	-	-	-	-	-
Gross amount	287,712	-	-	-	287,712
Value adjustments for impairment	-	-	-	-	-

31/12/2023	Stage 1	Stage 2	Stage 3	Not	Total
Loans	189,223	796	9,062	-	199,081
AAA	-	-	-	-	-
AA	-	-	-	-	-
To	-	-	-	-	-
BBB	45,878	-	-	-	45,878
Under investment grade	55,325	-	-	-	55,325
No rating	92,622	796	12,504	-	105,922
Gross amount	193,825	796	12,504	-	207,125
Value adjustments for impairment	(4,602)	-	(3,442)	-	(8,044)

31/12/2022	Stage 1	Stage 2	Stage 3	Not	Total
Cash and other equivalent liquid assets	2,126,407	-	-	-	2,126,407
AAA	115,736	-	-	-	115,736
AA	45,655	-	-	-	45,655
A	1,926,602	-	-	-	1,926,602
BBB	21,062	-	-	-	21,062
Under investment grade	17,358	-	-	-	17,358
No rating	-	-	-	-	-
Gross amount	2,126,413	-	-	-	2,126,413
Value adjustments for impairment	(6)	-	-	-	(6)

FA at fair value through profit or loss				328,064	328,064
Debt securities - Public issuers				1,942	1,942
AAA				-	-
AA				1,942	1,942
A				-	-
BBB				-	-
Under investment grade				-	-
No rating				-	-
Debt securities - Private issuers				105,179	105,179
AAA				-	-
AA				-	-
To				67,836	67,836
BBB				37,343	37,343
Under investment grade				-	-
No rating				-	-
Deposits with credit institutions				220,943	220,943
AAA				-	-
AA				-	-
To				220,943	220,943
BBB				-	-
Under investment grade				-	-
No rating				-	-

FA at fair value through changes in other comprehensive income	6,843,415	20,069	-	-	6,863,484
Debt securities - Public issuers	2,641,810	19,970	-	-	2,661,780
AAA	359,759	-	-	-	359,759
AA	298,932	-	-	-	298,932
A	1,709,782	-	-	-	1,709,782
BBB	273,337	-	-	-	273,337
Under investment grade	-	-	-	-	-
No rating	-	19,970	-	-	19,970
Debt securities - Private issuers	4,089,932	99	-	-	4,090,031
AAA	21,062	-	-	-	21,062
AA	222,459	-	-	-	222,459
A	1,598,386	-	-	-	1,598,386
BBB	2,089,479	99	-	-	2,089,578
Under investment grade	158,546	-	-	-	158,546
No rating	-	-	-	-	-
Deposits with credit institutions	111,673	-	-	-	111,673
AAA	-	-	-	-	-
AA	-	-	-	-	-
To	111,673	-	-	-	111,673
BBB	-	-	-	-	-

31/12/2022	Stage 1	Stage 2	Stage 3	Not	Total
Under investment grade	-	-	-	-	-
No rating	-	-	-	-	-
FA at amortised cost	294,873	1,206	8,386	-	304,465
Deposits with credit institutions	96,675	-	-	-	96,675
AAA	-	-	-	-	-
AA	28,491	-	-	-	28,491
A	57,651	-	-	-	57,651
BBB	5,638	-	-	-	5,638
Under investment grade	4,895	-	-	-	4,895
No rating	-	-	-	-	-
Gross amount	96,675	-	-	-	96,675
Value adjustments for impairment	-	-	-	-	-
Loans	198,198	1,206	8,386	-	207,790
AAA	-	-	-	-	-
AA	-	-	-	-	-
To	-	-	-	-	-
BBB	47,526	-	-	-	47,526
Under investment grade	40,508	-	-	-	40,508
No rating	111,229	1,206	11,197	-	123,632
Gross amount	199,263	1,206	11,197	-	211,666
Value adjustments for impairment	(1,065)	-	(2,811)	-	(3,876)

At 31 December 2023 and 31 December 2022, no credit risk attributable to the Group has been identified in relation to financial assets designated as at fair value through profit or loss, as they mainly correspond to investments on behalf of policyholders who bear the investment risk. Given the credit quality of the financial assets mandatorily measured at fair value through profit or loss, the credit risk is not considered to be significant in relation to their total exposure. Changes in the measurement of financial assets at fair value through profit or loss as a result of changes in credit risk are not significant due to their credit quality.

The investment criteria also include various measures of risk diversification by sector, country and currency (amounts in € thousand):

Sector	31/12/2023				31/12/2022			
	Equity instruments	%	Debt securities	%	Equity instruments	%	Debt securities	%
Communications	137,293	5.75%	390,224	5.32%	98,657	4.83%	440,280	6.42%
Cyclical consumer goods	128,862	5.39%	609,095	8.31%	98,247	4.81%	619,084	9.03%
Non-cyclical consumer goods	242,680	10.16%	600,044	8.19%	253,485	12.41%	587,128	8.56%
Energy	75,656	3.17%	118,033	1.61%	46,364	2.27%	95,305	1.39%
Financial	752,127	31.50%	1,669,295	22.77%	602,668	29.52%	1,574,358	22.95%
Industrial	226,211	9.47%	473,567	6.46%	159,326	7.80%	463,925	6.76%
Technological	249,479	10.45%	148,177	2.02%	146,780	7.19%	95,036	1.38%
Public Services	168,060	7.04%	284,997	3.89%	133,251	6.53%	303,825	4.43%
Diversified	4,035	0.17%	-	-	3,456	0.17%	-	-
Commodities	30,769	1.29%	15,700	0.21%	22,239	1.09%	16,268	0.24%
Governance	-	-	3,022,383	41.22%	-	-	2,663,723	38.84%
Others (*)	372,744	15.61%	-	-	477,470	23.38%	-	-
Total	2,387,916	100.00%	7,331,515	100.00%	2,041,943	100.00%	6,858,932	100.00%

(*) Includes investment funds.

Year 2023

€ thousand

Country	Equity instruments	Public Fixed Income	Private fixed income	Deposits in banks	Cash and other equivalent assets
Spain	651,087	2,277,968	1,601,241	230,751	744,095
Greece	-	-	-	-	2,038
Portugal	68	-	1,445	3,412	11,899
Ireland (*)	150,330	12,979	96,722	38,714	62,695
Italy	65,922	83,447	4,717	(39,222)	1,187
Germany	251,976	156,228	280,581	(645)	17,734
France	438,480	143,336	738,143	13,794	1,231
United Kingdom	12,475	2,818	231,284	31,059	13,771
The Netherlands	87,626	22,664	546,043	50,343	270,460
Other Europe	302,425	104,555	238,436	219,178	12,437
U.S.A.	410,985	79,755	506,607	2,196	6,593
Rest OECD	9,550	115,697	58,745	19,534	128,880
Rest of the world	6,992	26,350	1,754	42,845	100,721
Total	2,387,916	3,025,797	4,305,718	611,959	1,373,741

(*) Ireland equity instruments are investment funds.

Year 2022

€ thousand

Country	Equity instruments	Public Fixed Income	Private fixed income	Deposits in banks	Cash and other equivalent assets
Spain	590,104	1,910,704	1,457,099	100,455	1,566,391
Greece	-	-	-	-	6,918
Portugal	-	-	-	-	3,814
Ireland (*)	282,473	15,784	36,994	1,149	55,565
Italy	30,859	53,728	9,752	-	1,651
Germany	170,271	148,774	300,043	14,288	9,191
France	304,288	170,352	696,163	46,539	2,637
United Kingdom	12,637	4,281	432,875	29,831	13,144
The Netherlands	48,261	21,701	498,274	49,885	194,209
Other Europe	244,188	87,138	232,627	118,392	16,807
U.S.A.	342,088	109,319	451,058	290	10,299
Rest OECD	8,398	113,478	79,774	24,356	177,115
Rest of the world	8,376	28,463	551	44,106	68,666
Total	2,041,943	2,663,722	4,195,210	429,291	2,126,407

(*) Ireland equity instruments are investment funds.

Below are the financial investments broken down by currencies, along with the other assets and liabilities held by the Group as of 31 December 2023 and 2022:

Year 2023 € thousand

Currency	Equity Instruments	Debt securities	Deposits in banks	Cash and other equivalent assets	Assets under insurance and reinsurance contracts	Other assets	Total Assets at 31/12/2023
Euro	1,732,219	6,991,322	408,133	955,870	638,643	4,636,304	15,362,491
GB pound	5,085	26,443	6,342	47,234	33,341	131,398	249,843
U.S. Dollar	411,851	169,834	140,978	168,741	103,785	85,097	1,080,286
Other	238,761	143,916	56,506	201,896	126,899	158,525	926,503
Total	2,387,916	7,331,515	611,959	1,373,741	902,668	5,011,324	17,619,123

Year 2022 € thousand

Currency	Equity Instruments	Debt securities	Deposits in banks	Cash and other equivalent assets	Assets under insurance and reinsurance contracts	Other assets	Total Assets at 31/12/2022
Euro	1,486,688	6,485,379	353,909	1,721,657	622,219	3,644,343	14,314,195
GB pound	3,084	23,522	6,340	41,140	34,524	127,397	236,007
U.S. Dollar	343,297	223,812	18,492	189,865	118,571	87,515	981,552
Other	208,874	126,219	50,550	173,745	101,856	186,147	847,391
Total	2,041,943	6,858,932	429,291	2,126,407	877,170	4,045,402	16,379,145

Year 2023 € thousand

Currency	Subordinated liabilities	Liabilities under insurance and reinsurance contracts	Other liabilities	Total Liabilities at 31/12/2023
Euro	156,205	9,234,854	1,771,926	11,162,985
GB pound	-	69,340	71,643	140,983
U.S. Dollar	-	252,708	43,545	296,253
Other	-	283,367	119,246	402,613
Total	156,205	9,840,269	2,006,360	12,002,834

Year 2022 € thousand

Currency	Subordinated liabilities	Liabilities under insurance and reinsurance contracts	Other liabilities	Total Liabilities at 31/12/2022
Euro	191,345	9,035,776	1,463,641	10,690,762
GB pound	-	66,097	70,687	136,784
U.S. Dollar	-	254,908	52,162	307,070
Other	-	253,395	137,172	390,567
Total	191,345	9,610,176	1,723,662	11,525,183

The average spot exchange rates at year-end most often used in translating these types of foreign currency balances into euros coincide with the rates published by the European Central Bank and are detailed in Note 3.g.4 to the consolidated financial statements.

The risk arising from credit derivatives held by the Group can be considered insignificant.

5. Main transactions and changes in the consolidation perimeter

5.a) Acquisition of 100% of Grupo Mémora

On 29 July 2022, Grupo Catalana Occidente, S.A. entered into a purchase and sale agreement with Taurus Midco Limited and other minority sellers for the acquisition of 100% of the shares of Taurus Bidco, S.L. and, indirectly, of Memora Servicios Funerarios, S.L. and the subsidiaries of Grupo Mémora, for €387,500 thousand, the final price of the acquisition being subject to certain financial adjustments. The transaction was subject to the condition precedent of the mandatory authorisations by the market and competition authorities in Spain and Portugal.

In this regard, on 26 August 2022 and 25 January 2023, the Portuguese Competition Authority (Autoridade da Concorrência) and the National Markets and Competition Commission (Comisión Nacional de los Mercados y de la Competencia), respectively, authorised the aforementioned transaction. Once this condition precedent had been fulfilled, and after the corresponding financial adjustments provided for in the purchase agreement, the transaction was executed on 9 February 2023 for a final price of €401,319 thousand. All of this consideration was paid in cash.

Accounting for the business mergers

The effective takeover date was 9 February 2023, the date on which the execution of the sales contract was formalised. The Group has valued the identifiable assets acquired and liabilities assumed at their fair value at the date of the combination, according to the IFRS 3.

For this purpose, the Group has carried out a Purchase Price Allocation or PPA analysis with the support of an independent expert, in order to determine the fair value of the assets and liabilities of Taurus Bidco, S.L. and Memora Servicios Funerarios, S.L. and subsidiaries (hereinafter, 'Grupo Mémora') at the date of acquisition. At the date of the takeover, the fair value of the assets and liabilities of Grupo Mémora acquired is as follows:

PPA	Thousands of Euros			
	Grupo Mémora	Eliminations	Revaluations	Fair Value
Property, plant and equipment	121,461	-	-	121,461
Goodwill	223,436	(223,436)	-	-
Brands	5,989	-	111,009	116,998
Administrative concessions	167,643	-	26,611	194,254
Other intangible assets	5,128	-	-	5,128
Investments in entities accounted for using the equity method	4,359	-	2,007	6,366
Deferred tax assets	32,733	-	-	32,733
Cash and other equivalent liquid assets	59,742	-	-	59,742
Other assets	86,358	-	-	86,358
Total assets	706,849	(223,436)	139,627	623,040
Bank borrowings	219,152	-	-	219,152
Leasehold liabilities	148,640	-	-	148,640
Deferred tax liabilities	30,675	-	34,069	64,744
Other liabilities	133,633	-	-	133,633
Total liabilities	532,100	-	34,069	566,169
Minority interests	27,413	-	7,233	34,646
Value of revalued net assets	147,336	(223,436)	98,325	22,225
Amount of the consideration				401,319
Goodwill on consolidation				379,094

The intangible assets recognised as a result of the business combination with Grupo Mémora relate to brands, administrative concessions and capital gains on holdings in entities accounted for using the equity method.

In the PPA exercise, such intangible assets of the acquiree, which comply with the requirements of IFRS 3 and IAS 38, have been measured:

- Brands: the brands of Grupo Mémora (Mémora, Serveis Funeraris de Barcelona and Servilusa) have been measured based on the Royalty Relief methodology, with a Royalty rate of 3.5% applied on the income projections.
- Administrative concessions: 56 administrative concessions have been measured based on the multi-period excess earnings methodology (MEEM), taking into account the period of the current contract for each of the concessions individually.
- Capital gains on holdings in entities accounted for using the equity method: holdings in associates have been measured using the multiples measurement methodology.

As a result of the provisional accounting for this business combination, deferred tax liabilities of € 34,069 thousand have been recognised.

Expenses incurred in the transaction amounted to €2,884 thousand and were recorded in the consolidated profit and loss account.

The transaction generated goodwill of €379,094 thousand (see Note 10.a).

5.b) Merger of traditional business entities

On 27 April 2023, the governing bodies of practically all the companies that make up the traditional business of Grupo Catalana Occidente (Seguros Catalana Occidente, S.A.U. de Seguros y Reaseguros ('Seguros Catalana Occidente'), Plus Ultra Seguros Generales y Vida, S.A.U. de Seguros y Reaseguros, Bilbao Compañía Anónima de Seguros, Sociedad Unipersonal and GCO Reaseguros, S.A.U.), entered into a common merger project by virtue of which their integration into a single entity was envisaged, through the absorption by Seguros Catalana Occidente (changing its corporate name to Occident GCO, S.A. de Seguros y Reaseguros) of the rest of the aforementioned companies, all subject to the suspensive condition of the authorisation of the same by the Ministry of Economic Affairs and Digital Transformation.

Consequently, on 25 May 2023, once the aforementioned merger plan had been filed, the sole shareholders of the companies involved in the merger took the corresponding merger decisions, and the announcements were published in relation to the period for creditors to oppose the merger.

After obtaining authorisation for the merger from the Ministry of Economic Affairs and Digital Transformation on 26 December 2023, the corresponding deed of merger and change of company name was executed on 28 December 2023, and the deed was executed after submission of the said deed for registration in the Madrid and Vizcaya Mercantile Registries on 29 December 2023.

5.c) Merger between Atradius Reinsurance DAC and Atradius Crédito y Caución S.A. de Seguros y Reaseguros

On 16 March 2023, Atradius Insurance Holding N.V., as sole shareholder, approved the merger of Atradius Reinsurance DAC and Atradius Crédito y Caución S.A. de Seguros y Reaseguros into a single legal entity through the absorption of the former by the latter. Atradius N.V. remains the Dutch holding company of a leading international network of credit insurance, surety, reinsurance, debt collection and information services companies.

The resulting legal structure, which came into effect on 31 October 2023, reduces the complexity of working with two European insurance companies, different regulatory environments and dual governance frameworks (particularly with the current Solvency II regulation), without any impact on the business model, financial statements and established brands.

5.d) Sale of Atradius Rus Credit Insurance LLC

The sale of Atradius Rus Credit Insurance LLC was completed in July 2023. At 31 December 2022, the assets and liabilities related to this entity were classified as held for sale (see note 18 of the consolidated financial statements for the 2022 financial year). In the 2023 financial year, the Group recorded a net tax profit of €4.3 million from discontinued operations and/or operations held for sale.

5.e) Incorporation of GCO Ventures, S.L.U.

On 17 May 2023, Grupo Catalana Occidente, S.A. incorporated a wholly-owned company, GCO Ventures, S.L.U., in order to create new businesses aligned with GCO's growth strategy. To this end, it has been given the autonomy and capabilities to identify, build and launch new ventures and develop acquired start-ups.

6. Cash and other equivalent liquid assets

The breakdown of cash and cash equivalents at 31 December 2023 and 2022 are as follows:

Cash and other cash equivalents	€ thousand	
	31/12/2023	31/12/2022
Cash in banks and in cash (*)	1,322,329	2,071,830
Other financial assets	51,412	54,577
Total	1,373,741	2,126,407

(*) At 31 December 2023 and 2022 includes €97,006 thousand and €123,825 thousand, respectively, of restricted cash at banks from Atradius NV. In 2022 it was decided to reclassify from 'Financial assets at amortised cost' to 'Cash and cash equivalents' the deposits that met the criteria established by the standard for this category. This cash is not immediately available to the Group for normal business use or investment.

7. Financial assets

The breakdown of financial assets at 31 December 2023, without taking into account the shares in entities valued by equity accounting, is as follows (in € thousand):

Investments classified by category of financial asset and by type	Financial assets at fair value through profit or loss (VRPL)		Financial assets at fair value through other comprehensive income (VROCI)	Financial assets measured at amortised cost	Total at 31/12/2023
	Designated	Compulsory			
Financial investments:	-	1,737,696	9,175,697	525,930	11,439,323
Equity Instruments	-	532,493	1,855,423	-	2,387,916
- Financial investments in capital	-	-	1,855,423	-	1,855,423
- Stakes in investment funds	-	532,493	-	-	532,493
Debt securities	-	115,882	7,215,633	-	7,331,515
Deposits with credit institutions	-	219,606	104,641	287,712	611,959
Derivatives	-	-	-	-	-
Investments on behalf of policyholders who bear the investment risk	-	869,715	-	2,366	872,081
Loans	-	-	-	199,081	199,081
Other financial assets	-	-	-	12,527	12,527
Deposits for accepted reinsurance	-	-	-	24,244	24,244
Receivables:	-	-	-	330,040	330,040
Receivables for direct insurance, coinsurance and reinsurance	-	-	-	45,127	45,127
Other receivables	-	-	-	284,913	284,913
Total financial assets	-	1,737,696	9,175,697	855,970	11,769,363

The same information reported at year-end, 31 December 2022 is as follows (in € thousand):

Investments classified by category of financial asset and by type	Financial assets at fair value through profit or loss (VRPL)		Financial assets at fair value through other comprehensive income (VROCI)	Financial assets measured at amortised cost	Total at 31/12/2022
	Designated	Compulsory			
Financial investments:	3,278	1,685,541	8,293,395	340,687	10,322,901
Equity Instruments	3,278	608,754	1,429,911	-	2,041,943
- Financial investments in capital	3,278	-	1,429,911	-	1,433,189
- Stakes in investment funds	-	608,754	-	-	608,754
Debt securities	-	107,121	6,751,811	-	6,858,932
Deposits with credit institutions	-	220,943	111,673	96,675	429,291
Derivatives	-	-	-	-	-
Investments on behalf of policyholders who bear the investment risk	-	748,723	-	1,831	750,554
Loans	-	-	-	207,790	207,790
Other financial assets	-	-	-	10,787	10,787
Deposits for accepted reinsurance	-	-	-	23,604	23,604
Receivables:	-	-	-	297,064	297,064
Receivables for direct insurance, coinsurance and reinsurance	-	-	-	78,092	78,092
Other receivables	-	-	-	218,972	218,972
Total financial assets	3,278	1,685,541	8,293,395	637,751	10,619,965

7.a) Financial investments

The movements in this section, broken down by portfolio, are shown below (in € thousand):

Financial assets at fair value through profit or loss

	€ thousand				Total
	Financial assets at fair value through profit or loss (FVTPL)				
	Equity Instruments	Debt securities	Investments held for the benefit of policyholders who bear the investment risk (1)	Deposits with credit institutions	
Net carrying amount on 1 January 2022	718,044	139,539	719,697	296,991	1,874,271
Changes to the scope	-	-	-	-	-
Purchases	228,750	3,712	493,417	-	725,879
Sales and amortisations	(264,444)	(454)	(395,151)	(11,524)	(671,573)
Reclassifications and transfers	400	-	(400)	-	-
Change of implicit interest	-	69	(192)	384	261
Changes in value against profits	(67,981)	(35,721)	(68,648)	(64,908)	(237,258)
Effect of changes on the exchange rates	(2,737)	(24)	-	-	(2,761)
Net carrying amount on 31 December 2022	612,032	107,121	748,723	220,943	1,688,819
Changes to the scope	-	-	-	-	-
Purchases	618,192	35,325	126,292	-	779,809
Sales and amortisations	(698,364)	(449)	(97,583)	(10,442)	(806,838)
Reclassifications and transfers	456	-	(456)	-	-
Change of implicit interest	-	525	-	(24)	501
Changes in value against profits	(810)	(26,646)	92,739	9,129	74,412
Effect of changes on the exchange rates	987	6	-	-	993
Net carrying amount on 31 December 2023	532,493	115,882	869,715	219,606	1,737,696

(1) As at 31 December 2023, unrealised capital gains and losses on investments on behalf of policyholders who bear the investment risk amount to €99,116 thousand and (€14,852) thousand respectively (28,761 and (€117,226) thousand at 31 December 2022 respectively).

Most of the changes in value recognised with credit/charge to the profit and loss account, net of the related tax effect and of the allocation to minority interests, arose from financial instruments listed on organised markets or which, being unlisted, the Group has a sufficiently reliable market measurement (see Note 4.c).

Financial assets at fair value through other comprehensive income

	€ thousand			
	Financial assets at fair value through other comprehensive income (VROCI)			Total
	Financial Investments in capital	Debt securities	Deposits with credit institutions	
Net carrying amount on 1 January 2022	1,663,087	7,257,235	138,772	9,059,094
Changes to the scope	1	-	-	1
Purchases	128,165	1,796,488	-	1,924,653
Sales and amortisations	(177,146)	(1,516,780)	(10,552)	(1,704,478)
Reclassifications and transfers	-	(22,496)	-	(22,496)
Changes in value against OCI	(184,196)	(763,219)	(13,671)	(961,086)
Change of implicit interest (*)	-	(16,958)	(2,876)	(19,834)
Effect of changes on the exchange rates	-	17,541	-	17,541
Net carrying amount on 31 December 2022	1,429,911	6,751,811	111,673	8,293,395
Changes to the scope	(27,844)	-	-	(27,844)
Purchases	296,778	1,588,823	3,412	1,889,013
Sales and amortisations	(54,603)	(1,405,035)	(6,245)	(1,465,883)
Reclassifications and transfers	-	-	-	-
Changes in value against OCI	211,006	260,470	1,680	473,156
Change of implicit interest (*)	-	27,047	(5,879)	21,168
Effect of changes on the exchange rates	175	(7,483)	-	(7,308)
Net carrying amount on 31 December 2023	1,855,423	7,215,633	104,641	9,175,697

(*) Includes the variation for the year derived from implicit interest, both of what is above par and generates implicit interest, as well as the implicit interest that is derecognised with the sale and maturity of securities in the portfolio.

Most of the changes in value recognised with credit/charge to reserves, net of the related tax effect and the allocation to minority interests, arose from financial instruments listed on organised markets or for which the Group has a sufficiently reliable market measurement when they are not listed.

During the course of the 2023 financial year, €(10,038) thousand and €(32,999) thousand corresponding to net losses on debt instruments and equity investments that were unrealised in the 'Financial assets at fair value through other comprehensive income' portfolio were derecognised from 'Other comprehensive income' and recognised in the consolidated profit and loss account for the period and in reserves, respectively, following their disposal. In 2022, net losses of €(21,412) thousand and €8,857 thousand were recognised in the profit and loss account and reserves, respectively.

Financial assets measured at amortised cost

	€ thousand							Total
	Financial assets measured at amortised cost							
	Non-mortgage loans and advances on policies	Investments held for the benefit of policyholders who bear the investment risk	Mortgage loans	Other financial assets	Deposits with credit institutions	Deposits constituted by accepted reinsurance	Debt securities	
Net carrying amount on 1 January 2022	152,114	37,536	62,935	10,427	184,993	22,101	-	470,106
Changes to the scope	-	-	-	10	-	-	-	10
Purchases	11,801	31,633	5,995	480	111,433	4,960	-	166,302
Sales and amortisations	(15,085)	(67,338)	(10,542)	(130)	(157,020)	(3,493)	-	(253,608)
Reclassifications and transfers	4	-	-	-	(45,625)	-	-	(45,621)
Change of implicit interest	157	-	13	-	-	-	-	170
Effect of changes on the exchange rates	-	-	-	-	2,894	36	-	2,930
Changes in loss due to value impairment	-	-	398	-	-	-	-	398
Net carrying amount on 31 December 2022	148,991	1,831	58,799	10,787	96,675	23,604	-	340,687
Changes to the scope	785	-	-	2,631	-	-	-	3,416
Purchases	7,169	535	5,513	248	344,976	2,663	-	361,104
Sales and amortisations	(7,610)	-	(10,993)	(1,139)	(151,425)	(1,952)	-	(173,119)
Reclassifications and transfers	-	-	-	-	-	-	-	-
Change of implicit interest	(62)	-	27	-	-	-	-	(35)
Effect of changes on the exchange rates	-	-	-	-	(2,514)	(71)	-	(2,585)
Changes in loss due to value impairment	(3,538)	-	-	-	-	-	-	(3,538)
Net carrying amount on 31 December 2023	145,735	2,366	53,346	12,527	287,712	24,244	-	525,930

At 31 December 2023, it is estimated that the fair value of financial investments classified as 'Financial assets at amortised cost' does not differ significantly from their carrying amount.

7.a.1) Equity investments

The Group has designated investments in equity instruments measured at fair value through other comprehensive income as the Group's intention is to hold them for the long term. The breakdown of the balances of this sub-heading at 31 December 2023 and 2022, is as follows:

	€ thousand			
	VRPL		VROCI	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Shares of listed companies	-	-	1,829,679	1,323,874
Shares of non-listed companies	-	3,278	25,744	106,037
Total	-	3,278	1,855,423	1,429,911

The fair value of the shares of unlisted companies has been determined using measurement methods that are generally accepted in the financial industry.

Dividends received by the Group in 2023 amounted to €69,211 thousand (€65,520 thousand in 2022).

7.a.2) Holdings in investment funds

A breakdown of the investments classified under this sub-heading by type of investment is given below:

	€ thousand	
	VRPL	
	31/12/2023	31/12/2022
Fixed income	68,523	67,742
Variable income	304,775	335,013
Money market	62,491	124,034
Other investment funds	96,704	81,965
Total	532,493	608,754

The value of the investment funds has been taken to be the net asset value published by the fund management companies.

