

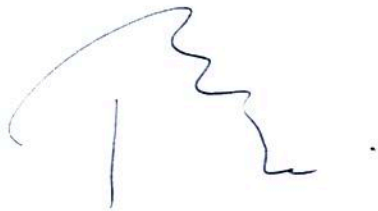
Mr. FRANCISCO JOSÉ ARREGUI LABORDA, Secretary of the Board of Directors of **GRUPO CATALANA OCCIDENTE, S.A.**,

CERTIFIES THAT:

- (I) The attached documents, which include the Consolidated Management Report ("*Informe de Gestión Consolidado*"), the Consolidated Annual Accounts and the Notes to the Consolidated Annual Accounts corresponding to the corporate year closed as of December 31, 2020 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*") and the External Auditor's Report of the Consolidated Annual Accounts, as well as all reports of the Individual Annual Accounts, have not been translated into English, so its publication will be exclusively in Spanish.

In Witness Whereof, I extend this certificate in Madrid on February 25, 2021.



Mr. Francisco José Arregui Laborda

2020

Annual Report
Grupo Catalana Occidente S.A.



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Annual Report

Grupo Catalana Occidente, S. A. 2020

Grupo Catalana Occidente publishes its annual report for 2020, which was analysed by the Audit Committee and approved by the Board of Directors at its meeting on 25 February 2021, 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. It also details the Group's activities in areas of governance and social, environmental and economic performance.

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) salient event notifications.

Grupo Catalana Occidente incorporates the non-financial and diversity information in this Annual Report following the requirements established in Act 11/2018 approved on 28 December 2018. The scope and location in this report of the different indicators that make up the non-financial information statement, using the Global Reporting Initiative (GRI) reporting framework, is shown in section 7 of the management report. This non-financial information has been verified by PricewaterhouseCoopers Auditores S.L. In addition, it prepares a Sustainability Report, a document in which it reports on its social and environmental policies, as well as its commitment and performance in the area of Sustainability, 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. Furthermore, there is an Excel document with financial and non-financial information also available on the website. Finally, at the end of this report there is a questionnaire for evaluation and suggestions for improvement.

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



Letter from the Chairman

“In 2020 we have strengthened our leadership position and remained faithful, more than ever, to our values”

Dear shareholders, associates and customers,

I am pleased to share with you the annual report for 2020, a particularly complicated year in which Grupo Catalana Occidente has been able to strengthen its leadership position and has remained faithful, more than ever, to its values.

Before reviewing the global evolution and performance of our Group, I would like to focus on the importance, in difficult times such as the present, of creating a solid long-term business and generating sustainable social value. This means focusing our activity not only on obtaining results but also on promoting the well-being of our stakeholders and society as a whole.

In 2020, the world economy was hit by the COVID-19 pandemic, closing the year with a contraction of 3.5%. A rate not seen since World War II. Spain was one of the hardest hit

markets, with GDP falling 11.1% year-on-year. The health crisis has caused profound damage to the Spanish economy, affecting public finances, companies, employment, consumption and investment.

In this extremely complex environment, we obtained a consolidated result of €270.1 million, 36.4% less than the previous year, due to the impact that the economic situation derived from COVID-19 has had on the credit insurance business. However, turnover increased slightly by 0.3% to €4,426.4 million thanks to the resilience of the traditional business. The integration of Antares, which contributed €142.8 million to turnover, was particularly satisfactory. In the credit insurance business, the result was €50.4 million. It should be noted that governmental support programmes implemented in an agile, forceful manner in Europe, where Atradius has the greatest focus of its activity, have contributed to mitigate the dramatic effects that the pandemic is having on various sectors to which we are exposed.

Overall, it has been a year in which we have strengthened our leadership position in the Spanish market, where we have climbed to fourth place in terms of premium volume.

With regard to the Group's capital strength, I would like to highlight that permanent resources at market value stood at €4,663.4 million at the end of 2020, which represents a growth of 1.7% and strengthens our solvency position, with a ratio of over 216%. At the same time, we have maintained our commitment to shareholders by paying a dividend of €105.85 million (€0.8821 per share).

We have chosen to be extremely prudent in our investments and to closely monitor financial margins and commitments to our policyholders. We have remained faithful to our strategy of investing in traditional assets, maintaining high liquidity rates in order to take advantage of market opportunities. At the same time, and due to the extension of the low interest rates over time, we have increased exposure to

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other types of assets such as loan or infrastructure funds, always with a long-term view. These represent a good opportunity to improve profitability and increase portfolio diversification.

As I mentioned at the beginning, no less remarkable than the financial results has been the fact that, since the beginning of the pandemic, we have promoted initiatives to protect employees and associates; to offer facilities to customers and suppliers; to support research and to help society in general, especially the most vulnerable groups.

In fact, the Group quickly implemented teleworking among all its employees in the companies Seguros Catalana Occidente, Plus Ultra Seguros, Seguros Bilbao, NorteHispana Seguros, and Atradius Crédito y Caucción. At the same time, our intermediaries had tools to ensure continuity in the relationship with the customer through telematic means and remote contracting facilities at their disposal. To help our associates, mostly self-employed, we launched a plan of €20 million in interest-free advances on their invoicing, with the aim of providing them with liquidity.

In the provision of service to our traditional business policyholders, we quickly implemented aids such as flexible payment of bills and free medical assistance by telephone. Systems for customer service such as video-loss adjustments and digital signatures were implemented. For our corporate customers we extended cyber-risk coverage to employees who were teleworking. In the credit insurance business, among other measures, we made the period for declaring non-payment more flexible. All of this, with the desire to

contribute to alleviating the difficulties caused by the pandemic.

At sector level, Group Catalana Occidente joined the solidarity fund for the fight against the COVID-19 health crisis with a contribution of €2.27 million. With this initiative, the sector recognises the efforts of all the staff of health centres and old people's homes that are on the front line, facing the pandemic and offers them free life insurance and an allowance for hospitalisation in case they are infected.

In turn, the Fundación Jesús Serra's solidarity action was focused on new initiatives aimed at alleviating the situation created by the health crisis: among others, it supported the Spanish National Research Council (CSIC) in its aim of promoting research into a vaccine against COVID-19; and it collaborated with Save the Children to help families in vulnerable situations.

Last but not least, in this review of the year, I must highlight that we have formalised the review of our material issues and established a sustainability plan 2020-2023 that confirms our commitment to integrate sustainability into the Group's business model.

We have also signed up to the United Nations Principles for Sustainable Insurance (PSI) and Principles for Responsible Investment (PRI), formalising our commitment to contribute to an economically efficient and sustainable global financial system that creates long-term value.

As we look to the future, our objectives are focused on redoubling our efforts in customer orientation, based on strengthening our distribution networks and relying increasingly on digitization and new technologies, which provide us with new capabilities for customer interaction. We will also continue to adapt our product and service offers to market trends in the areas of sustainability, looking after health and wellness, increased longevity, mobility and data security management. Many of these trends have been accelerated by the pandemic. Similarly, technical rigour in business management will continue to characterise our performance and we will continue to advance along the path of efficiency and integration.

To conclude, I would like to emphasise that insurers play a very important role in the lives of individuals and companies by accompanying them in their preventive needs and protecting them against uncertainties. Our vocation will continue to be to serve our customers, supported by our strategic pillars of growth, profitability and solvency.

Finally, I would like to thank you for your trust and support, as well as that of our intermediaries and external networks. I am convinced that together we will be able to continue to give the best of ourselves to others.

José M.^a Serra
Chairman

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Consolidated management report

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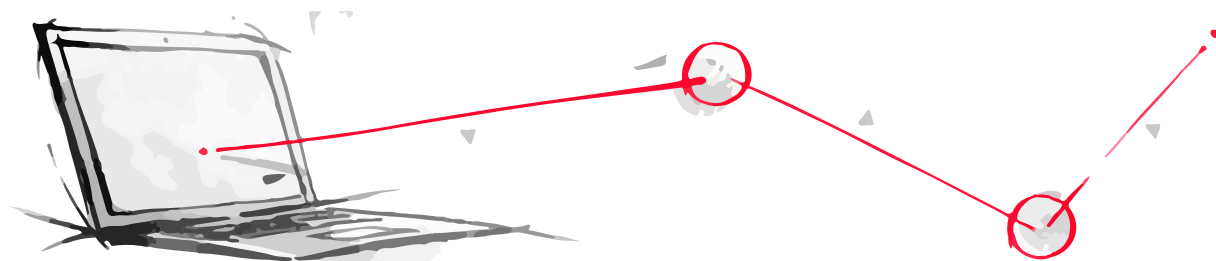
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01

Annual panorama

Year marked by COVID-19

Resilience in traditional business supports the expected impairment in the credit insurance business.



International dimension

4th Largest insurance group in Spain



2Nd largest largest credit insurance group in the world

50+ countries
1,600 offices



- ▶ Spain 68.0%
- ▶ Central and Northern Europe 10.1%
- ▶ Western Europe 12.2%
- ▶ Southern Europe 3.3%
- ▶ Asia and rest of the world 3.4%
- ▶ America 2.9%

Main figures

Volume and distribution of the business



4,559.5 M€ + 0.3%

Combined ratio

59.7% Traditional business
40.3% Credit insurance business
88.6% Traditional business
94.1% Credit insurance business

Recurring result

€270.1 M

Remuneration for the shareholder

€105.85 M + 29.9%

4 million
Insured



7,384
employees



€3,934 million
transferred to the Company



Long-term capital Market value

€4,663 million



Insurance specialist

Over 150 years of experience.
Complete offer.
Sustainable and socially responsible model.



Solid financial structure

Listed on the stock exchange.
Stable, committed shareholders.
Rating A (AM Best) y A2 (Moody's).



Closeness - global presence

Approximately 18,000 intermediaries.
7,385 employees.
1,600 offices.
50 countries.



Technical rigour

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

Key financial figures

Improvement in the result of the traditional business and reduction in the profit of the credit insurance business

Growth

- The decrease in credit insurance was offset by the growth of the traditional business, which as a whole increased by 0.3% to €4,559.5 million.
- Integration of Antares, gaining presence in the health sector.

Profitability

- Decrease of 36.4% in the consolidated profit, reaching €270.1 million.
- Different recurring results:
 - Traditional business, at €238.6 million, +12.5%.
 - Credit insurance business, at €50.4 million, -78.8%.
- Combined ratio:
 - 88.6% in traditional business *(non-life) (-1.8 p.p.).
 - 94.1% in the credit insurance business (+15.4 p.p.).
- Commitment to the shareholder. Dividend paid of €105.85 million.

Solvency

- 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 maintains the rating of the entities in the credit insurance business at "A2" with a stable outlook.
- The estimated Solvency II ratio at the close of 2020 for the Group is 216%.

	2018	2019	2020	Chg.	Report location
A GROWTH					
Turnover	4,345.2	4,547.7	4,559.5	0.3%	Page 12
- Traditional business	2,541.2	2,612.4	2,720.4	4.1%	Page 19
- Credit insurance business	1,804.0	1,935.3	1,839.1	-5.0%	Page 22
B PROFITABILITY					
Consolidated result	386.4	424.5	270.1	-36.4%	Page 12
- Traditional business	195.7	212.1	238.6	12.5%	Page 19
- Credit insurance business	200.9	238.2	50.4	-78.8%	Page 22
- Non-recurring	-10.2	-25.8	-18.9		Page 25
Attributed result	352.1	385.9	262.3	-32.0%	Page 12
Combined traditional business ratio*	91.2%	90.4%	88.6%	-1.8	Page 19
Combined ratio credit insurance (gross)	78.8%	78.7%	94.1%	15.4	Page 23
Dividend	0.82	0.68	0.88	29.9%	Page 14
Pay-out	28.2%	21.1%	40.4%		Page 14
Share price	32.6	31.2	29.2	-6.4%	Page 15
PER	11.1	9.7	13.3		Page 15
ROE	12.3%	11.1%	7.3%		Page 15
C SOLVENCY					
Permanent resources at market value	3,908.6	4,584.8	4,663.4	1.7%	Page 31
Technical provisions	9,567.7	10,652.1	10,982.5	3.1%	Page 28
Managed funds	12,323.5	14,377.3	14,758.9	2.7%	Page 29
Solvency II Ratio*	207%	213%	216%		Page 33
% debt	5.0%	4.8%	4.5%		Page 32
Interest coverage	37.4	37.9	38.1		Page 32
D Non-financial data					
Number of employees***	7,389	7,440	7,384	-0.8%	Page 51
% Permanent contracts	96.6%	96.1%	96.0%		Page 51
Number of offices	1,649	1,612	1,591	-1.3%	Page 54
Number of intermediaries in traditional business	17,801	17,327	17,042	-1.6%	Page 54
Net Promoter Score (NPS), traditional business	34.1%	39.6%	45.4%		Page 53

* Combined ratio does not include Health and Funeral

** 2020 Data with transition of technical provisions and with partial internal model. Pending audit

*** Considered in the concept of full time employees (FTE)

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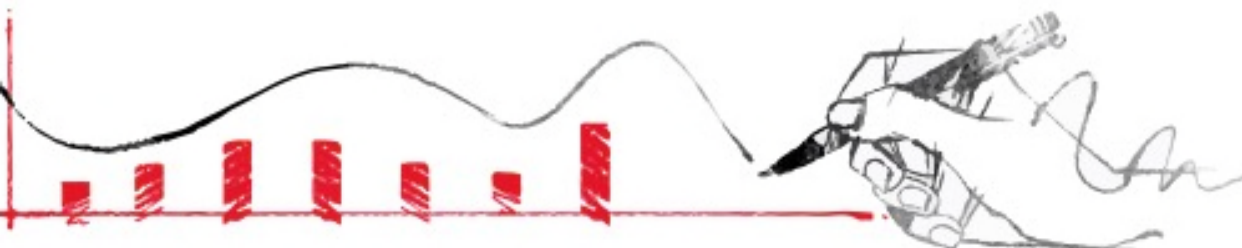
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Grupo Catalana Occidente in 2020

Resilience of traditional business despite COVID-19

The Group increases turnover, traditional business performance and capital compared to the previous year.

02



Macroeconomic environment

Decline of 3.5% in 2020 (2.8%). Widespread impairment of economic indicators as a result of COVID-19



United States GDP -3.4% GDP 2020 (2.2%)

- ..Political tensions, elections
- ..Trade disputes smoothed out by agreements reached with China
- ..Unrest over the management of the health crisis
- ..Solid private consumption
- ..Contraction of investment and exports.
- ..Unemployment rate of 6.3%.



South America -7.4% GDP 2020 (0.0%)

- ..Worsening financial conditions
- ..Reduced private investment
- ..Context of low economic dynamism
- ..Unrest over the management of the health crisis



Eurozone GDP -7.2% 2020 (1.3%)

- ..Tensions due to contributions of the recovery plans
- ..Estimated 110% public debt
- ..Unemployment of 8.3%



Spain GDP -11.1% 2020 (2.0%)

- ..Strong impact on the economy due to the important weight of tourism
- ..Estimated 110% public debt
- ..Unemployment of 16.2%
- ..Deficit of 11.3%



United Kingdom GDP -10.0% 2020 (1.5%)

- ..Brexit on 31 January 2020
- ..Depreciation of the pound against the euro
- ..Drop in exports of more than 60%
- ..Unemployment of 4.9%



Asia Pacific + -1.1% GDP 2020 (5.5%)

- China 2.3% GDP 2020 (6.1%)**
- ..Sharp drop in industrial production
- ..Fiscal and monetary stimulus measures
- ..Collapse of direct investment
- Japan -5.1% GDP 2020 (1.0%)**
- ..Risk of economic slowdown.
- ..Strong private consumption and public spending

*Source: International Monetary Fund review of January 2021. Percentage change in estimated GDP to 2020 vs. change in real GDP of the previous year in brackets.

Fixed income

- Widespread measures to inject liquidity and credit support into economies.
- Minimum interest rates

Interest rates	1 year	3 years	5 years	10 years
Spain	-0.6	-0.2	-0.1	0.1
Germany	-0.7	-0.7	-0.7	-0.6
U.S.	0.1	0.3	0.5	0.9

Source: Bloomberg. End 2020

Variable income

- Fall in the main European stock market indices.

	2020	%Chg.
Ibex35	8073.7	-15.5%
EuroStoxx Insurance	261.3	-19.0%
Eurostoxx50	3552.6	-5.1%
Dow Jones	30606.5	+7.5%

Raw materials/currencies

- Fall in oil prices
- The dollar loses its appeal as a safe-haven currency

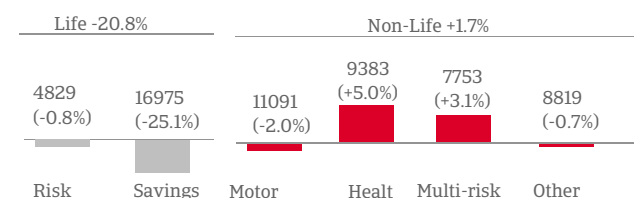
	End 2020	%Chg
Oil (\$/barrel)	49.2	-25.5%
Gold	1525.5	+0.1%
€/\$	1.22	+8.9%
€/£	0.90	+5.9%

Sectoral environment

The insurance sector's turnover in Spain is decreasing due to the fall in life premiums.

Insurance industry in Spain

Performance of insurance sector and ranking in Spain



Group	Position	Market share
VidaCaixa	=	12.1%
Mapfre	=	11.3%
Grupo Mutua Madrileña	=	9.4%
Grupo Catalana Occidente	↑ 1	5.1%
Allianz	↓ 1	5.1%
Grupo Axa	↑ 1	4.9%
Zurich	↓ 1	4.2%
Generali	↑ 1	3.8%
Santalucía	↓ 1	3.7%
Grupo Helvetia (Helvetia + Caser)	↑ 2	3.2%

Source: ICEA at the close of 2020

The result of the technical account for the sector at the end of 2020 was 11.7% of retained premiums, 2.1 percentage points higher than in the previous year, mainly due to the higher result of the non-life business.

The result of the non-life technical account increased mainly driven by motor, which improved its combined ratio by 6.2 percentage points to 87.8% due to the lower volume of claims.

Stability in the sector's results

ROE
14.9%

Combined ratio
89.3%*

Motor 87.8%
Multi-risk 94.6%
Health 91.1%

* Combined ratio includes Health and Funeral
Source: ICEA at the close of 2020

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 2020 has been 237.8%, up by 0.8 p.p., higher than the average for the sector in the European Union.

Credit insurance

The COVID-19 health crisis has strongly affected the world economy. The IMF's GDP forecast fell from +3.3% at the start of the year to -3.5% at the end of the year. Faced with this situation, the governments of the main European countries, through credit insurance, have supported the business fabric of their economies. The government reinsurance arrangements are part of a comprehensive package of measures and aim to ensure that sufficient liquidity is available in the market, to counteract the damage inflicted on businesses affected by the pandemic and to preserve the continuity of economic activity during and after the pandemic.

The global economy is expected to recover in 2021 from the major economic downturn that took place in the first half of 2020. However, the pace of recovery will depend largely on the effectiveness of vaccination plans and the end of lockdowns. Fiscal and monetary support will be crucial to sustain activity. The advanced economies are forecast to grow by 3.9% in 2021, largely undoing the cumulative fall in GDP in 2020.

Evolution of the Group

Positive performance of the traditional business, which has partially offset the decline in the results of the credit insurance business.

The Group's attributable profit decreased by 32.0% to €262.3 million.

Result impacted by the health crisis

The business turnover (which includes the premiums invoiced and the income from information) ascends to €4,559.5 million, slightly increasing by 0.3%.

In turn, the technical result, with €339.8m was 36.9% lower, reflecting the impact of the COVID-19 health crisis, especially in the credit insurance business.

In traditional business, the good performance extended to all the Group's entities and all its business units. In addition, corporate departments and corporate platforms improve the efficiency of this business.

In the credit insurance business, the worsening of the result in the second half of the year was limited by the management actions carried out.

Income statement	2018	2019	2020	% chg. 19-20
Written premiums	4212.7	4411.2	4426.4	0.3%
Income from information	132.5	136.5	133.1	-2.5%
Turnover	4345.2	4547.7	4559.5	0.3%
Technical cost	2584.7	2739.5	2920.7	6.6%
% on total income from insurance*	60.0%	59.5%	63.9%	
Commissions	532.8	561.1	560.6	-0.1%
% on total income from insurance*	12.4%	12.2%	12.3%	
Expenses	726.6	764.3	749.5	-1.9%
% on total income from insurance*	16.9%	16.6%	16.4%	
Technical result after expenses	467.3	538.2	339.8	-36.9%
% on total net income	10.8%	11.7%	7.4%	
Financial result	80.1	37.9	32.5	-14.2%
% on total income from insurance*	1.9%	0.8%	0.7%	
Result of non-technical non-financial account	-31.0	-25.9	-14.1	
% on total income from insurance*	-0.7%	-0.6%	-0.3%	
Result of compl. activities credit and funeral insurance	6.4	5.9	6.4	8.5%
% on total income from insurance*	0.1%	0.1%	0.1%	
Result before tax	522.8	556.2	364.6	-34.4%
% on total income from insurance*	12.1%	12.1%	8.0%	
Taxes	136.4	131.7	94.5	
% taxes on result	26.1%	23.7%	25.9%	
Consolidated result	386.4	424.5	270.1	-36.4%
Minority interests	34.3	38.6	7.8	-79.8%
Attributed result	352.1	385.9	262.3	-32.0%
% on total income from insurance*	8.2%	8.4%	5.7%	
Recurring result	396.6	450.3	289.0	-35.8%
Non-recurring result	-10.2	-25.8	-18.9	

* Total insurance income = total earned premiums and information income

Turnover
+0.3%

Attributed result
€262.3M

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The technical result

The combined ratio of the traditional business (does not include Health and Funeral) improved to 88.6%, 0.7 percentage points lower than the sector average. The technical cost is improving compared to the previous year, thanks to the good performance of all our branches: motor, multi-risk and other. Of note was the good combined ratio of 90.3%, 3.7 percentage points better than in the same period of the previous year, due to a lower frequency of claims, given the lower flow of vehicles during the lockdown period.

In credit insurance, the gross combined ratio closed the year at 94.1%, 15.4 percentage point higher than a year earlier because of the COVID-19 health crisis.

Progressing with sustainability

For Grupo Catalana Occidente, 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 our 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. Social value is the result of focusing our activity not only on obtaining good financial results but also on favouring the welfare of the stakeholders to which the group's entities respond. This value becomes sustainable when it is integrated into the business strategy not only in the short term but also in the medium and long term.

The main milestones of this year have been:

- The review of materiality.
- The implementation of the new master plan.
- Policy updates available on the Group's website.

Improved efficiency

In the traditional business, expenses amounted to €312.0 million, down 1% on the same period of the previous year. In the credit insurance business, the reduction in expenses was even greater, falling by 3.4% to €433.7 million.

The efficiency ratio improved 0.9 percentage points to 31.7%

Financial margin and complementary activities

The net interest margin, at €32.5 million, fell by €5.4 million. The non-recurring financial result includes the impairment and realisation of losses on equity as a result of the fall in markets related to the COVID-19 crisis.

During the year, the Group has remained active in the diversification and search for profitability, undertaking various investments in properties. For the complementary activities, in traditional business, the funeral activity reports €4.6 million in profit and in credit insurance, the information, collections and credit management services for export contributed €1.8 million in profit.

Company income tax

In the year 2020, the expense for company income tax reached €94.5 million, which represents an effective rate of 25.9% of profit before taxes.

Financial strength

Permanent resources increased by 2.1%, to €4,138.3 million. Adding the capital gains not included in the balance sheet (from properties), the permanent resources at market value stand at €4,663.4 million, up 1.7% from 2019.

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 maintains the rating of the entities in the credit insurance business at "A2" with a stable outlook.

Solid Solvency ratio

In terms of solvency, Grupo Catalana Occidente calculates the capital requirement in accordance with the standard formula established in the regulation, except for the area of credit and surety where, with the objective of collecting the specific details of the business, a partial internal model has been developed for the calculation of subscription risk, approved by the college of supervisors.

The Group's solvency ratio at 2020 year-end is estimated at 216% (with the application of the transitional technical provisions measures). The solvency ratio, even in adverse scenarios, remains at around 175% on a sustained basis.

Events after the close of 2020

After the close of the year, there have been no events that significantly effect the information in this report. For further information, see section 22 of the Notes on the consolidated financial statements.

Shareholder remuneration

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

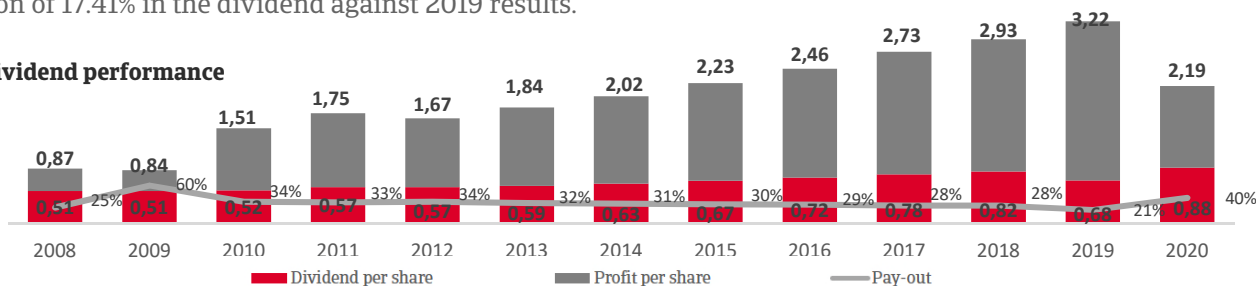
Dividends

After complying with the regulators' recommendations and suspending the final dividend for 2019, the Group resumes its dividend policy.