Listed below is the equity of the investment funds managed by GCO Gestión de Activos, and that are not consolidated (see Note 2.f.1), as well as the holding available to the Group of each one of them on 31 December 2023 and 2022 (excluding the holding corresponding to investments on behalf of policyholders, see Note 7.a.4):

	31/12/2023			31/12/2022		
	Equity managed by GCO Gestión de Activos at 31.12.2023 (€ thousands)	Shareholding percentage (%)	Equity (€ thousand).	Equity managed by GCO Gestión de Activos at 31.12.2022 (€ thousands)	Shareholding percentage (%)	Equity (€ thousand).
GCO Mixto, FI	170,185	-	-	167,230	-	-
GCO Acciones, FI	172,364	28%	47,647	158,318	25%	39,617
GCO Euroolsa, FI	70,236	28%	19,756	60,909	28%	16,838
GCO Renta Fija, FI	39,638	-	-	24,579	-	-
GCO Global 50, FI	85,310	-	-	74,769	-	-
GCO Internacional, FI	170,015	-	-	127,364	-	-
GCO Bolsa USA, FI	32,986	30%	9,940	20,745	40%	8,217
GCO Ahorro, FI	66,551	-	-	57,203	-	-
Total	807,285		77,343	691,117		64,672

7.a.3) Fixed-income securities

The breakdown of the balances included under this sub-heading is as follows:

	€ thousand			
	VRPL		VROCI	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Public debt, securities and public bonds	1,949	1,940	3,023,848	2,661,782
Issued by financial institutions and other private entities	113,933	105,181	4,191,785	4,090,029
Total	115,882	107,121	7,215,633	6,751,811

The average internal rate of return of the existing portfolio at 31 December 2023 is 3.24% (3.03% at 31 December 2022), with an estimated average duration of approximately 3.66 years (3.28 years at 31 December 2022).

The income earned on these fixed-income securities, other than the change in their fair value, basically from interest and the net accrual of positive and negative premiums, is recorded under 'Interest income' in the profit and loss account, amounting to a total of €177,406 thousand in the 2023 financial year (€140,521 thousand in the 2022 financial year).

The maturities of the securities included under this sub-heading, classified by the portfolio to which they were assigned at 31 December 2023 and 2022 and taking their fair value into account, are as follows:

Residual maturity	€ thousand			
	VRPL		VROCI	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Less than 1 year	-	-	1,218,462	1,118,956
1 to 3 years	1,949	1,940	2,823,346	2,581,598
3 to 5 years	-	-	1,218,964	1,636,648
5 to 10 years	-	-	1,347,279	1,084,731
10 to 15 years	-	-	159,013	94,909
15 to 20 years	19,761	15,684	249,653	49,503
20 to 25 years	24,625	26,053	126,112	122,714
Over 25 years	69,547	63,444	72,804	62,752
Total	115,882	107,121	7,215,633	6,751,811

7.a.4) Direct holding contracts: Investments held for the benefit of insurance policyholders who bear the investment risk

The breakdown by nature of the investment as at 31 December 2023 and 2022 for direct holding contracts is as follows (in € thousand):

	€ thousand			
	VRPL		Financial assets measured at amortised cost	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Variable Income	-	-	-	-
Holdings in investment funds	869,715	748,723	-	-
Fixed-Income	-	-	-	-
Other Balances affected				
- Banks (current accounts and short-term deposits)	-	-	2,366	1,831
- Others	-	-	-	-
Total	869,715	748,723	2,366	1,831

The balance of 'Other assigned balances' is included in the 'Financial assets at amortised cost' portfolio, as it is the policyholder who assumes the investment risk in each year.

The market value of investments held for the benefit of insurance policyholders who bear the investment risk is determined by the same method as the market value of the Group's own investments of the same type.

A breakdown of the above fixed-income securities and other assigned balances by maturity year is given below:

Residual maturity	€ thousand			
	31/12/2023		31/12/2022	
	Fixed income	Other Balances affected	Fixed income	Other Balances affected
Less than 1 year	-	2,366	-	1,831
1 to 3 years	-	-	-	-
3 to 5 years	-	-	-	-
5 to 10 years	-	-	-	-
Over 10 years	-	-	-	-
Rest of investments without maturity	-	-	-	-
Total	-	2,366	-	1,831

At 31 December 2023 and 2022 the balance of holdings in investment funds is classified in the portfolio measured at fair value with changes in the profit or loss account and corresponds to investment funds managed by GCO Gestión de Activos according to the following breakdown:

Type of Asset	Description (name)	€ thousand	
		31/12/2023	31/12/2022
IF	GCO Ahorro	61,217	52,750
IF	GCO Mixto	165,853	163,715
IF	GCO Acciones	113,183	107,979
IF	GCO Eurobolsa	46,390	40,135
IF	GCO Renta Fija	36,191	21,873
IF	GCO Global 50	73,558	63,228
IF	GCO Internacional	160,205	118,727
IF	GCO Bolsa USA	21,129	10,846
		677,726	579,253

On 31 December 2023 and 2022, the Group's share in the investment funds managed by GCO Gestión de Activos, corresponding to policyholder investments, is as follows:

	Shareholding percentage (%)	
	31/12/2023	31/12/2022
GCO Mixto, FI	97%	98%
GCO Acciones, FI	66%	68%
GCO Eurobolsa, FI	66%	66%
GCO Renta Fija, FI	91%	89%
GCO Global 50, FI	86%	85%
GCO Internacional FI	94%	93%
GCO Ahorro, FI	92%	92%
GCO Bolsa USA, FI	64%	52%

7.a.5) Loans and other financial assets

The breakdown of the balances making up this sub-heading at 31 December 2023 and 2022 is as follows:

	€ thousand	
	Financial assets measured at amortised cost	
	31/12/2023	31/12/2022
Non-mortgage loans and advances on policies:		
· Advances on policies	14,025	16,357
· Other loans	131,710	132,634
Mortgage loans	53,346	58,799
Other financial assets	12,527	10,787
Total	211,608	218,577

The maturities of mortgage loans and other loans held by the Group at amortised cost are as follows:

Year of maturity	€ thousand	
	Financial assets measured at amortised cost	
	31/12/2023	31/12/2022
Matured and up to three months	5,624	14,270
Between 3 months and up to 1 year	10,308	7,093
Between one year and five years	124,119	102,336
Over five years	45,005	67,734
Total	185,056	191,433

There are some mortgage loans ("reverse mortgages"), totalling €32,993 thousand, at a fixed interest rate of between 6.00% and 7.50%. The remaining mortgage loans bear annual interest rates of between 2.93% and 6.15% (between 0.00% and 4.63% in 2022). The interest rate is fixed in the first year and variable from the second year. The reference rate used is the one-year interbank rate (EURIBOR).

7.a.6) Deposits with credit institutions

The long-term deposits relate mainly to euro deposits, trust deposits, structured deposits and asset swaps held with credit institutions. The maturity of these deposits is as follows:

Residual maturity	€ thousand							
	31/12/2023				31/12/2022			
	VRPL	VROCI	Financial assets measured at amortised cost	Total	VRPL	VROCI	Financial assets measured at amortised cost	Total
From 3 months to 1 year	96,008	169,796	287,712	553,516	-	2,361	96,671	99,032
From 1 year to 3 years	-	(77,254)	-	(77,254)	-	(3,930)	-	(3,930)
From 3 years to 5 years	-	15,478	-	15,478	52,760	34,758	-	87,518
From 5 years to 10 years	-	(10,950)	-	(10,950)	-	25	4	29
From 10 years to 15 years	-	(1,899)	-	(1,899)	49,791	44,757	-	94,548
From 15 years to 20 years	96,231	(54,789)	-	41,442	-	(29,095)	-	(29,095)
From 20 years to 25 years	27,367	(118,698)	-	(91,331)	118,392	(114,294)	-	4,098
Over 25 years	-	182,957	-	182,957	-	177,091	-	177,091
	219,606	104,641	287,712	611,959	220,943	111,673	96,675	429,291

7.a.7) Impairment losses

An impairment loss reversal of €3,708 thousand (€ 3,808 thousand impairment loss in 2022) has been recognised in 2023, mainly from financial assets at fair value through other comprehensive income.

The movement in the expected loss for 2023 and 2022 for these financial assets and by stage is shown below:

	Thousands of Euros			
	2023			
	Stage 1	Stage 2	Stage 3	Total
Financial assets at fair value through OCI				
Debt securities				
Opening balance	15,917	15,862	-	31,779
New financial assets	2,202	639	-	2,841
Provision (net) for change in contractual flows	-	-	-	-
Provision (net) for stage changes	686	(686)	-	-
Changes in value	727	676	-	1,403
Changes in the probability of non-compliance	(6,844)	(1,686)	-	(8,530)
Disposal/transfer of assets	(881)	(14,649)	-	(15,530)
Balance at the close of the year	11,807	156	-	11,963
Deposits with credit institutions				
Opening balance	27	-	-	27
New financial assets	1	-	-	1
Provision (net) for change in contractual flows	-	-	-	-
Provision (net) for stage changes	-	-	-	-
Changes in value	-	-	-	-
Changes in the probability of non-compliance	-	-	-	-
Disposal/transfer of assets	(3)	-	-	(3)
Balance at the close of the year	24	-	-	24
Value as at 31 December 2023	11,831	156	-	11,987

	Thousands of Euros			
	2022			
	Stage 1	Stage 2	Stage 3	Total
Financial assets at fair value through OCI				
Debt securities				
Opening balance	10,147	1,140	-	11,287
New financial assets	5,490	15,169	-	20,659
Provision (net) for change in contractual flows	-	-	-	-
Provision (net) for stage changes	230	6,063	-	6,293
Changes in value	(1,014)	68	-	(946)
Changes in the probability of non-compliance	6,241	7,969	-	14,210
Disposal/transfer of assets	(5,177)	(14,547)	-	(19,724)
Balance at the close of the year	15,917	15,862	-	31,779
Deposits with credit institutions				
Opening balance	33	-	-	33
New financial assets	2	-	-	2
Provision (net) for change in contractual flows	-	-	-	-
Provision (net) for stage changes	-	-	-	-
Changes in value	(5)	-	-	(5)
Changes in the probability of non-compliance	(1)	-	-	(1)
Disposal/transfer of assets	(2)	-	-	(2)
Balance at the close of the year	27	-	-	27
Value as at 31 December 2022	15,944	15,862	-	31,806

The value adjustment of financial assets measured at fair value through other comprehensive income does not reduce the carrying amount of these investments.

7.b) Receivables

A breakdown of the receivables from insurance, reinsurance and coinsurance contracts at 31 December 2023 and 2022, together with other receivables, is given below:

	€ thousand	
	31/12/2023	31/12/2022
Receivables from direct insurance, coinsurance and reinsurance transactions	45,127	78,092
Other receivables	284,913	218,972
Total	330,040	297,064

As of 31 December 2023 we estimate that the fair value of loans does not differ significantly from the net carrying amount.

A breakdown of other credits in the consolidated balance sheet on 31 December 2023 and 2022 is given below:

Other credits:	€ thousand	
	31/12/2023	31/12/2022
Credits with Public Administrations	20,222	20,895
Other receivables at amortised cost	264,691	200,087
Commissions to collect for Credit Insurance information services	31,715	30,251
Agencies	8,047	8,807
Personnel	1,832	1,280
Balances of brokers with dubious collection and other dubious balances	6,031	1,289
Debtors by leases	1,194	1,730
Sundry debtors	222,708	156,730
Provision for impairment of rest of receivables	(6,836)	(2,010)
Total	284,913	218,972

On 25 September 2018, Grupo Catalana Occidente Activos Inmobiliarios S.L. (hereinafter 'GCO Activos Inmobiliarios') reached an agreement to acquire 100% of Peñalvento, S.L.U. from Inmobiliaria Colonial, Socimi, S.A. with the ultimate aim of obtaining ownership of the development of the construction of a future office building in Méndez Álvaro Norte I (Arganzuela district - Madrid) for a total estimated price of €94,281 thousand. This building will become part of the Group's real estate assets upon fulfilment of the conditions precedent set out in the aforementioned contract, which include, among others, the completion of construction and delivery of the building to GCO Activos Inmobiliarios. Although it was scheduled for completion in 2023, due to construction delays it will be completed in 2024.

Within the sub-heading "Various debtors" there is an amount of €28,901 thousand, corresponding to the three first payments made by GCO Activos Inmobiliarios for the acquisition of Peñalvento S.L.U.

As indicated in Note 3.b.3), the Group assesses the financial assets at their fair values, with the exception of certain loans and receivables that are valued at amortised cost. For the latter, its carrying amount is a fair approximation of its fair value.

7.c) Gains and losses on financial investments

The income and expenses of financial investments are presented below according to their classification in portfolio and type of asset for the 2023 and 2022 financial years:

(€ thousand)	2023	2022
Net gains or losses on financial instruments mandatorily measured at fair value through profit or loss	146,383	(204,168)
Equity Instruments	16,781	(32,743)
Debt securities	26,460	(33,301)
Deposits with credit institutions	10,353	(69,539)
Investments held for the benefit of policyholders who bear the investment risk	92,789	(68,585)
Net gains or losses on financial instruments measured at fair value with changes in OCI	(10,038)	(21,412)
Debt securities	(10,038)	(21,412)
Deposits with credit institutions	-	-
Net gains or losses on financial instruments measured at amortised cost	(6)	295
Loans	-	(6)
Other financial assets	(6)	301
Income from dividends	69,211	65,520
Investments held for the benefit of policyholders who bear the investment risk	-	1,928
Financial assets mandatorily measured at fair value through profit or loss	10,287	14,295
Financial assets measured at fair value through other comprehensive income	58,924	49,297
Income from interest	187,742	144,462
Investments held for the benefit of policyholders who bear the investment risk	-	248
Financial assets mandatorily measured at fair value through profit or loss	11,958	12,252
Financial assets measured at fair value through other comprehensive income	164,039	125,597
Financial assets measured at amortised cost	11,745	6,365
Net exchange rate differences	(3,286)	10,580
Impairment or reversal of impairment of financial assets measured at fair value through other comprehensive income	7,246	(4,206)
Impairment or reversal of impairment of financial assets carried at amortised cost	(3,538)	398
Total financial investments recognised in the profit and loss account	393,714	(8,531)

The relationship between insurance financial income or expenses and the return on investment in financial assets underlying insurance and reinsurance contracts is presented below:

2023	Traditional business			Credit insurance business	Total
	Life		Non-Life		
	Direct holding contracts	Contracts without direct holding			
(€ thousand)					
Total net investment income / (expenses) associated with the underlying assets recognised in PL	92,672	236,690	40,282	58,011	427,655
Total net investment income / (expenses) associated with the underlying assets recognised in OCI	2	270,951	97,865	103,950	472,768
Financial income / (expenses) from insurance contracts issued recognised in PL	(92,860)	(173,249)	(8,989)	(45,352)	(320,450)
Accredited interest	(1,757)	(157,322)	(8,989)	(7,774)	(175,842)
Effect of changes in interest rates and other financial assumptions	12,548	(15,927)	-	(32,341)	(35,720)
Exchange rate income / (expenses)	-	-	-	(5,237)	(5,237)
Effects of the risk mitigation approach	(21,257)	-	-	-	(21,257)
Changes in the current value of underlying assets measured under VFA	(82,394)	-	-	-	(82,394)
Financial income / (expenses) from insurance contracts issued recognised in OCI	-	(166,165)	(21,765)	47,800	(140,130)
Financial income / (expenses) from reinsurance contracts held recognised in PL	-	20	1,067	10,454	11,541
Accredited interest	-	20	1,067	1,415	2,502
Effect of changes in interest rates and other financial assumptions	-	-	-	7,231	7,231
Exchange rate income / (expenses)	-	-	-	1,808	1,808
Financial income / (expenses) from reinsurance contracts held recognised in OCI	-	(4,300)	3,461	(2,295)	(3,134)

2022 (€ thousand)	Traditional business			Credit insurance business	Total
	Life		Non-Life		
	Direct holding contracts	Contracts without direct holding			
Total net investment income / (expenses) associated with the underlying assets recognised in PL	(66,700)	46,624	23,436	(8,863)	(5,503)
Total net investment income / (expenses) associated with the underlying assets recognised in OCI	(33)	(685,232)	(120,125)	(154,897)	(960,287)
Financial income / (expenses) from insurance contracts issued recognised in PL	67,013	13,961	3,973	(12,099)	72,848
Accredited interest	301	(111,292)	3,973	1,234	(105,784)
Effect of changes in interest rates and other financial assumptions	(15,617)	125,253	-	(24,116)	85,520
Exchange rate income / (expenses)	-	-	-	10,783	10,783
Effects of the risk mitigation approach	3,577	-	-	-	3,577
Changes in the current value of underlying assets measured under VFA	78,752	-	-	-	78,752
Financial income / (expenses) from insurance contracts issued recognised in OCI	-	869,840	32,390	(8,180)	894,050
Financial income / (expenses) from reinsurance contracts held recognised in PL	-	55	(436)	(5,027)	(5,408)
Accredited interest	-	55	(436)	(526)	(907)
Effect of changes in interest rates and other financial assumptions	-	-	-	93	93
Exchange rate income / (expenses)	-	-	-	(4,594)	(4,594)
Financial income / (expenses) from reinsurance contracts held recognised in OCI	-	(92)	230	(558)	(420)

8. Investments in entities accounted for using the equity method (associates accounted for using the equity method)

The composition and movements during 2023 of those investments in the capital of companies over which the Group exercises significant influence is as follows:

Company	€ thousand					
	Balances at 31/12/2022	Changes in the scope	Increases due to non-distributed profit for the year	Other measurement changes	Impairment losses	Balances at 31/12/2023
Asitur Asistencia, S.A.	8,102	-	(19)	209	-	8,292
Calboquer, S.L.	75	(79)	4	-	-	-
Gesiuris Asset Management, S.G.I.I.C., S.A. (1)	3,901	-	41	86	-	4,028
Inversiones Credere, S.A.	-	-	-	-	-	-
CLAL Credit Insurance Ltd. (2) (5)	19,376	-	936	(1,031)	-	19,281
Compañía de Seguros de Crédito Continental S.A. (3) (5)	59,076	-	3,046	(1,936)	-	60,186
Credit Guarantee Insurance Corporation of Africa Limited (5)	21,738	-	1,599	(2,524)	-	20,813
Funerarias Gaditanas Asociadas, S.A. (4) (6)	-	3,668	(11)	-	-	3,657
Servicios Funerarios Costa de Barcelona, S.L. (6)	-	1	(4)	4	-	1
Serfunle, S.A. (6)	-	2,697	121	-	-	2,818
TOTAL	112,268	6,287	5,713	(5,192)	-	119,076

- (1) Gesiuris includes goodwill totalling €1,836 thousand.
- (2) CLAL includes goodwill totalling €2,127 thousand.
- (3) CSC Continental includes goodwill of €11,366 thousand.
- (4) Fugasa includes goodwill totalling €2,203 thousand.
- (5) Invested in through the company Atradius N.V.
- (6) Invested in through Grupo Mémora.

These investments are accounted for using the equity method, using the best estimate available at the time of preparing the financial statements. Appendix II details the data on total assets, capital, reserves, profit or loss, dividends from this financial result, and the year's earned premiums net of reinsurance or otherwise standard earned incomes.

As shown in Note 3.b.4, the Group has conducted the test for impairment on the companies included in the heading "holdings in entities measured using the equity method", considering the projections of future business of the companies and financial market parameters.

Dividend and cash flows are estimated using a projection period and a standardised period. The projection period is 10 years, where the projections of the first 1-3 years are based on quotes and/or financial forecasts. The remaining years are estimated using growth rates and ratios, which are considered the relevant figures for each of the estimated lines, which converge toward their standardised terminal value.

The discount rate used varies depending on the location and the associated company, using custom risk-free rates, Betas of the market and country risk premiums. The terminal value is calculated on the basis of the flow of dividends/free cash flows in the normalised period through a perpetuity that applies a growth rate of 3% and the specific discount rate. For those associated to the use of the measurement of discounted dividends, it is assumed that the profits, if available after complying with the capital requirements, are distributable dividends. The capital requirements are calculated on the basis of local targets for regulation and management.

The discount rates, before taxes, and the perpetual growth rates used in 2023 and 2022 have been as follows:

Insurance entity CGU	Discount rate	
	31/12/2023	31/12/2022
CLAL - Israel	8.80%	7.50%
CSC Continental - Chile	11.40%	13.90%

Insurance entity CGU	Perpetual growth rate	
	31/12/2023	31/12/2022
CLAL - Israel	3.00%	3.00%
CSC Continental - Chile	3.00%	2.80%

In parallel to this central measurement scenario, possible changes have been calculated in the main assumptions of the model and the CGU has been subject to a sensitivity analysis. The impacts regarding the value in use derived from this analysis are the following:

Insurance entity CGU	Discount rate		Perpetual growth rate		Combined ratio		Solvency ratio	
	+ 50 bp	- 50 bp	+ 50 bp	- 50 bp	+ 50 bp	- 50 bp	+ 500 bp	- 500 bp
CLAL	-3.2%	3.6%	1.7%	-1.5%	-1.6%	1.6%	-1.1%	1.1%
CSC Continental	-6.0%	6.8%	3.6%	-3.2%	-2.1%	2.1%	-4.1%	4.1%

At 31 December 2023, based on the results of the impairment tests, the Group has not recognised any impairment in the consolidated income statement.

2022 movements are shown below:

Company	€ thousand					Balances at 31/12/2022
	Balances at 31/12/2021	Changes to the scope	Increases due to non-distributed profit for the year	Other measurement changes	Impairment losses	
Asitur Asistencia, S.A.	7,761	-	163	178	-	8,102
Calboquer, S.L.	96	-	(25)	4	-	75
Gesiuris, S.A. S.G.I.I.C. (1)	4,129	-	(56)	(172)	-	3,901
Inversiones Credere, S.A.	-	-	-	-	-	-
CLAL Credit Insurance Ltd. (2) (4)	19,429	-	1,782	(1,835)	-	19,376
Compañía de Seguros de Crédito Continental S.A. (3) (4)	46,860	-	7,055	5,161	-	59,076
Credit Guarantee Insurance Corporation of Africa Limited (4)	20,797	-	1,028	(87)	-	21,738
TOTAL	99,072	-	9,947	3,249	-	112,268

(1) Includes goodwill totalling €1,836 thousand.

(2) CLAL includes goodwill totalling €2,127 thousand.

(3) CSC Continental includes goodwill of €11,366 thousand.

(4) Invested in through Atradius N.V.

On 11 August 2022, Atradius NV, through its subsidiary Atradius Participations Holding S.L., sold its entire shareholding in The Lebanese Credit Insurer S.A.L.

At 31 December 2022, based on the results of the impairment tests, the Group has not recognised any impairment in the consolidated income statement.

9. Property, plant and equipment and investment property

9.a) Property, Plant and Equipment

The breakdown by type of items that make up the balance of this segment and sub segment of the consolidated balance sheet, on 31 December 2023 is as follows (in € thousand):

	Owner-Occupied Property	Advances Owner-Occupied Property	Furniture and installations	Transport equipment	Data processing hardware	Improvements to owner-occupied property	Rights of use	Other tangible fixed asset	Total
Cost on 1 January 2023	270,059	-	115,290	7,428	107,281	93,062	227,382	81	820,583
Accumulated Depreciation on 1 January 2023	(80,129)	-	(90,082)	(3,953)	(92,557)	(48,855)	(109,188)	-	(424,764)
Impairment losses	(6,905)	-	-	-	-	-	-	-	(6,905)
Net carrying amount on 1 January 2023	183,025	-	25,208	3,475	14,724	44,207	118,194	81	388,914
Changes to the scope	64,844	68	29,921	15,229	6,699	-	81,426	2,778	200,965
Investments or Additions	9,570	-	13,331	1,329	10,023	13,325	30,684	1,081	79,343
Reclassifications and transfers (Note 9.b)	(4,672)	-	(3,427)	-	6	3,432	-	-	(4,661)
Sales and Withdrawals	(6,543)	(68)	(30,360)	(1,912)	(6,232)	(25,118)	(21,012)	-	(91,245)
Effect of changes on the exchange rates	167	-	285	-	281	-	(519)	-	214
Changes to the scope	(15,609)	-	(22,238)	(10,328)	(5,725)	-	(19,394)	(2,820)	(76,114)
Depreciation for the year	(15,565)	-	(7,116)	(1,818)	(7,688)	(7,598)	(30,048)	(29)	(69,862)
Reclassifications and transfers of the depreciation (Nota 9.b)	2,287	-	2,565	-	(6)	(2,565)	-	-	2,281
Withdrawals from Depreciation	1,681	-	29,437	1,585	5,169	24,996	20,563	-	83,431
Effect of changes on the exchange rates	(29)	-	(162)	-	(263)	-	777	-	323
Changes to the scope	(3,328)	-	(62)	-	-	-	-	-	(3,390)
Impairment losses	814	-	27	-	-	-	-	-	841
Net carrying amount on 31 December 2023	216,642	-	37,409	7,560	16,988	50,679	180,671	1,091	511,040

Breakdown of the net carrying amount on 31 December 2023 (in € thousand):

	Owner-Occupied Property	Advances Owner-Occupied Property	Furniture and installations	Transport equipment	Data processing hardware	Improvements to owner-occupied property	Rights of use	Other tangible fixed asset	Total
Cost on 31 December 2023	333,425	-	125,040	22,074	118,058	84,701	317,961	3,940	1,005,199
Accumulated Depreciation on 31 December 2023	(107,364)	-	(87,596)	(14,514)	(101,070)	(34,022)	(137,290)	(2,849)	(484,705)
Impairment losses	(9,419)	-	(35)	-	-	-	-	-	(9,454)

The movement and detail for 2022 are as follows (in € thousand):

	Owner-Occupied Property	Advances Owner-Occupied Property	Furniture and installations	Transport equipment	Data processing hardware	Improvements to owner-occupied property	Rights of use	Other tangible fixed asset	Total
Cost on 1 January 2022	287,055	-	122,214	7,321	105,542	88,057	205,740	1,602	817,531
Accumulated Depreciation on 1 January 2022	(81,468)	-	(88,488)	(4,378)	(88,934)	(44,495)	(88,304)	(1,602)	(397,669)
Impairment losses	(7,065)	-	-	-	(104)	-	-	-	(7,169)
Net carrying amount on 1 January 2022	198,522	-	33,726	2,943	16,504	43,562	117,436	-	412,693
Changes to the scope	398	-	(290)	268	(252)	-	(8,473)	-	(8,349)
Investments or Additions	270	-	3,643	1,136	8,381	7,720	35,186	81	56,417
Reclassifications and transfers (Note 9.b)	(17,765)	-	(5,510)	-	(131)	-	(1,219)	-	(24,625)
Sales and Withdrawals	(60)	-	(4,118)	(1,297)	(5,295)	(2,715)	(3,311)	(1,602)	(18,398)
Effect of changes on the exchange rates	161	-	(649)	-	(964)	-	(541)	-	(1,993)
Changes to the scope	(168)	-	(111)	(215)	180	-	4,943	-	4,629
Depreciation for the year	(3,257)	-	(5,300)	(576)	(9,065)	(6,637)	(29,176)	-	(54,011)
Reclassifications and transfers of the depreciation (Nota 9.b)	4,743	-	49	-	113	-	598	-	5,503
Withdrawals from Depreciation	48	-	3,338	1,216	4,322	2,277	2,492	1,602	15,295
Effect of changes on the exchange rates	(27)	-	430	-	827	-	259	-	1,489
Changes to the scope	-	-	-	-	-	-	-	-	-
Impairment losses	160	-	-	-	104	-	-	-	264
Net carrying amount on 31 December 2022	183,025	-	25,208	3,475	14,724	44,207	118,194	81	388,914

Breakdown of the net carrying amount on 31 December 2022 (in € thousand):

	Owner-Occupied Property	Advances Owner-Occupied Property	Furniture and installations	Transport equipment	Data processing hardware	Improvements to owner-occupied property	Rights of use	Other tangible fixed asset	Total
Cost on 31 December 2022	270,059	-	115,290	7,428	107,281	93,062	227,382	81	820,583
Accumulated Depreciation on 31 December 2022	(80,129)	-	(90,082)	(3,953)	(92,557)	(48,855)	(109,188)	-	(424,764)
Impairment losses	(6,905)	-	-	-	-	-	-	-	(6,905)

At 31 December 2023 and 2022, the Group has full title to the properties for its own use, none of which are pledged as security of any kind.