The Group has made 3 dividend payments in cash for a total amount of €0.4764 per share. These payments were made on 1 July 2020, 7 October 2020 and 10 February 2021. Furthermore, the Board of Directors agreed, in the meeting held on 25 February 2021, to propose to the general shareholders meeting an increase of 100% for the complementary dividend that will be paid on 12 May 2021. With this, a total of €0.8821 per share (€105.85 million) would be allocated, with an increase of 29.86%. This dividend amounts to a pay-out of 40.4% on the 2020 attributable profit and a dividend yield of 3.8% in 2020.

In the previous financial year, and in the context of the COVID-19 health crisis, the Group was forced to reduce the final dividend previously proposed at the Annual General Shareholders' Meeting, resulting in a reduction of 17.41% in the dividend against 2019 results.

Dividend performance



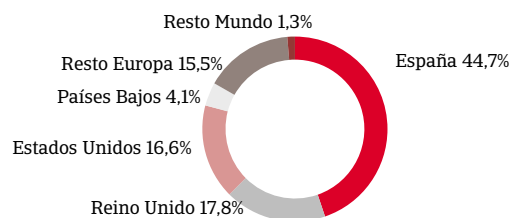
Share structure

Stable, committed shareholders. At the close of 2020, the share structure had not suffered any variations.

The reference shareholder in Grupo Catalana Occidente is INOC S.A., which controls approximately 61.95% of share capital.

The Group holds 2,042,524 treasury shares with a par value of €0.30 per share and an acquisition cost of €23.5 million, representing 1.70% of treasury shares, through Sociedad Gestión Catalana Occidente, S.A. During the year, 52,493 shares were sold. 32.42% is free-float, and almost half is in the hands of 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

Grupo Catalana Occidente 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 website for shareholders and investors updates the performance of the share as well as the principal information relative to relevant events, results, presentations and credit rating.

The Group has also increased the content of the sustainability section of its corporate website, where the Group's sustainability strategy, ASG reports, policies, international alliances and more information regarding this can be found.

During 2020, the Group transmitted its value proposition to the financial markets through the quarterly retransmission of the results published (on the website, in English and Spanish) and by holding 18 roadshows and conferences in different European countries telematically.

With this type of event, the Group brings its business reality closer to institutional investors such as small shareholders.

Share performance

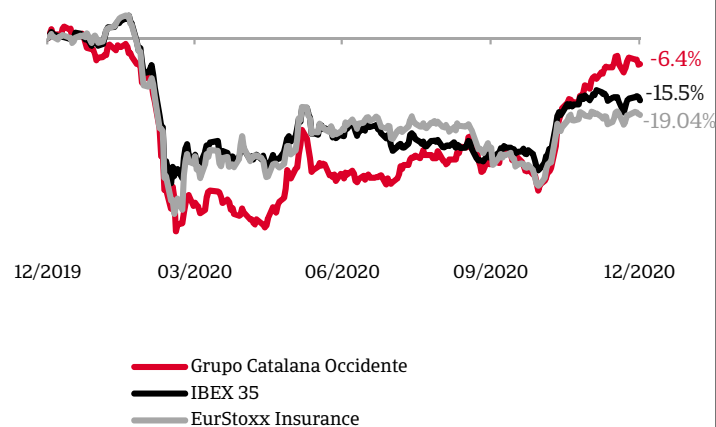
During the year the average share price was €23.2/share.

Grupo Catalana Occidente shares are listed on two Spanish stock exchanges, Barcelona and Madrid, being listed on the continuous market.

In 2020, Grupo Catalana Occidente's shares outperformed the Eurostoxx Insurance and Ibex 35 indices.

Analysts' recommendations remain favourable, with a "buy" recommendation and indicating an average target price of €33.1/share.

Share evolution in 2020



Share data	2018	2019	2020
Minimum (€/s)	32.40	28.30	16.20
Maximum (€/s)	39.20	35.30	32.05
Period end (€/s)	32.60	31.15	29.15
Number of shares	120000000	120000000	120000000
Nominal share value (€/s)	0.30	0.30	0.30
Average daily subscription (number of shares)	34149	44093	73334
Average daily subscription (euro)	1243406	1412462	1653784
Market capitalisation (€ million)	3912	3738	3498

Ratios	2018	2019	2020
Profit per share	2.93	3.22	2.19
Theoretical book value	25.66	32.09	32.81
PER	11.11	9.69	13.34
ROE	12.29	11.10	7.33
Profitability per dividend	2.25	2.12	3.80

Profitability	2002	2007	2012	2018	2019	2020	TACC* 02-20
Closing price 31/12	3.99	22.91	13.77	32.6	31.15	29.15	
GCO (%)	-7.21	-16.54	12.22	-11.75	-4.45	-6.42	12.24%
IBEX 35 (%)	-28.11	7.32	-4.66	-14.97	11.82	-15.45	1.63%
EUROSTOXX Insurance (%)	-51.23	-11.92	32.92	-10.05	24.44	-19.04	2.86%

* Compound annual growth rate

Profit per share
2.19

TACC* 2002-2020
+12.2%

Group actions against COVID-19

Grupo Catalana Occidente has promoted a plan of measures to support all its stakeholders and strengthen their confidence in the face of the COVID-19 health crisis.

The main measures that have been carried out could be divided into five groups:

Employee protection and operational support. Our employees are our most valuable asset and this has been a priority in the face of the current health crisis.

- To ensure employee protection and work continuity: teleworking has been implemented for all our employees.
- Rethinking of processes to maintain operational support under extreme conditions.

Maintenance of customer service. The Group emphasizes its vocation of service to the customer in order to adequately attend to the needs at a time like the present.

- Continuity in the relationship with the customer through telematic means.
- Continuity in customer service for loss adjustments, repairs, agency offices, etc... Successful implementation of undertaking loss adjustments by video

Measures aimed at the traditional business. Flexibility in payment of receipts, instalments and deferment.

- Flexibility in payment of receipts, instalments and deferment.
- Adaptation of prices according to the circumstances of the risk and the customer,
- 24-hour medical guidance by telephone for any insured party, video consultation of medical staff and cyber-risk protection in teleworking.

- The video consultation service for Cosalud Asistencia Sanitaria and Cosalud Reembolso policyholders has been incorporated, which allows medical attention to be received without the need to travel, by those doctors and centres within the Cosalud medical team that have adhered to this functionality.
- Cover has been extended to our policyholders in teleworking situations in cyber-risk insurance.

Measures aimed at the credit insurance business.

- Flexibility in payment of receipts, instalments and deferment.
- Flexibility in the period of declaration of non-payment, extending it by 30 days.
- Discussions with different Governments to support business continuity through credit insurance.

Measures to support society.

- Participation with UNESPA in a fund to protect healthcare and nursing home staff dealing with COVID-19.
- The Fundación Jesús Serra collaborates with Save the Children and supports the CSIC for research in a future vaccine.
- Support from the innovation programme to overcome the health challenges caused: Beat the Vid.

Support measures for suppliers and associates.

- The Catalana Occidente Group has earmarked nearly €20 million to give advances to its suppliers for their invoicing, which are affected by the coronavirus in Spain, in order to help them deal with the liquidity problems they may have suffered as a result of the stoppage of activity caused by the pandemic.

The impact of COVID-19 on individual business results can be found on pages 19-21 for traditional business and pages 22-23 for credit insurance business.

We also report impacts on:

- Investments: see page 29.
- The reinsurance result: see page 26.
- The financial result: see page 27.

The agreements adopted with the various governments in the credit insurance business have also been published on page 24.

Outlook and challenges for 2021

In view of the uncertain economic context, the Group will continue to update its offer to the new needs of customers and market trends.

At the beginning of 2020, the decrease in tension following the agreements reached between the United States and China, and the reduction of risks of a hard Brexit, led to the prediction of a continued economic scenario with that recorded in 2019. All the forecasts did not foresee the effect of the COVID-19 health crisis, causing a substantial decrease in the economy in 2020 and expecting a certain recovery during the financial year 2021.

Despite this, there is still uncertainty about the way out of the health and economic crisis, which will be marked by the actions taken in the face of future outbreaks and the pace of vaccination. The forecast for Spain will follow this overall trend.

In relation to the management of the COVID-19 crisis, the Group activated a contingency and continuity protocol in March 2020 with the onset of the pandemic. Despite the impact on the technical result of credit insurance, there has been no disruptive impact on traditional business. In addition, the investment impact of the crisis in the financial markets has been minimised. The outlook for 2021 is similar to the impacts of the previous year, depending on the evolution of the pandemic.

Specifically, the Group has set up a Contingency Committee to ensure, as a matter of priority, the safety of all employees and associates and the continuity of the business. Its tasks can be summarised as follows:

- To guarantee the protection of employees, in coordination with the Prevention Service, and the continuity of doing their job.
- To guarantee the stability of the systems and the maintenance of the operations in a crisis context of with a 100% demand of teleworking positions.
- To organise and apply the stages of the Contingency Plan referring to the continuity of the business.

In the current context, the financial information presented includes the Group's best estimate of the main factors affected by the COVID-19 health crisis: the parameters of claims, the effectiveness of the monetary and fiscal policy measures taken, and the agreements established by the various European governments in order to maintain the volume of insured commercial transactions in the credit insurance business.

Milestone 2020	2021 Guidelines
Growth	
<ul style="list-style-type: none"> - Turnover: €4,559.5 million - Increased positioning in the health sector thanks to the incorporation of the Antares business. - Increase of the insured offer. 	<ul style="list-style-type: none"> • To promote the development of distribution networks that improve the participation of intermediaries and promote strategic products. • Continuous improvement of products and processes. • Adaptation of supply to new market trends • New customer interaction capabilities • Advances in digitalization.
Profitability	
<ul style="list-style-type: none"> - The consolidated result amounted to €270.1 million. - Excellent combined ratio of the traditional business 88.6% (does not include Health and Funeral). 	<ul style="list-style-type: none"> • Improved underwriting. • Increase the technical and financial result. • Unification of Group systems • Group service concentration. • Evolution of the Contact Centre and Claims Centres. • Connectivity and individualization of the offer for brokers
Solvency	
<ul style="list-style-type: none"> - The estimated solvency ratio at the end of 2020 is 216%. - AM Best : A Excellent with a stable outlook on the main entities in the traditional and credit insurance business. Moody's: A2 with a stable outlook for the main credit insurers. 	<ul style="list-style-type: none"> • HR Management: people, talent and productivity. • Analysis of flexible work models and teleworking. • Boost in the field of Sustainability. • Adaptation to IFRS 17.

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03 Results in 2020

05 Business model

07 Non-financial information status

Glossary

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Results in 2020

Results impacted by COVID-19

The Group increases its business results traditional, increases permanent resources and maintains solvency above 200%.



Traditional business

Traditional business presents a positive evolution, increasing its recurring result by 12.5%.

Recurring turnover (excluding single life premiums) increased by 6.5%, supported mainly by non-life insurance, where the increase in multi-risk premiums is noteworthy. The life business evolved favourably with a growth in revenues of 8.7%, with the integration of Antares' business for the full year.

The technical result of €261.1 million, grew by 21.7%. Non-life business contributed €186.9 million to this result, up 19.7%, reflecting a 1.8 percentage point improvement in the combined ratio to 88.6% (does not include Health and Funeral). It highlights the lower technical cost of motor and multi-risk. The life business increased its technical result by €15.8 million to €74.2 million, incorporating the result of Antares in the health branch.

In the traditional business, the impact of the COVID-19 health crisis has resulted in a lower combined ratio due to a lower frequency of claims, particularly in the health and motor sectors.

The financial result contributes €56.1 million, and the funeral business €4.6 million

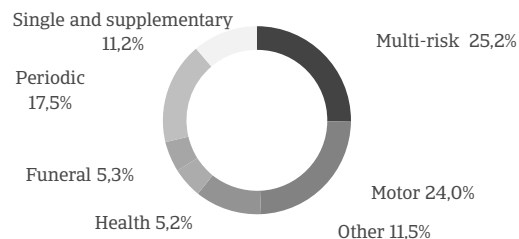
Recurring profit has increased 12.5% to €238.6 million. During the year there were non-recurring negative results of €10.3 million; consequently, the total result is €228.3 million, increasing by 11.8%.

Traditional business	2018	2019	2020	% chg. 19-20
Written premiums	2541.2	2612.4	2720.4	4.1%
Recurring premiums	2200.5	2268.6	2415.5	6.5%
Technical result	201.2	214.6	261.1	21.7%
% on earned premiums	7.9%	7.9%	9.6%	
Financial result	74.1	59.3	56.1	-5.4%
% on earned premiums	2.9%	2.2%	2.1%	
Non-technical result	-20.4	-14.6	-16.3	
Complementary act. Funeral B.	2.4	2.7	4.6	
Company income tax	-61.5	-50.0	-66.8	
Recurring result	195.7	212.1	238.6	12.5%
Non-recurring result	-4.6	-7.9	-10.3	
Total result	191.1	204.2	228.3	11.8%
Earned premiums	2531.2	2707.5	2710.1	0.1%

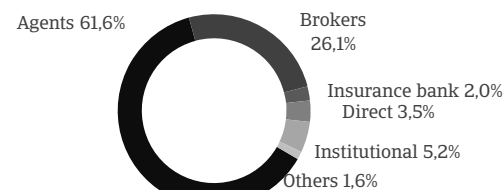
Recurring premiums
+6.5%

Recurring result
+12.5%

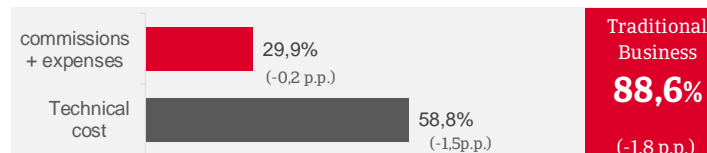
Distribution by business



Distribution channels



* **Combined ratio** (does not include Health and Funeral)



Multi-risk

Growth in turnover of 3.8% to €686.9 million. The combined ratio has been reduced by 0.6 percentage points to 88.9%.

COVID-19 impact: change in the casuistry of claims received as a result of the increased use of the home.

Motor

Slight reduction in turnover with €653.8 million. The combined ratio improved by 3.7 percentage points to 90.3%, with reduced claims due to less frequent claims and lower expenses.

COVID-19 impact: reduction of the accident frequency due to less mobility of vehicles during lockdown. The technical cost is reduced by 3.7 percentage points.



Multi-risk	2018	2019	2020	% chg. 19-20
Written premiums	645.9	661.6	686.9	3.8%
Number of claims	728229	719419	841510	17.0%
Average cost of the claims, in €	494.9	508.8	449.3	-11.7%
Technical provisions	525.1	537.7	544.4	1.2%
% Technical cost	55.8%	55.3%	55.0%	-0.3
% Commissions	20.7%	20.9%	20.9%	0.0
% Expenses	13.4%	13.3%	13.0%	-0.3
% combined ratio	89.9%	89.5%	88.9%	-0.6
Technical result	64.5	68.6	75.0	9.3%
% on earned premiums	10.1%	10.5%	11.1%	
Earned premiums	638.7	653.3	676.1	3.5%

(figures in millions of euro)

Recurring
premiums
+3.8%

Combined
ratio
88.9%

Motor	2018	2019	2020	% chg. 19-20
Written premiums	654.3	657.3	653.8	-0.5%
Number of claims	578897	571208	472878	-17.2%
Average cost of the claims, in €	805.9	805.1	916.5	13.8%
Technical provisions	810.1	824.0	857.4	4.1%
% Technical cost	71.3%	70.0%	66.3%	-3.7
% Commissions	11.0%	11.1%	11.2%	0.1
% Expenses	13.0%	12.9%	12.8%	-0.1
% combined ratio	95.3%	94.0%	90.3%	-3.7
Technical result	30.9	39.6	63.7	60.9%
% on earned premiums	4.7%	6.0%	9.7%	
Earned premiums	657.2	655.2	655.5	0.0%

(figures in € million)

Recurring
premiums
-0.5%

Combined
ratio
90.3%

Other

Maintaining turnover reaching €312.2 million. The combined ratio remained stable at 84.6%, with an increase in the technical cost, which was offset by a reduction in expenses and fees.

COVID-19 impact: lower turnover in branches related to economic activity (Civil Liability, Accidents...).

Life

The life business performed favourably with a growth in revenue of 8.7%, which includes the Antares business for the full year.

COVID-19 Impact: Significant reduction of the combined ratio in the healthcare business by 7.9 p.p. to 84.1%, due to lockdown during the year. The combined ratio increased by 1.1 percentage points to 84.0% in the life insurance business



Other	2018	2019	2020	% chg. 19-20
Written premiums	308.4	311.7	312.2	0.2%
Number of claims	96159	100783	93487	-7.2%
Average cost of the claims, in €	1610.0	1549.9	1704.8	10.0%
Technical provisions	489.9	540.5	574.4	6.3%
% Technical cost	50.2%	50.1%	51.0%	0.9
% Commissions	20.8%	20.1%	19.6%	-0.6
% Expenses	14.1%	14.3%	14.0%	-0.4
% combined ratio	85.2%	84.6%	84.6%	0.0
Technical result	45.3	48.0	48.2	0.4%
% on earned premiums	14.8%	15.4%	15.4%	
Earned premiums	305.2	311.8	312.4	0.2%

(figures in millions of euro)

Recurring
premiums
+ 0.2%

Combined
ratio
84.6%

Life	2018	2019	2020	% chg. 19-20
Life insurance turnover	932.6	981.8	1067.5	8.7%
Recurring Life	400.6	438.2	476.5	8.7%
Health	57.6	60.9	142.8	134.5%
Funeral	133.7	138.8	143.3	3.2%
Single Life	340.7	343.8	304.9	-11.3%
Pension plan contributions	61.2	69.1	71.8	3.9%
Net contributions to investment funds	4.3	1.9	1.3	-31.6%
Volume of Managed funds	5711.9	6617.3	6695.5	1.2%
Technical result	60.5	58.4	74.2	27.1%
% on earned premiums	6.5%	5.4%	7.0%	
Technical-financial result	92.2	81.2	95.3	17.4%
% on earned premiums	9.9%	7.5%	8.9%	
Earned premiums	930.1	1087.2	1066.1	-1.9%

(figures in € million)

Recurring
premiums
+ 19.6%

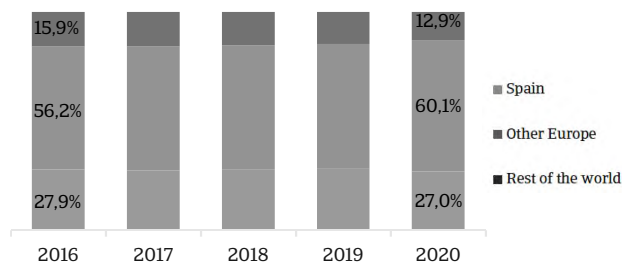
Credit insurance business

Control of the impairment of the business by applying risk management measures in the face of the COVID-19 crisis

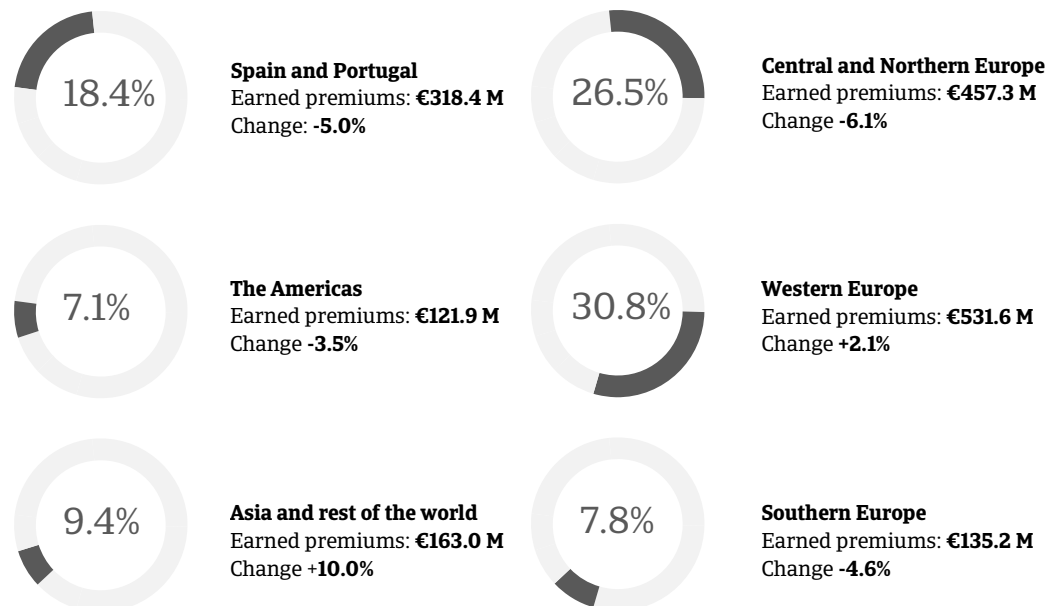
In the credit insurance business, the Group has reduced its net income (earned premiums and information services) by 1.9% reaching €1,860.5 million. In turn, earned premiums, of €1,727.4 million, have decreased by 1.8% and the income from information has reached €133.1 million, being 2.5% less than in the same period of the previous financial year. Written premiums in the period (invoiced premiums), compared to the previous year, fell by 5.2% due to a reduced appetite for risk and a decline in insurable business transactions given the current economic situation.

The Group has reduced its risk exposure (TPE) by 8.6%, with respect to the close of 2019 of €614.6 billion, due to an adjustment in the risk selection criteria in accordance with the current health crisis and a lower commercial activity of our policyholders. Europe represents 73.0% of total exposure and Spain is the main market, with 12.9% of the total.

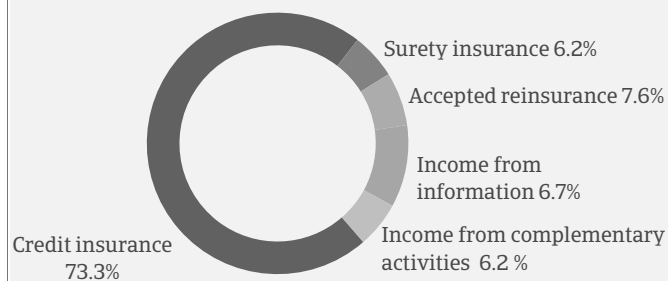
Evolution of cumulative risk (TPE)



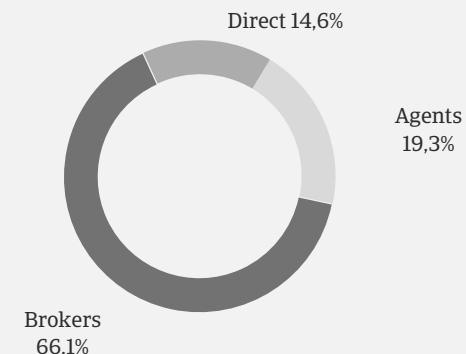
Reduction of 1.8% in earned premiums to €1,727.4 million



Diversification of the business (earned premiums)



Distribution channels



The technical result after credit insurance expenses was 73.0% lower than in the previous year at €109.3 million as a result of the impact of the COVID-19 health crisis. The effective implementation of risk management measures resulted in a stabilisation of spreads in the second half of the year.

The combined gross ratio stands at 94.1%, 15.4 percentage points more than in the same period of the previous year due to the increase in the claims provisions collected in the claims department.

In turn, the financial result is lower than in the same period of the previous year due to maturities whose reinvestment has been carried out at market interest rates, the reduction in dividends received and a lower contribution to the result of associated companies, partially offset by fluctuations in exchange rate gains. The result of the complementary activities is €1.8 million.

Consequently, the recurring result is positioned at €50.4 million, 78.8% less than the previous year. During the year there were non-recurring losses of €8.5 million.

In total, this business contributed a result of €41.8 million and was down 81.0%.

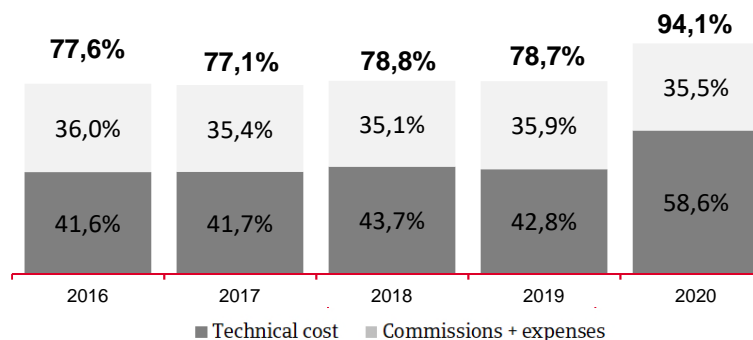
COVID-19 Impact: Decrease in invoiced premiums, increase in the claims ratio and reduction in the TPE, all as a result of risk management actions and an adequate level of provisions. Reinsurance agreements with European governments (next page).