The Group has no significant commitments to acquire new properties.

At year-end 2023, all the Group's property, plant and equipment were used directly in operations.

There were no significant impairment losses on property, plant and equipment during the year.

The net value of property for owner-occupied located abroad amounts to €22,309 thousand as at 31 December 2023 (€19,637 thousand as at 31 December 2022).

During 2023, profits were obtained from own-occupied property amounting to €366 thousand.

The market value at 31 December 2023 and 2022 of the Group's owner-occupied properties was as follows (in € thousand):

	Owner-Occupied Property			
	Traditional business	Credit insurance business	Funeral business	Total
Market value on 31/12/2023	197,541	105,541	69,025	372,107
Market value on 31/12/2022	203,934	103,849	25,639	333,422

The capital gains associated with owner-occupied property amount to €155,465 thousand in the 2023 financial year (€150,397 thousand in the 2022 financial year).

The market value of the owner-occupied property has been obtained according to the methodology described in Note 3.c).

Leases: Rights of use assets

Right-of-use assets relate 96% to buildings (96% in 2022) and 4% to cars (4% in 2022) under a number of operating leases.

The leases at 31 December 2023 and 2022 for which the Group is the lessee are (in € Thousand):

	Year 2023	Year 2022
Lease liabilities (see Note 13.b)	270,608	123,060
Amounts recognised in the consolidated income statement:		
Amortisation expense for rights of use	34,384	29,374
Interest expense on lease liabilities	11,127	2,948
(minus) Rent expense (*)	(39,459)	(33,190)
Gross profit impact	6,052	(868)
Fiscal impact	(1,509)	218
Net profit impact	4,543	(650)

(*) Cash outflows for the year

The Group has excluded those contracts with a term of 12 months or less from the general treatment of leases, as well as those contracts where the value of the leased item is €5,000 or less. Lease expenses for these exclusions have been recognised in the Group's income statement and amounted to € 2,478 thousand in 2023 (€2,899 thousand in 2022).

9.b) Investment property

The breakdown by type of items that make up the balance of this segment and sub segment of the condensed consolidated income statement, on 31 December 2023 is as follows (in € thousand):

	Buildings for third party use	Investment property advances	Total investment properties
Cost on 1 January 2023	927,868	1,753	929,621
Accumulated Depreciation on 1 January 2023	(174,114)	-	(174,114)
Impairment losses	(6,226)	-	(6,226)
Net carrying amount on 1 January 2023	747,528	1,753	749,281
Changes to the scope	-	-	-
Investments or Additions	9,775	3,322	13,097
Reclassifications and transfers (Note 9.a)	6,910	(2,249)	4,661
Sales and Withdrawals	(6,455)	-	(6,455)
Effect of changes on the exchange rates	72	-	72
Changes to the scope	-	-	-
Depreciation for the year	(27,827)	-	(27,827)
Reclassifications and transfers of the amortisation (Note 9.a)	(2,281)	-	(2,281)
Withdrawals from Depreciation	3,037	-	3,037
Effect of changes on the exchange rates	(9)	-	(9)
Changes to the scope	-	-	-
Impairment losses	(1,709)	-	(1,709)
Net carrying amount on 31 December 2023	729,041	2,826	731,867

Breakdown of the net carrying amount on 31 December 2023 (in € thousand):

	Buildings for third party use	Investment property advances	Total investment properties
Cost on 31 December 2023	938,170	2,826	940,996
Accumulated Depreciation on 31 December 2023	(201,194)	-	(201,194)
Impairment losses	(7,935)	-	(7,935)

The movement and detail for 2022 are as follows (in € thousand):

	Buildings for third party use	Investment property advances	Total investment properties
Cost on 1 January 2022	869,327	14,458	883,785
Accumulated Depreciation on 1 January 2022	(159,243)	-	(159,243)
Impairment losses	(6,277)	-	(6,277)
Net carrying amount on 1 January 2022	703,807	14,458	718,265
Changes to the scope	-	-	-
Investments or Additions	24,364	8,891	33,255
Reclassifications and transfers (Note 9.a)	44,813	(21,596)	23,217
Sales and Withdrawals	(10,705)	-	(10,705)
Effect of changes on the exchange rates	69	-	69
Changes to the scope	-	-	-
Depreciation for the year	(14,304)	-	(14,304)
Reclassifications and transfers of the amortisation (Note 9.a)	(4,743)	-	(4,743)
Withdrawals from Depreciation	4,184	-	4,184
Effect of changes on the exchange rates	(8)	-	(8)
Changes to the scope	-	-	-
Impairment losses	51	-	51
Net carrying amount on 31 December 2022	747,528	1,753	749,281

Breakdown of the net carrying amount on 31 December 2022 (in € thousand):

	Buildings for third party use	Investment property advances	Total investment properties
Cost on 31 December 2022	927,868	1,753	929,621
Accumulated Depreciation on 31 December 2022	(174,114)	-	(174,114)
Impairment losses	(6,226)	-	(6,226)

The Group has full title to its investment property and has no commitments in addition to those recorded in its consolidated financial statements for the acquisition of new property, plant and equipment.

Impairment losses on investment property amounting to €1,709 thousand were recognised in 2023 (no impairment losses on investment property were recognised in 2022).

The most significant investments under this heading of the consolidated balance sheet relate to commercial property, mainly office buildings, which the Group operates on a lease basis.

At year-end 2023 there were no restrictions of any kind on the execution of further property investments, on the collection of income from investment property or in relation to the proceeds of disposals.

During the 2023 financial year, gains on realisation of investment property amounting to €6,030 thousand were realised.

The market value of the Group's investment property at 31 December 2023 and 2022 was as follows (in € thousand):

	Property investments, third party use			
	Traditional business	Credit insurance business	Funeral business	Total
Market value on 31/12/2023	1,116,393	24,576	992	1,141,961
Market value on 31/12/2022	1,116,146	24,256	793	1,141,195

Capital gains associated with investment property amount to €410,094 thousand in 2023 financial year (€391,914 thousand in 2022).

The market value of the third-party property has been obtained according to the methodology described in Note 3.d).

The income from investment property rentals that generated income from rentals and the direct operating expenses related to property investments (under operating leases or otherwise) recorded in the consolidated profit and loss account for 2023 and 2022 are listed below:

€ thousand	Ceded in operative lease		Property investments	
	Year 2023	Year 2022	Year 2023	Year 2022
Rental income	52,668	52,050	-	-
Direct operating expenses	16,007	16,308	3,651	1,202

As of 31 December, the minimum future income for the last two years of non-cancellable operating leases are as follows:

Future operating lease receipts	€ thousand	
	31/12/2023	31/12/2022
Less than 1 year	52,598	50,797
Over one year but less than five	140,168	141,726
Over five years	113,154	117,052
Total	305,920	309,575

The Group has not taken into account income from contingent charges for 2023 and 2022.

Most leases have a duration of between 5 and 10 years and are renewable.

10. Intangible fixed assets

Activity of this balance sheet item in 2023 and 2022 was as follows (in € thousand):

	Goodwill	Policy portfolio acquisition costs	Other intangible assets						Total other intangible assets	
			Internally generated IT applications	IT Applications acquired	Administrative concessions	Brands	Distribution network	Portfolio policies		Others
Cost on 1 January 2022	815,979	339	305,458	155,066	-	13,650	16,140	33,000	452	523,766
Accumulated Depreciation on 1 January 2022	-	(127)	(127,857)	(125,869)	-	-	(10,491)	(9,625)	(379)	(274,221)
Impairment loss on 1 January 2022	(13,000)	-	(94,442)	(766)	-	(11,985)	-	-	-	(107,193)
Net carrying amount on 1 January 2022	802,979	212	83,159	28,431	-	1,665	5,649	23,375	73	142,352
Changes to the scope	(28,597)	-	(5,968)	(16,176)	-	-	-	-	-	(22,144)
Additions	-	-	20,443	13,926	-	-	-	-	-	34,369
Reclassifications and transfers	-	-	-	(70)	-	-	-	-	-	(70)
Withdrawals	-	(121)	-	(653)	-	-	-	-	-	(653)
Effect of changes on the exchange rates	(160)	-	(5,744)	(1,111)	-	-	-	-	-	(6,855)
Changes to the scope	-	-	888	6,080	-	-	-	-	-	6,968
Depreciation for the year	-	(43)	(6,105)	(11,329)	-	(1,665)	(1,614)	(3,300)	(10)	(24,023)
Reclassifications and transfers	-	-	-	48	-	-	-	-	-	48
Withdrawals in amortisation	-	121	-	84	-	-	-	-	-	84
Effect of changes on the exchange rates	-	-	4,413	1,100	-	-	-	-	-	5,513
Changes to the scope	13,000	-	-	-	-	-	-	-	-	-
Impairment losses	(110)	-	(583)	749	-	-	-	-	-	166
Cost on 31 December 2022	787,222	218	314,189	150,982	-	13,650	16,140	33,000	452	528,413
Accumulated Depreciation on 31 December 2022	-	(49)	(128,661)	(129,886)	-	(1,665)	(12,105)	(12,925)	(389)	(285,631)
Impairment loss on 31 December 2022	(110)	-	(95,025)	(17)	-	(11,985)	-	-	-	(107,027)
Net carrying amount on 31 December 2022	787,112	169	90,503	21,079	-	-	4,035	20,075	63	135,755
Changes to the scope	380,390	-	-	21,948	305,848	136,673	-	-	2,493	466,962
Additions	-	-	16,895	13,491	14,085	-	-	-	-	44,471
Reclassifications and transfers	-	-	-	12	-	-	-	-	-	12
Withdrawals	-	-	(4,240)	(19,226)	-	(18,654)	-	-	(29)	(42,149)
Effect of changes on the exchange rates	(6)	-	2,176	400	-	-	-	-	-	2,576
Changes to the scope	-	-	-	(17,262)	(95,959)	(16,505)	-	-	(2,051)	(131,777)
Depreciation for the year	-	(24)	(6,812)	(11,214)	(11,504)	-	(1,614)	(3,300)	(152)	(34,596)
Reclassifications and transfers	-	-	-	426	-	-	-	-	-	426
Withdrawals in amortisation	-	-	2,012	13,411	-	2,955	-	-	-	18,378
Effect of changes on the exchange rates	-	-	(1,647)	(396)	-	-	-	-	-	(2,043)
Changes to the scope	-	-	-	-	(15,635)	(3,170)	-	-	-	(18,805)
Impairment losses	-	-	(27,489)	17	-	11,985	-	-	-	(15,487)
Cost on 31 December 2023	1,167,606	218	329,020	167,607	319,933	131,669	16,140	33,000	2,916	1,000,285
Accumulated Depreciation on 31 December 2023	-	(73)	(135,108)	(144,921)	(107,463)	(15,215)	(13,719)	(16,225)	(2,592)	(435,243)
Impairment loss on 31 December 2023	(110)	-	(122,514)	-	(15,635)	(3,170)	-	-	-	(141,319)
Net carrying amount on 31 December 2023	1,167,496	145	71,398	22,686	196,835	113,284	2,421	16,775	324	423,723

Key information relating to these intangible assets is given below.

10.a) Goodwill

The breakdown of the “Goodwill” account in the consolidated balance sheet, according to the cash generating units (CGUs) from which it arose, is as follows:

CGU	€ thousand	
	31/12/2023	31/12/2022
Fully consolidated companies:		
Atradius N.V.	462,245	461,363
Grupo Mémora(*)	379,502	-
Occident (**)	240,486	240,486
NorteHispana	38,396	38,396
Asistea	43,372	43,372
GCO Activos Inmobiliarios	3,255	3,255
Others	240	240
Gross Total	1,167,496	787,112
Less: Impairment losses	-	-
Net carrying amount	1,167,496	787,112

(*) The increase was €379,502 thousand, of which €379,094 thousand came from the incorporation of Grupo Mémora (see Note 5.a) and €408 thousand from acquisitions of funeral companies subsequent to their integration into GCO.

(**) Corresponds to the goodwill of Seguros Catalana Occidente, Seguros Bilbao and Plus Ultra which, following their merger, are integrated into Occident (see Note 5.b).

The Group, as defined by IAS 36, considers that Asistea is defined as a CGU given that it is the smallest identifiable group of assets that generates cash input independent of other cash flows arising from other assets or groups of assets. In this sense, Management controls the operations of the funeral business in a unified manner and takes the decisions to continue, sell or otherwise avail of the assets and operations of the entity. All of the information relevant to the management of the entity is generated jointly for the entire funeral business. Management approves the estimates of flows and the medium-term plans jointly without traceability for a smaller group of assets.

As indicated in Note 3.e.1, at year-end we assess whether any goodwill show impairment losses based on the calculation of value in use of the related CGU.

The financial projections used in the assessment exercises cover a period of 3 years and are based on business plans previously approved by the Group's directors. From the fourth year, growth is expected in accordance with the perpetual rate.

In the case of goodwill for Atradius N.V., the projection of cash flows has been made for a period of 10 years so as to allow the model to reflect a full business cycle. This extended period is necessary to increase the reliability of projections, given the close relationship between the economic cycle phase and changes in the cash flows from the credit insurance business. The first three years are based on financial budgets and/or forecasts. The remaining years are estimated using normalised ratios and growth rates.

The key assumptions, on which the projections were based, used to determine the value in use of the traditional business, credit insurance and funeral business are detailed below:

Key assumptions used in the calculations for value in use:

	Traditional business	Credit insurance business	Funeral business
Key assumptions	Projection period	Projection period	Projection period
Basis for determining the value(s) assigned to each key assumption	-The financial projections cover a 3-year period, from 2024 to 2026, based on the business plans approved by the Group's Directors.	-The financial projections approved by the Group's Directors cover a 3-year period. The projection period has been extended to 10 years, from 2027 to 2033, as this is a cyclical business and the extension of the projection period allows for a complete economic cycle to be taken into account.	-The financial projections cover a 3-year period, from 2024 to 2026, based on the business plans approved by the Group's Directors.
Key assumptions	Premium income	Premium income	Income
Basis for determining the value(s) assigned to each key assumption	-The Group's Directors consider an income growth until 2026 based on their historical experience in their business plan. -Income growth in perpetuity is based on macroeconomic expectations, as well as estimates from market analysts and other comparable entities.	-The Group's Directors consider in their business plan revenue growth based on historical experience and converging to 2027. In the 2027-2028 period, a progressive decrease in income has been projected to converge to the negative growth projected in 2028 in line with that observed in 2020. For the 2029-2033 Period, a convergence of income growth to levels in line with the perpetual growth rate in 2033 has been taken into account. - Growth is considered to be in line with the growth expectations of market analysts and other comparable entities in order to calculate terminal value income.	- The business plan estimates income growth in line with the growth in the funeral business plus the CPI estimated by the International Monetary Fund. -Growth in line with macroeconomic expectations and the expected growth of deaths are taken into account in order to calculate the terminal value.
Key assumptions	Claims	Claims	EBITDA margin
Basis for determining the value(s) assigned to each key assumption	- In the 2024 to 2026 period, the business plan projects progressive improvements in the claims ratio based on the Group's historical experience.	-In the 2024 to 2026 period an increase in claims has been estimated. In the 2027-2028 period a progressive increase in the claims ratio in line with that observed in 2020 has been taken into account. Subsequently, a stepwise reduction in the claims ratio has been taken into account until 2033. -The loss ratio considered in perpetuity reflects the Group's historical experience by reflecting the historical average of a complete economic cycle.	-A progressive improvement in the EBITDA margin for the period projected in the business plan is taken into account, based on efficiency improvements founded, among others, on the optimization of supplies. -The terminal value calculated for its EBITDA margin in perpetuity reflects the past experience of the Group's Directors taking into account a historical average.
Key assumptions	Operating expenses	Operating expenses	
Basis for determining the value(s) assigned to each key assumption	-The business plan estimates an improvement in operating expenses based on a redistribution of the internal distribution network initiated in recent years within the Group.	-The evolution of operating expenses estimated in the business plan for 2024 to 2026 is based on the Group's historical experience. In the 2027-2033 period a slight increase in operating expenses has been considered.	

The discount rates, before taxes, used in the financial year 2023 for updating the cash flow projections obtained from the projection of income and expenses carried out according to the criteria mentioned above, have been as follows:

CGU	Discount rate	
	31/12/2023	31/12/2022
Atradius N.V.	9.50%	8.80%
Occident	9.90%	8.90%
NorteHispana	9.90%	8.90%
Asistea	6.60%	7.00%

The inputs used in the calculation of the discount rate have been the risk-free rate, the risk premium of the country or countries where the CGU develops its activity, the market risk premium and leveraged beta, in accordance with each of the CGUs being measured.

With regard to the perpetual growth rates used beyond the period covered in the financial projections, the following are the details of the CGUs:

CGU	Perpetual growth rate	
	31/12/2023	31/12/2022
Atradius N.V.	1.00%	1.00%
Occident	1.00%	1.00%
NorteHispana	1.00%	1.00%
Asistea	2.60%	2.50%

The growth rate has been substantiated, generally, in the analysis of real GDP growth in the country in which each CGU develops its business, considering both the history and the forecast estimated, except for the CGU of Asistea where, due to the specificities of the business, obtaining this rate has been based on the evolution of the CPI and the anticipated national growth in deaths. To obtain both rates, wherever possible, the discount and perpetual growth rates used in the valuation of comparable companies in business, dimension and geographic location have been compared, so that the values obtained are close on average to those used in similar companies.

Two different methodologies were used to estimate the terminal value, depending on the type of business of the CGU: for the funeral business, the terminal value was estimated based on the Gordon-Shapiro formula, while in the case of the insurance business (both traditional and credit insurance) the methodology was based on the normalised distributable dividend perpetuity income formula, this calculation methodology having been compared with other similar and generally accepted methodologies such as Gordon-Shapiro, resulting in non-significant differences.

As for the calculation of the perpetual income of the normalized distributable dividend, it is assumed that the dividend of the last year of projection increases according to the growth rate in perpetuity ("g"). With regards to the Gordon Saphiro model, the normalised flow has been calculated by adjusting the free flow of the last year projected by Management, assuming an increase of income in accordance with the perpetual growth rate and a normalised EBITDA margin in accordance with the evolution of the CHU in question.

The excess capital available over the capital required by Solvency II is positioned at 175% for Atradius N.V., and at 150% for the units located in Spain.

In parallel to this central measurement scenario, possible changes have been calculated in the main assumptions of the model and the CGU has been subject to a sensitivity analysis. The impacts regarding the value in use derived from this analysis are the following:

Insurance entity CGU	Discount rate		Perpetual growth rate		Combined ratio		Solvency ratio	
	+ 50 bp	- 50 bp	+ 50 bp	- 50 bp	+ 50 bp	- 50 bp	+ 1,000 bp	- 1,000 bp
Atradius N.V.	-4.6%	5.2%	2.5%	-2.5%	-2.4%	2.4%	-5.2%	5.2%
Occident	-4.8%	5.4%	4.7%	-4.2%	-4.4%	4.4%	-5.4%	5.4%
NorteHispana	-2.9%	3.3%	2.6%	-2.3%	-1.3%	1.3%	-4.4%	4.4%

Funeral CGU's	Discount rate		Perpetual growth rate		EBIDTA	
	+ 50 bp	- 50 bp	+ 50 bp	- 50 bp	+ 50 bp	- 50 bp
Asistea	-8.5%	11.0%	10.2%	-7.9%	2.2%	-2.2%

At 31 December 2023 and 2022, according to the estimates, projections and independent expert reports available to the Directors and Management of the parent company, the projected revenue and cash flows attributable to the Group of these companies considered as CGUs support the value of the net assets recognised and therefore the Group has not recognised any impairment losses affecting goodwill on consolidation.

Furthermore, no sensitivity analysis mentioned above would imply that the carrying amount of the units would exceeds the recoverable amount.

10.b) Other intangible assets

10.b.1) IT applications

These intangible assets have a defined useful life, in accordance with their nature, and their amortisation as set criteria have been in the accounting policies (see Note 3.e.3).

Investments in intangible assets whose rights may be exercised outside Spanish territory or are related to investments located outside Spanish territory have a gross carrying amount of €371,885 thousand and an accumulated amortisation of €299,116 thousand.

The Group measures all capitalized software to determine whether the capitalization criteria are met (see Note 3.e.3). Based on this measurement, the Group has recognised impairment losses on internally generated software from Atradius N.V. amounting to €27,472 thousand (€583 thousand in 2022).

10.b.2) Administrative concessions

On 9 February 2023, as a result of the acquisition of Grupo Mémora, the Group incorporated an intangible asset amounting to €26,611 thousand for the difference between the carrying amount of the administrative concessions and their fair value (see note 5.a). This fair value was determined using the Multi-period Excess Earnings Method (MEEM), with the support of an independent expert. The useful life considered to estimate the fair value of the different administrative concessions corresponds to the remaining life of the contracts associated with each concession. The average remaining life of the main concession contracts is 20 years.

10.b.3) Brand

As part of the strategic plan and the corporate unification of the Group's traditional business in 2023, it was decided to discontinue the use of the Plus Ultra brand. In accordance with the

applicable accounting regulations, the useful life of this asset became definite in 2021. The full value of the brand was amortised in 2022.

On 9 February 2023, as a result of the acquisition of Grupo Mémora, the Group incorporated an intangible asset for the difference between the carrying amount of Grupo Mémora brands ('Mémora', 'Serveis Funeraris de Barcelona' and 'Servilusa') and their fair value (see note 5.a). This fair value was determined using the 'Royalty Relief Method' (RRM), with the support of an independent expert, determining a royalty rate of 3.5% applied to projected income. In the measurement process an indefinite useful life was established for Grupo Mémora brands.

10.b.4) Distribution network

As part of the process of allocating the acquisition cost of Plus Ultra, the Group incorporated an intangible asset to its balance sheet during the year 2015, at fair value, corresponding to the network of intermediaries of "Plus Ultra". Said fair value was determined based on the "Method of Multi-period excess profits (MEEM)" based on the excess profit from the contributory assets required for the operation of the business.

The estimated useful life for the network of mediators was initially determined at twenty years according to the type of mediators and their historical age. In the 2021 financial year, this useful life was re-estimated to ten years considering the legally established terms.

10.b.5) Portfolio policies

In the business combination of Seguros de Vida y Pensiones Antares, S.A. (merged with Occident), the Group included an intangible asset amounting to €33,000 thousand for the fair value of the collaboration agreement with Telefónica. This fair value determined using the Multi-period Excess Earnings Method (MEEM), with the support of an independent expert, assigning a useful life of ten years, as established in the acquisition contract.

The Group has no further commitments to those recorded in its consolidated financial statements for the acquisition of intangible assets. At 2023 year end, all intangible assets of the Group are directly affected by the operation.

11. Tax position

11.a) Tax consolidation regime

From the 2002 financial year, part of the companies included in the trade consolidation perimeter with corporate address in Spain pay taxes, for the purposes of corporation tax, in accordance with the special regime of tax consolidation anticipated by Chapter VI of Title VII of the Law 27/2014, of 27 November, on Corporation Tax (hereinafter "LIS") applicable in common territory.

In 2023, the tax consolidation group number 173/01 consists of the company Grupo Catalana Occidente, S.A. (as parent company) and the following subsidiaries: (i) Atradius Collections, S.L.; (ii) Atradius Crédito y Caucción S.A. de Seguros y Reaseguros ("ACyC"); (iii) Atradius Information Services BV Sucursal en España; (iv) Atradius Participations Holding, S.L., Sociedad Unipersonal; (v) Bilbao Telemark, S.L.; (vi) Bilbao Vida y Gestores Financieros, S.A.; (vii) Catalana Occidente Capital, Agencia de Valores, S.A.; (viii) Catoc Inversiones Globales, S.L.; (ix) Cosalud Servicios, S.A.; (x) Funcantabria Servicios Funerarios, S.L.; (xi) Funeraria Merino Díez, S.L.; (xii) Funeraria Nuestra Señora de los Remedios, S.L.; (xiii) GCO Gestora de Pensiones, EGFP, S.A.; (xiv) GCO Reaseguros, S.A.; (xv) Grupo Catalana Occidente Activos Inmobiliarios, S.L.; (xvi) Grupo Catalana Occidente Gestión de Activos, S.A. S.G.I.I.C.; (xvii) Iberinform Internacional, S.A.; (xviii) Iberinmobiliaria, S.A.; (xix) B2B SAFE, S.A. (formerly, Invercyca, S.A.); (xx) Nortehispana, de Seguros y Reaseguros, S.A.; (xxi) Nortehispana Mediación Agencia de Seguros, S.A.U.; (xxii) Occident GCO S.A. de Seguros y Reaseguros; (xxiii) Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros; (xxiv); Sociedad Gestión Catalana Occidente, S.A. y (xxv) Tecniseguros, Sociedad de Agencia de Seguros, S.A.

In 2023, the tax consolidation group number 0411/09 is composed of the company Mémora Servicios Funerarios, S.L. (as parent company) and as dependent entities: (i) Deymos, S.L.; (ii) Electium People, S.L.; (iii) Eurofunerarias, S.A.; (iv) Mémora Servicios Funerarios Internacionales, S.L.; (v) Mémora Serveis Funeraris del Camp, S.L.; (vi) Pompas Fúnebres Mediterráneas; (vii) Portal Funerario, S.L.; (viii) Serveis Funeraris de Barcelona; (ix) Servicios Funerarios de Guadalajara Nuestra Señora La Antigua, S.A.; (x) Servicios Funerarios de Torrero, S.A.; (xi) Servicios Funerarios Miranda, S.L.; (xii) Servicios Funerarios Montero, S.A.; (xiii) Transports Sanitaris Partes, S.L.

Since 2016, the taxable income obtained by this tax consolidation group under tax legislation has been subject to a tax rate of 25%.

On the other hand, the company Asistea Servicios Integrales S.L.U. is the representative of the tax consolidation group number 0497B, which is subject to the tax regulations of the historical territory of Vizcaya and whose subsidiaries in 2023 are: (i) Bilbao Compañía Anónima de Seguros y Reaseguros, S.A.; (ii) Funerarias Bilbaína y La Auxiliadora, S.L.U.; (iii) Mediagen, S.L.U.; (iv) Occident Hipotecaria, S.A., E.F.C. (v) Previsora Bilbaína, Agencia de Seguros, S.A. ("Previsora Agencia"); and (vi) S. Órbita Sociedad Agencia de Seguros, S.A. The taxable income obtained by this consolidated tax group, in accordance with provincial tax legislation, is subject to a tax rate of 24%.

The other companies with tax domicile in Spain that form part of the trade consolidation perimeter are subject to the general tax rates established in the regulations applicable in common territory or local territory, as appropriate. As an exception, Hercasol, S.A. SICAV is subject to a tax rate of 1% as it is an open-ended investment company that meets the requirements of Chapter V of Title VII of the LIS.

Atradius N.V., its subsidiaries and branches that are located outside Spanish territory apply the various tax regimes in force in the various countries in which they reside or are established, with the effective tax rate being 24.10% for the 2023 financial year.

From the year 2014, part of the companies included in the trade consolidation perimeter with tax address in common territory pay taxes, for the purposes of Value Added Tax, in conformance with the Special Regime for the Group of Entities anticipated by Chapter IX of the Title IX of Law 37/1992 on Value Added Tax.

In 2023, the group of entities VAT number 002/14 (hereinafter, VAT Tax Group) is formed by Grupo Catalana Occidente, S.A. (as parent company) and subsidiaries: (i) Catalana Occidente Capital, Agencia de Valores, S.A.; (ii) Cosalud Servicios, S.A.; (iii) GCO Reaseguros, S.A.; (iv) Grupo Catalana Occidente Contact Center, A.I.E.; (v) Grupo Catalana Occidente Gestión de Activos, S.A. S.G.I.I.C.; (vi) Grupo Catalana Occidente Tecnología y Servicios, A.I.E.; (vii) Nortehispana, de Seguros y Reaseguros, S.A.; (viii) Occident GCO S.A. de Seguros y Reaseguros; (ix) Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros; y (x) Prepersa de Peritación de Seguros y Prevención, A.I.E.