Credit insurance business	2018	2019	2020	% chg. 19-20
Earned premiums	1648.5	1759.5	1727.4	-1.8%
Income from information	132.5	136.5	133.1	-2.5%
Net income	1781.0	1896.0	1860.5	-1.9%
Technical result after expenses	377.6	404.8	109.3	-73.0%
<i>% on income</i>	<i>21.2%</i>	<i>21.4%</i>	<i>5.9%</i>	
Reinsurance result	-105.6	-82.6	-28.1	-66.0%
<i>Reinsurance transfer ratio</i>	<i>40.0%</i>	<i>38.0%</i>	<i>37.0%</i>	
Net technical result	271.9	322.2	81.2	-74.8%
<i>% on income</i>	<i>15.3%</i>	<i>17.0%</i>	<i>4.4%</i>	
Financial result	9.2	5.6	5.1	
<i>% on income</i>	<i>0.5%</i>	<i>0.3%</i>	<i>0.2%</i>	
Result from complementary activities	3.8	3.2	1.8	-43.8%
Company income tax	-76.6	-85.4	-34.8	
Adjustments	-7.4	-7.4	-2.9	
Recurring result	200.9	238.2	50.4	-78.8%
Non-recurring result	-5.7	-17.9	-8.6	
Total result	195.2	220.3	41.8	-81.0%

Net income
-1.9%

Recurring result
€50.4

Performance of the gross combined ratio



Agreements adopted in the credit insurance business

The government reinsurance arrangements are part of a comprehensive package of measures and aim to ensure that sufficient liquidity is available in the market, to counteract the damage inflicted on businesses affected by the pandemic and to preserve the continuity of economic activity during and after the pandemic.

All contracts apply to direct business (gross reinsurance). The usual reinsurance contract through which 37% of premiums and claims are ceded to the reinsurance table remains in force and is applied on the retention (after government agreements).

The joint impacts of these measures on these financial statements are as follows:

- Income statement: the contracts signed bring positive results to the Group as the ratio of claims in the countries covered deteriorates further. At the end of the year, the assignment of premiums net of commissions was higher than the claims assigned, and the result of these contracts was a loss of €44.9 million.
- Balance sheet: increase in reinsurance debts by €195.4 million and increase in the reinsurance share of technical reserves by €224.3 million.

Most of the governmental agreements have been renewed with similar conditions, providing coverage for the risks underwritten during the first half of 2021.

Signed agreement*	Main features	Conditions	Ceded premiums
Germany	<u>Guarantee contracts similar to proportional reinsurance.</u> Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 1 March 2020).	65% of the premiums. 90% of the claims. No commissions	€103.9 M
Belgium	<u>Instalment contract by tranches according to the claim ratio.</u> Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 27 March 2020).	Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded. With commissions.	€18.2 million
The Netherlands	<u>Proportional reinsurance agreement.</u> Cover for insured risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 29 February 2020).	90% of premiums and claims from new policyholders. 100% of premiums and 90% of claims of the insured in the portfolio. The government assumes all costs.	€102.3 million
Denmark	<u>Guarantee contracts similar to proportional reinsurance.</u> Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 01 March 2020).	65% of the premiums. 90% of the claims. No commissions	€21.0M
Luxembourg	<u>Instalment contract by tranches according to the claim ratio.</u> Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 01 March 2020).	Depending on the claims ratio, between 50% and 90% of premiums and claims are ceded. With commissions.	€0.9M
France	<u>Cap releais: reinsurance contract with a performance similar to that of the quota share with certain particularities depending on the quality of the risks assumed.</u> Coverage of risks underwritten between 16 March and 31 December 2020.	75% of the premiums. 75% of the claims. With commissions.	€42.8M
United Kingdom	<u>Guarantee contracts similar to proportional reinsurance.</u> Coverage of risks underwritten between 1 April and 31 December 2020.	100% of the premiums. 90% of the claims. No commissions	€78.3M
Norway	<u>Instalment contract part.</u> Cover for risks underwritten between 1 January and 31 December 2020 (excluding claims reported before 12 March 2020).	65% of the premiums. 90% of the claims. No commissions	€5.0M
Spain	<u>Reinsurance contract in addition to that underwritten in the private market.</u> Premiums and Claims from 1 October 2020 to 30 June 2021.	31% of the premiums. 31% of the claims. With commissions.	€7.3M
Italy	<u>Proportional reinsurance agreement.</u> Coverage of risks underwritten between 19 May to 31 December 2020.	90% of the premiums. 90% of the claims. With commissions.	€32.9 M

*The measure is for trade credit originated by insured persons operating in the country with a signed agreement and covers debtors from inside and outside that country.
The average commission is 30%

General expenses and commissions

The efficiency ratio improved 0.9 p.p. to 31.7%.

The structure of Grupo Catalana Occidente, formed by entities that maintain autonomous management of the business, allows for the constant sharing of business best practices and efficiency in processes through corporate departments and operative platforms.

In particular, in traditional business the expenses have been reduced by 1.0%. In turn, the credit insurance business substantially reduced its expenses by 3.4%.

In relative terms, the expenses and commissions ratio for recurring premiums is reduced by 0.9 percentage points to 31.7%. Since 2013, the Group has improved efficiency by 4.5 percentage points.

Expenses and commissions	2018	2019	2020	% chg. 19-20
Traditional business	305.8	315.2	312.0	-1.0%
Credit insurance business	413.4	449.0	433.7	-3.4%
Non-recurring expenses	7.4	0.0	3.8	
Total expenses	726.6	764.3	749.5	-1.9%
Commissions	532.8	561.1	560.6	-0.1%
Total expenses and commissions	1259.4	1325.4	1310.1	-1.2%
% expenses and commissions without recurring premiums	32.3%	32.6%	31.7%	

Efficiency ratio
31.7%

Non-recurring result

During the year there were non-recurring negative results mainly due to impairments or sale of assets.

For business, the non-recurring result after tax for the traditional business represented a loss of €10.3 million and €8.6 million in the credit insurance business.

Non-recurring result (net of taxes)	2018	2019	2020
Financial	2.3	-5.4	-22.1
Expenses and other non-recurring	-5.6	-3.9	6.1
Taxes	-1.3	1.4	5.7
Non-recurring from traditional business	-4.6	-7.9	-10.3
Financial	-0.1	-18.1	-5.7
Expenses and other non-recurring	-7.4	0.0	-3.8
Taxes	1.9	0.2	0.9
Non-recurring from credit insurance	-5.7	-17.9	-8.6
Non-recurring result	-10.2	-25.8	-18.9

Reinsurance result

Government agreements with reinsurance contracts in the face of the COVID-19 health crisis.

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. As of 1 January 2020, the Group has increased the retention of business by one point, bringing the ceding ratio to 37.0% with private reinsurers. The increase in ceded premiums is the result of the various reinsurance agreements with European governments.

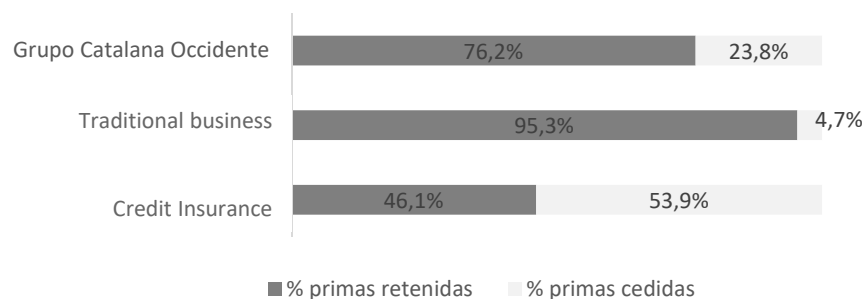
Traditional business keeps a high retention of the insured business, and reinsurance is protected mainly through stop-loss contracts for relevant claims.

Overall, the cost of reinsurance has implied €41.4 million, €13.3 million from traditional business and the remaining €28.1 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.

Reinsurance	2018	2019	2020	% chg. 19-20	Traditional business	Credit insurance
Ceded premiums	-770.4	-801.3	-1057.1	31.9%	-126.4	-930.7
Net premiums ceded	-768.6	-798.5	-1020.3	27.8%	-121.0	-899.3
<i>% on earned premiums</i>	<i>-18.4%</i>	<i>-17.9%</i>	<i>-23.0%</i>		<i>-4.5%</i>	<i>-52.1%</i>
Commissions	299.0	338.8	344.1	1.6%	25.4	318.7
Claims	323.9	353.8	634.8	79.4%	82.3	552.5
Ceded reinsurance result	-145.8	-105.9	-41.4	-60.9%	-13.3	-28.1

Reinsurance distribution between lines of business



COVID-19 Impact: The Group has entered into governmental reinsurance agreements which are explained on page 24 of this report.

Financial result

The financial investments have provided €32.5 million.

The financial result contributed €32.5 million to the Group's income statement, reducing it by €5.4 million due to the different impact of the non-recurring result.

The financial result of the traditional business with €56.1 million is reduced by maturities whose reinvestment has been carried out at market interest rates and by the reduction of dividends received.

In turn, credit insurance contributed €5.1 million, reflecting the same effects as those described in the traditional business and also a lower contribution to the results of the associated companies, partially offset by exchange rate gains.

Finally, non-recurring results reduced the financial result by €27.8 million, mainly due to realisations and impairment losses on equities.

Financial result	2018	2019	2020	chg. 19-20
Financial income net of expenses	204.4	215.7	190.2	-11.8%
Exchange-rate differences	0.1	0.0	0.0	
Subsidiary companies	1.0	1.1	1.8	
Interests applied to life	-131.4	-157.6	-135.9	-13.8%
Recurring results traditional business	74.1	59.3	56.1	-5.4%
<i>% on earned premiums</i>	<i>2.9%</i>	<i>2.2%</i>	<i>2.1%</i>	
Financial income net of expenses	16.7	16.6	13.5	-18.7%
Exchange-rate differences	4.8	-1.3	5.5	
Subsidiary companies	4.7	7.1	2.9	-59.2%
Interest subordinated debt	-16.9	-16.9	-16.9	
Recurring results from credit insurance	9.2	5.6	5.1	-8.9%
<i>% on net income from insurance</i>	<i>0.5%</i>	<i>0.3%</i>	<i>0.3%</i>	
Intra-group interest adjustment	-5.4	-3.5	-0.9	-74.3%
Adjusted recurring results from credit insurance	3.8	2.1	4.2	
Recurring result	77.9	61.5	60.3	-2.0%
<i>% on net income from insurance</i>	<i>1.8%</i>	<i>1.3%</i>	<i>1.3%</i>	
Non-recurring result	2.2	-23.5	-27.8	
Financial result	80.1	37.9	32.5	-14.2%

Traditional
business
€56.1 M

Credit insurance
business
€5.1 M

COVID-19 impact: reduction in dividends received as a result of the COVID-19 crisis. The non-recurring financial result includes the impairment and realisation of losses on equity as a result of the fall in markets related to the COVID-19 crisis.

Balance Sheet

Grupo Catalana Occidente increased its assets by €689.8 million.

Grupo Catalana Occidente closed the balance sheet of 2020 with assets of €17,367.7 million, up 4.1% from the year 2019.

The main items that explain this increase are:

- Investments, at €448.0 million.
- Technical provisions, at €330.4 million
- Reinsurance of technical provisions, at €233.8 million.

The Group's attributable equity amounted to €3,578.9 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 Grupo Catalana Occidente does not account for the surplus value of its property featured, so they appear at the amortised cost value and not at market value.

Assets	2018	2019	2020	% chg. 19-20
Intangible assets and property, plant and machinery	1242.1	1429.1	1440.1	0.8%
Investments	10873.7	12618.4	13066.4	3.5%
Property investment	561.1	661.4	692.9	4.8%
Financial investments	9149.1	10602.3	10895.6	2.8%
Cash and short-term assets	1163.5	1354.7	1478.0	9.1%
Reinsurance of technical provisions	837.4	874.3	1108.1	26.7%
Other assets	1526.2	1756.0	1753.2	-0.2%
Deferred tax assets	96.5	226.3	271.9	20.2%
Credits	885.3	951.0	971.0	2.1%
Other assets	544.4	578.7	510.3	-11.8%
Total assets	14,479.4	16,677.9	17,367.7	4.1%
Net liabilities and equity	2018	2019	2020	% chg. 19-20
Permanent resources	3404.6	4051.7	4138.3	2.1%
Net equity	3204.1	3851.2	3937.6	2.2%
Parent company	2863.8	3477.1	3578.9	2.9%
Minority interests	340.3	374.1	358.7	-4.1%
Subordinated liabilities	200.4	200.5	200.7	0.1%
Technical provisions	9567.7	10652.1	10982.5	3.1%
Other liabilities	1507.1	1974.1	2247.0	13.8%
Other provisions	184.1	210.5	234.6	11.4%
Deposits for reinsurance granted	52.8	52.9	58.3	10.2%
Deferred tax liabilities	280.9	488.4	488.8	0.1%
Debts	687.1	767.8	969.8	26.3%
Other liabilities	302.2	454.5	495.5	9.0%
Total net liabilities and equity	14479.4	16677.9	17367.7	4.1%

Technical provisions
+3.1%

Investments and Managed funds

At the close of 2020, the Group manages funds amounting to €14,758.9 million, €386.6 million more than in the previous year.

Pension plans, mutual funds and investments on behalf of policyholders continue to grow at a high rate.

The distribution of the investment portfolio remained stable with respect to the beginning of the year, although during the period the Group increased its exposure to real estate and increased its position in cash and monetary assets.

The Group invests mainly in fixed income, which represents 56.7% of the total portfolio, at €7,604.1 million. The main asset is the Spanish sovereign debt at €4,093.6 million. The distribution of the rating in the portfolio is shown graphically below. At the end of the period, 55.0% 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 4.5 years and profitability at 2.05%.

In recent years, the Group has increased its investments in real estate. At the end of the year, this investment increased by €56.9 million. In total, property at market value amount to €1,735.4 million representing 12.9% 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 evaluated, through entities that are authorised by the supervisor. Capital gains from these properties stand at €525.1 million.

Investments and Managed funds	2018	2019	2020	% chg. 19-20	% on inv. R. Co.
Properties	1371.2	1678.5	1735.4	3.4%	12.9%
Fixed income	6631.2	7361.2	7604.1	3.3%	56.7%
Variable income	1250.2	1673.7	1656.4	-1.0%	12.3%
Deposits with credit institutions	644.3	608.6	573.4	-5.8%	4.3%
Other investments	153.7	199.1	229.2	15.1%	1.7%
Cash and monetary assets	1183.6	1403.5	1535.5	9.4%	11.4%
Investment in investee companies	85.4	85.8	85.2	-0.7%	0.6%
Total investments, risk to entity	11319.6	13010.5	13419.2	3.1%	100.0%
Investments on behalf of policyholders	362.1	575.1	618.4	7.5%	
Pension plans and investment funds	641.8	791.7	721.3	-8.9%	
Total investments, risk to policy holders	1003.9	1366.8	1339.7	-2.0%	
Investments and Managed funds	12323.5	14377.3	14758.9	2.7%	

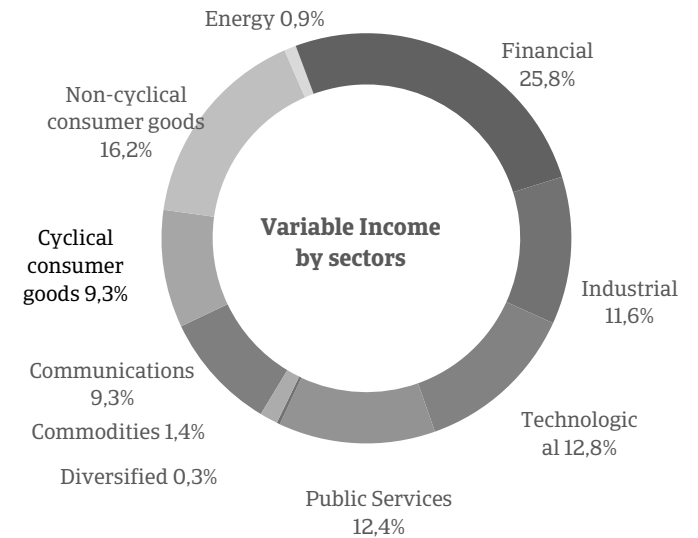
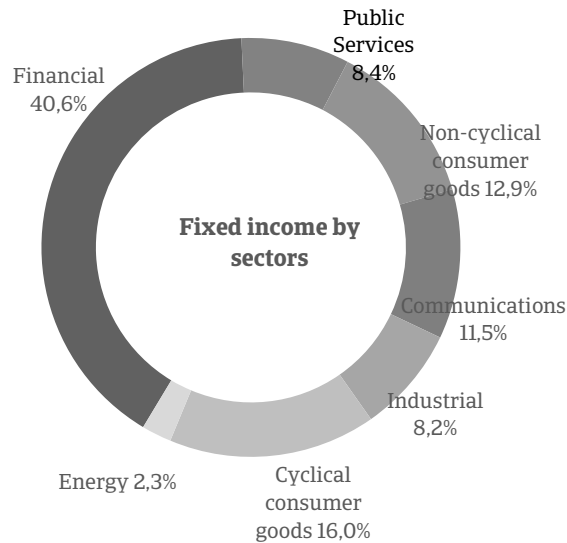
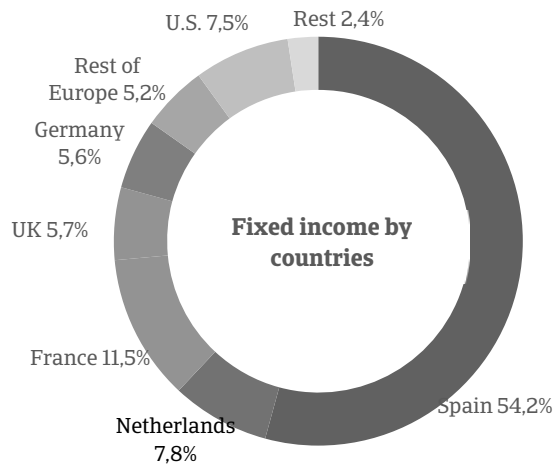
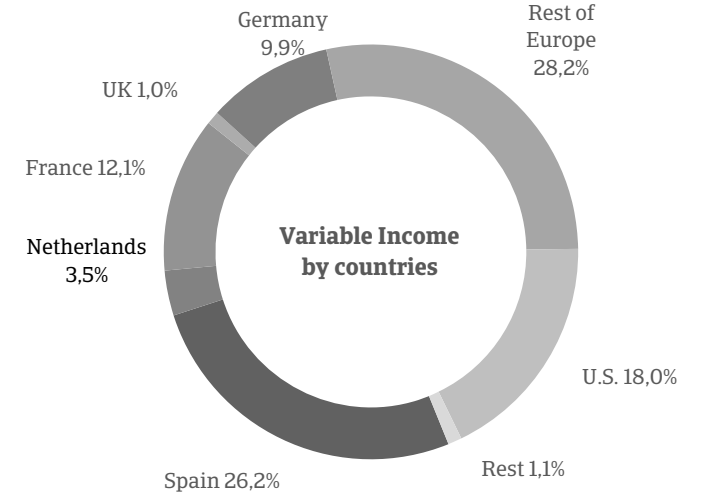
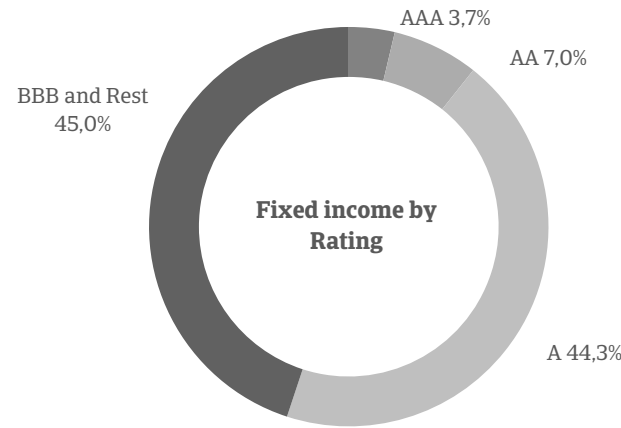
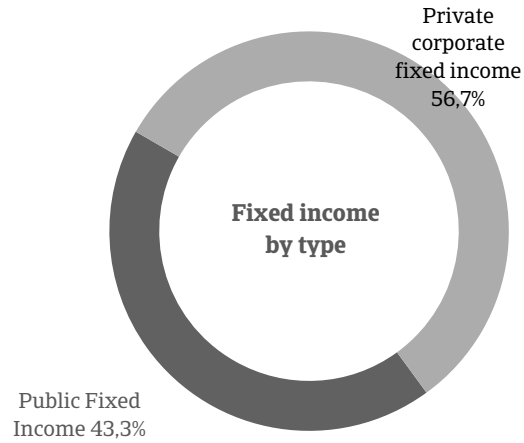
Managed funds
+2.7%

The value of equity investments declined by 1.0%, reflecting developments in financial markets. The securities portfolio is broadly diversified and focused on large-cap securities, mainly in Europe but with highlighted exposure to Spain (26.2%), which have attractive dividend yields.

In terms of liquidity, the Group maintains a solid position of €573.4 million, 5.8% less than at the beginning of the year. The Group has a total of €1,535.5 million in deposits, mainly in Banco Santander, BBVA and Bankinter.

COVID-19 Impact: Reduction of capital gains due to the fall in value of variable income.

Portfolio breakdown



Capital management

Grupo Catalana Occidente 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 risk profile of the particular group, among others, with the following aspects:
 - Changes in reinsurance policy, such as the entry into force of government agreements in the credit business.
 - Possible corporate transactions such as mergers or acquisitions.
- 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

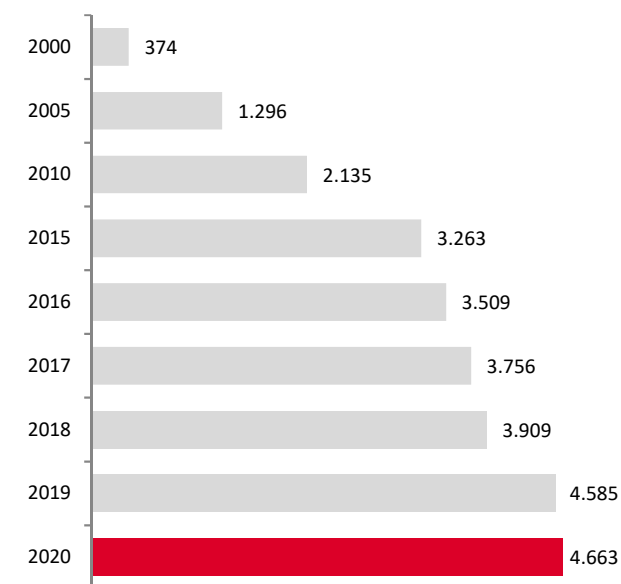
“At the close of 2020, the Group's capital has increased by 1.7% supported by the results”

Permanent resources at 31/12/2019	4051.7
Permanent resources at market value	4584.8
Net equity on 31/12/2019	3851.2
(+) Consolidated results	270.1
(+) Dividends paid	-81.5
(+) Change in valuation adjustments	-77.5
(+) Other changes	-24.7
Total movements	86.4
Total net equity on 31/12/2020	3937.6
Subordinated debt	200.7
Permanent resources at 31/12/2020	4138.3
Capital gains not included in balance sheet	525.1
Permanent resources at market value	4663.4

The consolidated result has contributed to the Group's financial strength. Market movements have led to a decrease in the value of investments, with a negative impact of €77.5 million. Also, dividends have been paid, amounting to €81.5 million, thus reducing equity by the same amount.

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 plus 5.03%. The amount of the subordinated debt to be calculated for the purposes of the Group has been reduced by €54.3 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).

Evolution of permanent resources at market value



Credit rating

In December 2020, A.M. Best confirmed 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 results and appropriate capitalization of the Group's main operating entities.

Furthermore, it considers that exposure to natural disasters is limited, thanks to the existence of a national coverage system (Consortio de Compensación de Seguros).

Moody's affirmed the 'A2' rating of the operating entities in the credit insurance business under the Atradius brand, upgrading the outlook back to stable in February 2021. The confirmation 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. This is due to Atradius' dynamic risk exposure management, its strong economic capitalisation and its solid positioning as the second largest global credit insurance player.

<h3>“A”</h3> <p>A.M. Best operating entities of the Group</p>	<p>Best highlights the prudence in underwriting, which is reflected in a positive record of operating results with an excellent combined ratio and a high return on equity (ROE).</p>
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<h3>“A2”</h3> <p>Moody's operating entities of the credit insurance business</p>	<p>They highlight the strong competitive position, strong capitalization, low financial leverage and conservative investment portfolio.</p>
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Rating of Group entities

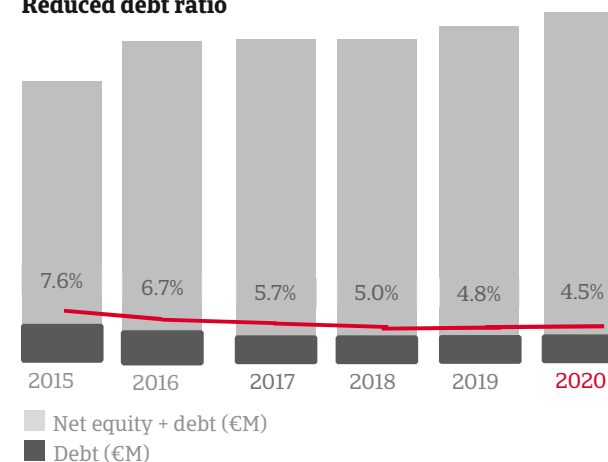
	A.M. Best	Moody's
Seguros Catalana Occidente	'A' stable (FSR)	
	'a+' stable (ICR)	
Seguros Bilbao	'A' stable (FSR)	
	'a+' stable (ICR)	
Plus Ultra Seguros	'A' stable (FSR)	
	'a+' stable (ICR)	
Atradius Crédito y Caución Seg Reas	'A' stable (FSR)	'A2' stable (IFS)
	'a+' stable (ICR)	
Atradius Reinsurance DAC	'A' stable (FSR)	'A2' stable (IFS)
	'a+' stable (ICR)	
Atradius Trade Credit Insurance, Inc.	'A' stable (FSR)	'A2' stable (IFS)
	'a+' stable (ICR)	
Atradius Seguros de Crédito, S.A.	'A' stable (FSR)	
	'a+' stable (ICR)	

*In February 2021 Moody's upgraded the outlook for entities in the credit insurance business from negative to stable.

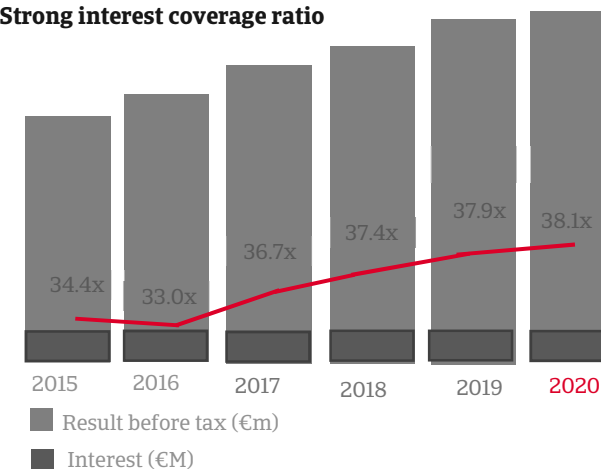
Financial strength

The Group presents a debt ratio of 4.5%, reduced by 0.3 p.p. thanks to the increase in net worth. The debt corresponds to the emission from the Group entity in credit insurance: Atradius.

Reduced debt ratio



Strong interest coverage ratio



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Solvency II

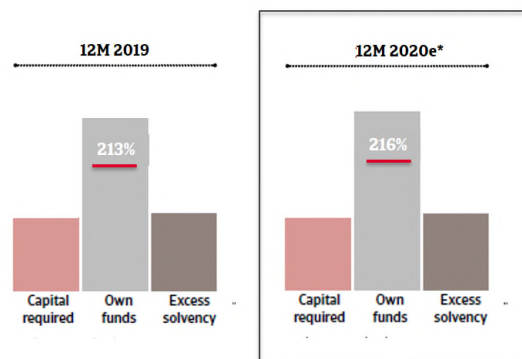
The estimated Solvency II ratio applying the transitory measure for technical provisions at the close of 2020 is of 216%. The solvency ratio at the close of 2019, with transitory measure of technical provisions, was 213%.

The entities of the Group present average solvency II ratios of above 160%.

Grupo Catalana Occidente 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 95% of the same being tier1.

The Group carries out a quantitative valuation of the risks using the standard formula, except in the credit insurance underwriting risk, which uses a partial internal model approved in July 2017.

Evolution Solvency ratio



* Data with transitional technical provisions and partial internal model.

Stress scenarios and sensitivity analysis based on the SFCR 2019 published in May 2020

Main ratio scenario **212.9%**

Underwriting scenarios

Lowering premiums -5%	-1 p.p.
Increased claims ratio*	-23 p.p.
Set of scenarios	-23 p.p.

Market scenarios

Variable Income -10%	2 p.p.
Real estate -5%	-2 p.p.
Set of scenarios	0 p.p.

-25% VI	0 p.p.
Rates curve +100 bps	8 p.p.
Rates curve -100 bps	-10 p.p.
Spread +100 bps	-6 p.p.
Impairment rating	-1 p.p.

Adverse scenario** **-29 p.p.**

No VA and no PPTT transient **-11 p.p.**

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

Credit insurance claims ratio 99%.

** -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.

-25% of Equity

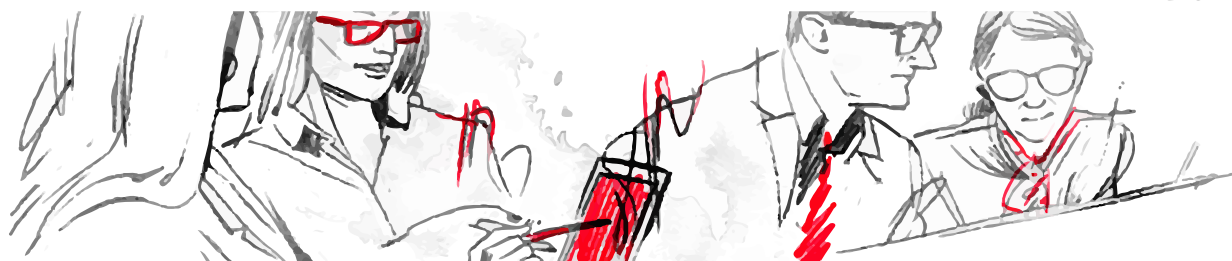
Credit insurance claims ratio 99%.

Corporate governance

04

Best practices

The Group has remained committed in 2020 to a corporate governance model aligned with international practices and based on transparency, rigour and accountability.



Corporate governance model

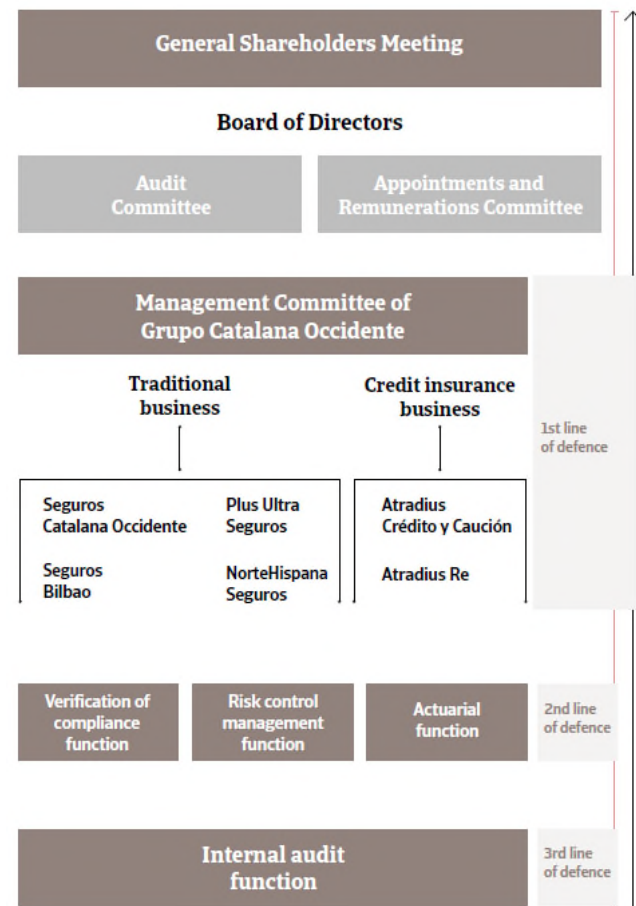
The Board of Directors continues to focus its activity according to the principles of good governance.

The government bodies of Grupo Catalana Occidente 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 framework of information. The Group applies practically all the recommendations of the Good Governance Code for Listed Companies of the Spanish National Securities Market Commission (CNMV), as well as advanced corporate governance practices. The main functions of the government bodies are described in more detail in the Corporate Governance Report attached 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 result. In the Company 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 29 April 2021 at 5.00 p.m. on first call. In order to facilitate the participation of all shareholders, the Group 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 in the Group. 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. At year-end 2020, the board of directors consisted of 16 directors, of which 10 were proprietary directors, 2 are independent and 4 are executive directors. During the year 2020, the Board of Directors has met 14 times, where it has reviewed, been informed and, where applicable, made decisions regarding the financial position and results, strategic plan, acquisition operations, policies and risk control, among other issues.

Board of Directors

Chairman

* José María Serra Farré

Vice-chairman

* Hugo Serra Calderón

Chief Executive Officer

* José Ignacio Álvarez Juste

Secretary Director

* Francisco J. Arregui Laborda

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Members

Jorge Enrich Izard	Eninvest Bros 2014, S.L. Jorge Enrich Serra
Enrique Giró Godó	
** Juan Ignacio Guerrero Gilabert	Jusal, S.L. José M.ª Juncadella Sala
Federico Halpern Blasco	
** Francisco Javier Pérez Farguell	Lacanuda Consell, S.L. Carlos Halpern Serra
Maria Assumpta Soler Serra	
Alberto Thiebaut Estrada	Gestión de Activos y Valores S.L. Álvaro Juncadella de Pallejá
Fernando Villavecchia Obregón	

Deputy non-board member secretary

Joaquín Guallar Pérez

*Executive directors **Independent

Delegate committees:

The Board of Directors has two delegated committees: the Audit Committee and the Appointments and Remunerations Committee.

Audit Committee

Chairman

Juan Ignacio Guerrero Gilabert

Members

Francisco Javier Pérez Farguell
Lacanuda Consell, S.L.

The Board of Directors has appointed an audit committee in accordance with the provisions of 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 of the Company. 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

Members

Juan Ignacio Guerrero Gilabert
Alberto Thiebaut Estrada

As in the case of the Audit Committee, its composition and regulation is established in 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 of the Company. 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 the Company's remuneration policy and report on its implementation.

Management committee (first line of defence)

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

These committees meet at least monthly to take actions regarding their operating system.

External audit

The firm PriceWaterhouseCoopers Auditores, S.L., performs the individual external audit of the Society 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 financial statements, the notes to the financial statements and the auditors' report are available at: www.cnmv.es and at www.grupocatalanaoccidente.com, in the section dedicated to investors and analysts, in the economic information section.

Assessment of the Board and the Committees

Following the recommendations included in the code of good corporate governance, which recommends that an external expert assess the functioning of the Board of Directors every three financial years, during the 2018 financial year, an external assessment was carried out by KPMG in its capacity as an independent expert of the functioning of the Board of Directors, the delegated committees and the performance of its Chairman. 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 code of good governance, during the financial year 2019 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 has approved the report on remuneration of members of the Board of Directors corresponding to the financial year 2020, following the guidelines established by the regulations in relation to the transparency of listed companies.

The annual report on corporate governance and the annual remuneration report, which contain, among other information, details on the Group's corporate governance, the composition of its shareholder base, the functioning of its governing bodies and the remuneration of the members of the Board of Directors during the last 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 establishment of the appetite and risk tolerance for the Group and its main businesses.
- It follows up on the prospective risk assessment.
- Periodic monitoring of the 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 2020 the Group carried out a total of 72 audits, including 3 on aspects of Solvency II, 11 on processes of the internal control system for the generation of financial information (SCIIF) and 2 on the prevention of money laundering and financing of terrorism.

In total, over 182 opinions have been issued, 96.7% of which are at least in the satisfactory category.

Finally, Internal Audit 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 for all employees 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 sense, in 2020, 66 incidents of internal fraud were detected for an amount of €55,233 in terms of contracting, claims and others that represent 0.001% of the turnover.

During 2020, 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.

This policy is approved for three-year periods (unless there are amendments to it) by the General Shareholders' Meeting. Although in 2020 the General Shareholders' Meeting approved a new policy for the three-year period 2020-2022, as a result of the recommendations of EIOPA and the DGSFP, the Board of Directors has agreed to amend the policy and submit it again to the General Shareholders' Meeting in 2021. 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.

Grupo Catalana Occidente, by virtue of its commitment to sustainability, includes in its remuneration policy to be approved at the General Shareholders' Meeting in April 2021, non-financial criteria relating to the commitments acquired in relation to sustainability linked to variable remuneration.

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.

Terms and Conditions

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 remuneration report, the amounts paid to the members of the Board of Directors for all of the above concepts 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 a proper and transparent policy for remuneration and aptitude and honour, ensures that the positions are held by the suitable people.

Aptitude

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 evaluate its 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 reputation 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 of the activity.

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 Grupo Catalana Occidente in their daily work, with regards to the relationships and interactions they maintain with the stakeholders.

This code, developed through different protocols, has been periodically renewed in order to adapt to the new realities faced by the Group and includes, systematises and publishes its principles and values for action in line with the cultural keys of the Group, including the commitments assumed in reference to good governance and issues related to ethics and regulatory compliance and, in particular, the actions related to corruption and bribery, compliance with human rights, respect for people, professional development, equal opportunities, the relationship with collaborating companies, occupational health and safety and respect for the environment, among others.

The code of ethics also includes, the actions of those responsible for law enforcement by Grupo Catalana Occidente, the actions upon receipt of judicial documentation or in the case of receiving an inspection, as well as the manual for procedures and selection of suppliers and the channel for claims against fraud and irregularities.

General principles and values of the Group:

- 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

Communication and monitoring

The code of ethics is communicated to the entire staff 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 through which such complaints and possible violations can be managed.

Complaints of breaches of the code of ethics are regulated in the regulations relating to the procedure for action in cases of irregularities and fraud (whistle-blowing channel). Once the communication is received, an initial analysis of its relevance is carried out by the Internal Audit area, which will refer the case to the Human Resources area, as applicable

when it involves employees. During 2020, 28 communications were received through existing complaint channels, 27 of which have already been resolved.

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 2021, access to the whistle-blowing channel has been extended through the websites of the Group and the companies 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 procedures and supplier selection manual.
- Prevention of money laundering and funding of terrorism manual
- Personal data protection policy and ICT resources.

This management model also establishes that the Audit committee and the Management Committee receive periodic reports on the actions in this area.

Compliance and prevention

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

Regulatory compliance

- **Prevention of money laundering and funding 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 measures implemented by the Group entities subject to the regulations on the prevention of money laundering and the financing of terrorism.

These measures are subject to annual review by an external expert who prepares a report and has considered that the Group has a satisfactory prevention system. The board of directors examines this report, together with proposals of necessary measures, to address the weaknesses identified. No claims on money laundering have been received. As part of the prevention system, the Group has implemented an annual training plan for its employees in this area. During 2020, 1,509 employees have taken courses in this area.

- **Data protection. Cyber security**

The Group entities have a personal data protection policy and a prevention policy, among others, approved by the Board of Directors, which coordinates the data protection committee and its delegates. Potential cyber attacks are

considered one of the principal risks in the sector. This is why the Group has a *Chief Information Security Officer*.

During the year, the Group received two complaints regarding customer privacy breaches from third parties and one complaint regarding customer breach from regulatory authorities. No cases have been received concerning leaks, theft or loss of customer data. Likewise, the Group has not received any substantiated claims of security breaches involving the loss of personal data.

- **Fight against fraud and corruption**

The Group has procedures to combat fraud, which help to identify possible malicious acts or omissions in purchasing the insurance policies, in the statement of claims, or in the accreditation of damages, which are designed to obtain improper benefits, money laundering or unjust enrichment. In 2020, 3,213 employees have undergone training on anti-corruption policies and procedures.

Likewise, the code of ethics and its development protocols establish the policy of action in anti-corruption matters, expressly prohibiting activities such as extortion, bribery and influence peddling, as well as indicating how to act in the event of acceptance or granting of gifts, donations and contributions to foundations and non-governmental organisations, among other actions.

The Group also has a whistle-blowing channel that allows any person to report conduct that may involve the commission of criminal offences to the corporate Internal Audit Department via the Group's website.

During 2020, the Group's spending on industry associations amounted to €0.3 million.

- **Reliability of the financial information**

Following the recommendations of the CNMV about the Internal Control System of Financial Reporting (SCIIF) in 2020, 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.

In 2020, there were a total number of 16 fines and penalties for non-compliance with laws and regulations in social and economic spheres amounting to €1.3 million euros.

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 an independent monitoring process that verifies proper operation over time. Comprehensive system monitoring is performed by the management of the Internal 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 2020 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

The strategy and policies for risk management by Grupo Catalana Occidente are under the responsibility of the Board of Directors of the company.

Control of risk management system

This is based on the principle of “three lines of defence”:

1st line - Taking responsibility for risks.

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 role of risk management control, verification of regulatory compliance and actuarial function. This defines controls that allow compliance with the risk management policies and processes to be ensured.

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.

Information and communication

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.

Risk strategy

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

Grupo Catalana Occidente 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 will 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.

Business strategy and ORSA

The business strategy is defined in the Group's strategic plan and the medium-term plan, which is aligned with the strategy. 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 ORSA contributes towards spreading a common risk culture and provides a prospective vision of the risks and solvency position in the medium-term plan framework.

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

The Group has written policies which, together with the existing technical standards, it has reviewed and approved during the financial year 2020. The policies are available in Table 12 of the Non-Financial Information Statement.

Each of these 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 to control and manage the risks.

ASG Risks

Sustainability risks are defined as those risks that constitute the possibility of losses driven by environmental, social and governance factors. Grupo Catalana Occidente understands, prevents and has the ambition to reduce ASG risks as well as to manage the opportunities to offer safe and quality protection against these risks to all our stakeholders in the best possible way.

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Risk map

RISKS INCLUDED IN PILLAR 1			
Risk	Description	Regulation	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 - IFRS and Local Regulations 	<ul style="list-style-type: none"> - Reinsurance - 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 - National and international insurance regulations - Good practice guides - Consortium 	<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 - Reinsurance policy - Underwriting manual and technical standards - Data quality policy - National and international insurance regulations - Good practice guides 	<ul style="list-style-type: none"> - Strict control and monitoring of the combined ratio - Business value - Reinsurance policy - Maintenance of business diversification
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 - National and international insurance regulations - Good practice guides 	<ul style="list-style-type: none"> - Strict control and monitoring of the combined 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 - Insurance regulations (LOSSP) - CNMV regulations - Distribution regulations 	<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 hedged. 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 - Insurance regulations - CNMV regulations - Distribution regulations 	<ul style="list-style-type: none"> - Reinsurance with counterparties with a high credit rating - Diversified investment portfolio with a high rating - Monitoring of the credit rating of the main financial counterparties and the reinsurer table - Monitoring of trade credit risk exposures
Operational Risk	Risk of loss arising from inadequate or dysfunctional internal processes, personnel or systems or external processes. It also includes regulatory non-compliance	<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 (whistleblower channel) - Insurance regulations - Principles of three lines of defence (COSO regulations) 	<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.

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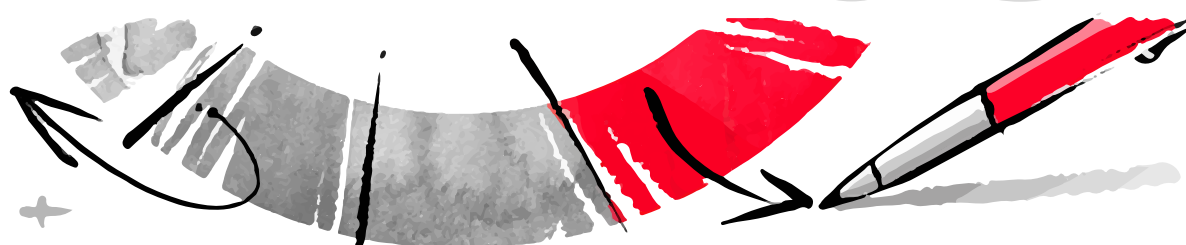
RISKS NOT INCLUDED IN PILLAR 1			
Risk	Description	Internal regulations	Mitigation
Liquidity Risk	Risk of non-compliance of obligations due to an inability to obtain the necessary liquidity even if sufficient assets are in place	<ul style="list-style-type: none"> - Investment policy - Prudent management - Reinsurance policy - Insurance regulations - CNMV regulations - Distribution regulations 	<ul style="list-style-type: none"> - Prudent-based asset management - Control of the different types of portfolio - Liability commitments to be hedged. 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, the risk of a global pandemic associated with Covid, the global economic crisis and the lax monetary policy with interest rates at minimum levels should be highlighted	<ul style="list-style-type: none"> - Underwriting regulations - Written Policies (in particular investment policy) - Occupational risk prevention regulations - Internal Code of Conduct - European regulations - Sector analysis - Global regulation associated with the economic recession and pandemic 	<ul style="list-style-type: none"> - Occupational risk prevention regulations to protect our employees and our customer - Risk underwriting - Strategic planning process and its follow-up - Sectorial analysis - Internal audit, internal control, complaints and whistleblowing channel - Geographical and sectoral diversification in the Credit business - Contingency plans (Brexit) - "Event-driven" monitoring and analysis of the Economic Research Unit
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"> - Bylaws of the General Shareholders' Meeting - 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 - Non-financial reporting regulations - European Sustainability Regulations (ESMA, EIOPA...) - 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"> - 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 - Advertising regulations 	<ul style="list-style-type: none"> - Exhaustive monitoring of the medium-term plan - 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

Business model

Protection and forecast

The Group reinforces its strategic purpose with leadership positions in the protection and long-term forecasting for families and businesses in Spain and in trade credit risk hedging at the international level, supported by its cultural keys and fostering innovation.

05



Business model

In 2020, the Group moved to fourth position in the Spanish market and maintained its share in the credit insurance segment to reach 26% internationally.

The aim of the Group is based on leadership in protection and long-term welfare for families and companies in Spain and on the coverage of commercial credit risks at international level.

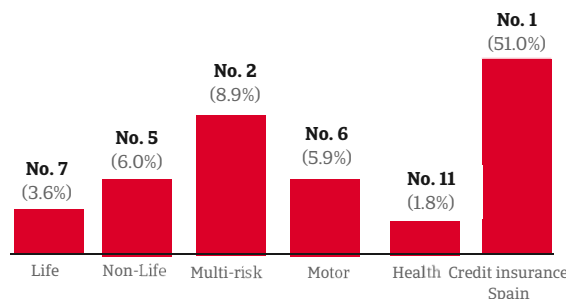
Grupo Catalana Occidente is a multinational insurance company operating in more than 50 countries through a diversified, balanced business portfolio, serving more than 3.5 million customers.

The participation of the various entities in Grupo Catalana Occidente 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 National Securities Market Commission (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 fourth position in the ranking, with a market share of 5.1%: 6.0% in non-life and 3.6% in life. Furthermore, in credit insurance, the Group is the second entity worldwide, with a market share of 26%.

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.

Cultural keys

One of the major milestones for the Group in 2020 has been to continue bringing the cultural keys closer to the entire organisation.

One of the milestones in 2016 was the start of the Proyecto Cultura, where the first objective was to identify the cultural keys of

Grupo Catalana Occidente. These keys define the common values that explain the Group's way of being and doing and that of their entities. In the following years, the Group has addressed the cultural keys, deepening each one of them through an annual conference involving the participation of more than 300 executives from the highest levels of responsibility. Thus, in 2017 the focus was placed on the 'Innovation' key, in 2018 on 'People' and in 2019 on 'Self-criticism', in 2020 it will address 'Austerity' and training will also be provided to different groups within the organisation.

Pillars	Cultural keys
Growth	Self-criticism Innovation
Profitability	Austerity Long-term vision
Solvency	People Commitment

Innovation

The culture, offer and customer, main areas of the transformation plan of Grupo Catalana Occidente.

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. The Group has invested €67.9 million in R&D&I activities and projects in 2020.

One of the most outstanding initiatives on this path towards cultural transformation is the intra-entrepreneurship programme, called Xplora, launched in 2017, which brings together training and a tool for employees to propose ideas that allow Grupo Catalana Occidente to improve its products and services.

Xplora Space Platform

In 2019, the Group made the new Xplora Space platform available to employees, which integrated news about the insurance sector, technologies or corporate culture, as well as offering the possibility of proposing ideas.

In 2020, work continued on improving the platform and providing it with content, including innovative projects from other areas of the company to promote the exchange of knowledge between areas

In the last year, employees have contributed more than 90 ideas to the 9 proposed challenges. Of these, 11 ideas have been supported; 4 are in the project phase and 5 have been integrated into strategic projects. In addition, one of them is in pilot phase.

On the other hand, the Group organised inspirational and informative seminars on digital transformation and new technologies, which were attended by more than 350 employees, all of which were adapted to an online format to coincide with the healthcare crisis.

The innovation training programme has been expanded with more workshops for employees and advanced training in Agile Methodologies and innovation methodologies for employees and managers.

The different projects worked on in the training programmes have been presented to the Innovation Committee in the form of innovative *pitches*.