Pillar Two

In December 2022 the Council of the European Union adopted Directive 2022/2523, transposing the OECD Model Standards on Pillar Two into the European legal framework. The Directive sets a minimum effective tax rate of 15% for large affected groups and sets a deadline for transposition by Member States of 31 December 2023, with an effective date of 1 January 2024.

Under this new legislation, the groups concerned will be required to pay an extra tax on the difference between the effective tax rate per jurisdiction, calculated in accordance with the provisions of the Directive, and the minimum rate of 15%.

At the date of preparation of these consolidated financial statements, the process of transposition of the Directive into Spanish law is still in progress. In December 2023, the Council of Ministers in Spain approved, in its initial phase, the Preliminary Draft Bill for the transposition of the aforementioned Directive, which is expected to enter into force retroactively in Spain on 1 January 2024.

In other jurisdictions relevant to the Group, such as Ireland, the Netherlands, Germany, the United Kingdom, France and Italy, among others, Pillar Two legislation has already been enacted or substantially enacted and will be effective from 31 December 2023.

Once the legislation is in force in Spain, Grupo Catalana Occidente S.A. will be primarily responsible for the payment of the Group's Pillar Two supplementary tax, to the extent that there are no Qualifying Domestic Minimum Complementary Taxes ("QDMTT") in force in those jurisdictions.

As at 31 December 2023, as the legislation is not yet in force, the Group has not recorded the corresponding current Pillar Two supplementary tax exposure. The Group applies the exception to the recognition and disclosure of deferred tax assets and liabilities in respect of Pillar Two taxes under the amendments to IAS 12 issued in May 2023.

At year-end, GCO has performed a preliminary assessment of its exposure to the Pillar Two legislation once it enters into force. This analysis has been performed on the basis of a simplified calculation and considering only certain adjustments provided for in the legislation.

As a result of this preliminary analysis, the effective tax rate obtained in most of the jurisdictions in which the Group operates exceeds 15%. For those jurisdictions that do not reach the minimum rate, it has been estimated that the impact of the Pillar Two extra tax will not be significant.

Due to the complexities in applying the legislation and calculating the GloBE income, the quantitative impact on those legislations passed or substantially passed is not yet reasonably estimable. Therefore, even for those jurisdictions with an effective tax rate above 15%, there may still be tax implications arising from a full implementation of Pillar Two. The Group is currently working with tax specialists in the process of implementing the legislation.

11.b) Current Assets and Liabilities

Current tax assets and liabilities at 31 December 2023 and 2022 include the following items:

	€ thousand	
	31/12/2023	31/12/2022
Current tax assets:		
Public Treasury debtor for:		
• Debtor balance Liquidation Consolidated tax group parent company	72,263	3,205
• Other debtor balances of other tax groups or individual companies	94,638	89,582
Total current tax assets	166,901	92,787
Current tax liabilities:		
Public Treasury creditor for:		
• Corporate tax litigation	734	1,627
• Other creditor balances of other tax groups or individual companies	92,357	93,478
Total current tax liabilities	93,091	95,105

Current tax assets and liabilities consist of tax assets and liabilities that are expected to be offset against the Group's corporation tax liability when the tax return is filed.

At 31 December 2023, in application of the provisions of IFRIC 23, €734 thousand has been recognised under current tax liabilities to reflect contingencies arising from litigation with the tax authorities in relation to corporate income tax (€1,627 thousand at 31 December 2022).

11.c) Deferred tax assets and liabilities

In addition, at 31 December 2023 the Group had anticipated and deferred tax assets totalling €281,413 thousand and €577,575 thousand respectively, recognised under "Deferred tax assets" and "Deferred tax liabilities".

At 31 December 2022 these deferred tax assets and liabilities amounted to €311,291 thousand and €492,804 thousand respectively.

The origins of the deferred tax assets and liabilities available to the Group at 31 December 2023 and 2022, are as follows:

Deferred taxes debtors with origin in:	€ thousand	
	31/12/2023	31/12/2022
Tax losses passed on	33,457	41,564
Tax adjustments in technical provisions	159,476	142,400
Tax goodwill	1,393	1,659
Provisions for insolvencies	2,273	2,927
Expense from outsourcing of pensions	6,799	6,353
Accelerated depreciation balance sheet update	1,474	649
Provision for invoices pending collection	1,922	1,912
Adjustments for measurement of financial investments	70,959	111,902
Other deferred tax debtors	112,936	59,083
Impacts of measurement changes IFRS 9 / IFRS 17	(18,255)	29,010
TOTAL	372,434	397,459
Balance offsetting (*)	(91,021)	(86,168)
TOTAL	281,413	311,291

(*) This offsetting complies with the criteria for offsetting deferred tax assets and liabilities established by IAS 12.

Deferred taxes creditors with origin in:	€ thousand	
	31/12/2023	31/12/2022
Adjustments for measurement of financial investments	252,958	176,242
Stabilisation reserve	180,255	167,478
Other deferred tax creditors	137,334	51,140
Impacts of measurement changes IFRS 9 / IFRS 17	98,049	184,112
TOTAL	668,596	578,972
Balance offsetting (*)	(91,021)	(86,168)
TOTAL	577,575	492,804

(*) This offsetting complies with the criteria for offsetting deferred tax assets and liabilities established by IAS 12.

At 31 December 2023, in accordance with IFRIC 23, no contingencies arising from corporate income tax litigation with the tax authorities have been recognised under deferred tax liabilities. At 31 December 2022, no deferred tax liabilities were recognised in this respect either.

The Group does not have, on 31 December 2023, losses or tax credits of a significant amount for which deferred tax assets have been recognised on the balance sheet.

11.d) Reconciliation of accounting result and tax base

The reconciliation between the accounting result and tax base for Corporate Tax is as follows:

	2023 financial year in € thousand				Total
	Profit and loss account		Income and expenses directly attributed to net equity		
	I	D	I	D	
Balance of income and expenses for the year	640,798		251,996		892,794
Corporate tax	197,603		58,883		256,486
Permanent differences	23,226	(45,596)	-	-	(22,370)
Temporary differences	504,375	(679,296)	172,984	(483,863)	(485,800)
Compensation for negative tax bases from previous years	-		-		-
Tax base	641,110		-		641,110
	2022 financial year in € thousand				Total
	Profit and loss account		Income and expenses directly attributed to net equity		
	I	D	I	D	
Balance of income and expenses for the year	569,652		12,235		581,887
Corporate tax	181,018		24,739		205,757
Permanent differences	66,551	(33,400)	-	-	33,151
Temporary differences	337,114	(43,405)	961,506	(998,480)	256,735
Compensation for negative tax bases from previous years	-		-		-
Tax base	1,077,530		-		1,077,530

The main permanent differences for the 2023 financial year are as follows:

	€ thousand	
	Increases	Decreases
Tax rate adjustment	7,345	-
Non-deductible expenses	3,909	-
Impairment Financial investments	-	(2,397)
Foreign withholdings	4,355	-
Donations	2,869	-
Others	4,748	(43,199)
Other permanent differences	23,226	(45,596)

The main temporary differences for the 2023 financial year are as follows:

	€ thousand	
	Increases	Decreases
Tax losses passed on	-	(34,352)
Tax adjustments in technical provisions	72,356	-
Outsourcing of pensions	1,890	-
measurement of financial investments	6,710	(505,265)
Stabilisation reserve	-	(54,140)
Impacts of measurement changes IFRS 9 / IFRS 17	364,674	(200,275)
Others	231,729	(369,127)
Total temporary differences	677,359	(1,163,159)

11.e) Reconciliation of accounting result and corporate income tax expense

The reconciliation between the income tax expense resulting from applying the general tax rate in force in each country to the accounting profit obtained by the various companies forming part of the Group and the income tax expense recorded for 2023 and 2022 is presented below:

	€ thousand	
	Year 2023	Year 2022
Profit before tax	838,401	750,670
Non-tax consolidation adjustments	5,965	(375)
Adjustments for permanent differences	(22,370)	33,151
Integrated tax base	821,996	783,446
25% of adjusted pre-tax profit	205,499	195,862
Tax effect by tax rates other than 25%	(11,508)	(6,973)
Market share resulting from applying the tax rate of each country	193,991	188,889
Deductions from the quota	(4,237)	(1,130)
Offsetting for negative tax bases	-	-
Current tax expense with origin in previous years	(745)	(5,840)
Impacts of measurement changes IFRS 9 / IFRS 17	8,594	(901)
Expense of corporate income tax registered with offsetting in the income statement	197,603	181,018

Of the corporate income tax expense for the year recognised in the income statement, an amount of €238,884 thousand relates to current tax (€91,480 thousand in 2022) and an amount of €(41,281) thousand (€63,147 thousand in 2022) relates to the change in deferred taxes, in both cases corresponding in full to continuing operations.

Double taxation deductions have not been considered in the previous table as they are mostly from dividends charged from subsidiaries eliminated in the consolidation process.

11.f) Years open for review by the tax authorities

According to current legislation in Spain, tax returns cannot be deemed definitive until they have been inspected by the tax authorities or, as the case may be, the statute of limitations period has elapsed (currently, and in general, four years from the day after the end of the regulatory deadline established for filing the corresponding declaration or self-assessment).

On 31 December 2023, Grupo Catalana Occidente and the tax consolidation group have the following years open for inspection:

Taxes	Years
Corporate tax	2016-2022 (*)
Value Added Tax	June 2019-November 2023 (**)
Withholdings from Income Tax and Corporation Tax	June 2019-November 2023 (**)
Tax on insurance premiums	June 2019-November 2023 (**)
Others	2020-2023
Local Taxes	2020-2023

(*) The Corporate Income Tax for the year 2023 is pending presentation, with the maximum date for submission being 25 July 2024.

(**) In accordance with a judgement by the Supreme Court, which defends a thesis which is in principle already overcome, the year 2019 expires on 30 January 2024, after the completion of the deadline for submission of annual summaries for that financial year.

In general, the Group companies are open to inspection by the tax authorities for the years determined by the applicable tax regulations in relation to the main taxes applicable to them, without prejudice to the following:

- (i) On 2 January 2019, Plus Ultra and Grupo Catalana Occidente received communication of the start of proceedings for audit and investigation of a partial character. In particular, the inspection is designed to check the tax deductible financial goodwill regarding the Corporate Tax of Plus Ultra Companies (financial years 2014 and 2015) and the individual corporation tax of this (financial years 2016 and 2017). Therefore, the statute of limitations period for the years 2014 and 2015 Corporate Income Tax of Plus Ultra was interrupted.

In this sense, in the past, the Tax Authority already inspected this same concept and, at the opening of 2019, Plus Ultra has opened a number of contentious-administrative proceedings against the inspection records: (i) in relation to the goodwill deducted in 2005 to 2010, the Company had filed a contentious-administrative appeal with the Spanish National Court ("NC") against the decision of the Central Economic Administrative Tribunal ("TEAC") of 13 January 2016, amounting to €4,021 thousand; and (ii) in relation to the goodwill deducted in 2011 to 2013, the Company is awaiting a ruling from the TEAC, which amounts to €2,022 thousand.

On 19 December 2019, the NC issued a judgement, the content of which was made known to Plus Ultra on 27 January 2020. In that judgement, the NC upheld the Company's claims, confirming that the total amount of goodwill for accounting purposes is tax deductible for the purposes of determining the taxable income for income tax purposes for 2007, 2008, 2009 and 2010. On 2 June 2020, the NC declares the previous sentence to be final and the Administration is notified for its execution and compliance.

As a result of the foregoing, the Group has recognised a provision of €11,419 thousand under "Tax Liabilities" in the consolidated balance sheet, relating to the risk associated with this contingency from 2007 to the present day. During the first half of 2020, the Group has recognised the aforementioned amount as income under the heading 'Other non-technical income' in the income statement for the period, thereby cancelling this provision.

On 23 May 2022, the NC issued a judgement, the content of which was made known to Plus Ultra on 27 May 2022. In that judgement, the NC upheld the Company's claims, confirming that the goodwill for accounting purposes is tax deductible for the purposes of determining the taxable income for income tax purposes for 2011, 2012 and 2013.

- (ii) On 5 July 2018, the ACyC received notification of the initiation of partial verification and investigation proceedings. Specifically, the purpose of the inspection was to verify the R&D+IT deduction for the 2013 and 2014 financial years. Therefore, the limitation period for ACyC's corporate income tax for the years 2013 and 2014 was interrupted.

On 30 September 2020, the Tax Agency notified ACyC of the Settlement Agreement issued, with a total settlement of €1,789 thousand due to discrepancies regarding the quantification of the deduction for the development of innovation and development activities applied in 2013 and 2014.

This settlement was paid and was the object of an Economic-Administrative Claim, presented in due time and form. In addition, the Tax Agency opened a penalty proceeding against ACyC for a total of €734 thousand.

On 19 May 2021, ACyC filed a written economic-administrative claim against the penalty imposed by the Tax Agency, having submitted the corresponding allegations on 25 November 2021. The TEAC has partially upheld ACyC's claims, annulling the penalty but confirming the regularisation.

- (iii) On 20 November 2020, the tax authorities notified Grupo Catalana Occidente, S.A., in its capacity as the parent company of the consolidated tax group, of the commencement of partial tax audits limited to the verification of the tax credit for international double taxation applied in 2016, 2017 and 2018 by Seguros Catalana Occidente. Although this inspection was closed on 18 February 2022, the statute of limitations period for the aforementioned years of the consolidated group was again interrupted.
- (iv) In October 2021, the Tax Agency notified Atradius Collections S.L. of the initiation of a limited verification procedure for Value Added Tax for 2020. Consequently, the statute of limitations period for Value Added Tax of Atradius Collections S.L. for the aforementioned financial year was interrupted.
- (v) On 10 July 2023, various Group entities received notification of the start of general tax audits:
 - Grupo Catalana Occidente, S.A., in its capacity as parent entity of the 173/01 tax consolidation group, for the verification of Corporate Income Tax for the 2016 to 2019 financial years.
 - Grupo Catalana Occidente, S.A., in its capacity as parent entity of VAT group 002/14, for the verification of VAT for the months of June to December 2019.
 - Grupo Catalana Occidente, S.A., in its capacity as the parent company of the VAT 002/14 group, for the verification of withholdings of income on account of real estate capital, non-resident taxation, movable capital, income from work, professional income and income from economic activities, all corresponding to the last three quarters of the 2019 financial year.
 - ACyC, Nortehispana, Seguros Catalana Occidente and Plus Ultra, for the verification of the Tax on Insurance Premiums and withholdings of income on account of real estate capital, non-resident taxation, movable capital, income from work, professional income and income from economic activities, all corresponding to the months of June to December of the 2019 financial year.

The foregoing shall be interpreted without prejudice to Article 66.bis of Law 58/2003, of 17 December, General Tax, which establishes the right in favour of the Administration to start the procedure for checking: (i) the bases or fees offset or pending offset or deductions applied or pending application, will expire after 10 years from the day after the end of the regulatory deadline established for filing the declaration or self-assessment corresponding to the tax year or period in which the right to offset said bases or quotas or to implement said deductions was generated; and (ii) to investigate the facts, acts, elements, activities, operations, businesses, values and other determining factors of the tax obligation in order to verify correct compliance with the applicable regulations.

On the other hand, as a result of possible varying interpretations of applicable tax legislation for the years subject to inspection, contingent tax liabilities might result, which cannot be objectively

quantified. However, the Directors of the parent company believe that the applicable tax debt, if any, would not have a significant effect on the financial statements.

In compliance with the provisions of Article 86 of the LIS and Article 110 of Vizcaya Regulation 11/2013, of 5 December, on corporate income tax ("NFIS"), the following is stated:

- In June 2022, a deed of merger was executed, by virtue of which Funerarias Bilbaína y La Auxiliadora, S.L.U. (hereinafter, the "Absorbing Company") absorbed Aguirre y García de Andoin, S.L.U., (hereinafter, the "Absorbed Company") in order to eliminate, or at least reduce, the administrative and management costs involved in maintaining companies engaged in the provision of funeral business services in the same province. The abovementioned merger operation was carried out under the tax neutrality regime laid down in Chapter VII of Title VI of the NFIS, for which purpose the mandatory notification to the Provincial Council of Biscay was made in accordance with those rules. Funerarias Bilbaína y La Auxiliadora, S.L.U. included in the Annual Report of its individual Annual Accounts for the 2022 financial year the information required by article 110 of the NFIS.
- In 2023, ACyC (hereinafter the "Absorbing Company") absorbed the Irish company Atradius Reinsurance DAC (hereinafter the "Absorbed Company"), contributing all the business based in the Republic of Ireland to the pre-existing Irish branch of ACyC. The aforementioned merger transaction was subject to the tax neutrality regime established in Chapter VII of Title VII of the LIS, and to the equivalent regime applicable in Ireland, for which, in accordance with the aforementioned rules, the required notification was made to the Tax Authorities. ACyC plans to include in the notes to its individual financial statements for the 2023 financial year the mandatory disclosures provided for in article 86 of the LIS.
- On 26 June 2023, a deed of merger was executed whereby Grupo Catalana Occidente Activos Inmobiliarios, S.L. (hereinafter, the "Absorbing Company") absorbed Catoc Inversiones Globales, S.L. (hereinafter, the "Absorbed Company") in order to eliminate, or at least reduce, the administrative and management costs of maintaining two companies operating partially in the same area. The aforementioned merger operation was covered by the tax neutrality regime established in Chapter VII of Title VII of the LIS, for which purpose, and in accordance with the aforementioned regulation, the mandatory notification was made to the Tax Authorities. Grupo Catalana Occidente Activos Inmobiliarios, S.L. plans to include in the notes to its individual financial statements for 2023 the information required by article 86 of the Spanish Corporation Tax Law.
- On 18 September 2023, a merger deed was executed whereby Nortehispana Mediación Agencia de Seguros, S.A.U. (hereinafter, the "Absorbing Company") absorbed Previsora Bilbaína, Agencia de Seguros, S.A. (hereinafter, the "Absorbed Company") in order to eliminate, or at least reduce, the administrative and management costs involved in maintaining two companies engaged in the same activity. The aforementioned merger operation was covered by the tax neutrality regime established in Chapter VII of Title VII of the LIS, for which purpose, and in accordance with the aforementioned regulation, the mandatory notification was made to the Tax Authorities. Nortehispana Mediación Agencia de Seguros, S.A.U. plans to include in the Annual Report of its individual Financial Statements corresponding to the 2023 financial year mentions foreseen in article 86 of the LIS.
- On 25 September 2023, two deeds of merger were executed, by virtue of which Mémora Servicios Funerarios, S.L. (hereinafter, the "Absorbing Company") absorbed the companies Deymos, S.L.U. and Servicios Funerarios de Miranda, S.L.U. (hereinafter, the "Absorbed Companies") in order to eliminate, or at least reduce, the administrative and management costs involved in maintaining several companies engaged in the same activity. The aforementioned merger operation was covered by the tax neutrality regime established in Chapter VII of Title VII of the LIS, for which purpose, and in accordance with the aforementioned regulation, the mandatory notification was made to the Tax Authorities. Mémora Servicios Funerarios, S.L.

plans to include in the Annual Report of its individual Financial Statements corresponding to the financial year 2023 the mentions foreseen with obligatory character in article 86 of the LIS.

- On 25 September 2023, two deeds of merger were executed, by virtue of which Tanatorio Donostialdea-Donostialdeko Beilatoki, S.A.U. (hereinafter, the "Absorbing Company") absorbed the company Fure, S.A.U. (hereinafter, the "Absorbed Company") in order to eliminate, or at least reduce, the administrative and management costs involved in maintaining two companies dedicated to the same activity. The aforementioned merger transaction was covered by the tax neutrality regime established in Chapter VII of Title VI of Provincial Regulation 2/2014, 17 January, on Corporate Income Tax of the Historical Territory of Gipuzkoa, for which purpose, and in accordance with said regulation, the mandatory notification was made to the Provincial Council of Gipuzkoa. Tanatorio Donostialdea-Donostialdeko Beilatoki, S.A.U. plans to include in the Annual Report of its individual Financial Statements corresponding to the 2023 financial year the information required by article 86 of the LIS.

- On 28 December 2023, a deed of merger was executed, by virtue of which Occident (hereinafter, the "Absorbing Company") absorbed the companies Plus Ultra, Seguros Bilbao and GCO RE (hereinafter, the "Absorbed Companies"), entities that operated in the insurance sector and in the same territorial area. The aim of the merger was to take advantage of synergies by streamlining management and administrative control procedures, avoiding inefficient dispersion and duplication of overheads, increasing profitability through savings and, in short, reducing administrative and management complexity. The aforementioned merger operation was subject to the tax neutrality regime established in Chapter VII of Title VII of the LIS and Chapter VII of Title VI of the NFIS, for which, and in accordance with said regulations, the mandatory notification to the competent Tax Administrations was made. Occident plans to include in the notes to its individual financial statements for the 2023 financial year the mandatory disclosures provided for in article 86 of the LIS.

12. Other assets

The breakdown of financial liabilities at 31 December 2023 and 2022 broken down by nature, is as follows (in € thousand):

Other assets	€ thousand	
	31/12/2023	31/12/2022
Assets derived from pension liabilities (see Note 15)	94,540	81,338
Accruals	73,076	61,463
Prepayment	42,118	37,450
Other accruals	30,958	24,013
Other assets	4,074	483
TOTAL	171,690	143,284

The assets arising from pension commitments correspond to the surplus of pension plans from the subsidiaries of Atradius NV.

13. Financial liabilities at amortised cost

The breakdown of financial liabilities at 31 December 2023 and 2022 broken down by nature, is as follows (in € thousand):

Financial liabilities at amortised cost	€ thousand	
	31/12/2023	31/12/2022
Subordinated liabilities	156,205	191,345
Other debts	972,443	744,344
Payables on direct insurance, coinsurance and reinsurance business	54,182	42,353
Deposits received on buying reinsurance	15,252	14,315
Bank borrowings	779	-
Rest of debts	902,230	687,676
TOTAL	1,128,648	935,689

Financial liabilities mature in the short term, except for subordinated liabilities whose maturity is detailed in note 13.a).

13.a) Subordinated liabilities

Subordinated liabilities include the subordinated issue made by Atradius Finance B.V., a subsidiary of Atradius N.V.

On 23 September 2014, Atradius Finance B.V. issued subordinated bonds for a nominal aggregate amount of €250,000 thousand with a maturity of 30 years, which may be re-purchased beginning on the tenth year, on a quarterly basis. The bonds are irrevocably, unconditionally and subordinately guaranteed by Atradius N.V., a Group company. During the first 10 years, bonds have a fixed nominal annual interest rate of 5.250%, payable in annual instalments and, from that date, they will have a nominal variable interest rate of Euribor 3 months plus 5.031%, payable quarterly in arrears. The bonds are listed on the Luxembourg Stock Exchange.

Since the issue date, Occident has underwritten a total of €95,476 thousand in nominal value of the aforementioned subordinated bonds. These operations have been eliminated in the consolidation process.

As at 31 December 2023, the Group estimates the fair value of 100% of the subordinated bonds at €254,406 thousand (€250,538 thousand at 31 December 2022), and they are classified as Level 2 in the fair value hierarchy set out in *IFRS 13 Measurement of the Fair Value*.

The estimate of the fair value of the subordinated bond is obtained from the quotation provided by an independent expert, who uses proprietary measurement techniques in which the economic and market variables are provided by financial information providers. The measurement technique used calculates, in accordance with IFRS standards, the current value of the future cash flows of the subordinated bond, discounted using the euro government bond rate curve plus a risk spread. This risk spread is estimated using the credit spreads of listed subordinated bond issues of similar issuers and with similar rating and maturity profiles.

During the 2023 financial year, interest of €13,364 thousand was paid on subordinated bonds.

13.b) Other debts

A breakdown of the debts arising out of insurance, reinsurance and coinsurance contracts, together with other debts, at 31 December 2023 and 2022, is given below:

	€ thousand	
	31/12/2023	31/12/2022
Payables on direct insurance, coinsurance and reinsurance business	54,182	42,353
Deposits received on buying reinsurance	15,252	14,315
Bank borrowings	779	-
Rest of other debts	902,230	687,676
TOTAL	972,443	744,344

“Rest of Other debts” includes the following items at 31 December 2023 and 2022:

Other debts	€ thousand	
	31/12/2023	31/12/2022
Tax and social debts	77,140	70,662
Public Treasury creditor for other items (withholdings, VAT, etc.)	24,660	17,853
Surcharges on insurance premiums	36,645	37,587
Social security agencies	15,835	15,222
Rest of debts	825,090	617,014
Bonds received	7,723	8,417
Research and Development project loan	2,095	2,447
Leasehold liabilities	270,608	123,060
Accrued expenses	266,963	244,871
Invoices pending payment	29,797	15,756
Sundry creditors	247,904	222,463
TOTAL	902,230	687,676

The breakdown by maturity of the 'Rental liabilities' recorded at year-end is as follows:

Leasehold liabilities	€ thousand	
	31/12/2023	31/12/2022
Less than 1 year	38,990	31,668
Over one year but less than five	98,693	82,402
Over five years	141,635	58,216
Total (*)	279,318	172,286

(*) Does not include the effect of the financial discount.

The following items are included under the section 'accrued expenses by item' at 31 December 2023 and 2022:

Accrued expenses by item	€ thousand	
	31/12/2023	31/12/2022
Personnel expenses	93,399	88,141
Production expenses	43,226	41,428
External services and supplies	23,146	10,093
Other items	107,192	105,209
Total	266,963	244,871

14. Assets and liabilities from insurance and reinsurance contracts

Measurement of insurance and reinsurance assets and liabilities

The breakdown of insurance and reinsurance contract assets and liabilities at 31 December 2023 and 2022 by segment is as follows:

31/12/2023	Traditional business							Credit insurance business	Total
	Life				Non-Life				
	Life Risk (*)	Life Savings	Direct holding contracts	Other life	Motor	Multi-risk	Other miscellaneous		
Assets under insurance contracts	-	-	-	-	-	-	-	122,619	122,619
Assets for remaining coverage	-	-	-	-	-	-	-	(48,304)	(48,304)
Assets for claims incurred	-	-	-	-	-	-	-	158,092	158,092
Assets for acquisition cash flows	-	-	-	-	-	-	-	12,831	12,831
Assets under reinsurance contracts	1,290	-	-	-	24,346	47,953	52,328	654,132	780,049
Assets for remaining coverage	(1,860)	-	-	-	(2,979)	799	7,869	275,188	279,017
Assets for claims incurred	3,150	-	-	-	27,325	47,154	44,459	378,944	501,032
Liabilities under insurance contracts	200,563	5,437,803	870,982	42,759	771,836	472,961	319,779	1,722,831	9,839,514
Liabilities for remaining coverage	89,316	5,300,063	867,059	4,902	230,649	232,270	86,839	811,668	7,622,766
Liabilities for incurred claims	111,247	137,740	3,923	37,857	541,187	240,691	232,940	911,163	2,216,748
Liabilities under reinsurance contracts	-	-	-	603	-	-	-	152	755
Liabilities for remaining coverage	-	-	-	173	-	-	-	166	339
Liabilities for incurred claims	-	-	-	430	-	-	-	(14)	416

(*) Includes funeral business.

31/12/2022	Traditional business							Credit insurance business	Total
	Life				Non-Life				
	Life Risk (*)	Life Savings	Direct holding contracts	Other life	Motor	Multi-risk	Other miscellaneous		
Assets under insurance contracts	-	-	-	-	-	-	-	105,621	105,621
Assets for remaining coverage	-	-	-	-	-	-	-	(56,599)	(56,599)
Assets for claims incurred	-	-	-	-	-	-	-	151,088	151,088
Assets for acquisition cash flows	-	-	-	-	-	-	-	11,132	11,132
Assets under reinsurance contracts	13,854	-	-	-	28,186	55,319	40,175	634,015	771,549
Assets for remaining coverage	9,517	-	-	-	(1,204)	7,772	1,803	308,838	326,726
Assets for claims incurred	4,337	-	-	-	29,390	47,547	38,372	325,177	444,823
Liabilities under insurance contracts	204,518	5,417,988	772,131	46,560	756,800	462,776	323,079	1,626,287	9,610,139
Liabilities for remaining coverage	98,116	5,305,274	768,340	4,812	223,881	215,125	96,147	916,834	7,628,529
Liabilities for incurred claims	106,402	112,714	3,791	41,748	532,919	247,651	226,932	709,453	1,981,610
Liabilities under reinsurance contracts	-	-	-	-	-	-	-	37	37
Liabilities for remaining coverage	-	-	-	-	-	-	-	37	37
Liabilities for incurred claims	-	-	-	-	-	-	-	-	-

(*) Includes funeral business.