Two new programmes have also been opened: one that aims to expand the Group's innovation ecosystem with new *partners* (start-ups, universities, etc.) and another that aims to develop new products and services with work teams made up of employees with the support of *partners* such as La Salle, the Mobility Institute, KPMG, SECOT and Phyltime.



“There are aspects of Xplora that I particularly like: one is that we focus on the customer, another is that transversal teams can be formed and, precisely, diversity is a value that strengthens companies, and finally, which fosters teamwork”.

Daniel Ruiz, Head of Training at Seguros Bilbao

Atradius Business Transformation Programme

In 2019, the "Shaping Tomorrow Together" initiative began with the aim of fostering a culture of growth and development in employees, as well as the adoption of new technologies, which would make them drivers of change and transformation. In a year as challenging as 2020, the agile adaptation to a completely new situation and the rapid adoption of technologies that have allowed us to continue to offer excellent customer service have been demonstrated.

The Evolve+ programme has fostered the innovative culture in Atradius through the organisation of webinars in which more than 1,800 employees have participated, including the Management Board. The optimal model for the use of collaborative tools has been analysed and management teams from all over the world have been put in contact with each other to share management models in exceptional times. This has included a specific manual to assist managers in carrying out their duties.

In parallel, the "Atradius Academy" has been a fundamental support in employee development through digital media such as e-learning platforms, newsletters and social networks. By addressing topics such as vitality, remote working and well-being in difficult times, we have encouraged the creation of an environment where learning and development are part of the normal working dynamic.

Finally, the "Rethinking the way we work" programme invited employees to reflect on the future of work in areas such as the configuration of the home for professional use, co-working spaces in offices, the various legislations that apply and how to ensure that the corporate culture of excellence in customer service is maintained. The aim of this project is to incorporate things learned from the pandemic into the working model of the future.

The centre of the strategy: the customer

For Grupo Catalana Occidente, the customer is in the centre of the strategy and therefore, is the motor for all of the innovation processes. In this sense, there is constant analysis of their opinion in order to learn about their needs and be able to offer innovative solutions adapted to their profile. Just in the last year, more points of contact with the customer have been opened and a boost has been given to the monitoring of opinions and queries through social networks.

The Group is also clearly committed to omni-channels, allowing customers to decide the channel through which they want to interact. In this regard, the Contact Centre transformation project launched in 2019 continues to lead the way in offering its customers a consistent, homogeneous experience across all channels. In the last year, an open question telephone service system has been implemented to reduce unnecessary internal transfers, improving the customer experience through a natural language model that identifies the reasons for the call; the messaging system in the event of claims has been improved to allow customers to monitor it in real time and a new chat channel has been implemented to deal with customers.

Finally, the basic pillars (culture, offer and customer) are based on two essential catalysts: data and technology. The Group is aware of the need to be prepared to manage the information available to customers, in order to offer them a better experience and greater personalisation.

It is also working to adapt and improve the technological systems with the objective of being prepared and agile in order to respond to the needs of consumers.

Technology and operations

The Group is making decisive progress in digitization.

In 2020, the efforts with regards to digital transformation were significantly increased.

- **Artificial Intelligence / Data Science**

Artificial intelligence and, in particular, the application of Machine Learning self-learning techniques remain a key initiative of the Group to improve the operational efficiency of internal processes and enhance the quality of service to our customers. This year the Group has implemented customer segmentation systems that will enable it to carry out personalised actions and campaigns and develop loyalty policies.

- **Unification of platforms**

A project that aims to provide a technological framework common to all companies of traditional business in the Group and to improve the efficiency of processes and promote technological synergies.

- **Video loss adjustment**

In order to improve the customer experience in the context of the healthcare situation, the Group has adapted its loss adjustment processes by implementing a video loss adjustment system as the most appropriate means of carrying out this work when a face-to-face visit is not possible. In addition, this service minimises the impact on pollution caused by our employees' journeys.

- **Atradius Business Transformation Programme**

The aim is to improve its offer of services and product development to maintain the strong value proposition for customers.

Creation of value

The vocation of Grupo Catalana Occidente is to consolidate a solid business and generate sustainable social value. In 2020, the Group distributed €3,930 million to society.

Sustainable social 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 the people that form part of the interest groups and society as a whole in the short and long term.

	(figures in € million)		
	2018	2019	2020
Direct economic value generated	3803.8	4145.5	4330.8
Distributed economic value	3725.6	4035.1	3933.5
Provisions provided to customers	2252.1	2461.5	2385.9
Public Administrations	406.5	465.3	452.5
Intermediaries	488.6	505.6	512.2
Employees	481.2	499.7	496.6
Shareholders	94.7	100.5	81.5
Contributions to non-profit entities and foundations	2.4	2.5	4.8
Retained economic value	78.2	110.4	397.3

*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 with UNESPA to the COVID-19 fund for health professionals and the contributions of the Group's entities to the Fundación Jesús Serra.

Business units

Traditional business

The traditional business, with a wide range of insurance products, mainly aimed at households and SMEs, is managed through a dedicated network of professional agents and over 1,600 offices in Spain.

The business lines offered are:

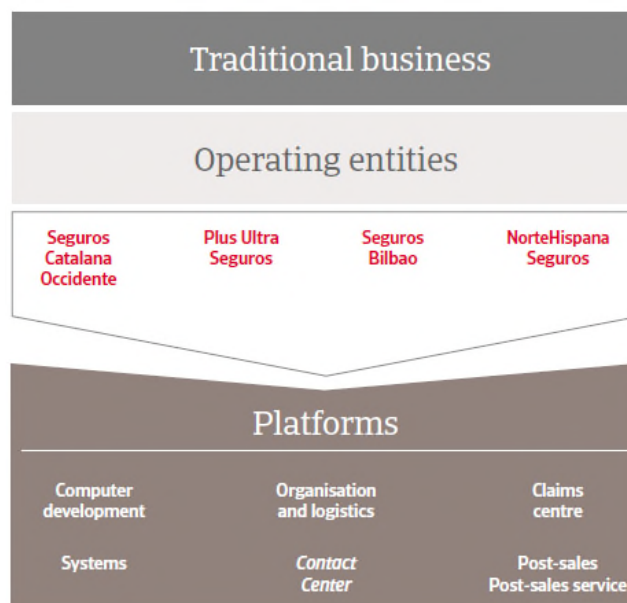
 <p>Multi-risk Family-home, stores, communities, offices and SMEs.</p>	 <p>Other Industrial Products, engineering, accidents and civil liability.</p>
 <p>Life Life risk, life savings, pension plans and investment funds as well as funeral and health.</p>	 <p>Motor Coverage for vehicles or transport fleets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

The brands of the Group in the traditional business are:

The Group's operating platforms in the traditional business

The entities of the traditional business share different operating platforms in order to improve efficiency and offer quality service to customers.






Focus on the service:

- Personalisation.
- Immediate resolution.
- Self-service.

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.

 <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>	

The brands of the Group for credit insurance are:

Corporate structure

Grupo Catalana Occidente is made up of 50 companies, mostly involved in the insurance business. The parent company is Grupo Catalana Occidente S.A. (with corporate address at Paseo de la Castellana 4, 28046 Madrid), which directly and indirectly administers and manages the investments of all Group entities.

The following table reflects the main entities included in the consolidation perimeter of the Group at the close of 2020. All of them have their own organisational structure and network. From an organisational point of view they have a structure with centralisation and decentralisation of operations, with the following service centres: two underwriting centres, six claims centres, an administrative accounting centre and a call centre.

GRUPO CATALANA OCCIDENTE		
Main entities		
Seguros Catalana Occidente	Tecniseguros	GCO Gestión de Activos
Seguros Bilbao	Bilbao Vida	GCO Gestora de Pensiones
NorteHispana Seguros	S. Órbita	Catoc SICAV
Plus Ultra Seguros	Previsora Bilbaina Agencia de Seguros	Bilbao Hipotecaria
GCO Re	Bilbao Telemark	Sogesco
	Inversions Catalana Occident	Hercasol SICAV
	CO Capital Ag. Valores	GCO Activos Inmobiliarios
	Cosalud Servicios	
	GCO Tecnología y Servicios	
	Prepersa	
	GCO Contact Center	
	Grupo Asistea	
Atradius Crédito y Caución	Atradius Collections	Grupo Compañía Española Crédito y Caución
Atradius Re	Atradius Dutch State Business	Atradius NV
Atradius ATCI	Atradius Information Services	Atradius Participations Holding
Atradius Seguros de Crédito México	Iberinform International	Atradius Finance
Atradius Rus Credit Insurance	Graydon	
Crédito y Caución Seguradora de Crédito e Grantias Brazil		
INSURANCE COMPANIES	COMPLEMENTARY INSURANCE COMPANIES	INVESTMENT COMPANIES

Traditional business

Credit insurance business

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Sustainability

A year of consolidation

*Integrating sustainability into
Business strategy in the long term*



Sustainability strategy

For Grupo Catalana Occidente, 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 our 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.

Social value is the result of focusing our activity not only on obtaining good financial results but also on favouring the welfare of the stakeholders to which the Group's entities respond. This value becomes sustainable when it is integrated into the business strategy not only in the short term but also in the medium and long term.

This commitment is materialised through our sustainability policy and the sustainability master plan 2020-2023.

Sustainability policy

In January 2021, the Board of Directors approved the sustainability policy of grupo Catalana Occidente, which replaces the former corporate responsibility policy in force until then.

This document establishes the reference framework for the Group and the entities that comprise it to develop and promote socially responsible behaviour. Grupo Catalana Occidente and the entities that comprise it. It includes the general principles of action in the area of sustainability, as well as specific sustainability goals pursued by the Group.

The new sustainability policy aims to respond to an increasingly demanding European and national regulatory framework, which includes the United Nations 2030 Agenda, the Paris Agreement of the United Nations Framework Convention on Climate Change, the European Green Pact and the European Strategy for decarbonisation to 2050.

Externally, it strengthens its commitment to the United Nations Global Compact Principles, the United Nations Principles for Responsible Investment (PRI), the Principles for Sustainable Insurance (PSI) and the Sustainable Development Goals (SDGs).

Internally, the policy is the key instrument to strengthen the Group's commitment to sustainability and lays the foundations on which to develop the sustainability master plan.

Stakeholders

Our relationship with the different stakeholders is based on a constant and transparent dialogue. Grupo Catalana Occidente establishes specific commitments with each of them, which are included in its code of ethics.

The relationship with the different stakeholders is materialised through the implementation of specific commitments based on the Group's cultural keys, which define its way of being and doing: people, commitment, self-criticism, austerity, long-term vision and innovation.

Employees

The human team is the main asset for creating value for the customers and shareholders of the Group's entities. We are committed to guarantee: equal opportunities, fair pay, lifelong learning and to facilitate the reconciliation of work and family life.

- Equal opportunities, integration and diversity: The Grupo Catalana Occidente integrates corporate social responsibility policies focused on a responsible and transparent management in its business strategy. The behaviour of all its members is based on ethical behaviour based on good faith and integrity as set out in the principles of action formalised in the code of ethics: the principle of integrity and honesty, the principle of impartiality, the principle of transparency, the principle of confidentiality, the principle of professionalism and the principle of corporate social responsibility.

In this line, no type of discrimination is permitted based on birth, sex, religion, opinion or any other personal or social condition or circumstance. Respect for human rights is also guaranteed. In addition, companies of significant size have an equality plan and a protocol for the prevention and treatment of sexual harassment on the grounds of gender and moral harassment.

The Equality Commission is responsible for ensuring compliance. The general objectives of these plans are:

- a) To promote the principle of equal treatment between men and women, guaranteeing the same professional opportunities in employment, selection, remuneration, training, development, promotion and working conditions.
- b) To guarantee the absence of direct or indirect discrimination on the basis of gender and, especially, those derived from maternity, paternity, the assumption of family obligations, marital status and working conditions.
- c) To prevent all types of abuse, particularly sexual harassment and gender-based harassment, implementing a code of behaviour that protects the entire human team.
- d) To promote equal opportunities through communication and awareness on all organisational levels.
- e) To favour conciliation of the professional, personal and family life of the whole team.

It should be noted that the composition of the staff is generally gender balanced. Although the functions of greater responsibility are mostly occupied by men, in recent years, a positive trend has begun to emerge towards achieving a balance.

The Group is also committed to the employment integration of people with disabilities. At the end of the year, 85 people with different abilities were on the Group's payroll (92 people in 2019). The companies Seguros Catalana Occidente, GCO Tecnología y Servicios, Plus Ultra Seguros, Se-

guros Bilbao, have been awarded the certificate of exceptionality granted by the State Public Employment Service, under the provisions of Royal Decree 364/2005, of 8 April, which regulates the alternative fulfilment of the reserve quota in favour of disabled workers on an exceptional basis.

- **Fair remuneration:** during 2020, progress has been made in having a common remuneration policy in the traditional business, characterised by making a wide variety of flexible remuneration products available to employees, highlighting the annual offer of share-based remuneration for the staff of the insurance activity. In addition, the Group's employees enjoy an extensive programme of social benefits, including pension plans, company canteens, financing of employee training (university education, MBA, languages), assistance for disabled family members, personal loans, etc.

- **Reconciliation and co-responsibility of both parents** In their commitment to equal opportunities and work-life balance, the companies adhering to the Collective Bargaining Agreement, which affects practically all traditional business entities, offer a flexible timetable that allows them to accumulate hours for future free use and an intensive working day in the summer months, as well as the option of voluntary leave for one year with a guarantee of re-entry.

Likewise, these companies offer social benefits such as a permanence prize, retirement prize, birth prize, help for disabled relatives, life insurance above the conditions of the collective agreement of the insurance sector and personal loans.

On the other hand, the company GCO Contact Centre has started the teleworking modality for some workers and plans to increase the number of workers in teleworking situation progressively.

At Atradius N.V., the measures to promote work-life balance are subject to the regulations of each country. In addition, a disconnection policy was approved in 2019 for Grupo Catalana Occidente entities.



The rapid implementation of teleworking by the Group has enabled me to continue to perform my duties normally thanks to the tools made available to me and has also helped to protect my health

Alberto Gimeno, Atradius Crédito y Caución employee

- **Permanent training and professional development.** During the 2020 financial year, the Group has maintained the training actions aimed at professional development, in line with the provisions of the Training Plan. The traditional business training plan is established annually by virtue of meetings held with the heads of each unit and is drawn up on the basis of three complementary sources: the Group's strategic plan, the results of the consultations sent to each sub-department and teams regarding their training needs, and the specific training needs arising from the professional assessments that began to be implemented in December 2018. In the credit business, there is "Atradius Academy" a learning platform available to all employees of the credit business where they can find a wide selection of online courses. This year, the strategy for the platform has been updated and new courses have been included. In total, more than 136,263 hours of training have been provided, which represents an average of 18 hours per employee, similar to the previous year's figures despite the situation.

- **Health and safety:** The entities of the Group in Spain have a prevention service in accordance with current labour legislation. In addition, there are procedures and internal regulations related to occupational risk prevention, including self-protection plans for all buildings, risk assessments and annual action planning.

There is also a joint prevention service that covers most of the Group's insurance companies, allowing for a more homogeneous management. The entities that are not under this department maintain their own or have an outsourced service, following to efficiency and speciality criteria. For Atradius countries, there is no general policy, most countries have their own policy according to local legislation or collective agreements.

At corporate level, although there is no specific health and safety policy of general application, the Group's commitment to the health and safety of its employees is embodied in the preparation of sickness protocols and the inclusion in collective bargaining agreements of benefits in the event of any kind of incapacity to work. In 2020 there were more than 10,300 individual training sessions on health and safety related topics.

- **Internal communication:** The Group maintains constant communication with our employees, making sure to keep them informed about the future of the business and about any information relevant to the Group and its entities. For this purpose, there are corporate intranets as the principal tools for internal communication accessible to all employees. In this regard, at the beginning of the year the documents summarising the Group's strategic plan, as well as the guidelines for each year, are published and are accessible to all employees.

- **Healthy Company:** Grupo Catalana Occidente is concerned about the well-being of its employees, promoting sport and healthy living. Last year the Healthy Company initiative was launched, with the outstanding milestone of the remodelling of the Club Catalana Occidente, in Sant Cugat del Vallés (Barcelona), and with the aim of carrying out similar actions in the rest of the Group's entities.

- **Union representation and collective bargaining in Spain**

The continuous dialogue between the organisation and the employee representatives is articulated through the company committees and trade unions with whom the companies maintain fluid communication, with periodic meetings addressing the issues related to working conditions, equality, prevention of occupational hazards, professional recognition, etc., and the existence of committees designed to address specific topics such as health and safety, professional classification pension or equality plans, whose committee ensures compliance with the equality plans.

This year has seen the consolidation of the application of the same working conditions for all the employees of the companies that have signed the collective bargaining agreement that affects practically all the insured business entities. Within the same, working conditions have been established that are common to all staff in the insurance sector that have integrated activities and share the same operating functions that highlight consolidation for all employees in a system of social prevention with annual contributions corresponding to 5% of the fixed salary. In addition, the remuneration systems of the integrated companies were integrated in the recent period, establishing a system of professional classification that establishes the same conditions for the same functions, which is a guarantee of equity. In addition, this year the company GCO Contact Centre has reached an agreement with the representation of workers in the Madrid area to establish measures aimed at resolving the discomfort detected in the report on psychosocial risks in the Madrid workplace and improving the reconciliation of family life, along the same lines as those agreed with the representation of workers in the Sant Cugat area at the end of 2018. At present, both work centres have an equivalent agreement that has allowed stability in the management of the activity and a good social climate. As in the previous year, in European countries the percentage of employees under collective bargaining agreements is over 95% (including the United Kingdom) and in the rest of the countries it is on

average 15%. With regard to collective bargaining agreements, Atradius N.V. is in constant dialogue with the trade unions in each country and the works councils, and in the case of the EU also with the EWC (European Works Council).

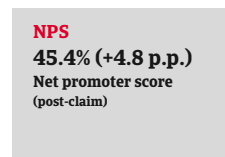
Customers

The main objective of Grupo Catalana Occidente's relationship with more than three and a half million customers (policyholders) is to offer them competitive products and a quality service, based on personal, transparent and comprehensive advice.

The Group is also committed to provide policyholders with simplified and clear information, as well as to clear up any doubts they may have about the content of their policies and services, or in the case of an incident.

In recent years, new self-service functionalities have been developed and implemented in the e-customer tool.

Customer experience in traditional business



Customer experience from credit insurance business



The Group's entities are adhered to the guide for good transparency practices of Unespa

Customer service

Good management of customer complaints and claims is a basic element in the quality of service. Grupo Catalana Occidente has regulations for customer protection adapted to the requirements of Order ECO/734/2004 of 11 March on customer service departments and services of financial institutions and the commitments assumed by the insurance sector through the Guide to good practices for the internal resolution of complaints promoted by the Spanish Union of Insurance and Reinsurance Companies (UNESPA). Complaints and claims data for the Group's business are provided in tables 13 and 14 in chapter 7.



At such a delicate time as the loss of a loved one, it is grateful to have the full support of professionals who take care of both the material and emotional needs of your family member

Elisa Alcaide, Nortehispana Seguros customer

Shareholders, investors, and analysts

These groups are key to the long-term sustainability of the organisation, which is committed to working to achieve a return on its investment through prudent risk management, the development of a long-term strategy and transparency of information. The Group has two specific areas of the organisation that deal with the requests of shareholders and institutional investors, their proposals and expectations regarding management in an individualised and close manner.

Shareholder Relations Unit: +34 935 820 667

accionistas@catalanaoccidente.com

Analysts, Investors, Rating Agencies and Sustainability Relations Unit: +34 915 661 302

analistas@catalanaoccidente.com

Distributors / intermediaries

Formed by the network of agents and brokers, these stakeholders facilitate the relationship of the entities with their environment. They contact the customers, generating confidence to understand individual needs and providing value through their professionalism and proximity. Good communication and a relationship of trust with the intermediaries are essential to provide a good service to customers.

The commercial network of Grupo Catalana Occidente's companies is made up of 1,591 traditional business offices and 17,042 intermediaries, mainly exclusive agents and insurance brokers. During 2020 Grupo Catalana Occidente focused on the development and efficiency of its distribution network.



The social network ambassadors project is allowing us to improve our digital presence at no cost to the agency and without the need to invest time and resources. It is a service that puts the company within our reach and helps us to have updated content and be closer to our customers"

Antonio Rico, exclusive agent of Seguros Bilbao

Associates and suppliers

These are specialised service providers whose work is essential to the performance of the insurance business. The Group guarantees objectivity and impartiality in selection and hiring, equal treatment and transparency in management.

The code of ethics establishes that the Group's relationship with associates and suppliers must be oriented towards the achievement of common goals, based on mutual commitment to the fight against corruption and respect for human rights. In order to choose suppliers, the traditional business

applies the criteria set out in internal regulations and, in particular, in the Supplier Selection Manual, which regulate the acquisition of goods, services and supplies. These criteria are based on objectivity, impartiality, transparency, equal treatment and quality, and seek to avoid any kind of conflict of interest or personal, family or economic ties in the selection of suppliers. All suppliers of the traditional business explicitly undertake to comply with a series of clauses which, in summary, include the following:

- Compliance with the Grupo's code of ethics.
- Compliance with the European Data Protection Regulation.
- The obligations with the Tax Authorities and Social Security.
- Compliance with Occupational Risk Prevention Regulations.
- The confidentiality of the information collected in their performance

On the other hand, Atradius has an outsourcing policy that regulates the management of suppliers.

The Group does not currently carry out audits of suppliers.

Management of Suppliers

During 2020, Grupo Catalana Occidente worked with more than 3,000 suppliers, resulting in expenditure of approximately €232 million. In the case of the traditional business, without taking Asistea into account, the number of suppliers with which the company worked was 1,086 and the expenditure made with these suppliers amounted to €45.8 million. Due to its activity and its presence in Spain, most of the expenditure goes to local suppliers. The credit business collaborated with 2,009 suppliers and total expenditure was €186 million, 95% of which corresponds to expenditure with local suppliers.

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 21c. of the Notes to the report.

Management of associates in traditional business

Perpersa (Insurance experts and EIG prevention) is the company in Grupo Catalana Occidente that manages specialised associates for the solution of claims, except for lawyers. All direct associates are local. In total, the Group has 2,171 associates.

Associates are continuously evaluated according to different parameters such as activity, costs, management time, customer service and best practices. The results are collected in reports that are received by the associates themselves and the doctors in each area. The activity holds the quality certificate UNE-EN ISO 9001-2008, which guarantees that the processes are oriented towards continuous improvement and have efficient organisation for the planning, control and analysis of results.



The support shown by Grupo Catalana Occidente has been vital to guarantee the continuity of our business at a time when we needed an injection of liquidity to face, above all, the consequences of the state of alarm, a time when there was a sharp drop in activity"

Rafael Moreno, an associate whose workshop is part of the AutoPresto network

Society

The commitment assumed with the societies in which the Group operates has been linked to economic development, welfare and quality employment for more than a century.

The companies of Grupo Catalana Occidente are committed to a new sponsorship strategy linked to music in order to reinforce their positioning in the Spanish market. Music allows us to connect with a wide range of audiences of all ages and increase people's connection with the brand in moments

that are enjoyed with enthusiasm; under the slogan "music, like confidence, makes your life better" the Group is committed to music as an element to give people confidence. In 2020, two important collaboration agreements were undertaken:

- Grupo Catalana Occidente becomes the main sponsor of the Starlite Festival in Marbella, which is now called Starlite Catalana Occidente. The Group also sponsored the Starlite Charity Gala held on 9 August in Marbella, organised by the Fundación Starlite to raise funds for the fight against COVID-19.
- Catalana Occidente is the main sponsor of El Regreso, a digital programme in which the aspirants of Atresmedia's La Voz have the opportunity to return to the musical talent show broadcast on television, thanks to the confidence of Grupo Catalana Occidente. El Regreso is broadcast on the ATRESplayer platform and can also be followed on the La Voz website, as well as on the programme's social media profiles.

Overall, the amount earmarked for sponsorship projects in 2020 amounted to € 4.4 million, the amount in 2019 amounted to €0.9 million.

At Atradius, employees articulate campaigns with the aim of maximising their social contribution. Among the actions promoted can be found collections of donations for various causes or charity races under the initiative "Atradius Cares". This initiative was created with the purpose that local Atradius staff share and gain recognition for the local social projects undertaken. Some of this year's initiatives include supporting entrepreneurs in developing countries and donating the proceeds from Christmas gifts to planting trees.

During this year and as a public subsidy, the Grupo Catalana Occidente has only received 154 thousand euros for training (FUNDAE).

The social action of Grupo Catalana Occidente is articulated through the Fundación Jesús Serra.

Fundación Jesús Serra

Fundación Jesús Serra is a private non-profit entity created in memory of Jesus Serra Santamans, well-known businessman and patron, founder of Grupo Catalana Occidente, which is intended to give support and promote initiatives of a cultural, business, education, music, sports, research and charity type.

Currently, the Foundation carries out projects with the aim of making a better society for all, always guided by values such as solidarity, effort and teamwork. The Foundation's contributions to society in 2020 amounted to €2.1 million.



Without the commitment of entities such as the Grupo Catalana Occidente and the Fundación Jesús Serra, it would be impossible to implement our programmes aimed at alleviating the educational gap that Covid is causing in the most vulnerable"

Andrés Conde, CEO of Save The Children in Spain

[For more information on our stakeholders, please see chapter 3 of the sustainability report available on the corporate website.](#)

Materiality

Grupo Catalana Occidente has updated its materiality study in 2020 with the aim of identifying the relevant issues for the Group and its stakeholders.

The methodology used is based on the guidelines of the Global Reporting Initiative (GRI), specifically the GRI 101 Standard: Fundamentals and takes into account both the Group's impact on the environment and the impact of the various issues on the Group. For this, the processes of identification, prioritisation, validation and determination of contents have been undertaken.

Identification

Firstly, based on various external sources and an *industry benchmark*, an analysis of the issues of concern to Group's stakeholders has been carried out in order to determine which issues can be considered relevant.

Prioritization

Once the issues have been identified, they have been prioritized based on a dual analysis of information sources: external relevance and internal relevance.

Validation

The results obtained were evaluated and validated by the Sustainability Committee, which assessed the coherence of the evaluations given in the previous phase.

Determination of contents

Once the above results had been validated, a materiality matrix was drawn up, which determined the list of aspects that, having acquired sufficient importance, should be reported as material issues.

The result of such analysis, results in the following material issues:

- Customer experience
- Data protection. Cyber security
- Innovation
- Corporate governance
- Ethics and transparency.
- Risk management
- Responsible investment.
- Responsible products or ASG.
- Climate change and environmental management
- Attracting, developing and retaining talent
- Quality employment
- Health and safety
- Management of service providers.
- Commitment to Society
- Development of local communities
- Human rights

Sustainability Plan

The Sustainability Master Plan is the main instrument through which Grupo Catalana Occidente develops and implements its sustainability strategy. Based on the new materiality study carried out in 2020, a new Sustainability Master Plan has been updated for the 2020-2023 period, which replaces the previous Corporate Responsibility Master Plan 2019-2021.

The objectives of the Sustainability Master Plan 2020-2023 are as follows:

- To offer a common working framework in the field of sustainability for the entities that form part of the Grupo Catalana Occidente.
- To promote those lines of work in sustainability that support the basic pillars of the Group's strategy -growth, profitability and solvency- and respond to the challenges of both the insurance sector and Grupo Catalana Occidente.
- To advance in the commitments assumed with stakeholders in the Sustainability Policy (formerly Corporate Responsibility Policy).
- To establish a work programme for the 2020-2023 period, to define responsibilities and monitoring indicators.
- To provide management of identified material issues.

The Sustainability Master Plan has been structured by identifying three fundamental areas of development: excellence in service, positive contribution and trust; and a transversal area of transparency common to these areas: dissemination and reporting.

Within each area, specific lines of action have been established in which the Group intends to create value in a sustainable manner, with actions for their development, those responsible for their execution, scope of action and indicators for their monitoring.

Sustainable finance

Sustainable finance, understood as finance that incorporates environmental, social and governance (ESG) criteria, has become one of the main tools to drive the transformation towards an economy that supports the EU's climate and sustainable development agenda.

Grupo Catalana Occidente, as a financial institution and insurance group, plays a key role in this process in two ways: on the one hand, as an investment manager and, on the other, as a provider of products and services that promote sustainable development.

Responsible investment.

As a signatory of the United Nations Principles for Responsible Investment (PRI), Grupo Catalana Occidente has joined the commitment to achieve a global, sustainable financial system by incorporating environmental, social and corporate governance (ESG) factors in its investment decisions and in the active exercise of ownership.

As at 31 December 2020, the value of the Group's responsible investments in relation to total investments and Managed funds represents 52.0%. There are no significant investment agreements, as Grupo Catalana Occidente directly manages practically all investments.

In January 2021, the Group's Board of Directors approved Grupo Catalana Occidente's Responsible Investment Policy. This policy establishes the ESG principles and criteria to be taken into account by the Group in the management of its financial investments and is complementary to the investment management principles established in the Group, which are based on a principle of prudence in its actions and

whose main objective is to ensure the commitments assumed with customers over time with an adequate diversification of the portfolios.

Investment strategy

The Group has established the following principles of action to advance the incorporation of ESG issues into the analysis and decision-making processes with regard to investment management:

- Principles of exclusion: Negative Screening and regulatory Screening.
- Integration principles: sustainable thematic investments: and impact investments.

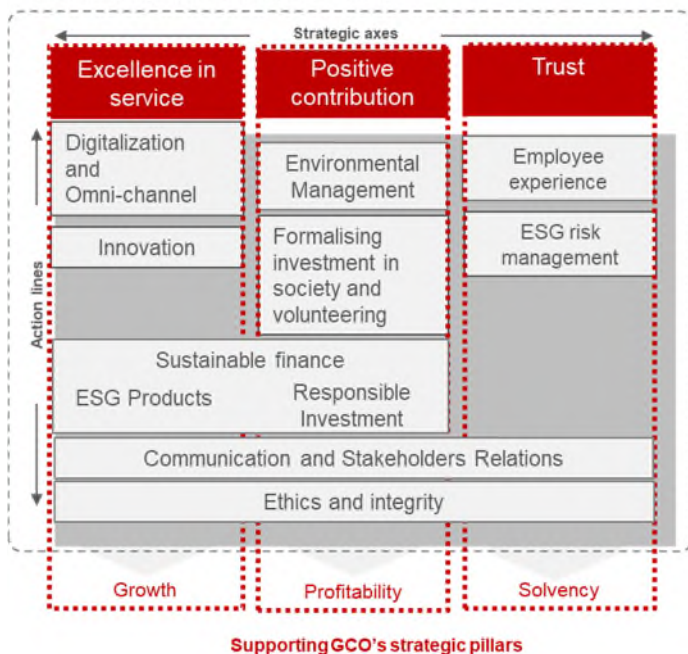
The Group's annual responsible investment plan establishes, on an annual basis, the responsible investment objectives to be achieved during each year in accordance with the above principles set out in the responsible investment policy.

In order to analyse and implement investment decisions, there is a SRI (Socially Responsible Investment) Committee, which reports to the Group's Investment Committee, whose main objective is to monitor the implications of the implementation of the Group's responsible investment policy and the annual implementation plan.

Responsible products

Sustainable growth meets the needs of the present without compromising the ability of future generations to meet their needs, ensuring a balance between economic growth, social well-being and the environment. Changes in consumption patterns, new energy sources, new technologies and innovation are essential for sustainable growth.

Sustainability Master Plan 2020-2023



Agricultural insurance

The agroinsurance pool is responsible for managing combined agricultural insurance on behalf of the traditional business insurers participating in the pool, thus contributing to the economic and social development of the agricultural and livestock sector.

- It mitigates losses resulting from the climatic emergency in the agricultural sector.
- It minimises the risk of endangering an activity that is essential to society.
- It is a significant support to producers' incomes.
- It is an additional way of boosting the population in rural areas.
- It is an international benchmark.

Environmental risk insurance

The Group participates in the environmental risk pool, an effective incentive in the prevention of these risks since, due to the lack of sufficient development of this type of insurance on an individual basis in the Spanish market, without the pool formula it would not be possible to protect against environmental risks. The cover provided by environmental liability insurance allows the costs arising from the necessary repair of the environment damaged as a result of a pollution event to be met. Group's range of environmental insurance covers companies, boats, residential buildings and single-family homes.

Cyber risk insurance

Digital transformation poses new challenges and needs for our customers. Companies are investing more and more in technology, but they are also exposed to greater risks and greater needs to store and process data ethically and securely. Grupo Catalana Occidente responds to these needs by offering companies protection against the risks involved in operating in an increasingly digital age.

For this, the Group has a cyber-risk policy for companies that offers, among other things, protection against cyber-attacks, preventive services and professional advice.

In 2020, the preventive services of the insurance have been expanded, extending cyber protection to the homes and equipment of all your employees who are teleworking.

Insurance for electrical vehicles

The transformation of carbon-based economies to new paradigms of sustainability, where energy efficiency and environmental protection play essential roles, is already a major global priority. Ensuring access to affordable, secure, sustainable and modern energy is part of the UN agenda.

The motor insurance offer includes a specific insurance offer for electric and hybrid vehicles, which are committed to sustainability by mitigating the carbon footprint.

Senior Health and Wellness

The ageing of the population is one of the main challenges facing society and the insurance sector has always played a fundamental role in this respect, complementing public pension systems with a wide range of products that favour long-term savings.

In order to continue advancing specific products that meet the growing needs of those in the third and fourth age, the Group has moved forward in 2020 with the creation of a health product that caters to the needs of people over 65 years of age, the senior wellness health product.

Risks and opportunities of climate change

Climate change is a risk that affects all business sectors, especially insurance. Companies' exposure to climate risks can put their financial sustainability at risk due to the impact these risks have on their assets and operations over time.

Grupo Catalana Occidente, aware of the global repercussions of climate change on the financial system, has worked during 2020 on various lines of action related to climate risk. Thus, as a result of the materiality analysis carried out this year, climate change and environmental management is positioned as one of the critical issues to be accountable for.

The Group's strategy in this area is reflected in the Climate Change and Environment Policy, which sets out the commitments to contribute to protecting the environment and reducing the effects of climate change from an internal perspective due to the impact of the Group's activities and from an external perspective by identifying business opportunities in its activities and products.

In this way, the Group undertakes to incorporate the physical risk derived from climate change in the risk analyses of the products and services that could be materially affected by it, as well as to review them regularly and include them in the prospective risk assessment in accordance with the recommendations of European supervisors and regulators.

Within the framework of the Risk Management System, the Group undertakes to identify the risks and opportunities related to climate change and to include them in its risk map and analyse their impact on financial planning, adapting its strategic planning if necessary, as well as progressively promoting and implementing metrics that help to measure and manage the risks and opportunities arising from climate change.

Among the risks included in the risk map, the following are identified as the main climate risks:

Physical Risks: These are those resulting from climate change and arise from a series of specific weather events. These risks can have financial implications for organisations, such as direct damage to assets and indirect impacts from supply chain disruption.

Transition Risks: They emerge as society adapts to a low-carbon economy.

Liability risks: They arise from weather-related insurance claims through liability insurance policies and direct legal claims against insurers for failing to manage weather risks appropriately.

By 2021, the Group will continue to work on the identification of climate change risks and opportunities following the recommendations of the TCFD (Task Force on Climate related Financial Disclosures).

Environment

The environmental impact of Grupo Catalana Occidente's current activity is limited. Even so, Grupo Catalana Occidente recognises the effects of its activity on the environment, mainly those derived from the consumption of raw materials, energy consumption and the emissions associated with the latter. As this is an office activity, neither water consumption nor waste management data are considered significant, but efficient use of waste is encouraged. In January 2021, the climate change and environment policy was approved, in which the group commits to a process of continuous improvement in environmental performance and pollution prevention.

In it, the Group aims to address the impact of its operations on the environment, based on the following lines of action:

- To work on its environmental management systems with the aim of reducing greenhouse gas emissions, thus contributing to achieving the 2030 and 2050 European targets.
- To actively promote a culture that encourages the efficient and responsible use of resources.
- To raise awareness of climate change and environmental issues among the Group's employees and encourage suppliers and contractors.

In addition, the companies in the credit insurance business have formalised their commitment by drawing up their own environmental policy in line with that of Grupo Catalana Occidente.

No significant sources of atmospheric pollution, noise or light pollution have been identified, except for those related to GHG emissions.

Energy

Grupo Catalana Occidente encourages good energy practices among its entities, promoting the consumption of renewable energies. Thus, for example, 73% of electricity consumption will come from renewable sources by 2020.

The maintenance and refurbishment of the Group's buildings are governed by energy efficiency principles, with the aim of reducing consumption and CO2 emissions. To date, a total of 6 of the Group's buildings have sustainable building certificates. The new projects and renovations included movement detectors, automatic regulation of light intensity and replacement of air conditioning and heating installations for other more efficient systems from an energy point of view. These actions have reduced energy consumption in the principal buildings of the Group in traditional business.

Energy consumption 2020*

Gas Natural (KWh)	660.486
Electricidad (KWh)	27.962.915
Total (KWh)	28.623.401

*The natural gas consumption of the credit insurance business has been calculated by extrapolating the consumption up to October and November

The commitment to the environment is also linked to the day-to-day work of the employees of the Group's entities. For this reason, electric charging stations for vehicles have been installed in some of its most emblematic buildings.

Materials

In an effort to achieve efficient document management and reduce paper consumption, the implementation of electronic documentation has been promoted in business processes, including those in which the customer participates, with the launch of the digital policy being a highlight. Teleworking has accelerated this process.

Consumption of materials	2020
Paper consumption (Kg)	9094665
% Recycled paper	10%

Emissions

Emissions *	2020
Scope 1 (Kg CO2)	134567
Scope 2 (Kg CO2)	2477408
Total (Scope 1 + Scope 2 KgCO2)	2611976

*Emissions calculated from reported energy consumption. Natural gas emission factor 2.018 KgCO2/m3 (Source: DEFRA). Electricity emission factor 0.288 KgCO2/KWh (Source: CO2 emissions from Fuel Combustion IEA 2020).

Grupo Catalana Occidente is committed to working on its environmental management systems with the aim of gradually reducing the intensity of greenhouse gas emissions, thus contributing to achieving the European targets of a 55% reduction by 2030 compared to 1990 and achieving carbon neutrality by 2050.

The Group has no environmental liabilities, expenses, assets, provisions or contingencies that could be material to its equity, financial position and results.

Notwithstanding the above, the Group will develop a certified environmental management system in the coming year.

International alliances and commitments

Grupo Catalana Occidente adheres to the principles of the Global Compact and is committed to the Sustainable Development Goals. It is a signatory to the Principles for Sustainable Insurance (PSI) and the Principles for Responsible Investment (PRI).

Sustainable Development Goals (SDGs)

The business of the Group's companies and the projects of the Fundación Jesús Serra have an intrinsic impact on the SDGs by the very nature of their core activities. These entities are promoting new initiatives that take the form of actions, programmes and information published on some of these goals.

Global Compact

The Group maintains its adherence to the ten principles of the United Nations Global Compact, which involves a commitment to align its strategies and operations with these universally recognised principles, which are grouped into four areas: human rights, labour standards, environment and corruption.

Principles for Sustainability in Insurance

In 2020, the Group signed up to the Principles for Sustainable Insurance (PSI) developed by the United Nations Environment Programme Finance Initiative, which provide a framework for the industry to address social, environmental and governance risks and opportunities.

Principles for Responsible Investment

Aware that exercising its corporate responsibility can contribute to a comprehensive and stable global economy that helps to protect the world's assets, Grupo Catalana Occidente is a signatory to the Principles for Responsible Investment (PRI) agreed by the UN in 2005.

In addition to the Group's membership of the aforementioned initiatives and benchmark organisations in sustainability, in Spain, the Group's entities also participate in the main sector associations UNESPA (Insurance Business Association that lobbies on behalf of Spanish insurance companies before public administrations) and ICEA (Spanish Insurance Industry Research Service), which have corporate responsibility programmes.

Through UNESPA, Grupo Catalana Occidente supports the work of Finresp (Centre for Responsible and Sustainable Finance in Spain). This organisation was present at the 25th Climate Summit held in Madrid in 2019 on behalf of the Spanish financial sector, including the insurance sector.

The Group is also a member of the EWI network, which aims to promote the presence of women in insurance management

07

Non-financial information statement



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Information required by Act 11/2018	Related GRI standards	Materiality	Report location
General information			
Brief description of the group's business model (entrepreneurial and organisation environment)	102-2 Activities, brands, products and services		Pages 45, 48 and 49
	102-7 Size of the organisation		Pages 7 and 8
	102-9 Supply chain		Pages 8, 54 and 55
	102-3 Headquarters location		Page 49
Business model Geographical presence	102-4 Operations location	Corporate governance	Pages 7, 11 and 22
	102-6 Markets served		Pages 7, 10, 11, 19, 22 and 24
Objectives and strategies of the organisation	102-14 Declaration of top executives responsible for decision-making (vision and strategy relative to the management of economic, social and environmental impacts)		Pages 17, 45 and 51
Principal factors and trends that may affect future evolution	102-15 Principal impacts, risks and opportunities		Pages 10, 11, 41, 42, 43, 58 and 59.
Policies Description of the policies that the group applies regarding said issues, which will include the due diligence policies applied for identification, evaluation, prevention and mitigation of significant risks and impacts and of verification and control, including which measures have been adopted.	103-2 The management focus and its components	n.a	Page 51 Table 12
Policy results The results of these policies, which must include relevant key indicators on non-financial results that permit monitoring and evaluation of the progress and that favour comparability between companies and sectors, in accordance with the national, European and international frameworks of reference used.	103-2 The management focus and its components	n.a	Pages 39, 40, 41, 47, 51, 52, 53, 54, 55, 57, 58, 59 and 60
	103-3 Evaluation of the management focus		
Risks The main risks related to these issued linked to the activities of the group, including, where relevant and proportionate, their commercial relationships, products or services that may have negative effects in those scopes, and how the group manages said risks, explaining the procedures used to detect and evaluate them in accordance with national, European or international frameworks of reference for each topic. Information must be included on the impacts detected, offering a breakdown of the same, particularly for the principal risks in the short, medium and long-term.	102-15 Principal impacts, risks and opportunities	Risk Management and Responsible Investments	Pages 41, 42, 43, 58 and 59
Reporting framework Mention in the report on the national, European or international <i>reporting</i> framework used for the selection of key indicators for non-financial results included in each of the sections.	102-54 Declaration of drafting of the report on conformity with the GRI standards	n.a	Page 2

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Information on environmental issues				
Environmental management	Current and anticipated effects of the company's activities on the environment and, where applicable, the health and safety	102-15 Principal impacts, risks and opportunities		Pages 43, 60 and 59
	Environmental assessment or certification procedures	103-2 The management focus and its components		Page 59
	Resources dedicated to prevention of environmental risks.	103-2 The management focus and its components	Climate change and environmental management	Page 59
	Application of the precautionary principle	102-11 Principle or focus of precaution		Page 59
	Quantity of provisions and guarantees for environmental risks	103-2 The management focus and its components		Page 59
Pollution	Measures to prevent, reduce or repair the emissions that seriously affect the environment; taking into account any form of atmospheric contamination specific to an activity, including noise and light pollution.	103-2 The management focus and its components	Climate change and environmental management	n.a
Circular economy and waste management and prevention	Circular economy, measures for prevention, recycling, reuse, other forms of recovery and elimination of waste,	n.a	Non-material	n.a
	Actions to combat food waste	n.a	Non-material	n.a
	Water consumption and water supply in accordance with local constraints	n.a	Non-material	n.a
Sustainable use of resources	Consumption of prime materials and measures adopted to improve efficiency of use	301-1 Materials used by weight or volume		Page 60
	Direct and indirect consumption of energy	302-1 Energy consumption within the organisation	Climate change and environmental management	Page 59
	Measures taken to improve energy efficiency	103-2 The management focus and its components		Page 59
	Use of renewable energies	302-1 Energy consumption within the organisation		Page 59
Climate change	Important elements of greenhouse gas emissions generated as a result of the company activities, including the use of goods and services produced	305-1 Direct emissions of GHG (scope 1)		Page 60
		305-2 Indirect emissions of GHG (scope 2)		Page 60
	Measures taken to adapt to the consequences of climate change	103-2 The management focus and its components	Climate change and environmental management	Page 58
	Voluntary medium- and long-term reduction targets established to reduce greenhouse gas emissions and the means implemented to that end.	103-2 The management focus and its components		Page 60
Protection of Biodiversity:	Measures taken to preserve or restore biodiversity	n.a	Non-material	n.a
	Impacts caused by activities or operations in protected areas.			

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Information on social issues and personnel issues

Employment	Total number and distribution of employees by sex, age, country and professional classification	102-8 Information on employees and other workers		Pages 51, 52 and 53
		405-1 Diversity in government bodies and employees		Page 36 Tables 2, 3 and 4
	Total number and distribution of modalities of work contract, annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and professional classification.	102-8 Information on employees and other workers		Tables 1 and 5.
	Number of terminations by gender, age and professional classification	401-1 New employee hires and personnel rotation		Table 6 and 6b
	The average remunerations and their evolution disaggregated by gender, age and professional classification or equal value	405-2 Ratio of the base salary and remuneration of women compared to men	Quality jobs	Tables 7b, 7c, 7d and 7e
	Wage gap, remuneration for equal or average jobs in society.	405-2 Ratio of the base salary and remuneration of women compared to men	Attracting, developing and retaining talent	Tables 7b, 7c, 7d and 7e
	Average remuneration of board members and directors, including variable remuneration, allowance, compensation and payment to long-term saving systems and any other money perceived disaggregated by gender	405-2 Ratio of the base salary and remuneration of women compared to men		Annual remuneration report of the board of directors Tables 7a, 7b and 7d
	Implementation of work disconnection policies	103-2 The management focus and its components		Page 52
Employees with disability	405-1 Diversity in government bodies and employees		Page 52	
Organisation of the work	Organisation of work time;	103-2 The management focus and its components	Quality jobs	Pages 52 and 53
	Number of hours of absenteeism	403-9 Work-related injuries (2018)	Attracting, developing and retaining talent	Table 10
	Measures aimed to facilitate the enjoyment of conciliation and to promote shared exercise of the same by both parents.	103-2 The management focus and its components		Page 52
Occupational health and safety conditions	103-2 The management focus and its components		Pages 52 and 53 Table 10	
Health and safety	Occupational accidents, particularly their frequency and severity, as well as professional illness; disaggregated by gender.	403-9 Work-related injuries (2018)	Health and safety	
		403-10 Occupational diseases and illnesses (2018)		

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Social relationships	Organisation of social dialogue, including procedures to inform and consult personnel and to negotiate with them;	103-2 The management focus and its components	Quality employment	Pages 39, 52 and 53
	Percentage of employees covered by collective bargaining agreements by country	102-41 Collective bargaining agreements		
	Balance of collective bargaining agreements, particularly in the field of health and safety at work	103-2 The management focus and its components		
Training	Policies implemented in the field of training	103-2 The management focus and its components	Attracting, developing and retaining talent	Page 52 Table 11
	The total amount of training hours by professional categories	404-1 Average training hours per year per employee		
Universal accessibility for people with disability	Universal accessibility for people with disability	103-2 The management focus and its components	Quality employment	Page 52
Equality	Measures adopted to promote equal treatment and opportunities between men and women	103-2 The management focus and its components	Quality jobs	Pages 51, 52 and 53
	Plans for equality (Chapter III of Organic Act 3/2007, of 22 March, on effective equality between men and women), measures adopted to promote employment, protocols against sexual and gender-based harassment, universal accessibility and integration of people with disability.	103-2 The management focus and its components	Attracting, developing and retaining talent	
	Policy against all types of discrimination and, where applicable, management of diversity	103-2 The management focus and its components	Ethics and transparency.	
Information on respect for human rights				
Application of due diligence procedures	Application of due diligence procedures related to human rights, prevention of risks for violation of human rights and, where applicable, measures to mitigate, manage and repair possible abuse committed.	102-16 Values, principles, standards and regulations for behaviour 102-17 Mechanisms for advice and ethical concerns 408-1 Operations and suppliers with significant risk of child labour issues 409-1 Operations and suppliers with significant risk of cases of forced or compulsory labour 412-1 Operations subject to human rights impact assessments or reviews	Human Rights	Pages 39, 40 and 41 Table 9
	Complaints of cases of violation of human rights	406-1 Cases of discrimination and corrective actions taken 419-1 Non-compliance with laws and regulations in the social and economic spheres		
	Promotion and compliance with the provisions of the fundamental agreements of the International Labour Organisation related to respect for the freedom of association and the right to collective negotiation; the elimination of discrimination at work and occupation; the elimination of forced or obligatory work; the effective abolition of child labour.	103-2 The management focus and its components 406-1 Cases of discrimination and corrective actions taken		
Information relative to the fight against corruption and bribery				

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Information relative to the fight against corruption and bribery	Measures adopted to prevent corruption and bribery	103-2 The management focus and its components	Ethics and transparency.	Page 40
		102-16 Values, principles, standards and regulations for behaviour		Page 40
		102-17 Mechanisms for advice and ethical concerns		Page 40
		205-3 Confirmed cases of corruption and measures taken		Page 40
	Measures to fight against money laundering	103-2 The management focus and its components	Ethics and transparency.	Page 40
		102-16 Values, principles, standards and regulations for behaviour		Page 40
Contributions to non-profit entities and foundations	102-17 Mechanisms for advice and ethical concerns		Page 40	
	205-2 Communication and training on anti-corruption policies and procedures		Page 40	
Information about the company				
The company's commitments to sustainable development	The impact of the Company's activity on employment and local development	103-2 The management focus and its components	Commitment to society Development of local communities Innovation, Responsible Investment and Responsible Products or ESG	Pages 47, 54, 55, 57 and 58 Table 8
		203-2: Significant indirect economic impacts		
	The impact of the company's activity on local populations and the territory	204-1 Proportion of expense in local suppliers		Pages 47, 54, 55, 57 and 58 Table 8
		103-2 The management focus and its components		
	413-1 Operations with the participation of the local community, impact evaluations and development programmes			
Relationships maintained with the actors in local communities and the modalities of dialogue with the same	102-43 Focus for the participation of stakeholders	Pages 54, 55, 57 and 58		
Association or sponsorship actions	102-13 Affiliation with associations	Page 55		
Subcontracting and suppliers	Inclusion in the purchase policy of social, gender equality and environmental issues	103-2 The management focus and its components	Management of service providers.	Page 54

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	Consideration in relationships with suppliers and subcontractors of their social and environmental responsibility	103-2 The management focus and its components		Page 54
		102-9 Supply chain		Page 54
	Supervision and audit systems and their results.	103-2 The management focus and its components		Page 54
		102-9 Supply chain		Page 54
	Measures for health and safety of consumers	103-2 The management focus and its components		Pages 53 and 54
Consumers		102-43 Focus for the participation of stakeholders	Customer Experience	Pages 53 and 54 Tables 13 and 14.
	Systems for claims, complaints received and their resolution	418-1 Substantiated claims relative to violations of customer privacy and loss of customer data	Data Protection. Cyber security	
Tax information	Benefits obtained country by country	103-2 The management focus and its components		Table 15 Page 55
	Income taxes paid	103-2 The management focus and its components	Ethics and transparency.	
	Information on public subsidies received	201-4 Financial assistance received from government		

Annex tables - non-financial information

The information regarding employees in non-financial information refers to work contracts valid on 31/12/2020, excluding the *management board* of Atradius N.V. Said information differs from other sections of the management report, as well as the report of the annual statements, which measures the average of full-time employees (full-time equivalent). The employees at year-end have been reported, since the average number of employees is 7,577 and its variation with respect to the first one is not significant.