14.a.1) Amounts determined at transition

For contracts measured under BBA and VFA, details of the insurance income and the movement in CSM by transitional approach as at 31 December 2023 and 31 December 2022 are shown below:

2023	Business at the start of the transition (1 January 2022)					Business after 1 January 2022				Total
	Fair value approach			Modified Retroactive Approach	Full Retroactive Approach	Traditional business			Credit insurance business	
	Traditional business			Credit insurance business	Credit insurance business	Life Risk (*)	Life Savings	Direct holding contracts		
	Life Risk (*)	Life Savings	Direct holding contracts							
Contract income measured under BBA and VFA for 2023	37,033	110,056	11,884	90,805	289,117	1,297	17,003	9,395	1,920,473	2,487,063
CSM at 1 January 2023	48,379	173,110	85,733	78,173	39,719	147	5,777	8,374	111,062	550,474
Changes related to current services	(4,251)	(20,322)	(4,874)	(48,513)	(21,768)	(196)	(1,032)	(285)	(141,359)	(242,600)
CSM recognised for services provided	(4,251)	(20,322)	(4,874)	(48,513)	(21,768)	(196)	(1,032)	(285)	(141,359)	(242,600)
Changes related to future services	10,183	(8,536)	(81,247)	17,562	4,329	365	39,630	(7,361)	169,766	144,691
Contracts initially recognised in the year	-	-	-	(83)	426	2,120	23,963	3,035	374,659	404,120
Changes in estimates adjusting the CSM	10,056	(13,625)	(81,247)	6,078	2,680	(3,001)	13,652	(10,298)	(202,366)	(278,071)
Changes in estimates resulting in losses and reversals of losses on onerous contracts	127	5,089	-	11,567	1,223	1246	2,015	(98)	(2,527)	18,642
Changes related to past services	-	-	-	-	-	-	-	-	-	-
Adjustments to the remaining hedging liability	-	-	-	-	-	-	-	-	-	-
Financial income/expenses on insurance contracts recognised in the income statement	(88)	3,618	69,975	443	(207)	71	788	12,419	7,951	94,970
Changes to the scope	-	-	-	-	161	-	-	-	818	979
CSM at 31 December 2023	54,223	147,870	69,587	47,665	22,234	387	45,163	13,147	148,238	548,514

(*) Includes funeral business.

2022	Business at the start of the transition (1 January 2022)					Business after 1 January 2022				Total
	Fair value approach			Modified Retroactive Approach	Full Retroactive Approach	Traditional business			Credit insurance business	
	Traditional business			Credit insurance business	Credit insurance business	Life Risk (*)	Life Savings	Direct holding contracts		
	Life Risk (*)	Life Savings	Direct holding contracts							
Contract income measured under BBA and VFA for 2022	31,875	118,598	13,147	403,204	1,125,211	730	9,570	8,446	557,226	2,268,007
CSM at 1 January 2022	48,278	203,301	99,695	133,967	164,703	-	-	-	-	649,944
Changes related to current services	(3,976)	(19,847)	(5,586)	(74,740)	(65,442)	(147)	(138)	(150)	(100,713)	(270,739)
CSM recognised for services provided	(3,976)	(19,847)	(5,586)	(74,740)	(65,442)	(147)	(138)	(150)	(100,713)	(270,739)
Changes related to future services	4,345	(13,125)	62,724	19,539	(50,259)	296	5,849	16,176	175,281	220,826
Contracts initially recognised in the year	-	-	-	425	33,927	39	5,695	7,649	181,478	229,213
Changes in estimates adjusting the CSM	4,345	(13,125)	62,724	19,017	(77,329)	257	154	8,527	(9,451)	(4,881)
Changes in estimates resulting in losses and reversals of losses on onerous contracts	-	-	-	97	(6,857)	-	-	-	3,254	(3,506)
Changes related to past services	-	-	-	-	-	-	-	-	31,970	31,970
Adjustments to the remaining hedging liability	-	-	-	-	-	-	-	-	31,970	31,970
Financial income/expenses on insurance contracts recognised in the income statement	(268)	2,781	(71,100)	(450)	(7,412)	(2)	66	(7,652)	4,524	(79,513)
Changes to the scope	-	-	-	(143)	(1,871)	-	-	-	-	(2,014)
CSM at 31 December 2022	48,379	173,110	85,733	78,173	39,719	147	5,777	8,374	111,062	550,474

(*) Includes funeral business.

The same information is then provided for the reinsurance contracts held at 31 December 2023 and 31 December 2022. In this case, only for credit insurance business, as it presents the most significant amounts of reinsurance held by the Group:

2023	Business at the start of the transition (1 January 2022)		Business after 1 January 2022	Total
	Modified Retroactive Approach	Full Retroactive Approach	Credit insurance business	
	Credit insurance business	Credit insurance business		
Reinsurance expenses for contracts measured under BBA and VFA for the 2023 financial year	(47,073)	(33,152)	(441,806)	(522,031)
CSM at 1 January 2023 (*)	68,529	3,936	62,994	135,459
Changes related to current services	(21,199)	(2,976)	(27,601)	(51,776)
CSM recognised for services provided	(21,199)	(2,976)	(27,601)	(51,776)
Changes related to future services	(12,162)	6,985	23,018	17,841
Contracts initially recognised in the year	39	152	169,464	169,655
Changes in estimates adjusting the CSM	(12,201)	6,833	(146,446)	(151,814)
Financial income/expenses on reinsurance contracts recognised in the income statement	-	-	1,574	1,574
Changes to the scope	-	-	334	334
CSM at 31 December 2023 (*)	35,168	7,945	60,319	103,432

(*) The CSM of reinsurance contracts held includes the loss recovery component:

2022	Business at the start of the transition (1 January 2022)		Business after 1 January 2022	Total
	Modified Retroactive Approach	Full Retroactive Approach	Credit insurance business	
	Credit insurance business	Credit insurance business		
Reinsurance expenses for contracts measured under BBA and VFA for the 2022 financial year	(51,933)	(220,130)	(173,360)	(445,423)
CSM at 1 January 2022 (*)	74,650	47,722	2,782	125,154
Changes related to current services	(31,435)	(22,770)	(84,094)	(138,299)
CSM recognised for services provided	(31,435)	(22,770)	(84,094)	(138,299)
Changes related to future services	25,148	(19,895)	144,831	150,084
Contracts initially recognised in the year	365	13,384	209,705	223,454
Changes in estimates adjusting the CSM	24,783	(33,279)	(64,874)	(73,370)
Financial income/expenses on reinsurance contracts recognised in the income statement	13	(173)	(525)	(685)
Changes to the scope	153	(948)	-	(795)
CSM at 31 December 2022 (*)	68,529	3,936	62,994	135,459

(*) The CSM of reinsurance contracts held includes the loss recovery component:

14.a.2) Reconciliation of insurance and reinsurance contract assets and liabilities - Analysis by remaining coverage and incurred claims

14.a.2.1) Non holding and indirect holding contracts

For contracts measured under BBA, the reconciliation from opening to closing balances of the liability/asset for remaining cover and the asset/liability for incurred claims for the financial years 2023 and 2022 for insurance contracts issued by the Group is shown below:

Traditional business - life

	2023				2022			
	Remaining cover		Claims incurred	Total	Remaining cover		Claims incurred	Total
	Excluding the loss component	Loss component			Excluding the loss component	Loss component		
Traditional business - Life BBA								
Insurance contracts issued								
Insurance contract liabilities/(Insurance contract assets) as at 1 January	5,339,453	53,215	118,843	5,511,511	6,506,594	-	103,506	6,610,100
Insurance service income	(160,504)	-	-	(160,504)	(156,256)	-	-	(156,256)
Insurance service expenses	22,879	14,724	111,298	148,901	38,645	8,864	124,763	172,272
Incurred claims and other expenses of the Insurance service	(16,210)	-	102,716	86,506	(20,276)	-	124,233	103,957
Changes related to past services: adjustments in liabilities for claims incurred	-	-	(295)	(295)	-	-	(424)	(424)
Losses and loss reversals on onerous contracts	-	14,724	8,877	23,601	-	8,864	954	9,818
Amortisation and impairment of insurance acquisition flows	39,089	-	-	39,089	58,921	-	-	58,921
Profit/(loss) of the insurance service	(137,625)	14,724	111,298	(11,603)	(117,611)	8,864	124,763	16,016
Financial income/expenses on insurance contracts recognised in the income statement	173,141	109	-	173,250	(13,954)	(7)	-	(13,961)
Financial income/expense from insurance contracts recognised in OCI	166,165	-	-	166,165	(869,840)	-	-	(869,840)
Total changes recognised in the income statement and other comprehensive income	201,681	14,833	111,298	327,812	(1,001,405)	8,857	124,763	(867,785)
Investment components	(746,439)	-	747,018	579	(568,941)	-	569,664	723
Other changes	(522)	-	(329)	(851)	(866)	-	(601)	(1,467)
Cash flow	518,403	451	(832,627)	(313,773)	404,071	44,358	(678,489)	(230,060)
Premiums received	556,555	451	-	557,006	462,401	44,358	-	506,759
Cash flows from acquisition	(38,152)	-	-	(38,152)	(58,330)	-	-	(58,330)
Benefits and other insurance expenses paid	-	-	(832,627)	(832,627)	-	-	(678,489)	(678,489)
Changes to the scope	-	-	-	-	-	-	-	-
Insurance contract liabilities/(Insurance contract assets) as at 31 December	5,312,576	68,499	144,203	5,525,278	5,339,453	53,215	118,843	5,511,511

Credit insurance business

	2023				2022			
	Remaining cover		Claims incurred	Total	Remaining cover		Claims incurred	Total
	Excluding the loss component	Loss component			Excluding the loss component	Loss component		
Credit insurance business								
Insurance contracts issued								
Insurance contract liabilities/(Insurance contract assets) as at 1 January (*)	658,871	314,562	558,365	1,531,798	733,784	172,248	486,367	1,392,399
Insurance service income	(2,300,395)	-	-	(2,300,395)	(2,085,641)	-	-	(2,085,641)
Insurance service expenses	532,349	(107,201)	1,198,034	1,623,182	453,155	149,468	765,608	1,368,231
Incurred claims and other expenses of the Insurance service	9,854	(272,689)	1,227,555	964,720	(2,664)	(80,532)	912,371	829,175
Changes related to past services: adjustments in liabilities for claims incurred	8	-	(29,521)	(29,513)	89	-	(146,763)	(146,674)
Losses and loss reversals on onerous contracts	-	165,488	-	165,488	-	230,000	-	230,000
Amortisation and impairment of insurance acquisition flows	522,487	-	-	522,487	455,730	-	-	455,730
Profit/(loss) of the insurance service	(1,768,046)	(107,201)	1,198,034	(677,213)	(1,632,486)	149,468	765,608	(717,410)
Financial income/expenses on insurance contracts recognised in the income statement	1,371	4,088	39,893	45,352	(20,109)	(989)	33,196	12,098
Financial income/expense from insurance contracts recognised in OCI	(5,064)	(9,338)	(33,397)	(47,799)	(5,127)	(4,916)	18,218	8,175
Total changes recognised in the income statement and other comprehensive income	(1,771,739)	(112,451)	1,204,530	(679,660)	(1,657,722)	143,563	817,022	(697,137)
Investment components	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Cash flow	1,764,807	-	(1,012,928)	751,879	1,586,315	-	(743,010)	843,305
Premiums received	2,251,801	-	(8,336)	2,243,465	2,067,139	-	-	2,067,139
Cash flows from acquisition	(486,994)	-	-	(486,994)	(480,824)	-	-	(480,824)
Benefits and other insurance expenses paid	-	-	(1,004,592)	(1,004,592)	-	-	(743,010)	(743,010)
Changes to the scope	5,685	236	3,105	9,026	(3,506)	(1,249)	(2,014)	(6,769)
Insurance contract liabilities/(Insurance contract assets) as at 31 December (*)	657,624	202,347	753,072	1,613,043	658,871	314,562	558,365	1,531,798

(*) Insurance contract assets exclude acquisition cash flow assets.

As described in note 3.i.3) Aggregation, the credit insurance business is managed at country level, except for global credit insurance, special products and payment protection insurance which are managed at Group level. This aggregation level implies that, in certain accounting units, there is a loss component when they are adversely impacted by macroeconomic conditions or peak losses, even though the credit insurance business has been a profitable business as a whole.

The same information is presented below for reinsurance contracts held for credit insurance business:

	2023				2022			
	Remaining cover		Claims incurred	Total	Remaining cover		Claims incurred	Total
	Excluding loss recovery component	Loss recovery component			Excluding loss recovery component	Loss recovery component		
Credit insurance business								
Reinsurance contracts held								
Reinsurance contract assets/(Reinsurance contract liabilities) as of 1 January	231,873	76,928	325,177	633,978	335,421	35,397	264,815	635,633
Profit/(loss) of the reinsurance service	(574,712)	(3,059)	315,663	(262,108)	(498,677)	42,980	183,422	(272,275)
Financial income/expenses on reinsurance contracts recognised in the income statement	5,831	-	4,623	10,454	(8,488)	-	3,462	(5,026)
Financial income/expense from reinsurance contracts recognised in OCI	(352)	-	(1,943)	(2,295)	96	-	(659)	(563)
Total changes recognised in the income statement and other comprehensive income	(569,233)	(3,059)	318,343	(253,949)	(507,069)	42,980	186,225	(277,864)
Cash flow	537,009	-	(266,306)	270,703	407,206	-	(125,067)	282,139
Premiums paid	889,697	-	-	889,697	832,472	-	-	832,472
Benefits and expenses received	(352,688)	-	(266,306)	(618,994)	(425,266)	-	(125,067)	(550,333)
Changes to the scope	1,504	-	1,744	3,248	(3,685)	(1,449)	(796)	(5,930)
Reinsurance contract assets/(Reinsurance contract liabilities) as of 31 December	201,153	73,869	378,958	653,980	231,873	76,928	325,177	633,978

For contracts measured under the simplified approach, the reconciliation from the opening to the closing balances of the liability/asset for the remaining coverage and the incurred claims asset/liability for 2023 and 2022 is shown below:

Traditional business - non-life

	2023					2022				
	Remaining cover		Claims incurred		Total	Remaining cover		Claims incurred		Total
	Excluding the loss component	Loss component	Estimation of the current value of FCF	Non-financial risk adjustment		Excluding the loss component	Loss component	Estimation of the current value of FCF	Non-financial risk adjustment	
Traditional business - Non-life PAA										
Insurance contracts issued										
Insurance contract liabilities/(Insurance contract assets) as at 1 January	535,153	-	943,772	63,730	1,542,655	490,453	-	960,994	66,412	1,517,859
Insurance service income	(1,850,627)	-	-	-	(1,850,627)	(1,745,795)	-	-	-	(1,745,795)
Insurance service expenses	453,334	-	1,208,176	10,689	1,672,199	430,922	-	1,094,124	(2,682)	1,522,364
Incurred claims and other insurance service expenses	-	-	1,304,088	15,630	1,319,718	-	-	1,221,061	17,028	1,238,089
Changes related to past services: adjustments in liability for incurred claims	-	-	(95,912)	(4,941)	(100,853)	-	-	(126,937)	(19,710)	(146,647)
Losses and loss reversals in onerous contracts	-	-	-	-	-	-	-	-	-	-
Amortisation and impairment of insurance acquisition flows	453,334	-	-	-	453,334	430,922	-	-	-	430,922
Profit/(loss) of the insurance service	(1,397,293)	-	1,208,176	10,689	(178,428)	(1,314,873)	-	1,094,124	(2,682)	(223,431)
Financial income/expenses on insurance contracts recognised in the income statement	-	-	8,989	-	8,989	-	-	(3,973)	-	(3,973)
Financial income/expense from insurance contracts recognised in OCI	-	-	21,765	-	21,765	-	-	(32,391)	-	(32,391)
Total changes recognised in the income statement and other comprehensive income	(1,397,293)	-	1,238,930	10,689	(147,674)	(1,314,873)	-	1,057,760	(2,682)	(259,795)
Investment components	-	-	-	-	-	-	-	-	-	-
Other changes	(3,347)	-	(2,411)	-	(5,758)	(3,710)	-	(2,327)	-	(6,037)
Cash flow	1,415,244	-	(1,239,893)	-	175,351	1,363,283	-	(1,072,655)	-	290,628
Premiums received	1,878,659	-	-	-	1,878,659	1,800,047	-	-	-	1,800,047
Cash flows from acquisition	(463,415)	-	-	-	(463,415)	(436,764)	-	-	-	(436,764)
Benefits and other insurance expenses paid	-	-	(1,239,893)	-	(1,239,893)	-	-	(1,072,655)	-	(1,072,655)
Changes to the scope	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities/(Insurance contract assets) as at 31 December	549,757	-	940,398	74,419	1,564,574	535,153	-	943,772	63,730	1,542,655

Traditional business - life

Traditional business - Life PAA	2023					2022				
	Remaining cover		Claims incurred		Total	Remaining cover		Claims incurred		Total
	Excluding the loss component	Loss component	Estimation of the current value of FCF	Non-financial risk adjustment		Excluding the loss component	Loss component	Estimation of the current value of FCF	Non-financial risk adjustment	
Insurance contracts issued										
Insurance contract liabilities/(Insurance contract assets) as at 1 January	15,534	-	125,616	16,404	157,554	29,716	-	133,356	16,405	179,477
Insurance service income	(435,595)	-	-	-	(435,595)	(410,338)	-	-	-	(410,338)
Insurance service expenses	80,675	-	243,281	(128)	323,828	43,661	-	214,335	(1)	257,995
Claims incurred and other insurance service flows	6,091	-	240,852	(128)	246,815	(4,923)	-	214,021	(1)	209,097
Changes related to past services: adjustments in liability for incurred claims	-	-	2,429	-	2,429	-	-	314	-	314
Losses and loss reversals in onerous contracts	-	-	-	-	-	-	-	-	-	-
Amortisation and impairment of insurance acquisition flows	74,584	-	-	-	74,584	48,584	-	-	-	48,584
Profit/(loss) of the insurance service	(354,920)	-	243,281	(128)	(111,767)	(366,677)	-	214,335	(1)	(152,343)
Financial income/expenses on insurance contracts recognised in the income statement	-	-	-	-	-	-	-	-	-	-
Financial income/expense from insurance contracts recognised in OCI	-	-	-	-	-	-	-	-	-	-
Total changes recognised in the income statement and other comprehensive income	(354,920)	-	243,281	(128)	(111,767)	(366,677)	-	214,335	(1)	(152,343)
Investment components	-	-	-	-	-	(1,958)	-	1,958	-	-
Other changes	(734)	-	(513)	-	(1,247)	(327)	-	(265)	-	(592)
Cash flow	353,326	-	(242,019)	-	111,307	354,780	-	(223,768)	-	131,012
Premiums received	423,618	-	-	-	423,618	404,503	-	-	-	404,503
Cash flows from acquisition	(70,292)	-	-	-	(70,292)	(49,723)	-	-	-	(49,723)
Benefits and other insurance paid	-	-	(242,019)	-	(242,019)	-	-	(223,768)	-	(223,768)
Changes to the scope	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities/(Insurance contract assets) as at 31 December	13,206	-	126,365	16,276	155,847	15,534	-	125,616	16,404	157,554

14.a.2.2) Direct holding contracts

For contracts measured under VFA, the reconciliation from the opening to the closing balances of the liability/asset for the remaining coverage and the incurred claims asset/liability for 2023 and 2022 is shown below:

	2023				2022			
	Remaining cover		Claims incurred	Total	Remaining cover		Claims incurred	Total
	Excluding the loss component	Loss component			Excluding the loss component	Loss component		
Traditional business - Life VFA								
Insurance contracts issued								
Insurance contract liabilities/(Insurance contract assets) as at 1 January	768,340	-	3,791	772,131	777,090	-	3,091	780,181
Insurance service income	(21,279)	-	-	(21,279)	(21,593)	-	-	(21,593)
Insurance service expenses	4,839	(3)	2,685	7,521	23,477	-	4,160	27,637
Incurred claims and other expenses of the Insurance service	(8,244)	-	2,685	(5,559)	9,906	-	4,160	14,066
Changes related to past services: adjustments in liabilities for claims incurred	-	-	-	-	-	-	-	-
Losses and loss reversals on onerous contracts	-	(3)	-	(3)	-	-	-	-
Amortisation and impairment of insurance acquisition flows	13,083	-	-	13,083	13,571	-	-	13,571
Profit/(loss) of the insurance service	(16,440)	(3)	2,685	(13,758)	1,884	-	4,160	6,044
Financial income/expenses on insurance contracts recognised in the income statement	92,857	3	-	92,860	(67,013)	-	-	(67,013)
Financial income/expense from insurance contracts recognised in OCI	-	-	-	-	-	-	-	-
Total changes recognised in the income statement and other comprehensive income	76,417	-	2,685	79,102	(65,129)	-	4,160	(60,969)
Investment components	(139,168)	-	139,198	30	(100,926)	-	101,040	114
Other changes	(175)	-	(67)	(242)	(188)	-	(89)	(277)
Cash flow	161,646	-	(141,685)	19,961	157,493	-	(104,411)	53,082
Premiums received	174,424	-	-	174,424	170,693	-	-	170,693
Cash flows from acquisition	(12,778)	-	-	(12,778)	(13,200)	-	-	(13,200)
Benefits and other insurance expenses paid	-	-	(141,685)	(141,685)	-	-	(104,411)	(104,411)
Changes to the scope	-	-	-	-	-	-	-	-
Insurance contract liabilities/(Insurance contract assets) as at 31 December	867,060	-	3,922	870,982	768,340	-	3,791	772,131

14.a.3) Reconciliation of insurance and reinsurance contract assets and liabilities - Analysis by measurement components

14.a.3.1) Non holding and indirect holding contracts

For contracts measured under BBA, the reconciliation from opening to closing balances, broken down by component, for insurance contracts issued and reinsurance contracts held for 2023 and 2022 is shown below:

Traditional business - life

Traditional business - Life BBA	2023				2022			
	Estimation of the current value of FCF	Non-financial risk adjustment	CSM	Total	Estimation of the current value of FCF	Non-financial risk adjustment	CSM	Total
Insurance contracts issued								
Insurance contract liabilities/(Insurance contract assets) as at 1 January	5,176,805	107,293	227,413	5,511,511	6,250,326	108,107	251,667	6,610,100
Changes related to current services	1,546	(10,658)	(25,801)	(34,913)	40,154	(9,423)	(24,109)	6,622
CSM recognised for services provided	-	-	(25,801)	(25,801)	-	-	(24,109)	(24,109)
Changes in the non-financial adjustment due to past due risk	-	(9,216)	-	(9,216)	-	(9,423)	-	(9,423)
Experience settings	1,546	(1,442)	-	104	40,154	-	-	40,154
Changes related to future services	(24,439)	6,981	41,642	241,84	5,183	8,083	(2,725)	10,541
Contracts initially recognised in the year	(31,163)	5,401	26,083	321	(8,370)	4,261	5,734	1,625
Changes in estimates adjusting the CSM	(7,926)	1,427	7,082	583	6,050	3,133	(8,459)	724
Changes in estimates that result in losses and loss reversals in onerous contracts	14,650	153	8,477	23,280	7,503	689	-	8,192
Changes related to past services	(294)	-	-	(294)	(424)	-	-	(424)
Adjustments to liabilities for incurred claims	(294)	-	-	(294)	(424)	-	-	(424)
Financial income/expenses on insurance contracts recognised in the income statement	166,414	2,446	4,389	173,249	(9,636)	(6,905)	2,580	(13,961)
Financial income/expense from insurance contracts recognised in OCI	146,725	19,440	-	166,165	(877,271)	7,431	-	(869,840)
Total changes recognised in the income statement and other comprehensive income	313,139	21,886	4,389	339,414	(886,907)	526	2,580	(883,801)
Other changes	(851)	-	-	(851)	(1,467)	-	-	(1,467)
Cash flow	(313,773)	-	-	(313,773)	(230,060)	-	-	(230,060)
Premiums received	557,005	-	-	557,005	506,759	-	-	506,759
Cash flows from acquisition	(38,147)	-	-	(38,147)	(58,330)	-	-	(58,330)
Benefits and other insurance expenses paid	(832,631)	-	-	(832,631)	(678,489)	-	-	(678,489)
Changes to the scope	-	-	-	-	-	-	-	-
Insurance contract liabilities/(Insurance contract assets) as at 31 December	5,152,133	125,502	247,643	5,525,278	5,176,805	107,293	227,413	5,511,511

Credit insurance business

Credit insurance business	2023				2022			
	Estimation of the current value of FCF	Non-financial risk adjustment	CSM	Total	Estimation of the current value of FCF	Non-financial risk adjustment	CSM	Total
Insurance contracts issued								
Insurance contract liabilities/(Insurance contract assets) as at 1 January (*)	1,131,429	171,415	228,954	1,531,798	922,046	171,683	298,670	1,392,399
Changes related to current services	(467,742)	(40,084)	(211,640)	(719,466)	(389,288)	(41,440)	(240,894)	(671,622)
CSM recognised for services provided	-	-	(211,640)	(211,640)	-	-	(240,894)	(240,894)
Changes in the non-financial adjustment due to past due risk	-	(40,084)	-	(40,084)	-	(41,440)	-	(41,440)
Experience settings	(467,742)	-	-	(467,742)	(389,288)	-	-	(389,288)
Changes related to future services	(127,767)	102,382	191,657	166,272	(229,941)	106,854	144,560	21,473
Contracts initially recognised in the year	(339,855)	98,089	375,002	133,236	(220,632)	91,413	215,830	86,611
Changes in estimates adjusting the CSM	191,929	1,655	(193,608)	(24)	66,423	1,340	(67,763)	-
Changes in estimates that Result in losses and loss reversals on onerous contracts	20,159	2,638	10,263	33,060	(75,732)	14,101	(3,507)	(65,138)
Changes related to past services	(58,405)	(65,270)	-	(123,675)	(13,186)	(62,969)	31,970	(44,185)
Adjustments to liabilities for incurred claims	(54,356)	(65,270)	-	(119,626)	(162,479)	(76,265)	-	(238,744)
Adjustments to the remaining coverage	(4,049)	-	-	(4,049)	149,293	13,296	31,970	194,559
Financial income/expenses on insurance contracts recognised in the income statement	(9,306)	(1,672)	8,187	(2,791)	9,311	(1,464)	(3,338)	4,509
Financial income/expense from insurance contracts recognised in OCI	-	-	-	-	-	-	-	-
Total changes recognised in the income statement and other comprehensive income	(9,306)	(1,672)	8,187	(2,791)	9,311	(1,464)	(3,338)	4,509
Cash flow	751,879	-	-	751,879	835,993	-	-	835,993
Changes to the scope	7,393	654	979	9,026	(3,506)	(1,249)	(2,014)	(6,769)
Insurance contract liabilities/(Insurance contract assets) as at 31 December (*)	1,227,481	167,425	218,137	1,613,043	1,131,429	171,415	228,954	1,531,798

(*) Insurance contract assets exclude acquisition cash flow assets.

Current services:

- CSM recognised for services provided: insurance income linked to the amortisation of the CSM accrued in the year based on the cover provided.
- Change in non-financial risk adjustment for past due risk: insurance income associated with the release of the risk adjustment.
- Experience adjustments: reflects the difference between actual flows and expected flows for the current period.

Future services:

- Changes in estimates adjusting the CSM: changes linked to non-financial assumptions, resulting in changes in future cash flows or in the risk adjustment and allocated to CSM.

The same information is presented below for reinsurance contracts held for credit insurance business:

	2023				2022			
	Estimation of the current value of FCF	Non-financial risk adjustment	CSM	Total	Estimation of the current value of FCF	Non-financial risk adjustment	CSM	Total
Credit insurance business								
Reinsurance contracts held								
Reinsurance contract assets/(Reinsurance contract liabilities) as of 1 January	430,850	67,669	135,459	633,978	422,829	87,651	125,154	635,634
Changes related to current services	(213,641)	(16,632)	(51,776)	(282,049)	(166,267)	(23,020)	(138,299)	(327,586)
CSM recognised for services provided	-	-	(51,776)	(51,776)	-	-	(138,299)	(138,299)
Changes in the non-financial adjustment due to past due risk	-	(16,632)	-	(16,632)	-	(23,020)	-	(23,020)
Experience settings	(213,641)	-	-	(213,641)	(166,267)	-	-	(166,267)
Changes related to future services	5,008	47,790	17,841	70,639	(44,886)	47,611	150,084	152,809
Contracts initially recognised in the year	(100,582)	40,538	169,655	109,611	(96,485)	37,180	223,454	164,149
Changes in estimates adjusting the CSM	105,590	7,252	(151,814)	(38,972)	51,599	10,431	(73,370)	(11,340)
Changes related to past services	(18,611)	(32,086)	-	(50,697)	(54,497)	(43,000)	-	(97,497)
Adjustments to liabilities for incurred claims	(17,211)	(32,086)	-	(49,297)	(56,163)	(43,000)	-	(99,163)
Adjustments to the remaining coverage	(1,400)	-	-	(1,400)	1,666	-	-	1,666
Financial income/expenses on reinsurance contracts recognised in the income statement	6,079	505	1,574	8,158	(4,782)	(123)	(685)	(5,590)
Financial income/expense from reinsurance contracts recognised in OCI	-	-	-	-	-	-	-	-
Total changes recognised in the income statement and other comprehensive income	6,079	505	1,574	8,158	(4,782)	(123)	(685)	(5,590)
Cash flow	270,703	-	-	270,703	282,138	-	-	282,138
Changes to the scope	2,486	428	334	3,248	(3,685)	(1,450)	(795)	(5,930)
Reinsurance contract assets/(Reinsurance contract liabilities) as of 31 December	482,874	67,674	103,432	653,980	430,850	67,669	135,459	633,978

14.a.3.2) Direct holding contracts

For contracts measured under VFA, the reconciliation from opening to closing balances, broken down by measurement component for 2023 and 2022, is shown below:

Traditional business - Life VFA	2023				2022			
	Estimation of the current value of FCF	Non-financial risk adjustment	CSM	Total	Estimation of the current value of FCF	Non-financial risk adjustment	CSM	Total
Insurance contracts issued								
Insurance contract liabilities/(Insurance contract assets) as at 1 January	631,131	46,893	94,107	772,131	633,609	46,877	99,695	780,181
Changes related to current services	(5,709)	(2,887)	(5,159)	(13,755)	14,491	(2,708)	(5,736)	6,047
CSM recognised for services provided	-	-	(5,159)	(5,159)	-	-	(5,736)	(5,736)
Changes in the non-financial adjustment due to past due risk	-	(2,887)	-	(2,887)	-	(2,708)	-	(2,708)
Experience settings	(5,709)	-	-	(5,709)	14,491	-	-	14,491
Changes related to future services	82,189	6,446	(88,608)	27	(85,905)	7,115	78,901	111
Contracts initially recognised in the year	(9,550)	6,609	3,035	94	(16,317)	8,668	7,649	-
Changes in estimates adjusting the CSM	91,739	(163)	(91,545)	31	(69,588)	(1,553)	71,252	111
Changes in estimates that Result in losses and loss reversals in onerous contracts	-	-	(98)	(98)	-	-	-	-
Changes related to past services	-	-	-	-	-	-	-	-
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Financial income/expenses on insurance contracts recognised in the income statement	8,906	1,560	82,394	92,860	16,131	(4,391)	(78,753)	(67,013)
Financial income/expense from insurance contracts recognised in OCI	-	-	-	-	-	-	-	-
Total changes recognised in the income statement and other comprehensive income	8,906	1,560	82,394	92,860	16,131	(4,391)	(78,753)	(67,013)
Other changes	(242)	-	-	(242)	(277)	-	-	(277)
Cash flow	19,961	-	-	19,961	53,082	-	-	53,082
Premiums received	174,424	-	-	174,424	170,693	-	-	170,693
Cash flows from acquisition	(12,836)	-	-	(12,836)	(13,200)	-	-	(13,200)
Benefits and other insurance expenses paid	(141,627)	-	-	(141,627)	(104,411)	-	-	(104,411)
Changes to the scope	-	-	-	-	-	-	-	-
Insurance contract liabilities/(Insurance contract assets) as at 31 December	736,236	52,012	82,734	870,982	631,131	46,893	94,107	772,131

14.b) Impact of contracts recognised in the year

The following table shows an analysis of the contracts initially recognised in the year, based on whether the groups of contracts are profitable or onerous, as at 31 December 2023 and 31 December 2022, for contracts measured under BBA and VFA:

31 December 2023

	Profitable contracts				Onerous contracts				Total
	Traditional business			Credit insurance business	Traditional business			Credit insurance business	
	Life Risk	Life Savings	Direct holding contracts		Life Risk	Life Savings	Direct holding contracts		
Estimates of current value of future cash flow outflows	4,330	359,020	66,941	1,108,227	2,311	186	146,227	752,232	2,439,474
- Acquisition flows	203	12,411	2,302	287,256	9	9	4,919	146,929	454,038
- Benefits and other directly attributable expenses	4,127	346,609	64,639	820,971	2,302	177	141,308	605,303	1,985,436
Estimates of the current value of future cash flow inflows	(6,747)	(388,065)	(72,860)	(1,544,192)	(2,024)	(173)	(149,858)	(656,122)	(2,820,041)
Non-financial risk adjustment	297	5,082	2,884	60,963	20	-	3,725	37,127	110,098
CSM	2,120	23,963	3,035	375,002	-	-	-	-	404,120
Increase in insurance contract liabilities from contracts recognised in the year	-	-	-	-	307	13	94	133,237	133,651

31 December 2023

	Profitable contracts				Onerous contracts				Total
	Traditional business			Credit insurance business	Traditional business			Credit insurance business	
	Life Risk	Life Savings	Direct holding contracts		Life Risk	Life Savings	Direct holding contracts		
Estimates of current value of future cash flow outflows	2,320	192,906	280,481	811,793	4,966	138,119	-	720,481	2,151,066
- Acquisition flows	118	3,084	7,510	219,426	263	5,263	-	149,025	384,689
- Benefits and other directly attributable expenses	2,202	189,822	272,971	592,367	4,703	132,856	-	571,456	1,766,377
Estimates of the current value of future cash flow inflows	(2,365)	(201,122)	(296,798)	(1,076,844)	(3,907)	(138,110)	-	(676,062)	(2,395,208)
Non-financial risk adjustment	6	2,521	8,668	49,221	218	1,516	-	42,192	104,342
CSM	39	5,695	7,649	215,830	-	-	-	-	229,213
Increase in insurance contract liabilities from contracts recognised in the year	-	-	-	-	1,277	1,525	-	86,611	89,413

Atradius records the higher uncertainty observed in the risk environment for the most recent months in the estimates of future cash flows. This is why the credit insurance business shows losses at initial recognition. If these risks do not materialise, these insurance contracts become profitable.

14.c) Future contractual service margin income

The following table shows the expected income statement recognition of the contractual service margin at 31 December 2023 and 31 December 2022 for direct insurance contracts:

2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Traditional business	59,971	108,509	161,897	330,377
Life Risk	5,538	16,432	32,640	54,610
Life Savings	21,325	46,590	125,118	193,033
Direct holding contracts	33,108	45,487	4,139	82,734
Credit insurance business	118,383	89,005	10,749	218,137
Total CSM by insurance contracts	178,354	197,514	172,646	548,514

2022	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Traditional business	57,137	111,985	152,398	321,520
Life Risk	3,974	12,217	32,335	48,526
Life Savings	14,174	48,691	116,022	178,887
Direct holding contracts	38,989	51,077	4,041	94,107
Credit insurance business	130,911	87,446	10,597	228,954
Total CSM by insurance contracts	188,048	199,431	162,995	550,474

14.d) Evolution of the incurred claims liability

The evolution in the traditional non-life business and credit insurance business of the liability for incurred claims constituted at the different dates, gross of reinsurance, is shown below, according to the occurrence of the claims, based on the benefits paid and the reserve available for them after the closing dates. The evolution for the traditional life business is not shown as there is no uncertainty as to the time and amount of payment and as claims are immediately payable.

MOTOR	Year of occurrence						Total
	2018	2019	2020	2021	2022	2023	
Estimated claims measurement (gross of reinsurance, undiscounted, including other directly attributable claims management related expenses)							
At the end of the year of occurrence	496,100	489,629	423,747	468,115	499,104	529,814	
1 year later	471,013	471,872	381,380	441,152	484,414		
2 years later	461,411	450,190	361,855	418,765			
3 years later	446,059	435,728	345,315				
4 years later	434,178	424,783					
5 years later	426,417						
Gross cumulative amounts paid (claims and other directly attributable expenses)	412,516	400,238	313,765	362,471	386,166	286,467	2,161,623
Gross reinsurance claims liabilities - years of occurrence from 2018 to 2023	13,902	24,545	31,550	56,294	98,248	243,347	467,886
Gross reinsurance claims liabilities - prior years of occurrence							43,045
Liabilities for internal gross reinsurance claims settlement expenses							18,177
Discounting effect							(21,533)
Effect of non-financial risk adjustment							33,612
Gross reinsurance incurred claims liabilities							541,187

MULTI-RISK	Year of occurrence						Total
	2018	2019	2020	2021	2022	2023	
Estimated claims measurement (gross of reinsurance, undiscounted, including other directly attributable claims management related expenses)							
At the end of the year of occurrence	357,980	363,857	380,211	400,656	458,743	480,744	
1 year later	350,148	358,852	362,993	392,730	458,618		
2 years later	347,328	352,192	360,649	390,243			
3 years later	344,713	348,613	360,843				
4 years later	342,778	344,832					
5 years later	342,437						
Gross cumulative amounts paid (claims and other directly attributable expenses)	336,454	338,991	350,283	375,683	422,490	347,214	2,171,115
Gross reinsurance claims liabilities - years of occurrence from 2018 to 2023	5,983	5,841	10,560	14,561	36,129	133,529	206,603
Gross reinsurance claims liabilities - prior years of occurrence							10,327
Liabilities for internal gross reinsurance claims settlement expenses							5,996
Discounting effect							(4,005)
Effect of non-financial risk adjustment							21,770
Gross reinsurance incurred claims liabilities							240,691

VARIOUS	Year of occurrence					Total	
	2018	2019	2020	2021	2022		2023
Estimated claims measurement (gross of reinsurance, undiscounted, including other directly attributable claims management related expenses)							
At the end of the year of occurrence	195,664	184,695	173,674	160,706	153,450	169,855	
1 year later	177,732	167,385	147,020	150,653	154,272		
2 years later	172,965	154,885	145,400	155,582			
3 years later	167,405	153,873	146,720				
4 years later	166,386	153,931					
5 years later	166,228						
Gross cumulative amounts paid (claims and other directly attributable expenses)	154,209	142,522	129,093	127,663	115,500	96,719	765,706
Gross reinsurance claims liabilities - years of occurrence from 2018 to 2023	12,020	11,409	17,627	27,919	38,772	73,136	180,883
Gross reinsurance claims liabilities - prior years of occurrence							39,964
Liabilities for internal gross reinsurance claims settlement expenses							5,127
Discounting effect							(12,071)
Effect of non-financial risk adjustment							19,037
Gross reinsurance incurred claims liabilities							232,940

CREDIT	Year of occurrence					Total	
	2019	2020	2021	2022	2023		
Estimated claims measurement (gross of reinsurance, undiscounted, including other directly attributable claims management related expenses)							
At the end of the year of occurrence	-	502,253	555,967	751,052	1,026,736		
1 year later	15,662	394,339	420,691	701,574			
2 years later	28,475	401,661	407,972				
3 years later	23,929	384,093					
4 years later	16,496						
Gross cumulative amounts paid (claims and other directly attributable expenses)	17,278	356,294	341,004	633,842	607,265	1,955,683	
Gross reinsurance claims liabilities - years of occurrence from 2019 to 2023	(781)	27,799	66,968	67,732	419,470	581,188	
Gross reinsurance claims liabilities - prior years of occurrence							106,814
Liabilities for internal gross reinsurance claims settlement expenses							-
Discounting effect							(18,624)
Effect of non-financial risk adjustment							83,693
Gross reinsurance incurred claims liabilities							753,071

14.e) Acquisition cash flows

The reconciliation of the opening and closing balance of the assets to the insurance acquisition cash flows for 2023 and 2022 is presented below:

	2023						
	Traditional business					Credit insurance business	Total
	Life		Non-Life				
	Life Risk	Other life	Motor	Multi-risk	Other miscellaneous		
Opening balance	6266	636	41,025	79,363	23,953	11,132	162,375
New acquisition costs	60,506	9,824	126,778	223,962	114,367	12,831	548,268
Amount derecognised during the period due to contract group assignment	(64,779)	(9,790)	(124,811)	(220,011)	(109,332)	(11,132)	(539,855)
Impairment losses	(10)	(6)	66	94	660	-	804
Closing balance	1,983	664	43,058	83,408	29,648	12,831	171,592

	2022						
	Traditional business					Credit insurance business	Total
	Life		Non-Life				
	Life Risk	Other life	Motor	Multi-risk	Other miscellaneous		
Opening balance	6,867	587	40,844	72,677	22,015	11,209	154,199
New acquisition costs	38,204	9,827	123,556	215,277	100,894	11,132	498,890
Amount derecognised during the period due to contract group assignment	(38,832)	(9,777)	(123,406)	(208,587)	(99,414)	(11,209)	(491,225)
Impairment losses	27	(1)	31	(4)	458	-	511
Closing balance	6,266	636	41,025	79,363	23,953	11,132	162,375

As the maturity of these is in the short term, it is expected that the recognition of their derecognition will take place within one year at the latest from the current closing date.

15. Non-technical provisions

The breakdown as of 31 December 2023 and 2022 is as follows:

	€ thousand	
	31/12/2023	31/12/2022
Provisions for pensions and similar obligations	94,776	102,728
Temporary income - indemnities for termination	-	81
Other commitments with the personnel	12,721	12,378
Provisions for liabilities	1,281	1,658
Provisions for restructuring	113,064	120,000
Litigation/Legal	21,053	7,091
Other provisions	2,333	1,418
Total	245,228	245,354

Besides the stipulations noted in Note 11 and those that correspond to the nature of the insurance business which are duly measured and included, where necessary, in the claims provisions, the Group has no significant claims, lawsuits or court processes which individually imply damage or that may affect the consolidated financial statements as well as contingent liabilities that could involve the Group in law suits or involve the imposition of sanctions or penalties with a significant effect on the company's Equity.

In order to achieve a better organisational fit following the corporate unification of the Group's traditional business carried out at the end of the 2023 financial year, the execution of the voluntary incentive redundancy plan agreed with the Trade Union Sections that hold the majority of the unitary representation has already begun, with 89 terminations of contracts having taken place in the last quarter of 2023, and with the forecast of reaching the business goal during 2024, with the maximum limit of 488 terminations between the two financial years.

The contract terminations occur within the framework of the Occident merger discussed in note 5.b) of these consolidated financial statements, with these exits materialising in 2023 and 2024. The amount estimated and provisioned for this item at 31 December 2023 amounts to €113 million (€120 million at 31 December 2022), which could be affected by the ratios of employees' adherence to the plan and their individual remuneration and age conditions.

In relation to the inspection report issued on 13 September 2023 by the Directorate General of Insurance and Pension Funds (hereinafter "DGSFP") to the insurance company "Occident GCO, S.A.U. de Seguros y Reaseguros" of the Group (formerly Seguros Catalana Occidente, S. A.U. de Seguros y Reaseguros), and after analysis and interpretation of the resolution of said inspection, said company has lodged an appeal on 15 February 2024 with respect to some of the points of said resolution.

The possible different interpretations of the points indicated in the resolution of the DGSFP and the resolution thereof could ultimately result in financial obligations for this Group insurer, for which reason it has been decided to set up a provision for risks and other legal contingencies €14 million at the end of the 2023 financial year.

On 31 December 2023 and 2022, the commitments are reflected in the provision for pensions, and similar obligations are detailed as follows:

	2023 (€ thousand)			2022 (€ thousand)		
	Provision defined	Contributed defined	Total Commitments	Provision defined	Contributed defined	Total Commitments
Commitments for pensions						
Accrued by active personnel	167,603	29,489	197,092	163,537	27,027	190,564
Caused by passive personnel	211,362	-	211,362	216,979	-	216,979
Total Obligations	378,965	29,489	408,454	380,516	27,027	407,543
Assets affected by the plan						
Affected assets Atradius N.V, Assets not recognised Atradius N.V. Dutch Plan	313,678	-	313,678	304,815	-	304,815
	-	-	-	-	-	-
Total assets	313,678	-	313,678	304,815	-	304,815
Provisions for pensions and similar obligations	65,287	29,489	94,776	75,701	27,027	102,728

Assets and liabilities for pension obligations relate mainly to assets and liabilities for defined benefit plans.

The main defined benefit plans as at 31 December 2023 are in the UK, Germany and Spain, representing 90% (2022): 88% of the assets derived from pension commitments and 88% (2022: 88%) of the defined

benefit obligations recorded as liabilities. The other plans involve subsidiaries of Atradius N.V. in Mexico, Norway, Belgium, Sweden, Italy, Switzerland and France. The recognition of assets and liabilities is stipulated independently for each plan. The defined benefit liabilities of these plans are between €0.8 and €6.0 million (2022: between €0.5 and €6.3 million) and the number of participants is between 13 and 451 persons (2022: between 13 and 451).

Defined benefit plans expose the Group primarily to investment market risk, interest rate risk and inflation risk:

- a decrease in the market value of assets will immediately increase balance sheet liabilities and cash flows for those countries where there is a minimum funding requirement;
- a decrease in corporate bond yields will lead to an increase in plan liabilities, even if the effect is partially mitigated by an increase in the value of plan bonds; and
- an increase in the rate of inflation will lead to an increase in plan liabilities and, consequently, an increase in company contributions in those plans where there is a minimum funding requirement.

The following table summarises the conciliation, the funding status and the amounts recognised in the consolidated balance sheet as of 31 December 2023 for defined benefit obligations (in € thousand):

	Securities of defined benefit		Fair value of assets affected		Impact of the minimum requirement / Limit of the asset		(Asset)/Net liability of the provision defined	
	2023	2022	2023	2022	2023	2022	2023	2022
Balance on 1 January	380,456	596,443	304,815	472,034	(60)	-	75,701	124,409
Reclassification of plans	-	-	-	-	-	-	-	-
Included in profit and loss:								
Cost of services for the current financial year	4,525	7,873	-	-	-	-	4,525	7,873
Cost for past services	-	-	-	-	-	-	-	-
Cost of past services - Recalculation of pension commitments	-	-	-	-	-	-	-	-
Cost (Income) of the interest	16,171	8,626	17,733	9,234	-	-	(1,562)	(608)
Administration costs	4	4	-	-	-	-	4	4
Total included in profit and loss	20,700	16,503	17,733	9,234	-	-	2,967	7,269
Included in OCI:								
Revaluation loss (gain):								
Actuarial loss (gain) by:								
- Demographic assumption	(4,306)	(2,840)	-	-	-	-	(4,306)	(2,840)
- Financial assumption	(665)	(194,411)	-	-	-	-	(665)	(194,411)
- Experience adjustments	(675)	9591	-	-	-	-	(675)	9,591
- adjustments for defined benefit restrictions on net assets	-	-	-	-	-	-	-	-
Input of assets affected by the plan, excluding income of interest	-	-	7,035	(144,054)	-	-	(7,035)	144,054
Changes in unrecoverable surplus other than interest	-	-	-	-	(37)	(60)	37	60
Total included in OCI	(5,646)	(187,660)	7,035	(144,054)	(60)	(60)	(12,644)	(43,546)
Others:								
Contributions paid by the employer	(4,334)	(4,115)	7,796	3,054	-	-	(12,130)	(7,169)
Contributions from the participants	606	621	606	621	-	-	-	-
Benefits paid	(14,409)	(16,754)	(13,402)	(15,752)	-	-	(1,007)	(1,002)
Settlement (*)	(3,106)	-	(3,106)	-	-	-	-	-
Effect of exchange rate fluctuations	4,030	(17,729)	5,404	(18,351)	-	-	(1,374)	622
Excess asset reclassifications	-	-	(13,203)	7,034	-	-	13,203	(7,034)
Additional profits/losses	571	(6,853)	-	(9,005)	-	-	571	2152
Total Other	(16,642)	(44,830)	(15,905)	(32,399)	-	-	(737)	(12,431)
Balance on 31 December	378,868	380,456	313,678	304,815	(97)	(60)	65,287	75,701

(*) Includes settlement of the Swedish pension plan (€0.5 million defined benefit securities).

Financial instruments not qualified as plan assets

The Group has pension-related assets which under IAS 19 cannot be recognised as plan assets (more details on plans below).

In Germany, for one of the plans, assets of €12.1 million (€2.0 million in 2022) are recognised as cash and cash equivalents and assets of €1.0 million (€14.9 million in 2022) are recognised as part of financial investments because, in the event of bankruptcy, these assets are not fully insured for the members of the pension plans. In the United Kingdom, there are financial investments amounting to €26.8 thousand (€24.1 thousand in 2022) in a deposit escrow account to support the pension fund for this country. In the event of insolvency, the Trustee of the pension fund has the rights to these investments, provided certain conditions are met.

The net pension plan assets correspond to the surplus of the UK pension plan, which at 31 December 2023 is €94,540 thousand (€81,338 thousand in 2022) and is recorded as assets arising from pension commitments (see Note 12).

Actuarial profit and loss

In 2023 actuarial gains (net) have been recognised in OCI amounting to €10,707 thousand (gains (net) of €42,735 thousand in 2022), of which €12,644 thousand are associated with net defined benefit liabilities (assets) (€43,546 thousand in 2022).

Characteristics of the main defined benefit plans

The following table highlights the main characteristics of defined benefit plans:

Characteristic	United Kingdom	Germany	Spain
Commitment	Right to pension based on a percentage of the final salary (closed to new employees).	Right to pension based on a percentage of the average salary for the past 10 years.	Post employment:: Retirement awards, post-retirement life insurance, annuities, amount EX GAN, Christmas hamper, holiday insurance. Long-term: permanence awards.
Census	74 active (2022: 85 active members). 556 inactive (2022: 547 inactive members).	479 active (2022: 471 active members). 500 inactive (2022: 496 inactive members).	2,965 active (2022: 3,062 active members). 913 inactive (2022: 901 inactive members).
Securities of defined benefit	€169 million (2022: €169 million).	€117 million (2022: €113 million).	€34.1 million (2022: €36.8 million).
Plan Assets	€258 million (2022: €247 million).	€89.7 million (2022: €76.1 million).	Plan 0 assets. Reimbursement rights €13.0 million (2022: €13.1 million).
Revaluation profits (losses) in OCI	€6.5 million - loss (2022: €6.3 million-loss)	€3.3 million - profit (2022: €27.6 million - profit).	€0.3 million - loss (2022: €0.8 million-loss).
Instruments	The basis of the financing agreement for both commitments is borne by the Trust Deed and Rules. The Pension Fund performs actuarial measurements every three years in order to determine the contributions to be made by the employer.	A contractual agreement is established as a funding vehicle to cover part of the pension liability. There is no specific financing agreement although the assets must not exceed €39.2 million financed initially.	The commitments are externalized through linked insurance policies and with the company itself.
Contributions paid by the employee	In 2023, the contributions amounted to 7.1% (2022: 7.1%) of the pensionable salary.	None, all contributions are made by the contributor.	None, all contributions are made by the contributor.

Characteristic	United Kingdom	Germany	Spain
ALM Strategy	The investment strategy consists of an investment portfolio oriented to liability management, to provide income to provide retirement benefits, together with an interest rate and inflation rate hedge, seeking the objective of self-sufficiency.	The investment goals and policies are developed on the basis of an ALM study. The investment policy limits the interest rate risk by restricting the investment in bonds to fixed interest bonds. The risk of variable income is controlled in accordance with the Dow Jones Euro Stoxx 50 index.	N/A.
Regulatory Framework	The UK pension scheme is subject to UK pension legislation and guidelines issued by the Pensions Regulator in the UK.	The German pension plan is subject to German pension legislation and guidelines issued by the German Pension Regulator.	The Spanish pension plan is subject to Spanish pension legislation and guidelines issued by the Spanish Pension Regulator.

Fair value of assets affected

The fair value of plan assets at year end is analysed in the following table (in € thousand):

Plan Assets	2023	2022
Cash and cash equivalents	12,515	5,911
Variable income	28,843	29,056
Fixed income	220,671	213,271
Investment funds	10,004	10,684
Insurance contracts	41,645	45,573
Real estate assets	-	320
Total	313,678	304,815

All equities and government bonds are traded in active markets. The plan assets do not include any instrument of the Group's own equity nor any property occupied or other assets used by the Group. As a result of the transaction described above, the assets associated with the Dutch Pension Fund have been liquidated and transferred to the aforementioned insurance company.

The current yield on plan assets in the 223 financial year was a profit of €24.75 million (loss of €135.1 million in the financial year 2022).

The main assumptions used in 2023 and 2022 for the major defined benefit plans are as follows:

Main actuarial assumptions	United Kingdom		Germany		Spain	
	2023	2022	2023	2022	2023	2022
Discount rate	4.75%	5.00%	3.25%	3.75%	3.54%	3.50%
Inflation rate	3.25%	3.50%	2.25%	2.50%	2.25%	2.50%
Expected increase of future wages	3.00%	3.25%	2.80%	3.05%	2.00%	2.40%
Expected increase in levels of future profits	2.89%	3.36%	2.00%	2.25%	N/A	N/A
Mortality table	CMI 2022 (1% LTR)	CMI 2021 (1.25% LTR)	Heubeck Richttafeln	Heubeck Richttafeln	PER 2020 Col 1st Order PASEM - 2020 Rel 1st Order	PER 2020 Col 1st Order PASEM - 2020 Rel 1st Order
Duration	14	15	13	13	14	12

Discount rate breakdowns were obtained by hypothetical yield curves developed from information provided by the yield of corporate bonds in the reference market. According to international standards defined under IAS 19, the definition of these curves is based on the performance of AA credit quality corporate bonds.

Possible reasonable changes at year-end in one of the main assumptions, holding other assumptions constant, would have the following effect on the value of obligations (in € thousand):

Securities of defined benefit	2023		2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(36,436)	43,480	(36,874)	46,098
Inflation rate (1% movement)	33,411	(28,423)	38,505	(34,569)
Wage growth rate (1% movement)	6,971	(6,305)	6,887	(6,175)
Expected increase in levels of future profits (1% movement)	31,781	(26,943)	33,913	(28,551)
Future mortality (+ 1 year)	9,502	-	9,668	-

The aforementioned sensitivity analysis has been obtained using the "Projected Unit Credit" calculation method, and we have proceeded to replicate the calculation of obligations by changing a variable and leaving all other actuarial assumptions constant. A limitation of this method is that some of the variables may be correlated. There has been no change in the methods and assumptions used in preparing the sensitivity analysis for previous years.