Table 1* - Employees by type of contract and gender

	2019	2020
Permanent contract	7366	7284
Total women	3516	3498
Total men	3850	3786
Temporary contract	302	303
Total women	175	173
Total men	127	130
Total employees	7668	7587
Scope	100%	100%

* Explanatory note to tables 1 and 5: only breakdowns of contract type and working day type are reported, as this is the Group's representative material information.

Table 2 - Employees by age and gender

	2019	2020
Over 50	2911	2958
% Women	40.6%	41.7%
From 40 to 49	2514	2526
% Women	52.5%	52.7%
From 30 to 39	1645	1528
% Women	52.6%	52.2%
Under 30	598	575
% Women	54.2%	54.1%
Total employees	7668	7587
Scope	100%	100%

Table 3 - Employees per country

	2019	2020
Spain	4504	4424
The Netherlands	570	582
Germany	484	480
United Kingdom	399	389
Belgium	308	300
France	232	225
Italy	205	200
U.S.	125	127
Denmark	77	74
Mexico	74	76
Australia	66	60
Portugal	59	89
Poland	52	49
Hong Kong	46	48
China	42	37
Singapore	42	39
Ireland	40	39
Rest of the World	343	349
Total employees	7668	7587
Scope	100%	100%

Table 4 - Employees by professional rating and gender

	2019	2020
Executives	137	133
% Women	15.3%	18.0%
Intermediate managers and technical supervision	1562	1617
% Women	31.0%	31.9%
Qualified admin. and sales	5098	4990
% Women	50.1%	50.4%
Administrative support	871	847
% Women	72.3%	72.5%
Total employees	7668	7587
Scope	100%	100%

Table 5* - Employees by type of working hours and gender

	2019	2020	%
Full time	6663	6619	87.2%
% Women	42.7%	43.3%	
Part time	1005	968	12.8%
% Women	84.5%	83.5%	
Total employees	7668	7587	
Scope	100%	100%	

Table 6 - Terminations by age and gender**

	2019	2020
Over 50	25	22
% Women	44.0%	22.7%
From 40 to 49	22	29
% Women	40.9%	65.5%
From 30 to 39	38	26
% Women	42.1%	34.6%
Under 30	19	12
% Women	52.6%	33.3%
Total employees	104	89
Scope	100%	100%

Table 6b - Terminations by category and gender**

	2019	2020
Executives	6	0
% Women	33.3%	0.0%
Intermediate managers and technical supervision	14	10
% Women	35.7%	10.0%
Qualified admin. and sales	53	51
% Women	34.0%	47.1%
Administrative support	31	28
% Women	68%	42.9%
Total employees	104	89
Scope	100%	100%

*Explanatory notes table 6 and 6b:

- Traditional business: of the 58 redundancies in 2019, 70% are commercial staff on the payroll of agency companies.

Table 7a - Total remuneration board members*

	2019	2020
Total	6720.5	6957.5
Average male non-executive director	239.0	239.2
Average female non-executive director	230.2	232.4

Includes fixed remuneration, variable remuneration, allowance, bylaws and others. The average remuneration by gender corresponds exclusively to individual directors.
 The executive directors (composed entirely of men) were paid an average of €1,065.0 thousand in 2020 (€1,036.8 thousand in 2019).
 The breakdown of the remuneration by item and person can be found in the annual report on the remuneration of the Board of Directors available on the Group's website.

Table 7c* - Remuneration by category and gender and wage gap (NT)**

	2019	2020
Executives		
Average salary for men	146404	153554
Average salary for women	131670	137626
Ratio of average remuneration Women/Men	0.90	0.90
Intermediate managers and technical supervision		
Average salary for men	60414	59782
Average salary for women	53423	52745
Ratio of average remuneration Women/Men	0.88	0.88
Qualified admin. and sales		
Average salary for men	35060	35489
Average salary for women	31887	31992
Ratio of average remuneration Women/Men	0.91	0.90
Administrative support		
Average salary for men	18645	19146
Average salary for women	17471	18262
Ratio of average remuneration Women/Men	0.94	0.95
Scope	100%	100%

***Clarification note table 7b and 7c. The main reason for the difference in the average pay ratio by gender is seniority.
 The data on average remuneration by professional category and gender for 2019 have been recalculated with the aim of homogenizing the calculation criteria with 2020 data

Table 7e* - Remuneration by age and gender and wage gap (NT)**

	2019	2020
Over 50		
Average salary for men	53790	54134
Average salary for women	38956	38664
Ratio of average remuneration Women/Men	0.72	0.71
From 40 to 49		
Average salary for men	42907	43042
Average salary for women	33147	33860
Ratio of average remuneration Women/Men	0.77	0.79
From 30 to 39		
Average salary for men	31492	32437
Average salary for women	28483	29382
Ratio of average remuneration Women/Men	0.90	0.91
Under 30		
Average salary for men	22257	23314
Average salary for women	19317	19671
Ratio of average remuneration Women/Men	0.87	0.84
Scope	100%	100%

**** Clarification note table 7d and 7e. GCO has analysed the pay gap by age and professional category and it is not significant. The age pay gap stems from the greater number of men who in the past held senior positions. This difference tends to be eliminated as there is now a greater balance between the number of women and men in these posts.

Table 7b* - Remuneration by category and gender and wage gap**

	2019	2020
Executives		
Average salary for men	169847	177046
Average salary for women	148716	165717
Ratio of average remuneration Women/Men	0.88	0.94
Intermediate managers and technical supervision		
Average salary for men	80664	81059
Average salary for women	66518	68315
Ratio of average remuneration Women/Men	0.82	0.84
Qualified admin. and sales		
Average salary for men	46473	48617
Average salary for women	39068	42447
Ratio of average remuneration Women/Men	0.84	0.87
Administrative support		
Average salary for men	26219	26851
Average salary for women	26752	30137
Ratio of average remuneration Women/Men	1.02	1.12
Scope	100%	100%

Table 7d - Remuneration by age and gender and wage gap

	2019	2020
Over 50		
Average salary for men	69203	71276
Average salary for women	47879	52018
Ratio of average remuneration Women/Men	0.69	0.73
From 40 to 49		
Average salary for men	58886	59903
Average salary for women	44532	46519
Ratio of average remuneration Women/Men	0.76	0.78
From 30 to 39		
Average salary for men	44201	43718
Average salary for women	36398	37597
Ratio of average remuneration Women/Men	0.82	0.86
Under 30		
Average salary for men	33612	31871
Average salary for women	29581	27783
Ratio of average remuneration Women/Men	0.88	0.87
Scope	100%	100%

Table 8 - Operations with participation of local community

	2019	2020
Total number of company operations	55	49
Total number of operations with programmes for participation with the local community, impact evaluations and/or development programmes	55	49
Percentage of operations with the participation of the local community, impact evaluations and/or development programmes	84%	100%

Source: Fundación Jesús Serra regarding aid programmes for training and participation programmes, both cultural and sporting.
 In addition, and for a smaller amount, Atradius has developed 34 local social initiatives.

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Table 9 - Equality and human rights

	2019	2020
Cases of discrimination	0	6
Cases solved	0	50%
Complaints related to human rights	1	0

Human Rights cases exclude discrimination and are understood to be closed.

Table 10 - Health and safety 2020

	Men	Women
No. accidents with sick leave (excl.in itinere)	35	33
Frequency rate*	5.54	5.67
Severity Index**	0.17	0.17
Death rate***	0.00	0.00
No. of occupational diseases detected	1	3

Absence hours 2020 are 499,341 (in 2019 are 341,102)
 * Frequency index= (N of accidents with sick leave not counting in itinere/ No. of hours effectively worked)*1000000
 **Seriousness index = (Number of days lost due to accident with sick leave/ number of hours actually worked)*1000
 ***Death rate= (N of deaths due to occupational accidents/ no. of hours actually worked)*1000000

Table 11 - Training by category and gender (hours)

	2019	2020
Executives	5716	4342
% Women	19.8%	22.1%
Intermediate managers and technical supervision	38446	41462
% Women	31.5%	36.4%
Qualified admin. and sales	86894	76294
% Women	52.4%	48.4%
Administrative support	18898	14166
% Women	70.6%	65.0%
Total hours	149954	136264
Scope	100%	100%

The distribution of hours by professional category has been estimated for Atradius.

Table 12 - Main Group Policies

	Internal	Location
Code of ethics and behaviour		WEBSITE
Responsible Investment Policy	X	
Climate Change and Environment Policy	X	
Human Resources Policy	X	
Corporate Tax Policy		WEBSITE
Board Member Selection Policy	X	
Sustainability Policy		WEBSITE
Plan for Business Continuity	X	
Risk Management System Policy	X	
Investment Policy	X	
Reinsurance Policy	X	
Underwriting risk policy, provisioning assumption risk and claims management,	X	
Policy regarding the partial internal model for the credit insurance underwriting risk	X	
Communication policy with Institutional Shareholders and Investors	X	
Reputation Risk Policy		WEBSITE
ORSA Policy	X	
Capital management policy	X	
Policy of aptitude and honour	X	
Internal control policy	X	
Risk Management System Policy		WEBSITE
Internal audit policy	X	
Verification of compliance policy.	X	
Remuneration policy	X	
Work disconnection policy	X	

	2018	2019	2020
Complaints through Customer Service channels	4309	5103	5366
Admitted for processing	3460	4232	4033
Resolved in favour of the entity	2004	2534	2424
Resolved in favour of the customer	1121	1424	1253
Resolved by agreement	335	274	356

In accordance with Atradius regulations in its international business, complaints and claims are submitted in accordance with Atradius internal procedures and the regulations in each country:

Table 14 - Atradius complaints and claims (excluding Spain)

	2018*	2019	2020
Complaints through customer service channels	511	1031	617
Admitted for processing	508	1028	617
Resolved in favour of the entity	66	180	47
Resolved in favour of the customer	20	202	206
Resolved by agreement	40	71	26

* 2018 does not include information services in Mexico.

Table 13 - Complaints and claims Traditional business + Atradius Spain

	2018	2019	2020
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Table 15* - Tax information Profit and taxes obtained by geographical areas

	2019			2020		
	Profit	Tax accrued	Tax paid	Profit	Tax accrued	Tax paid
Spain	363.3	93.1	80.8	358.1	75.8	60.7
Belgium	23.8	8.4	6.8	13.8	3.6	3.4
Denmark	7.3	1.2	1.6	-1.7	-0.4	0.4
France	16.6	7.1	4.9	18.7	5.2	0.8
Germany	39.8	6.2	14.6	10.0	3.1	2.4
Greece	3.2	1.9	0.9	2.6	0.5	2.5
Ireland	27.9	2.8	3.5	-61.6	-7.7	0.2
Italy	11.7	1.3	3.7	4.7	2.1	3.4
Norway	3.7	10.7	0.9	3.0	0.8	0.8
Russia	8.2	1.3	1.6	5.2	1.0	0.6
Switzerland	3.7	1.1	0.4	1.0	0.2	-0.1
United Kingdom	24.0	2.7	5.1	-6.9	0.6	0.2
The Netherlands	13.4	8.2	3.7	-4.8	-0.6	12.4
Other Europe	6.5	1.7	1.7	4.3	2.7	1.6
Australia	3.7	4.5	1.1	9.8	3.1	1.7
USA	11.5	3.1	2.8	8.2	1.8	1.9
Rest OECD	-2.9	1.7	0.2	5.6	1.7	0.4
Hong Kong	5.0	0.1	0.4	-1.4	0.7	0.9
Rest of the World	5.4	0.8	1.3	-4.1	0.0	0.9
Total	575.9	158.0	136.0	364.6	94.4	95.1
Foreign business consolidation adjustments	-19.7	0.0	-4.3	0.0	0.0	0.0
Total	556.2	158.0	131.7	364.6	94.4	95.1

Tax paid corresponds to the amounts actually paid or received in respect of corporate income tax in the financial year and includes payments on account and withholdings for the current year as well as final assessments and refunds for previous years.

In turn, the tax accrued corresponds to the expenses for taxes accounted for upon close of the year for profits obtained in said year.

Finally, Profit corresponds to pre-tax profits.

In the 2020 financial year, the consolidation adjustments of the foreign business have been included in the corresponding country.

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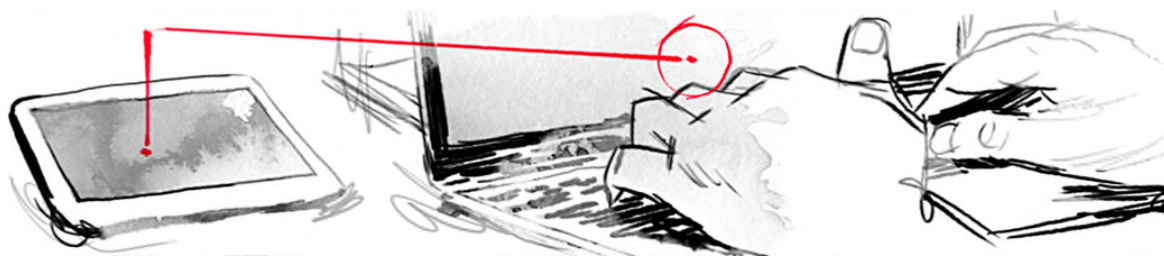
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DATOS IDENTIFICATIVOS DEL EMISOR

Fecha fin del ejercicio de referencia: [31/12/2020]

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 de la sociedad:

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, excluidos los consejeros:

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.	0,00	61,95	0,00	61,95	61,95

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.	25,00	0,00	25,00
CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	INOC, S.A.	7,55	0,00	7,55
CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	CORPORACIÓN CATALANA OCCIDENTE, S.A.	29,40	0,00	29,40
CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	DEPSA 96, S.A.	0,01	0,00	0,01

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

A.3. Complete los siguientes cuadros sobre los miembros del consejo de administración de la sociedad, que posean derechos de voto sobre acciones de la sociedad:

Nombre o denominación social del consejero	% derechos de voto atribuidos a las acciones		% derechos de voto a través de instrumentos financieros		% total de derechos de voto	% derechos de voto que <u>pueden ser transmitidos</u> a través de instrumentos financieros	
	Directo	Indirecto	Directo	Indirecto		Directo	Indirecto
DON JOSÉ MARÍA SERRA FARRÉ	0,43	0,01	0,00	0,00	0,44	0,00	0,00
DON FEDERICO HALPERN BLASCO	0,03	0,02	0,00	0,00	0,05	0,00	0,00
DOÑA MARÍA ASSUMPTA SOLER SERRA	2,10	0,00	0,00	0,00	2,10	0,00	0,00
DON ENRIQUE GIRÓ GODÓ	0,22	0,68	0,00	0,00	0,90	0,00	0,00
DON FRANCISCO JOSÉ ARREGUI LABORDA	0,05	0,03	0,00	0,00	0,08	0,00	0,00
DON HUGO SERRA CALDERÓN	0,01	0,09	0,00	0,00	0,10	0,00	0,00
DON FRANCISCO JAVIER PÉREZ FARGUELL	0,00	0,01	0,00	0,00	0,01	0,00	0,00
DON ALBERTO THIEBAUT ESTRADA	0,02	0,01	0,00	0,00	0,03	0,00	0,00
DON FERNANDO VILLAVECCHIA OBREGÓN	0,08	0,06	0,00	0,00	0,14	0,00	0,00
GESTIÓN DE ACTIVOS Y VALORES, S.L.	0,04	0,03	0,00	0,00	0,07	0,00	0,00
% total de derechos de voto en poder del consejo de administración						3,92	

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	% derechos de voto a través de instrumentos financieros	% total de derechos de voto	% derechos de voto que <u>pueden ser transmitidos</u> a través de instrumentos financieros
Sin datos					

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 JOSÉ MARÍA SERRA FARRÉ	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Presidente
DON JORGE ENRICH IZARD	DEPSA 96, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Consejero
DON FEDERICO HALPERN BLASCO	DEPSA 96, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Consejero
DON FRANCISCO JOSÉ ARREGUI LABORDA	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Consejero Secretario
DON HUGO SERRA CALDERÓN	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Consejero Delegado Mancomunado
JUSAL, S.L.	LA PREVISIÓN 96, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Accionista minoritario
GESTIÓN DE ACTIVOS Y VALORES, S.L.	INOC, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Vicepresidente
ENSIVEST BROS 2014, S.L.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Consejero Delegado Mancomunado
LACANUDA CONSELL, S.L.	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 ALBERTO THIEBAUT ESTRADA	INOC, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Representante persona física del Consejero COTYP, S.L.
DON FERNANDO VILLAVECCHIA OBREGÓN	INOC, S.A.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Representante persona física del Consejero VILLASA, S.L.

Don Enrique Giró Godó y Doña Assumpta Soler Serra fueron nombrados consejeros dominicales a propuesta de INOC, S.A., si bien no tienen vinculación con este accionista.

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
	2.042.524	1,70

(*) A través de:

Nombre o denominación social del titular directo de la participación	Número de acciones directas
SOCIEDAD GESTIÓN CATALANA OCCIDENTE, S.A.	2.042.524
Total	2.042.524

No se ha producido ningún cambio en el titular directo de la participación respecto a informes anteriores. Sociedad Gestión Catalana Occidente, S.A.U. es la nueva denominación de Salerno 94, S.A.U. como consecuencia de la fusión en virtud de la cual esta sociedad, como sociedad absorbente, adquirió la denominación de la sociedad absorbida (Sociedad Gestión Catalana Occidente, S.A.U.).

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 pasado 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	32,42

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	
26/04/2018	65,79	15,58	0,00	0,52	81,89
De los que Capital flotante	1,89	15,55	0,00	0,52	17,96
25/04/2019	65,19	15,11	0,00	0,20	80,50
De los que Capital flotante	0,53	15,08	0,00	0,20	15,81
30/04/2020	62,01	11,48	0,00	2,23	75,72

Fecha junta general	Datos de asistencia				Total
	% de presencia física	% en representación	% voto a distancia		
			Voto electrónico	Otros	
De los que Capital flotante	0,00	9,32	0,00	0,81	10,13
29/10/2020	62,47	13,57	0,00	0,36	76,40
De los que Capital flotante	0,03	10,73	0,00	0,36	11,12

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.grupocatalanaoccidente.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	18
Número mínimo de consejeros	9
Número de consejeros fijado por la junta	16

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		Ejecutivo	PRESIDENTE	15/04/1975	30/04/2020	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON JORGE ENRICH IZARD		Dominical	CONSEJERO	29/04/1993	27/04/2017	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON FEDERICO HALPERN BLASCO		Dominical	CONSEJERO	25/11/1993	30/04/2020	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON JOSÉ IGNACIO ÁLVAREZ JUSTE		Ejecutivo	CONSEJERO DELEGADO	26/04/2012	25/04/2019	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON FRANCISCO JAVIER PÉREZ FARGUELL		Independiente	CONSEJERO	25/02/2015	25/04/2019	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON JUAN IGNACIO GUERRERO GILABERT		Independiente	CONSEJERO	28/04/2011	27/04/2017	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	26/04/2018	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON ENRIQUE GIRÓ GODÓ		Dominical	CONSEJERO	28/02/2019	25/04/2019	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON FRANCISCO JOSÉ ARREGUI LABORDA		Ejecutivo	SECRETARIO CONSEJERO	29/01/1998	25/04/2019	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON HUGO SERRA CALDERÓN		Ejecutivo	VICEPRESIDENTE	27/06/2013	26/04/2018	ACUERDO JUNTA GENERAL DE ACCIONISTAS
JUSAL, S.L.	DON JOSÉ MARIA JUNCADELLA SALA	Dominical	CONSEJERO	29/04/2010	26/04/2018	ACUERDO JUNTA GENERAL DE ACCIONISTAS
GESTIÓN DE ACTIVOS Y VALORES, S.L.	DON ÁLVARO JUNCADELLA DE PALLEJÁ	Dominical	CONSEJERO	25/05/2017	26/04/2018	ACUERDO JUNTA GENERAL DE ACCIONISTAS
ENSIVEST BROS 2014, S.L.	DON JORGE ENRICH SERRA	Dominical	CONSEJERO	25/02/2015	27/04/2017	ACUERDO JUNTA GENERAL DE ACCIONISTAS
LACANUDA CONSELL, S.L.	DON CARLOS FEDERICO HALPERN SERRA	Dominical	CONSEJERO	29/04/2010	26/04/2018	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON ALBERTO THIEBAUT ESTRADA		Dominical	CONSEJERO	30/04/2020	30/04/2020	ACUERDO JUNTA GENERAL DE ACCIONISTAS
DON FERNANDO VILLAVECCHIA OBREGÓN		Dominical	CONSEJERO	30/04/2020	30/04/2020	ACUERDO JUNTA GENERAL DE ACCIONISTAS

Número total de consejeros	16
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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
Sin datos					

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
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Inversiones Giró Godó, S.L. presentó su dimisión en el Consejo del pasado 28/02/2019, siendo nombrado consejero por el procedimiento de cooptación en idéntica fecha su representante persona física, D. Enrique Giró Godó, siendo ratificado por la Junta General el 25/04/2019.

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 JOSÉ MARÍA SERRA FARRÉ	PRESIDENTE EJECUTIVO	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.
DON JOSÉ IGNACIO ÁLVAREZ JUSTE	CONSEJERO DELEGADO	Licenciado en Ciencias Económicas y Empresariales por la Universidad Comercial de Deusto.
DON FRANCISCO JOSÉ ARREGUI LABORDA	CONSEJERO DIRECTOR GENERAL	Licenciado en Derecho por la Universidad de Barcelona. Abogado del Estado en excedencia. Programa de Alta Dirección Empresarial - IESE.
DON HUGO SERRA CALDERÓN	VICEPRESIDENTE Y DIRECTOR GENERAL ADJUNTO A LA PRESIDENCIA	Licenciado en Business Administration por UPC. BSBA por University of Wales y MBA por IESE Business School.

Número total de consejeros ejecutivos	4
% sobre el total del consejo	25,00

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 JORGE ENRICH IZARD	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Licenciado en Derecho por la Universidad de Madrid.
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.
DOÑA MARÍA ASSUMPTA SOLER SERRA	INOC, S.A.	Licenciada en Geografía e Historia por la Universidad de Barcelona.
DON ENRIQUE GIRÓ GODÓ	INOC, S.A.	Diplomado en Empresariales por la Universidad de Barcelona.
JUSAL, S.L.	JUSAL, S.L.	Licenciado en Ciencias Económicas y Empresariales por la Universidad de Barcelona.
GESTIÓN DE ACTIVOS Y VALORES, S.L.	INOC, S.A.	Licenciado en Derecho por la Universidad Abat Oliba CEU.
ENSIVEST BROS 2014, S.L.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	BBA en International Business por Schiller International University. PDD de IESE.
LACANUDA CONSELL, S.L.	CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	Licenciado en Ciencias Físicas por la Universidad Complutense de Madrid. MBA de IESE. AMP en Harvard Business School.
DON ALBERTO THIEBAUT ESTRADA	INOC, S.A.	Licenciado en Ciencias Económicas y Empresariales por la Universidad Complutense de Madrid. MBA por Instituto de Empresa.
DON FERNANDO VILLAVECCHIA OBREGÓN	INOC, S.A.	Licenciado en Arquitectura por la Escuela Superior de Arquitectura de Barcelona. Universitat Politècnica de Catalunya.