16. Equity attributed to parent company shareholders

As part of the consolidated financial statements, the Group presents a statement of changes in consolidated equity which shows, among other things:

- The year's results derived from the profit and loss account
- Each of the year's income and expense items which, according to IFRS has been reflected directly in the net equity

- The total of the year’s income and expenses (result of adding the two previous sections), showing separately the total amount attributed to shareholders of the parent company and minority shareholders
- The effects of changes in accounting policies and the correction of errors in each of the net equity components, if any
- The amounts of transactions that holders of net equity instruments have undertaken as, for example, capital contributions, the repurchase of own shares held in treasury and dividend distributions, showing these distributions separately, and
- The balance of retained earnings at the beginning of the year and the balance sheet date, and changes during the year.

The Group also separately details all income and expenses that have been recognised during the year, either through the profit or loss account or directly to equity. This statement is called “Recognised income and expenses statement” and is supplementary to the information provided in the net equity change status.

In 2023 the Group applied IFRS 17 and IFRS 9 for the first time (from 1 January 2023, with the transition date for IFRS 17 being 1 January 2022). The impact of the adoption of these standards has resulted in significant changes in accounting policies (see note 3).

16.a) Capital

The parent company’s subscribed capital stands at €36,000 thousand consisting of 120,000,000 fully subscribed and paid in book entry shares of €0.30 par value each represented in book-entry form. All shares have the same rights, and the parent company may issue shares without voting rights.

The shareholders owning 10% or more of the parent company’s share capital on 31 December 2023 were as follows:

	Percentage of holding
Inoc, S.A.	36.94%
La Previsión 96, S.A.	25.09%

The shareholding of La Previsión 96, S.A. has increased by 0.09% compared to the percentage at 31 December 2022 (25.00%).

The company Inoc, S.A., which owns 72.25% of La Previsión 96, S.A., directly and indirectly holds 55.06% of the parent company and belongs to a group whose parent company is CO Sociedad de Gestión y Participación, S.A.

16.b) Share premium and reserves

The statement of changes in equity attached to these financial statements details the balances of the share premium and retained earnings at the beginning of 2023 and at 31 December 2023, and the movements during the year.

The breakdown of the share premium and each type of reserve as of 31 December 2023 and 2022 is as follows:

	€ thousand	
	Balances on 31/12/2023	Balances on 31/12/2022
Share issue premium	1,533	1,533
Differences from adjustment of capital to euros	61	61
Legal reserve	7,212	7,212
Other reserves	3,917,889	3,572,173
Reserves	3,925,162	3,579,446
Total share premium and Reserves	3,926,695	3,580,979

16.b.1) Share issue premium

The balance of the type of reserves, according to the revised text of the Capital Companies Law can be used to expand capital. No restriction whatsoever is established for its availability.

16.b.2) Differences from adjustment of capital to euros

The balance of this reserve comes from the capital reduction carried out in FY 2001 as a result of changing corporate capital to euros. Availability is subject to the same requirements as the legal reserve.

16.b.3) Legal reserve

Under the Consolidated Text of the Capital Companies Law 10% of profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of share capital. The legal reserve may be used to increase share capital, providing that the remaining balance is no less than 10% of the increased share capital. Only for this purpose and as long as it does not exceed 20% of the corporate capital, this reserve can only be used to offset losses, as long as there are no other sufficient reserves available for this. At the various dates presented, the amount of this reserve accounted for 20% of the share capital.

16.c) Stocks and Treasury Shares

The balance of this subheading, which is the result of deducting the equity attributable to the shareholders of the parent company from the consolidated balance sheet on 31 December 2023, and 2022, in accordance with the reporting requirements established by IAS 32, which corresponds to the shares of Grupo Catalana Occidente, S.A. property of the subsidiary Sociedad Gestión Catalana Occidente, S.A.

On 31 December 2023, the total of Group shares owned by the subsidiary Sociedad Gestión Catalana Occidente, S.A. represents 1.65% of the capital issued as of that date (1.65% as of 31 December 2022). During the year 2023, the percentage of shares outstanding held by the above company has remained at 1.65% calculated on a daily basis. The average price of the portfolio as of 31 December 2023 was €11.52 per share (€11.52 per share on 31 December 2022). These shares are available-for-sale in order to safeguard liquidity. There are no more Grupo Catalana Occidente S.A. shares held by other Group companies or third parties that operate on their behalf. Additionally, on 31 December 2023, neither the parent company, nor the companies of the Group held obligations based on the payment of shares of the parent company.

The development of acquisitions and sales carried out during 2023 and 2022 has been as follows:

	€ thousand		Number of shares
	Cost of acquisition	Nominal value	
Balances on 1 January 2022	23,262	606	2,018,515
Additions	-	-	-
Withdrawals (*)	(475)	(13)	(41,232)
Balances on 31 December 2022	22,787	593	1,977,283
Additions	-	-	-
Withdrawals	-	-	-
Balances on 31 December 2023	22,787	593	1,977,283

(*) Purchases and sales made by Sociedad Gestión Catalana Occidente, S.A.

16.d) Distribution of profits

The Board members will propose to the shareholders at the Annual General Meeting that the 2023 profit of Grupo Catalana Occidente, Sociedad Anónima would be distributed as follows:

Distribution	Year 2023
	€ thousand
To dividends	64,800
To voluntary reserves	67,473
Net profit for the year	132,273

The distribution of profit for 2022 approved by the parent company's General Meeting, held 27 April 2023 is as follows:

Distribution	Year 2022
	€ thousand
To dividends	58,908
To voluntary reserves	65,196
Net profit for the year	124,104

Previously, the Board of Directors of the parent company, at its meetings held on 30 June 2022, 29 September 2022 and 26 January 2023, resolved to distribute, with a charge to reserves, the amount of €64,512 thousand, which was paid in several instalments on 13 July 2022, 13 October 2022 and 8 February 2023.

The consolidated net profit of 2022 is detailed in the statement of changes in equity.

16.e) Dividends

The various amounts paid by shareholders in 2023 as dividends is as follows:

Governing Body:	Date of Agreement:	Date of Payment:	Type of Dividend:	Per share in euros	Total in € thousand
Board of Directors	26/01/2023	08/02/2023	Dividend charged to reserves	0.1792	21,504
General Shareholders' Meeting	27/04/2023	10/05/2023	2022 final dividend	0.4909	58,908
Board of Directors	29/06/2023	12/07/2023	Dividend charged to reserves	0.1926	23,112
Board of Directors	28/09/2023	11/10/2023	Dividend charged to reserves	0.1926	23,112
					126,636

The completed dividend payouts during 2023 comply with the requirements and limitations established by the current legal framework and the Articles of Association in the parent company.

In addition, the Company's Board of Directors, at its meeting held on 25 January 2024, resolved to distribute a dividend charged to reserves amounting to €23,112 thousand which was paid on 7 February 2024.

The decision to distribute dividends is based on a thorough, reflective analysis of the Group's situation, does not compromise either the Group's future solvency or the protection of policyholders' and insured party's interests, and is made in the context of the supervisors' recommendations on this matter.

16.f) Earnings per share

Basic earnings per share are determined by dividing net income attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the year, excluding the average number of treasury shares held during the year.

This calculation is illustrated as follows:

	2023	2022
Net profit attributable to equity holders of the parent company (€ thousand)	580,598	472,976
Average weighted number of shares issued (thousands of shares)	120,000	120,000
Less: Weighted treasury shares (thousands of shares) (*)	(1,977)	(1,994)
Average weighted number of shares outstanding (thousands of shares)	118,023	118,006
Earnings per share (Euros)	4.92	4.01

(*) Refers to treasury shares held in treasury stock for 2023 and 2022.

As there are no stock options, warrants or other equivalent instruments that might cause a potential dilutive effect, the earnings per share figure is the same as the diluted earnings per share in the different periods presented.

16.g) Other accumulated comprehensive income

The comprehensive income accumulated outside of the profit and loss account includes the amounts relative to income and expenses charged directly to equity, broken down between items that were not reclassified to profits and those that can be subsequently reclassified to profits.

The main items that can be subsequently reclassified to profit or loss include: changes in the measurement of debt instruments held in the 'assets at fair value through other comprehensive income' portfolio, changes in the measurement for financial risk of insurance contracts issued and reinsurance contracts issued as well as those associated with exchange differences on translation of balances held in foreign currencies of this portfolio and of foreign subsidiaries of Atradius N.V.

Other accumulated comprehensive income - Items that may be subsequently reclassified to profits by:

	€ thousand	
	Balances at 31/12/2023	Balances at 31/12/2022
Changes in the fair value of debt instruments measured at fair value through other comprehensive income	(40,334)	(229,267)
Exchange-rate differences	7,484	27,127
Changes in the fair value of issued insurance contracts	93,139	194,197
Changes in the fair value of reinsurance contracts held	1,301	3,958
Entities accounted for using the equity method	(7,625)	(3,141)
Other adjustments	-	-
Other accumulated comprehensive income	53,965	(7,126)

Changes in the fair value of debt instruments measured at fair value through other comprehensive income

This item mainly includes the net amount of changes in the fair value of debt instruments classified as 'Financial assets at fair value through other comprehensive income' which, in accordance with Note 3.b.4, are classified as part of the Group's consolidated equity. These changes are recognised in the consolidated profit and loss account when the assets from which they arise are sold.

Exchange-rate differences

This item includes exchange-rate differences arising mainly on non-monetary items whose fair value is adjusted with a balancing entry in equity.

Changes in the fair value of insurance contracts issued and reinsurance contracts held

For portfolios whose accounting policy option is "Other comprehensive income", this item includes changes attributable to market variables, i.e. changes in the discount rate and interest credited for the difference between the current market rate and the initial recognition rate.

Entities accounted for using the equity method

Includes income and expenses charged directly to net equity derived from holdings in entities measured using the equity method.

Other accumulated comprehensive income - Items that cannot be reclassified to profits by:

Equity instruments measured at fair value through other comprehensive income

This item mainly includes the net amount of changes in the fair value of equity instruments classified, under irrevocable option, as 'Financial assets at fair value through other comprehensive income' which, in accordance with Note 3.b.4, are classified as part of the Group's consolidated equity. These changes are recognised in consolidated reserves when the assets from which they arise are sold, as there is no possibility of recycling.

Actuarial profit and loss

Includes the actuarial changes that arise when calculating the securities for pensions and the fair value of the assets of the defined benefit plans of the Group, to be recognised in the period in which they occur, different from the reserves constituted by the net amount of income and expenses directly and definitively recognised in the equity. It also includes any reversal of assets that may occur when a plan's assets are greater than the expected benefit obligation and the Group cannot recover any surplus through redemptions of the pension vehicle, due to capital adequacy and control requirements.

The Group reclassified the accumulated balance of this item to Reserves. The gross amount reclassified for the year 2023, as shown in the table of defined benefit obligations in Note 15, amounts to a gain of € 10,707 thousand (gain of €7,784 thousand net of tax effect).

17. Minority interests

A breakdown of "Minority interests" and "Profit or loss attributable to minority interests" at 31 December 2023 and 2022, by consolidated company, is given below:

	€ thousand			
	31/12/2023		31/12/2022	
	Minority Interests	P&L attributable to external partners	Minority interests	P&L attributable to external partners
Atradius N.V. / Grupo Compañía Española de Crédito y Caución, S.L.	496,261	63,429	446,543	55,640
Grupo Catalana Occidente Tecnología y Servicios, A.I.E.	-	-	54	-
Hercasol, S.A. SICAV	9,103	101	7,391	(97)
Grupo Mémora	7,879	984	-	-
Asistea	(79)	-	(44)	31
Total	513,164	64,514	453,944	55,574

The movement in 'Minority interests' during 2023 and 2022 is shown in the consolidated statement of changes in equity.

18. Financial information by segment

The current management of the business is based on financial information reported in IFRS4 to the Group's management and, therefore, the information by segment and geographical area is broken down under the accounting principles established by said standard, until the management of the business and decision-making are based on financial information reported (including the consolidated management report) under the principles established in IFRS 17 (accounting standards applicable in these financial statements).

The breakdown of the financial information according to the segments defined by the Group is as follows:

ASSETS	31/12/2023			
	Traditional business	Credit insurance business	Funeral business	TOTAL
Cash and other equivalent liquid assets	647,638	694,239	31,865	1,373,742
Other financial assets at fair value through profit or loss	869,799	-	-	869,799
Available-for-sale financial assets	7,182,192	2,856,863	4,539	10,043,594
Loans and receivables	2,203,310	(160,374)	(407,421)	1,635,515
Reinsurance share of technical provisions	160,734	1,084,477	-	1,245,211
Property, plant and equipment and investment property	924,409	182,937	135,561	1,242,907
Intangible fixed assets	316,974	535,515	738,875	1,591,364
Holdings in group companies and associates	12,320	100,280	6,476	119,076
Tax assets	275,267	152,043	39,553	466,863
Other assets	191,921	622,575	4,480	818,976
Assets held for sale	-	-	-	-
TOTAL ASSETS IFRS 4	12,784,564	6,068,555	553,928	19,407,047
			Reconciliation adjustments	(1,787,924)
			TOTAL ASSETS IFRS 17	17,619,123

LIABILITIES AND EQUITY	Traditional business	Credit insurance business	Funeral business	TOTAL
Debits and payables	120,488	755,636	445,039	1,321,163
Technical provisions	8,795,725	3,239,863	-	12,035,588
Non-technical provisions	211,472	54,296	1,365	267,133
Tax liabilities	335,113	160,827	66,091	562,031
Other liabilities	19,104	179,451	8,341	206,896
Liabilities linked to assets held for sale	-	-	-	-
Net equity	3,302,662	1,678,482	33,092	5,014,236
TOTAL LIABILITIES AND EQUITY IFRS 4	12,784,564	6,068,555	553,928	19,407,047
			Reconciliation adjustments	(1,787,924)
			TOTAL LIABILITIES AND EQUITY IFRS 17	17,619,123

ASSETS	31/12/2022			
	Traditional business	Credit insurance business	Funeral business	TOTAL
Cash and other equivalent liquid assets	1,531,122	575,789	19,502	2,126,413
Other financial assets at fair value through profit or loss	748,769	-	-	748,769
Available-for-sale financial assets	6,364,660	2,839,961	28,824	9,233,445
Loans and receivables	1,793,181	(377,151)	(82,292)	1,333,738
Reinsurance share of technical provisions	160,034	1,040,003	-	1,200,037
Property, plant and equipment and investment property	947,005	173,937	17,253	1,138,195
Intangible fixed assets	324,165	555,485	43,386	923,036
Holdings in group companies and associates	12,078	100,190	-	112,268
Tax assets	205,892	168,848	328	375,068
Other assets	181,439	523,253	495	705,187
Assets held for sale	-	74,626	-	74,626
TOTAL ASSETS IFRS 4	12,268,345	5,674,941	27,496	17,970,782
			Reconciliation adjustments	(1,591,637)
			TOTAL ASSETS IFRS 17	16,379,145

LIABILITIES AND EQUITY	Traditional business	Credit insurance business	Funeral business	TOTAL
Debits and payables	327,407	800,320	9,486	1,137,213
Technical provisions	8,786,775	2,943,333	-	11,730,108
Non-technical provisions	197,896	59,856	544	258,296
Tax liabilities	239,848	163,732	217	403,797
Other liabilities	432	190,710	162	191,304
Liabilities linked to assets held for sale	-	67,444	-	67,444
Net equity	2,715,987	1,449,546	17,087	4,182,620
TOTAL LIABILITIES AND EQUITY IFRS 4	12,268,345	5,674,941	27,496	17,970,782
			Reconciliation adjustments	(1,591,637)
			TOTAL LIABILITIES AND EQUITY IFRS 17	16,379,145

The total volume of premiums earned from direct insurance and accepted reinsurance during 2023 and 2022 amounted to € 5,430,713 thousand and €5,111,478 thousand respectively.

In addition, the Group has managed payments to pension plans and investment funds not reflected in the consolidated profit and loss account, amounting to €38,602 thousand during 2023 and €40,648 thousand during the 2022 financial year.

The breakdown of earned premiums in 2023 and 2022, and all other income and expense items, grouped according to the main business segments is as follows:

2023 Financial year (€ thousand)

	Traditional business				Credit insurance business	Total
	Motor	Multi-risk	Various others	Life		
Earned premiums from direct business and accepted reinsurance	677,352	796,697	690,960	844,221	2,285,157	5,294,387
Premiums attributed to transferred reinsurance	(20,093)	(44,009)	(58,088)	(9,842)	(852,824)	(984,856)
Income from property, plant and equipment and investments	34,465	29,293	35,760	253,410	127,389	480,317
Income from investments assigned to insurance policies in which policyholders bear the investment risk	-	-	-	116,806	-	116,806
Other technical income	-	-	26	7,536	236,982	244,544
Claims incurred in the year, net of reinsurance	(480,036)	(449,381)	(315,440)	(1,014,377)	(665,026)	(2,924,260)
Change in other technical provisions, net of reinsurance	-	-	(21,971)	96,196	-	74,225
Provision for policyholder dividends and return premiums	295	-	(920)	(30,857)	-	(31,482)
Net operating expenses	(150,355)	(247,647)	(188,656)	(75,476)	(550,296)	(1,212,430)
Other technical expenses	(3,397)	(1,781)	(2,291)	(2,889)	(28,226)	(38,584)
Expenses arising from property, plant and equipment and investments	(17,138)	(14,878)	(12,578)	(47,191)	(64,801)	(156,586)
Expenses from investments assigned to insurance policies in which policyholders bear the investment risk	-	-	-	(15,506)	-	(15,506)
Technical-financial profit/(loss)	41,093	68,294	126,802	122,031	488,355	846,575

2022 Financial year (€ thousand)

	Traditional business				Credit insurance business	Total
	Motor	Multi-risk	Various others	Life		
Earned premiums from direct business and accepted reinsurance	651,171	751,053	651,180	745,866	2,228,791	5,028,061
Premiums attributed to transferred reinsurance	(17,695)	(46,891)	(54,548)	(9,070)	(861,902)	(990,106)
Income from property, plant and equipment and investments	56,126	49,756	38,331	230,435	101,075	475,723
Income from investments assigned to insurance policies in which policyholders bear the investment risk	-	-	-	71,097	-	71,097
Other technical income	-	-	36	7,513	225,708	233,257
Claims incurred in the year, net of reinsurance	(439,084)	(413,481)	(301,109)	(793,267)	(620,835)	(2,567,776)
Change in other technical provisions, net of reinsurance	-	-	(53,483)	168,895	-	115,412
Provision for policyholder dividends and return premiums	574	-	(1,085)	(22,387)	-	(22,898)
Net operating expenses	(146,169)	(235,721)	(174,079)	(74,488)	(535,115)	(1,165,572)
Other technical expenses	(4,019)	(2,639)	(3,577)	(2,041)	512	(11,764)
Expenses arising from property, plant and equipment and investments	(19,331)	(17,118)	(12,273)	(53,406)	(73,675)	(175,803)
Expenses from investments assigned to insurance policies in which policyholders bear the investment risk	-	-	-	(137,970)	-	(137,970)
Technical-financial profit/(loss)	81,573	84,959	89,393	131,177	464,559	851,661

In the profit and loss account of the Credit Insurance Business segment for 2023 and 2022, 'Other Technical Income' includes service income from Atradius N.V. as detailed below:

	€ thousand	
	Year 2023	Year 2022
Collection and recovery services	61,238	46,275
Information services and commissions	143,812	141,923
Other income for services	31,932	37,510
Total "Other technical income" - Credit insurance	236,982	225,708

A breakdown of staff costs for 2022 and 2023 and allocation to the profit and loss for each segment is shown below:

	€ thousand	
	Year 2023	Year 2022
Wages and Salaries	510,583	452,520
Social Security	110,975	91,725
Contributions to external pension funds	33,232	35,218
Awards and Prizes	9,094	6,977
Other personnel costs	23,293	18,421
Total	687,177	604,861

Destination for personnel expenses - Year 2023	Traditional business			Credit insurance business	Funeral business	Total
	Non-Life	Life	Other activities			
Claims incurred in the year, net of reinsurance	30,069	648	-	18,463	-	49,180
Expenses arising from property, plant and equipment and investments	1,045	1,867	-	-	-	2,912
Net operating expenses	143,775	25,877	-	330,568	-	500,220
Other expenses	2,083	682	24,121	28,976	79,003	134,865
Total net	176,972	29,074	24,121	378,007	79,003	687,177

Destination for personnel expenses - Year 2022	Traditional business			Credit insurance business	Funeral business	Total
	Non-Life	Life	Other activities			
Claims incurred in the year, net of reinsurance	34,095	1,061	-	16,711	-	51,867
Expenses arising from property, plant and equipment and investments	971	2,096	-	-	-	3,067
Net operating expenses	137,329	24,998	-	321,138	-	483,465
Other expenses	4,597	1,048	21,124	28,991	10,702	66,462
Total net	176,992	29,203	21,124	366,840	10,702	604,861

18.a) Information by geographical area

18.a.1) Net premiums earned under reinsurance by geographical area

The territorial distribution of premiums earned net of reinsurance during 2023 and 2022 was as follows:

Geographical Area	Earned premiums in the period, net of reinsurance per geographical area							
	Year 2023				Year 2022			
	Traditional business		Credit insurance business	TOTAL	Traditional business		Credit insurance business	TOTAL
	Non-Life	Life			Non-Life	Life		
Domestic market	2,008,278	830,930	217,741	3,056,949	1,903,299	733,749	211,851	2,848,899
International market								
a) European Union								
a.1) Euro zone	18,583	-	730,030	748,613	16,501	-	666,945	683,446
a.2) Non-Euro zone	-	-	98,280	98,280	4	-	89,405	89,409
b) Other	15,958	3,449	386,282	405,689	14,466	3,047	398,688	416,201
Total IFRS 4	2,042,819	834,379	1,432,333	4,309,531	1,934,270	736,796	1,366,889	4,037,955
				Reconciliation adjustments				(187,024)
				Total IFRS 17				3,850,931

18.a.2) Assets by geographical area

The distribution of the Group's assets by geographical location, based on the location of the service centres where the Group's insurance and complementary businesses are managed, is as follows:

	Spain	The Netherlands and Scandinavian countries	Central and Eastern Europe, Greece and Turkey	Southern Europe	United Kingdom and Ireland	North America	Oceania, Asia and other emerging countries	Total
Assets IFRS 4 as at 31/12/2023	11,910,602	1,526,803	1,148,150	1,518,006	1,733,868	940,149	629,469	19,407,047
								Reconciliation adjustments
								(1,787,924)
								TOTAL ASSETS IFRS 17
								17,619,123
Assets IFRS 4 as at 31/12/2022	10,935,105	1,189,286	1,129,335	1,353,871	2,012,188	779,032	571,965	17,970,782
								Reconciliation adjustments
								(1,591,637)
								TOTAL ASSETS IFRS 17
								16,379,145

19. Profit before tax under IFRS 17 and IFRS 9

The profit before tax, considering the applicability of IFRS 17 and IFRS 9, is presented below for 2023 and 2022 on a segment basis:

	2023 Financial year (€ thousand)			
	Traditional business	Credit insurance business	Funeral business	Total
1. Insurance service income	2,468,005	2,300,395	-	4,768,400
a) Income from contracts measured under the general method (BBA) and equity method (VFA)	186,668	2,300,395	-	2,487,063
a.1) Amounts related to changes in the liability for the remaining coverage	185,009	1,570,971	-	1,755,980
- Expected benefits and expenses	141,946	1,256,075	-	1,398,021
- Changes in the risk adjustment for non-financial risk	12,103	103,256	-	115,359
- CSM recognised for services provided	30,960	211,640	-	242,600
a.2) Release (recovery) of acquisition costs allocated to the period	1,659	522,486	-	524,145
a.3) Adjustment of experience related to current services	-	206,938	-	206,938
b) Contract income measured under the simplified approach (PAA)	2,281,337	-	-	2,281,337
2. Insurance service expenses	(2,152,450)	(1,623,182)	-	(3,775,632)
a) Benefits and expenses incurred	(1,605,837)	(1,100,696)	-	(2,706,533)
b) Acquisition costs	(580,090)	(522,486)	-	(1,102,576)
c) Change in liability for incurred claims	33,477	-	-	33,477
A) PROFIT/(LOSS) ASSOCIATED WITH INSURANCE CONTRACTS ISSUED	315,555	677,213	-	992,768
3. Reinsurance expenses	(134,730)	(522,031)	-	(656,761)
4. Income from reinsurance recoveries	110,163	259,923	-	370,086
B) PROFIT/(LOSS) ASSOCIATED WITH REINSURANCE CONTRACTS HELD	(24,567)	(262,108)	-	(286,675)
C) PROFIT/(LOSS) OF THE INSURANCE SERVICE (A + B)	290,988	415,105	-	706,093
5. Income from interest	152,025	35,102	615	187,742
6. Income from dividends	55,058	14,113	40	69,211
7. Net gain / (loss) on financial instruments	128,659	7,686	(6)	136,339
8. Reversal / (loss) for impairment of financial instruments	(858)	4,566	-	3,708
9. Net gain / (loss) for exchange rate	171	(3,455)	(2)	(3,286)
10. Other financial income / (expenses)	32,897	(319)	(18,194)	14,384
11. Income / (expenses) from property, plant and equipment and investment property	5,557	676	(15,779)	(9,546)
12. Profits/(losses) of entities accounted for using the equity method	1,735	11,266	287	13,288
D) NET INVESTMENT PROFIT/(LOSS)	375,244	69,635	(33,039)	411,840
13. Financial income / (expenses) for insurance associated with insurance contracts issued	(275,099)	(45,353)	-	(320,452)
14. Financial income / (expenses) associated with reinsurance contracts held	1,088	10,454	-	11,542
E) TOTAL FINANCIAL INCOME OR EXPENSES FOR INSURANCE (C+D+E)	(274,011)	(34,899)	-	(308,910)
F) NET INSURANCE AND INVESTMENT PROFIT/(LOSS) (C+D+E)	392,221	449,841	(33,039)	809,023
15. Other income	13,598	245,200	233,154	491,952
16. Other expenses	(75,222)	(200,882)	(186,470)	(462,574)
G) PROFIT BEFORE TAX	330,597	494,159	13,645	838,401

	2022 Financial year (€ thousand)			
	Traditional business	Credit insurance business	Funeral business	Total
1. Insurance service income	2,333,983	2,085,640	-	4,419,623
a) Income from contracts measured under the general method (BBA) and equity method (VFA)	182,367	2,085,640	-	2,268,007
a.1) Amounts related to changes in the liability for the remaining coverage	181,986	1,430,808	-	1,612,794
- Expected benefits and expenses	140,008	1,114,659	-	1,254,667
- Changes in the risk adjustment for non-financial risk	12,133	75,255	-	87,388
- CSM recognised for services provided	29,845	240,894	-	270,739
a.2) Release (recovery) of acquisition costs allocated to the period	381	455,730	-	456,111
a.3) Adjustment of experience related to current services	-	199,102	-	199,102
b) Contract income measured under the simplified approach (PAA)	2,151,616	-	-	2,151,616
2. Insurance service expenses	(1,980,270)	(1,368,231)	-	(3,348,501)
a) Benefits and expenses incurred	(1,433,456)	(912,501)	-	(2,345,957)
b) Acquisition costs	(551,999)	(455,730)	-	(1,007,729)
c) Change in liability for incurred claims	5,185	-	-	5,185
A) PROFIT/(LOSS) ASSOCIATED WITH INSURANCE CONTRACTS ISSUED	353,713	717,409	-	1,071,122
3. Reinsurance expenses	(123,269)	(445,423)	-	(568,692)
4. Income from reinsurance recoveries	83,896	173,149	-	257,045
B) PROFIT/(LOSS) ASSOCIATED WITH REINSURANCE CONTRACTS HELD	(39,373)	(272,274)	-	(311,647)
C) PROFIT/(LOSS) OF THE INSURANCE SERVICE (A + B)	314,340	445,135	-	759,475
5. Income from interest	130,373	14,089	-	144,462
6. Income from dividends	53,125	11,695	700	65,520
7. Net gain / (loss) on financial instruments	(180,279)	(45,006)	-	(225,285)
8. Reversal / (loss) for impairment of financial instruments	(2,804)	(1,004)	-	(3,808)
9. Net gain / (loss) for exchange rate	(784)	11,364	-	10,580
10. Other financial income / (expenses)	(790)	(14,916)	(14)	(15,720)
11. Income / (expenses) from property, plant and equipment and investment property	5,232	4,011	(24)	9,219
12. Profits/(losses) of entities accounted for using the equity method	1,901	17,755	-	19,656
D) NET INVESTMENT PROFIT/(LOSS)	5,974	(2,012)	662	4,624
13. Financial income / (expenses) for insurance associated with insurance contracts issued	84,947	(12,099)	-	72,848
14. Financial income / (expenses) associated with reinsurance contracts held	(381)	(5,027)	-	(5,408)
E) TOTAL FINANCIAL INCOME OR EXPENSES FOR INSURANCE (C+D+E)	84,566	(17,126)	-	67,440
F) NET INSURANCE AND INVESTMENT PROFIT/(LOSS) (C+D+E)	404,880	425,997	662	831,539
15. Other income	20,393	233,505	31,484	285,382
16. Other expenses	(166,538)	(174,021)	(25,692)	(366,251)
G) PROFIT BEFORE TAX	258,735	485,481	6,454	750,670

20. Related-party transactions

All related party transactions have been carried out under market conditions.

20.a) Breakdown of related parties

During 2023, there have been no relevant transactions by the company with other companies in the same Group that have not been eliminated in the process of producing the consolidated financial statements and that do not form part of the normal business of the company.

The detail of the most significant balances and transactions maintained by the Group with various related parties are shown below:

In € thousand	Group companies	Associated companies	Administrators and Directors	Other related parties (majority shareholder)
ASSETS				
Receivables	49,076	212	-	-
Total	49,076	212	-	-
LIABILITY				
Payables	93,230	8	-	-
Loans	364,534	-	-	-
Total	457,764	8	-	-
PROFIT AND LOSS				
Provision of services (payments)	-	(69,246)	-	-
Provision of services (charges)	7,255	16,407	-	-
Interest on loans	(14,534)	-	-	-
Dividends received	160,066	-	-	-
Total	152,787	(52,839)	-	-
OTHER				
Dividends paid	-	-	3,304	78,452
Total	-	-	3,304	78,452

Details of reinsurance and coinsurance operations, as well as balances with reinsurers and ceding companies, deposits made and assets/liabilities under reinsurance contracts between Group companies, eliminated on consolidation during the 2023 financial year, are set out below:

In € thousand	Companies in the Group
ASSET/LIABILITY	
Deposits for reinsurance	15,175
Receivables/debts for reinsurance/coinsurance transactions	4,401
Assets / Liabilities under reinsurance contracts	5,850
Total	25,426
PROFIT AND LOSS	
Reinsurance expenses	26,617
Income from reinsurance recoveries	(17,230)
Total	9,387

20.b) Board Members' and Senior Management's remuneration and other benefits

The General Shareholders' Meeting held on 27 April 2023 agreed on the remuneration for all directors, in their capacity as such, for the 2023 financial year, established the allowances for attending Board meetings, the maximum annual amount of remuneration for all directors, in their capacity as such, for the 2023 financial year and submitted the Annual Report on Directors' Remuneration in the 2022 financial year to the consultative vote of the General Shareholders' Meeting. In addition, due to the resignation of the Secretary Director and General Manager, Mr. Francisco José Arregui Laborda, effective 1 January 2023 and accepted by resolution of the Board of Directors on 27 October 2022, it was agreed at this Meeting to set the number of members of the Board of Directors at 9.

As at 31 December 2023, the Board of Directors of the parent company consists of 9 individual directors, 6 men and 3 women (10 individual directors, 8 men and 2 women as at 31 December 2022).

The members of the Board of Directors have received the following amounts for 2023 and 2022 for the items specified in the following detail:

Board Members' remuneration

Members of the Board of Directors	€ thousand	
	Year 2023	Year 2022
Concept		
Fixed remuneration	834	1,461
Variable remuneration	257	481
Allowances	380	571
Statutory attentions	2,079	2,838
Others	71	143
Total	3,621	5,494

In addition, non-consolidated deferred variable remuneration amounts to €83 thousand.

Other provisions for members of the Board of Directors

Members of the Board of Directors	€ thousand	
	Year 2023	Year 2022
Other benefits	-	-
Advances	-	-
Loans granted	-	-
Pension schemes and funds: Contributions	-	-
Pension schemes and funds: Liabilities incurred	-	-
Life insurance premiums	104	188
Guarantees provided in favour of Board Members	-	-
Total	104	188

Remuneration of members of the Senior Management, excluding members of the Board of Directors

Senior Management is considered to be those executives who report directly to the Board or to the chief executive of the company and, in any case, the internal auditor.

The members of Senior Management received the following remuneration for the financial years 2023 and 2022:

Senior Management	€ thousand	
	Year 2023	Year 2022
Total remuneration received by Senior Management	4,275	2,587

In addition, non-consolidated deferred variable remuneration amounts to €555 thousand.

In the preparation of these consolidated financial statements and for the purposes of the above table, 8 persons (6 men and 2 women) have been considered as Senior Management personnel as at 31 December 2023 (4 persons (men) as at 31 December 2022). Of the above 8 persons, 5 persons (3 men and 2 women) are employed in the parent company.

The Group has taken out a civil liability insurance contract where the policyholder is the parent company that encompasses, among other workers, the Directors and Board Members of the Group. This a policy has generated an insurance premium expense in 2023 of €94 thousand.

On 31 December 2023 and 2022 there have been no advances or loans granted by the Parent company to the members of the Board of Directors, nor have any liabilities been incurred by these members as security.

Under Article 229 of the Capital Companies Law, approved by Royal Decree 1/2010 of 2 July, Board members and people linked to them must notify the Board any conflict of interests that they may have with the company.

The members of the Board of Directors and the persons related to them, as defined in art. 529 vicies of the Consolidated Text of the Capital Companies Law (TRLSC in Spanish), have not carried out related-party transactions other than those established in article 529 unvicies 4 b) TRLSC, that is, those whose standardised conditions are applied en masse to a large number of customers, are carried out at prices or rates established generally by whoever acts as supplier of the goods or service in question, and whose amount does not exceed 0.5 per cent of the net turnover of the parent company.

Pursuant to the same article, these transactions have been authorised in accordance with an internal reporting and periodic control procedure established by the Board of Directors with the prior intervention of the Audit Committee.

21. Other Information

21.a) Employees

In compliance with Article 260 of the revised text of the Capital Companies Law, the Group provides the following breakdown of the average number of full-time employees (or equivalent) of the parent and its subsidiaries in 2023 and 2022 by job category and gender.

Professional category	Year 2023			Year 2022		
	Men	Women	Total	Men	Women	Total
Executives	145	27	172	119	24	143
Intermediate management	1,176	604	1,780	1,026	517	1,543
Qualified admin. and sales	2,392	2,336	4,728	2,310	2,293	4,603
Administrative support	940	995	1,935	271	583	854
Total	4,653	3,962	8,615	3,726	3,417	7,143

The total number of employees as at 31 December 2023 is 8,881, and includes the employees of Grupo Mémora (7,244 as at 31 December 2022).

With regards to disability, the Group complies with the LISMI (Law on social integration of disabled people) in different ways, either complying with the requirement to integrate 2% of the staff with a disability, or opting for a mixed formula between this integration and economic support of Special Employment Centres.

21.b) Audit fees

The fees for auditing and other services provided by the auditor of the Group's consolidated annual accounts, PricewaterhouseCoopers Auditores, S.L. and by firms belonging to the PwC network, as well as the fees for services billed by the auditors of the individual annual accounts of the companies included in the consolidation and by the entities related to them by control, common ownership or management, are shown below:

Year 2023

Description	€ thousand			
	Services provided by PwC Auditores S.L. (*)	Services provided by entities in the PwC network (*)	Services provided by the main auditor and its network (*)	Services provided by other audit firms (*)
Audit Services	2,629	2,253	4,882	138
Other services required by regulations	905	-	905	-
Other verification services	281	6	287	5
Tax services	-	-	-	-
All other services	5	124	129	-
Total Professional Services	3,820	2,383	6,203	143

(*) Amounts without expenses or VAT.

Year 2022

Description	€ thousand			
	Services provided by PwC Auditores S.L. (*)	Services provided by entities in the PwC network (*)	Services provided by the main auditor and its network (*)	Services provided by other audit firms (*)
Audit Services	2,611	2,179	4,790	127
Other services required by regulations	938	39	977	-
Other verification services	173	10	183	-
Tax services	-	-	-	5
All other services	-	52	52	-
Total Professional Services	3,722	2,280	6,002	132

(*) Amounts without expenses or VAT.

The section "Other services required by regulations" mainly includes the fees for the review of the Report on the financial position and solvency of the Group and its subsidiaries, as well as the independent external assurance service under limited assurance of the Statement of Non-Financial Information (NFI), among others.

The main items included under "Other assurance services" correspond to the issuance of the agreed-upon procedures report on the Group's Internal Control over Financial Reporting System (ICFR) and the limited review of the consolidated condensed interim financial statements for the year, among others. No services of a tax nature have been provided to Group entities. Similarly, "Other services" includes the fees for other services provided to Group entities that do not fall into the other categories indicated.

21.c) Information on the average period of payment to suppliers

The information required by the third additional provision of Law 15/2010, of 5 July (amended by the second final provision of Law 31/2014, of 3 December and the third additional provision of Law 18/2022, of 28 September) prepared in accordance with the Resolution of the ICAC of 29 January 2016, on the information to be included in the notes to the annual accounts in relation to the average period of payment to suppliers in commercial transactions, is detailed below.

	Days	
	2023	2022
Average payment period to suppliers	21.17	13.51
Ratio of transactions paid	21.10	13.67
Ratio of outstanding transactions	23.86	8.64
	2023	2022
Total payments made (€ thousand)	530,792	477,915
Total payments made within the regulatory deadline (€ thousand)	464,036	446,785
Percentage over total payments made to suppliers	87.4%	93.5%
Total payments pending (€ thousand)	13,538	15,756
Total number of invoices paid	179,832	91,009
Number of invoices paid within the deadline established in regulations	149,717	82,533
Percentage on the total number of invoices	83.3%	90.7%

According to the ICAC resolution, for the calculation of the average period of payment to suppliers, the commercial operations corresponding to the delivery of goods or services payable from the date of entry into force of the Law 31/2014, of 3 December were taken into consideration.

On 31 December 2023, the Group does not have pending payments to suppliers beyond the legal term deferral balance.

22. Subsequent events

In addition to the dividend charged to reserves mentioned in Note 16, no other events not explained in previous notes have occurred after the year end and up to the date of preparation of these financial statements that significantly affect them.

Appendices

Appendix I: List of subsidiaries on 31 December 2023

Appendix II: List of associated entities on 31 December 2023

Appendix I: List of subsidiaries on 31 December 2023

(Figures in € thousand)

Company (Name and address)	Activity	% of voting rights			Summarised financial information					
		Direct	Indirect	Total	Total assets	Share Capital	Equity reserves	Year result, net of dividend	Other accumulated comprehensive income	Income
Occident GCO, S.A.U. de Seguros y Reaseguros Paseo de la Castellana, 4 Madrid	Insurance and reinsurance	100%	-	100%	10,434,746	18,030	555,520	199,931 (1)	499,681	2,663,036
Grupo Compañía Española de Crédito y Caucción, Sociedad Limitada Paseo de la Castellana, 4 Madrid	Holds shares	73.84%	-	73.84%	643,622	18,000	623,678	1,213 (2)	-	124,378
Atradius N.V. And subsidiaries David Ricardostraat, 1 1066 JS Amsterdam (The Netherlands)	Credit and surety insurance and complementary insurance activities	35.77%	47.43%	83.20%	5,528,153	79,122	2,264,062	379,081	62,420	2,300,480
Sociedad Gestión Catalana Occidente, S.A.U. Paseo de la Castellana, 4 Madrid	Financial investments	100%	-	100%	56,942	721	53,369	2,726	-	2,967
Cosalud Servicios, S.A.U. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Intermediation of health centres	100%	-	100%	7,432	3,005	2,334	192	(146)	197
Grupo Catalana Occidente Gestión de Activos S.A.U., S.G.I.I.C. Cedaceros, 9 – planta baja Madrid	Financial investments	100%	-	100%	7,138	391	5,356	284 (3)	29	14,803
GCO Gestora de Pensiones, EGFP, S.A.U. Paseo de la Castellana, 4 Madrid	Pension fund management	100%	-	100%	3,599	2,500	377	89	(5)	6,155
Grupo Catalana Occidente Tecnología y Servicios, A.I.E. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Auxiliary insurance services	0.42%	99.54%	99.96%	110,625	35,826	176	262	-	120,097
GCO Ventures, S.L.U. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Corporate venturing	100%	-	100%	31,079	3,200	28,800	(1,639)	(1)	239
Asistea Servicios Integrales S.L.U. And subsidiaries Henao, 19 Bilbao	Funeral business	100%	-	100%	67,303	3,103	58,023	2,929	-	110,506
Taurus Bidco, S.L.U. Paseo Zona Franca (torre Auditori), 111, planta 8º Barcelona	Holds shares	100%	-	100%	240,847	3	(3,888)	(3,023)	-	1,036
Mémora Servicios Funerarios, S.L. And subsidiaries Paseo Zona Franca (torre Auditori), 111, planta 8º Barcelona	Funeral business	35%	65%	100%	639,308	36	194,006	10,908	-	219,885
Nortehispana de Seguros y Reaseguros, S.A.U. Paseo de la Castellana, 4 Madrid	Insurance and reinsurance	-	100%	100%	642,413	20,670	144,093	39,886	17,976	220,363

(Figures in € thousand)

Company (Name and address)	Activity	% of voting rights			Summarised financial information					
		Direct	Indirect	Total	Total assets	Share Capital	Equity reserves	Year result, net of dividend	Other accumulated comprehensive income	Income
Grupo Catalana Occidente Contact Center, A.I.E. Jesús Serra Santamans, 3 - 4º planta Sant Cugat del Vallés (Barcelona)	Telephone attention	-	100%	100%	2,625	600	89	1	-	9,844
Catalana Occidente Capital, Agencia de Valores, S.A.U. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Stock broker	-	100%	100%	3,159	300	2,455	384	(29)	1,592
Prepersa, Peritación de Seguros y Prevención, A.I.E. Jesús Serra Santamans, 1 Sant Cugat del Vallés (Barcelona)	Prevention and loss adjustment	-	100%	100%	2,741	60	1,011	2	-	7,217
Tecniseguros, Sociedad de Agencia de Seguros, S.A.U. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Insurance broker	-	100%	100%	1,185	60	68	99	-	7,628
Inversions Catalana Occident, S.A.U. Avinguda Carlemany, 65 Escaldes Engordany (Andorra)	Creation, management and operation of insurance entities	-	100%	100%	7,604	60	306	(5)	-	3,672
Calboquer, S.L. Villarroel, 177-179 Barcelona	Medical, social, psychological, and legal advice	-	100%	100%	975	60	317	272	-	2,245
Occident Hipotecaria, S.A.U., E.F.C. Paseo del Puerto, 20 Getxo (Vizcaya)	Mortgage Credit	-	100%	100%	54,180	8,000	1,218	311	-	2,659
S. Órbita, Sociedad Agencia de Seguros, S.A.U. Paseo del Puerto, 20 Getxo (Vizcaya)	Insurance broker	-	100%	100%	2,650	1,100	420	60	-	-
Bilbao Telemark, S.L.U. Paseo del Puerto, 20 Getxo (Vizcaya)	Tele-marketing	-	100%	100%	949	37	113	141	-	1,924
Bilbao Vida y Gestores Financieros, S.A.U. Paseo del Puerto, 20 Getxo (Vizcaya)	Insurance broker	-	100%	100%	1,392	60	272	206	-	6,691
Nortehispana Mediacion, Agencia De Seguros S.A.U. Paseo Castellana, 4 Madrid	Insurance broker	-	100%	100%	3,483	60	724	516	-	19,046
Hercasol, S.A. SICAV Avenida Diagonal, 399 Barcelona	Financial investments	-	88.01% (*)	88.01% (*)	77,684	57,792	1,591	16,657	-	17,407
Grupo Catalana Occidente Activos Inmobiliarios S.L.U. Avenida Alcalde Barnils 63 Sant Cugat del Vallés (Barcelona)	Real Estate Development	-	100%	100%	543,811	174,436	305,218	13,489	38,807	22,884

- (*) Only the shares outstanding have been taken into account to determine the share percentage. Likewise, the value of treasury shares has been deducted from the above equity reserves.
- (1) The Company has recognised an increase in the stabilisation reserve for an amount of €14,503 thousand.
- (2) The Company paid an interim dividend of €121,770 thousand.
- (3) The Company paid an interim dividend of €1,100 thousand.

The financial information indicated for the above companies included in the scope of consolidation (total assets, share capital, equity reserves, profit for the year net of dividends and income) has been obtained from the latest available individual or consolidated financial statements for the 2023 financial year, prepared in accordance with the regulatory financial reporting framework applicable to each of the companies. These financial statements have been duly adapted by each company to the Group's accounting policies. The financial statements of the above companies are for the period ended 31 December 2023.

The figures for Atradius N.V. include the data for their subsidiaries relating to the profit or loss for the year and equity reserves.

At 31 December 2023, the list of subsidiaries of Atradius N.V., which are wholly owned unless otherwise indicated, is as follows:

Sociedad	País	Sociedad	País
Atradius Collections B.V.	Holanda	Atradius Crédito y Caución Seguradora S.A.	Brasil
Sucursal Bélgica	Bélgica	Atradius Dutch State Business N.V.	Holanda
Sucursal República Checa	República Checa	Atradius Enterprise Management Consulting (Shanghai) Co., Ltd.	China
Sucursal Dinamarca	Dinamarca	Atradius Finance B.V.	Holanda
Sucursal Francia	Francia	Atradius Information Services B.V.	Holanda
Sucursal Alemania	Alemania	Sucursal Bélgica	Bélgica
Sucursal Hungría	Hungría	Sucursal Dinamarca	Dinamarca
Sucursal Irlanda	Irlanda	Sucursal Francia	Francia
Sucursal Italia	Italia	Sucursal Alemania	Alemania
Sucursal Polonia	Polonia	Sucursal Irlanda	Irlanda
Sucursal Portugal	Portugal	Sucursal Italia	Italia
Sucursal Turquía	Turquía	Sucursal Japón	Japón
Atradius Collections DMCC	EAU	Sucursal Noruega	Noruega
Atradius Collections Holding B.V.	Holanda	Sucursal España	España
Atradius Collections Limited	Canadá	Sucursal Suecia	Suecia
Atradius Collections Limited	Hong Kong	Sucursal Suiza	Suiza
Atradius Collections Limited	Reino Unido	Sucursal Taiwán	Taiwán
Atradius Collections Pte. Limited	Singapur	Sucursal Tailandia	Tailandia
Atradius Collections Pty. Limited	Australia	Sucursal Reino Unido	Reino Unido
Atradius Collections Serviços de Cobranças de Dívidas Ltda	Brasil	Atradius Information Services Vietnam Company Limited	Vietnam
Atradius Collections, S.A. de C.V.	México	Atradius India Credit Management Services Private Ltd.	India
Atradius Collections S.L.	España	Atradius Insurance Holding N.V.	Holanda
Atradius Collections, Inc.	EEUU	Atradius Italia Intermediazioni S.R.L.	Italia
Atradius Corporate Management Consulting (Shanghai) Co., Ltd.	China	Atradius Participations Holding S.L.U.	España
Atradius Credit Insurance Agency, Inc.	EEUU	Atradius Pension Trustees Ltd.	Reino Unido
Atradius Credit Management Services B.V.	Holanda	Atradius Reinsurance DAC Escritório de Representação no Brasil Ltda.	Brasil
Atradius Credit Management Services (RUS) LLC	Rusia	Atradius Seguros de Crédito, S.A.	México
Atradius Crédito y Caución S.A. de Seguros y Reaseguros	España	Atradius Trade Credit Insurance, Inc.	EEUU
Sucursal Australia	Australia	Atradius Trade Insurance Brokerage Yuhan Hoesa	Corea del Sur
Sucursal Austria	Austria	B2B SAFE, S.A.	España
Sucursal Bélgica	Bélgica	Crédito y Caución do Brasil Gestao de Riscos de Crédito e Serviços LTDA	Brasil
Sucursal Bulgaria	Bulgaria	Iberinform Internacional S.A.U.	España
Sucursal Canadá	Canadá	Sucursal Portugal	Portugal
Sucursal República Checa	República Checa	Iberinmobiliaria, S.A.U.	España
Sucursal Dinamarca	Dinamarca	Informes Mexico, S.A. de C.V.	México
Sucursal Finlandia	Finlandia	Pakula, Podebski i Wspólnicy Kancelaria Prawna spółka komandytowa (*)	Polonia
Sucursal Francia	Francia	PRO KOLEKT CCR d.o.o.	Eslovenia
Sucursal Alemania	Alemania	PRO KOLEKT Credit Management Services București Srl	Rumanía
Sucursal Grecia	Grecia	PRO KOLEKT d.o.o.	Croacia
Sucursal Hong Kong	Hong Kong	"Pro Kolekt" d.o.o. Sarajevo	Bosnia y Herzegovina
Sucursal Hungría	Hungría	PRO KOLEKT DOOEL Skopje	Macedonia
Sucursal Irlanda	Irlanda	PRO KOLEKT društvo za naplatu duga doo Beograd	Serbia
Sucursal Italia	Italia	PRO KOLEKT Sofia OOD	Bulgaria
Sucursal Japón	Japón	PT Atradius Information Services Indonesia	Indonesia
Sucursal Luxemburgo	Luxemburgo		
Sucursal Holanda	Holanda		
Sucursal Nueva Zelanda	Nueva Zelanda		
Sucursal Noruega	Noruega		
Sucursal Polonia	Polonia		
Sucursal Portugal	Portugal		
Sucursal Rumanía	Rumanía		
Sucursal Singapur	Singapur		
Sucursal Eslovaquia	Eslovaquia		
Sucursal Suecia	Suecia		
Sucursal Suiza	Suiza		
Sucursal Turquía	Turquía		
Sucursal Reino Unido	Reino Unido		

(*) The percentage of ownership is 99.99%

At 31 December 2023, the list of subsidiaries of the Mémora Group is as follows:

Company	Address	% of voting rights
Mémora Group companies in Spain		
Taurus Bidco, S.L.U.	Barcelona	100%
Mémora Servicios Funerarios, S.L.U.	Barcelona	100%
Mémora Serv Funerarios Internacionales, S.L.U.	Barcelona	100%
Serveis Funeraris de Barcelona, S.A.	Barcelona	100%
Transports Sanitaris Parets, S.L.	Barcelona	100%
Mémora Serveis Funeraris del Camp, S.L.	Barcelona	100%
Portal Funerario, S.L.U.	Barcelona	100%
Electium People, S.L.	Barcelona	100%
Servicios Funerarios Montero, S.A.	Getafe	100%
Tanatorio Donostialdea S.A.U.	San Sebastián	100%
Tanatorio del Bidasoa, S.A.U.	Irún	100%
Landarri, S.L.U.	Errenteria	100%
Zentolen Berri, S.A.U.	Errenteria	100%
Eusko Funerariak Taldea, A.I.E.	San Sebastián	100%
Flores Mémora, S.L.	Barcelona	100%
Servicios Funerarios y Tanatorios de Soria, S.L.	Soria	99.96%
Pompas Fúnebres Mediterráneas, S.L.	Barcelona	99.87%
Eurofunerarias, S.A.	Barcelona	92.47%
Serv.Fun.Ntra.Sra. La Antigua, S.A.	Guadalajara	90.00%
Servicios Funerarios Zarautz, S.A.U.	Zarautz	90.00%
Servicios Funerarios Baztan Bidasoa, S.L.	Elizondo	80.00%
Servicios Funerarios del Torrero, S.A.	Zaragoza	76.00%
Tanatorio SE 30 Sevilla, S.L.	Zaragoza	73.50%
Serveis Funeraris Memora Santa Tecla, S.L.	Tarragona	65.00%
Funeflor, S.L.	Barcelona	60.00%
Mémora Group companies in Portugal		
Servilusa Agencias Funerarias, S.A.	Alfragide, Amadora	100%
Servilusa, Lda.	Alfragide, Amadora	100%
Funelvas. Lda.	Elvas	100%
Servilusa - Centro Funerario de Cascais, Lda	Cascais	100%
Funeraria Triunfo, Lda.	Lisbon	100%
Crematorio de Leiria, Lda	Amadora	100%
Crematorio de Santarem, Lda.	Amadora	100%
Funeraria Santos & Filho II, Lda	Almada	100%
Agencia Funeraria Valongo Lda	Porto	100%
Crematorio de Faro, Lda.	Faro	100%
Tributo 2013 Unipessoal, Lda	Lisbon	100%
Funfoz, Lda.	Alfragide, Amadora	95.00%
Servilusa Crematorio Guimaraes, Lda.	Amadora	95.00%
Servilusa Centro Funerario de Aveiro, Lda	Amadora	95.00%

Appendix II: List of associated entities on 31 December 2023

(Figures in € thousand)

Company (Name and address)	Activity	% of voting rights			Summarised financial information					
		Direct	Indirect	Total	Total assets	Share Capital	Equity reserves	Year result, net of dividend	Other accumulated comprehensive income	Income
Inversiones Credere S.A. Santiago - Chile	Holds shares	49.99%	-	49.99%	-	-	-	-	-	-
Asitur Asistencia. S.A. Avenida Encuartes, 21 Tres Cantos (Madrid)	Assistance	-	42.86%	42.86%	59,437	2,945	12,680	3,722	-	355,728
Gesiuris Asset Management, S.G.I.I.C., S.A., Cedaceros, 9 Madrid	Investment company	-	26.12% (*)	26.12% (*)	10,446	301	7,966	334 (1)	249	8,432
CLAL Credit Insurance Ltd. Tel Aviv - Israel	Credit and surety insurance	-	16.64%	16.64%	119,359	3,147	81,635	6,125	(5,156)	4,936
Compañía de Seguros de Crédito Continental S.A. Santiago - Chile	Credit and surety insurance	-	41.60%	41.60%	162,576	3,729	86,651	11,199	(3,852)	8,478
Credit Guarantee Insurance Corporation of Africa Ltd. Johannesburg-South Africa	Credit and surety insurance	-	20.80%	20.80%	146,477	129	75,495	17,727	(10,096)	36,099
Serfunle, S.A. Avda. Peregrinos, 14 León	Funeral business	-	49%	49%	7,443	2,000	3,446	230	-	5,559
Serveis Funeraris Costa de Barcelona, S.L. Paseo Zona Franca, 111, planta 8º Barcelona	Funeral business	-	49.99%	49.99%	17	40	(14)	(7)	-	-
Funerarias Gaditanas Asociadas, S.A. Pol.Las Salinas C/Canales, 7 Cádiz	Funeral business	-	49.99%	49.99%	3,438	1,365	1,534	386	-	1,185

(*) Only the shares outstanding have been taken into account to determine the share percentage. Likewise, the value of treasury shares has been deducted from the above equity reserves.

(1) The Company paid an interim dividend of €200 thousand.

The financial information indicated for the above companies included in the scope of consolidation (total assets, share capital, equity reserves, profit for the year net of dividends and income) has been obtained from the latest available individual or consolidated financial statements for the 2023 financial year, prepared in accordance with the regulatory financial reporting framework applicable to each of the companies. These financial statements have been duly adapted by each company to the Group's accounting policies. The financial statements of the above companies are for the period ended 31 December 2023.

www.gco.com

For further information please contact:

analistas@gco.com

+34 915 661 302