Número total de consejeros dominicales	10
% sobre el total del consejo	62,50

Los perfiles que se incluyen respecto a las personas jurídicas se refieren a sus representantes personas físicas.

CONSEJEROS EXTERNOS INDEPENDIENTES

Nombre o denominación social del consejero	Perfil
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. Miembro del Consejo Asesor de Foment del Treball Nacional.
DON JUAN IGNACIO GUERRERO GILABERT	Licenciado en Ciencias Económicas y Empresariales por la Universidad de Barcelona. Actuario de Seguros por la Universidad de Barcelona. Doctorado en Matemática Financiera y Actuarial por la Universidad de Barcelona. Consejero - Director General de "Domasa Inversiones, S.L.". Ha sido Consejero Delegado - Director General de "Aresa, Seguros Generales, S.A."

Número total de consejeros independientes	2
% sobre el total del consejo	12,50

NO

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 2020	Ejercicio 2019	Ejercicio 2018	Ejercicio 2017	Ejercicio 2020	Ejercicio 2019	Ejercicio 2018	Ejercicio 2017
Ejecutivas					0,00	0,00	0,00	0,00
Dominicales	1	1	1	1	10,00	10,00	10,00	10,00
Independientes					0,00	0,00	0,00	0,00
Otras Externas					0,00	0,00	0,00	0,00
Total	1	1	1	1	6,25	6,25	6,25	6,25

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

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 básica de formular y revisar los criterios que deben seguirse para la composición del Consejo de Administración y la selección de candidatos. En particular, dicha Comisión ha venido velando y velará 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 del principio de igualdad y diversidad, en atención a sus condiciones profesionales, experiencia y conocimientos. Este principio ha presidido siempre los criterios de actuación de la citada Comisión, por lo que no resulta necesario adoptar ninguna medida adicional, ya que no hay discriminaciones que eliminar. Siempre se ha buscado el candidato adecuado, con independencia de cuestiones como por ejemplo la edad, el género, o discapacidad. Adicionalmente, la Comisión de Nombramientos y Retribuciones tiene encomendada la función, de conformidad 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. No obstante, aún no se ha establecido dicho objetivo al no haberse producido las citadas vacantes.

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.k) 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. No obstante, aún no se ha establecido dicho objetivo al no haberse producido las citadas vacantes.

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

El nombramiento de nuevos Consejeros y Altos Directivos depende, en gran medida, de la aparición de vacantes en el seno del Consejo de Administración y del Comité de Dirección, respectivamente, lo que no sucede frecuentemente. En este sentido, y respecto al Consejo de Administración, en los últimos ejercicios, los únicos movimientos que se han producido han sido reelecciones, sustituciones de Consejero persona física por persona jurídica, persona jurídica por su representante persona física, así como cambios en la persona jurídica consejera pero con mantenimiento del representante persona física.

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 ausencia de vacantes efectivas en el Consejo de Administración unido al hecho de que una gran parte de los consejeros son consejeros dominicales nombrados a propuesta de accionistas con una participación significativa, ha hecho innecesario hasta el momento aprobar una política de selección de consejeros, de manera que no ha sido necesario verificar la misma. Sin perjuicio de lo anterior, y por lo que respecta al objetivo sobre el porcentaje de consejeras en el Consejo de Administración, tal y como se ha señalado en el apartado precedente, la Comisión de Nombramientos y Retribuciones 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 que, en su caso, tratará de implementar cuando se produzcan las señaladas vacantes.

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.
JUSAL, S.L.	Jusal, S.L. dejó de ostentar una participación accionarial directa superior al 3% en la Sociedad, si bien ostenta, indirectamente, una participación del 4,27% en la Sociedad.

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 en consejeros o en comisiones del consejo:

Nombre o denominación social del consejero o comisión	Breve descripción
JOSÉ MARÍA SERRA FARRÉ	El Presidente Ejecutivo 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.
JOSÉ IGNACIO ÁLVAREZ JUSTE	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.
FRANCISCO JOSÉ ARREGUI LABORDA	El Consejero Director General tiene atribuidos amplios poderes de representación de la Sociedad para su gestión ordinaria (con las exclusiones señaladas para el Consejero Delegado), limitados a 10 millones de euros de forma solidaria, pudiendo ejercitarlos sin límite monetario de forma mancomunada con el Consejero Director General Adjunto a Presidencia.
HUGO SERRA CALDERÓN	El Consejero Director General Adjunto a Presidencia tiene atribuidos amplios poderes de representación de la Sociedad para su gestión ordinaria (con las exclusiones señaladas para el Consejero Delegado), limitados a 10 millones de euros de forma solidaria, pudiendo ejercitarlos sin límite monetario de forma mancomunada con el Consejero Director General.

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	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	PRESIDENTE	SI
DON JOSÉ MARÍA SERRA FARRÉ	BILBAO. COMPAÑÍA ANÓNIMA DE SEGUROS Y REASEGUROS	PRESIDENTE	NO
DON JOSÉ MARÍA SERRA FARRÉ	GRUPO COMPAÑÍA ESPAÑOLA DE CRÉDITO Y CAUCIÓN, S.L.	CONSEJERO	NO

Nombre o denominación social del consejero	Denominación social de la entidad del grupo	Cargo	¿Tiene funciones ejecutivas?
DON JORGE ENRICH IZARD	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON JORGE ENRICH IZARD	GRUPO COMPAÑÍA ESPAÑOLA DE CRÉDITO Y CAUCIÓN, S.L.	CONSEJERO	NO
DON FEDERICO HALPERN BLASCO	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON JOSÉ IGNACIO ÁLVAREZ JUSTE	ATRADIUS CRÉDITO Y CAUCIÓN, S.A. DE SEGUROS Y REASEGUROS	PRESIDENTE	NO
DON JOSÉ IGNACIO ÁLVAREZ JUSTE	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON JOSÉ IGNACIO ÁLVAREZ JUSTE	GRUPO CATALANA OCCIDENTE GESTIÓN DE ACTIVOS, S.G.I.I.C., S.A.	CONSEJERO	NO
DON JOSÉ IGNACIO ÁLVAREZ JUSTE	BILBAO, COMPAÑÍA ANÓNIMA DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON JOSÉ IGNACIO ÁLVAREZ JUSTE	BILBAO HIPOTECARIA, S.A. ESTABLECIMIENTO FINANCIERO DE CRÉDITO	CONSEJERO	NO
DON JOSÉ IGNACIO ÁLVAREZ JUSTE	GRUPO COMPAÑÍA ESPAÑOLA DE CRÉDITO Y CAUCIÓN, S.L.	PRESIDENTE	NO
DON JOSÉ IGNACIO ÁLVAREZ JUSTE	ATRADIUS N.V.	CHAIRMAN SUPERVISORY BOARD	NO
DON JOSÉ IGNACIO ÁLVAREZ JUSTE	GRUPO CATALANA OCCIDENTE TECNOLOGÍA Y SERVICIOS, A.I.E.	PRESIDENTE	NO
DON JOSÉ IGNACIO ÁLVAREZ JUSTE	GRUPO CATALANA OCCIDENTE CONTACT CENTER, A.I.E.	PRESIDENTE	NO
DON FRANCISCO JAVIER PÉREZ FARGUELL	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON FRANCISCO JAVIER PÉREZ FARGUELL	BILBAO, COMPAÑÍA ANÓNIMA DE SEGUROS Y REASEGUROS	CONSEJERO	NO

Nombre o denominación social del consejero	Denominación social de la entidad del grupo	Cargo	¿Tiene funciones ejecutivas?
DON JUAN IGNACIO GUERRERO GILBERT	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON JUAN IGNACIO GUERRERO GILBERT	BILBAO, COMPAÑÍA ANÓNIMA DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DOÑA MARÍA ASSUMPTA SOLER SERRA	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON ENRIQUE GIRÓ GODÓ	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON FRANCISCO JOSÉ ARREGUI LABORDA	SOCIEDAD GESTIÓN CATALANA OCCIDENTE, S.A.	REPRESENTANTE ADMINISTRADOR ÚNICO	SI
DON FRANCISCO JOSÉ ARREGUI LABORDA	ATRADIUS CRÉDITO Y CAUCIÓN, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON FRANCISCO JOSÉ ARREGUI LABORDA	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO-SECRETARIO Y DIRECTOR GENERAL	NO
DON FRANCISCO JOSÉ ARREGUI LABORDA	CATOC SICAV, S.A.	PRESIDENTE	NO
DON FRANCISCO JOSÉ ARREGUI LABORDA	GRUPO CATALANA OCCIDENTE GESTIÓN DE ACTIVOS, S.G.I.I.C., S.A.	CONSEJERO	NO
DON FRANCISCO JOSÉ ARREGUI LABORDA	BILBAO, COMPAÑÍA ANÓNIMA DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON FRANCISCO JOSÉ ARREGUI LABORDA	BILBAO HIPOTECARIA, S.A. ESTABLECIMIENTO FINANCIERO DE CRÉDITO	CONSEJERO	NO
DON FRANCISCO JOSÉ ARREGUI LABORDA	COSALUD SERVICIOS, S.A.	REPRESENTANTE ADMINISTRADOR ÚNICO	SI
DON FRANCISCO JOSÉ ARREGUI LABORDA	HERCASOL, SICAV, S.A.	PRESIDENTE	NO
DON FRANCISCO JOSÉ ARREGUI LABORDA	GRUPO COMPAÑÍA ESPAÑOLA DE CRÉDITO Y CAUCIÓN, S.L.	REPRESENTANTE CONSEJERO	NO
DON FRANCISCO JOSÉ ARREGUI LABORDA	ATRADIUS N.V.	VICECHAIRMAN SUPERVISORY BOARD	NO

Nombre o denominación social del consejero	Denominación social de la entidad del grupo	Cargo	¿Tiene funciones ejecutivas?
DON FRANCISCO JOSÉ ARREGUI LABORDA	GRUPO CATALANA OCCIDENTE TECNOLOGÍA Y SERVICIOS, A.I.E.	CONSEJERO	NO
DON FRANCISCO JOSÉ ARREGUI LABORDA	GRUPO CATALANA OCCIDENTE CONTACT CENTER, A.I.E.	CONSEJERO	NO
DON HUGO SERRA CALDERÓN	ATRADIUS CRÉDITO Y CAUCIÓN, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON HUGO SERRA CALDERÓN	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	VICEPRESIDENTE	NO
DON HUGO SERRA CALDERÓN	CATOC SICAV, S.A.	CONSEJERO	NO
DON HUGO SERRA CALDERÓN	GRUPO CATALANA OCCIDENTE GESTIÓN DE ACTIVOS, S.G.I.I.C., S.A.	PRESIDENTE	NO
DON HUGO SERRA CALDERÓN	BILBAO, COMPAÑÍA ANÓNIMA DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON HUGO SERRA CALDERÓN	HERCASOL, SICAV, S.A.	CONSEJERO	NO
DON HUGO SERRA CALDERÓN	GCO GESTORA DE PENSIONES EGFP, S.A.	PRESIDENTE	SI
DON HUGO SERRA CALDERÓN	GRUPO CATALANA OCCIDENTE ACTIVOS INMOBILIARIOS, S.L.	PRESIDENTE	SI
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	GRUPO CATALANA OCCIDENTE TECNOLOGÍA Y SERVICIOS, A.I.E.	CONSEJERO	SI
DON HUGO SERRA CALDERÓN	GRUPO CATALANA OCCIDENTE CONTACT CENTER, A.I.E.	CONSEJERO	SI
JUSAL, S.L.	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO

Nombre o denominación social del consejero	Denominación social de la entidad del grupo	Cargo	¿Tiene funciones ejecutivas?
GESTIÓN DE ACTIVOS Y VALORES, S.L.	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
ENSIVEST BROS 2014, S.L.	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
LACANUDA CONSELL, S.L.	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON HUGO SERRA CALDERÓN	PREPERSA PERITACIÓN DE SEGUROS Y PREVENCIÓN, AIE	REPRESENTANTE DEL ADMINISTRADOR ÚNICO	SI
DON ALBERTO THIEBAUT ESTRADA	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON FERNANDO VILLAVECCHIA OBREGÓN	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	CONSEJERO	NO
DON FERNANDO VILLAVECCHIA OBREGÓN	GRUPO COMPAÑÍA ESPAÑOLA DE CRÉDITO Y CAUCIÓN, S.L.	CONSEJERO	NO

Además de los cargos indicados en dicho Apartado, el representante persona física de Lacanuda Consell, S.L., Don Carlos Halpern Serra, ejerce de consejero en Atradius Crédito y Caucción, S.A. de Seguros y Reaseguros y Atradius NV.

C.1.11 Detalle, en su caso, los consejeros o representantes de consejeros personas jurídicas de su sociedad, que sean miembros del consejo de administración o representantes de consejeros personas jurídicas de otras entidades cotizadas en mercados regulados distintas de su grupo, que hayan sido comunicadas a la sociedad:

Nombre o denominación social del consejero	Denominación social de la entidad cotizada	Cargo
Sin datos		

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)	6.541
Importe de los derechos acumulados por los consejeros actuales en materia de pensiones (miles de euros)	5.833
Importe de los derechos acumulados por los consejeros antiguos en materia de pensiones (miles de euros)	

Adicionalmente existe un importe de 111 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.

El importe de derechos acumulados por los consejeros actuales en materia de pensiones incluye tanto derechos económicos consolidados como no consolidados.

Por otra parte, la remuneración total incluye las remuneraciones percibidas por COTYP, S.L. y VILLASA, S.L. hasta la expiración de sus cargos el 30 de abril de 2020.

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
DON JAVIER MAIZTEGUI OÑATE	DIRECTOR GENERAL DE BILBAO, COMPAÑÍA ANÓNIMA DE SEGUROS Y REASEGUROS
DON AUGUSTO HUESCA CODINA	DIRECTOR GENERAL DE NORTEHISPANA DE SEGUROS Y REASEGUROS, S.A.
DON LUÍS ESTRELLA DE DELÁS	DIRECTOR GENERAL ADJUNTO COMERCIAL
DON JUAN CLOSA CAÑELLAS	DIRECTOR GENERAL NEGOCIO TRADICIONAL
DON JORDI COTS PALTOR	DIRECTOR AUDITORIA INTERNA CORPORATIVA
DON DAVID CAPDEVILA PONCE	DIRECTOR GENERAL DE ATRADIUS CRÉDITO Y CAUCIÓN, S.A. DE SEGUROS Y REASEGUROS
DON JULIÁN HERRERA GARCIA	DIRECTOR GENERAL DE PLUS ULTRA SEGUROS GENERALES Y VIDA, S.A.U. DE SEGUROS Y REASEGUROS

Número de mujeres en la alta dirección	
Porcentaje sobre el total de miembros de la alta dirección	0,00

Remuneración total alta dirección (en miles de euros)	3.489
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Existe un importe total de 353 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 y sus filiales.

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 26/11/2020, aprobó la modificación del Reglamento del Consejo de Administración en cuanto a sus artículos 2 ("Interpretación"), 5 ("Función General de Supervisión"), 10 ("Vicepresidente"), 14 ("La Comisión Ejecutiva"), 15 ("El Comité de Auditoría"), 23 ("Cesés de los Consejeros"), 27 ("Retribución del Consejero"), 33 ("Relaciones con los Accionistas"), 34 ("Relación con los accionistas institucionales"), 35 ("Relaciones con los mercados") y 38 ("Informe Anual de Gobierno Corporativo").

Dicha modificación se produjo con el fin de adaptar su contenido, entre otras, a las novedades introducidas por (i) el Código de Buen Gobierno de las Sociedades Cotizadas tras la revisión aprobada por la Comisión Nacional del Mercado de Valores el 26 de junio de 2020; (ii) los artículos 226 y 227 del Texto Refundido de la Ley de Mercado de Valores, relativos a la difusión de información privilegiada; y (iii) el Proyecto de Ley por la que previsiblemente se modificará el Texto Refundido de la Ley de Sociedades de Capital, en lo que respecta al fomento de la implicación a largo plazo de los accionistas en las sociedades cotizadas, así como introducir ciertas mejoras técnicas.

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.

Las propuestas de reelección de Consejeros que el Consejo de Administración decida someter a la Junta General, habrán de sujetarse a un proceso formal de elaboración, 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 renovándose el Consejo por quintas partes o el número que más se aproxime cada año. 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 ejecutivo, del funcionamiento del Comité de Auditoría y del de la Comisión de Nombramientos y Remuneraciones, ha arrojado un resultado positivo acerca 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

Conforme al Reglamento del Consejo de Administración, el Consejo evalúa la calidad y eficiencia del mismo, así como el desempeño de las funciones del Presidente del Consejo, partiendo en cada caso del informe que le eleva la Comisión de Nombramientos. 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 2020, 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 del Consejo de Administración.

Para ello, ha tenido en cuenta tanto las recomendaciones emitidas a finales del ejercicio 2018 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, como las Guías Técnicas de CNMV en relación con la comisión de auditoría y la comisión de nombramientos y retribuciones.

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 del Consejo de Administración, como Presidente y como primer ejecutivo, 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 en el ejercicio 2018 el consultor externo emitió - conforme a lo dispuesto en la 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 2019 la amplia mayoría de las recomendaciones establecidas en dicho informe, así como en las Guías Técnicas de CNMV, y consolidado dicho cumplimiento en el ejercicio 2020.

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	14
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	4
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	14
% 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	14
% de votos emitidos con asistencia presencial y representaciones realizadas con instrucciones específicas, sobre el total de votos durante el ejercicio	100,00

Desde que se decretara el estado de alarma en marzo del 2020, el Consejo de Administración se ha venido reuniendo por audio videoconferencia, de conformidad con los artículos 18 del Reglamento del Consejo de Administración y 41 del Real Decreto-ley 8/2020, de 17 de marzo, de medidas urgentes extraordinarias para hacer frente al impacto económico y social del COVID-19.

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 FRANCISCO JOSÉ ARREGUI LABORDA	CONSEJERO - DIRECTOR GENERAL

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, incluyendo el 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 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 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:

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	58	58
Importe trabajos distintos de los de auditoría / Importe trabajos de auditoría (en %)	0,00	1,51	1,29

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	3	3

	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 %)	7,69	10,00

En el Informe del ejercicio pasado se incluyó por error el mismo porcentaje correspondiente a las cuentas individuales en las cuentas consolidadas (5,26%) cuando dicho porcentaje era en realidad del 6,89% para las cuentas consolidadas.

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, fax, telegrama o correo electrónico, y estará autorizada con la firma del Presidente o la del Secretario o Vicesecretario por orden del Presidente. La convocatoria se cursará con una antelación mínima de cinco días, salvo que concurren 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 incurso en alguno de los supuestos de incompatibilidad o prohibición legalmente previstos.
 (iii) Cuando resulten procesados por un hecho presuntamente delictivo o 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 Consejeros.
 (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.
 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 informarán sobre cualquier supuesto que pudiese perjudicar el crédito y reputación de la Sociedad y dimitirán 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.

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	2
Tipo de beneficiario	Descripción del acuerdo
Consejero Delegado y Consejero-Director General	El Consejero Delegado tiene derecho a una indemnización equivalente a una coma veinticinco (1,25) anualidades en caso de resolución de su contrato salvo en caso de incumplimiento grave y culpable de sus obligaciones contractuales. La extinción del contrato a instancia de cualquiera de las partes requiere un preaviso de 3 meses, y en caso de incumplimiento deberá indemnizarse por una cantidad equivalente a los salarios correspondientes al tiempo que quede por transcurrir para completar dicho plazo. El Consejero-Director General tiene derecho a una indemnización en caso de extinción de su vínculo contractual salvo en caso de dimisión no fundada en justa causa o por incumplimiento grave y culpable de

Tipo de beneficiario	Descripción del acuerdo
	sus obligaciones contractuales, por una cuantía equivalente a la que le hubiera correspondido a un trabajador con una relación laboral ordinaria en el caso de un despido calificado improcedente.

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 FRANCISCO JAVIER PÉREZ FARGUELL	PRESIDENTE	Independiente
DON JUAN IGNACIO GUERRERO GILABERT	VOCAL	Independiente
DON ALBERTO THIEBAUT ESTRADA	VOCAL	Dominical

% 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 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. La Secretaría la desempeñará el Secretario del 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 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.

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 CAdm 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 CAdm. 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 los criterios que deben seguirse para la composición del CAdm y selección de candidatos y verificar que cumplen con los requisitos de calificación;
- (ii) elevar al CAdm informe sobre el nombramiento de Consejeros para que éste proceda directamente a designarlos o someta el nombramiento a la decisión de la Junta General ("JC"), así como sobre la designación de personas físicas representantes de Consejeros personas jurídicas. Informar sobre las propuestas de cese de los miembros del CAdm. 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 CAdm;
- (iv) proponer al CAdm los miembros que deban formar parte de cada uno de los órganos delegados del CAdm;
- (v) informar sobre el desempeño de las funciones del Presidente del CAdm y/o del primer ejecutivo, sobre la calidad y eficiencia de la labor del CAdm y sobre su propio funcionamiento;
- (vi) examinar u organizar, la sucesión del Presidente y/o del primer ejecutivo (bajo la coordinación del Consejo Coordinador) y, en su caso, hacer propuestas para se produzca de forma ordenada y planificada;
- (vii) proponer al CAdm 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 CAdm, 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 CAdm, 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) informar en relación a las transacciones que impliquen conflictos de intereses, sobre las operaciones vinculadas y, en general, sobre las materias contempladas en el Capítulo IX del RCAdm;
- (xi) establecer un objetivo de representación para el sexo menos representado en el CAdm y elaborar orientaciones sobre cómo alcanzar dicho objetivo.

La CNYR ha ejercitado durante el ejercicio objeto del presente Informe las funciones (i), (ii), (v), (vii), (ix) y (x).

COMITÉ DE AUDITORÍA		
Nombre	Cargo	Categoría
DON FRANCISCO JAVIER PÉREZ FARGUELL	VOCAL	Independiente
DON JUAN IGNACIO GUERRERO GILABERT	PRESIDENTE	Independiente
LACANUDA CONSELL, S.L.	VOCAL	Dominical

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

El Secretario del Consejo de Administración de la Sociedad (consejero ejecutivo) realiza las funciones de secretario no miembro del Comité de Auditoría. En particular, dicho consejero no solo es licenciado en derecho sino abogado del estado en excedencia 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 ha entendido 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 remarcarse que el consejero ejecutivo que hace las funciones de 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 ("CAdm") constituirá un CAU que estará integrado por entre 3 y 5 miembros, todos ellos Consejeros no ejecutivos, nombrados por el CAdm, 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 CAdm elegirá, de entre los miembros independientes, al Presidente del CAU quien deberá ser sustituido cada 4 años, pudiendo ser reelegido 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 CAdm 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, (i) sobre el resultado de la auditoría; y (ii) 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) funciones relativas a la unidad 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 CAdm 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 CAdm con carácter previo a la adopción por éste de todas aquéllas materias sobre las que sea requerido (y, en particular, la información financiera, la creación o adquisición de participaciones en SPV o domiciliadas en paraísos fiscales, las operaciones vinculadas 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.

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 / DON JUAN IGNACIO GUERRERO GILABERT / LACANUDA CONSELL, S.L.
Fecha de nombramiento del presidente en el cargo	25/07/2019

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 2020		Ejercicio 2019		Ejercicio 2018		Ejercicio 2017	
	Número	%	Número	%	Número	%	Número	%
COMISIÓN DE NOMBRAMIENTOS Y RETRIBUCIONES	0	0,00	0	0,00	0	0,00	0	0,00
COMITÉ DE AUDITORÍA	0	0,00	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 que se pone 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.

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 el Consejo de Administración, previo informe favorable de la Comisión de Nombramientos y Retribuciones (que asimismo tiene la responsabilidad de informar sobre las transacciones que impliquen o puedan implicar conflictos de intereses) o, en su caso, 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, la anterior autorización y el informe de la Comisión de Nombramientos y Retribuciones no serán necesarios, en aquellas operaciones vinculadas que cumplan simultáneamente las tres condiciones siguientes:

- (i) que se realicen en virtud de contratos cuyas condiciones estén estandarizadas y se apliquen en masa;
- (ii) que se realicen a precios o tarifas establecidos con carácter general por quien actúe como suministrador del bien o servicio del que se trate; y
- (iii) que su cuantía no supere el 1% de los ingresos anuales de la Sociedad.

Tal y como se ha comentado anteriormente, y de conformidad con el Reglamento del Consejo de Administración, con el fin de implementar parte de sus facultades de supervisión, el Comité de Auditoría tiene entre otras facultades, informar al Consejo de Administración con carácter previo a la adopción por éste del correspondiente acuerdo, de todas aquellas operaciones vinculadas, cuando la Comisión de Nombramientos y Retribuciones no haya informado de ellas.

D.2. Detalle aquellas operaciones significativas por su cuantía o relevantes por su materia realizadas entre la sociedad o entidades de su grupo, y los accionistas significativos de la sociedad:

Nombre o denominación social del accionista significativo	Nombre o denominación social de la sociedad o entidad de su grupo	Naturaleza de la relación	Tipo de la operación	Importe (miles de euros)
CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	Contractual	Contratos de arrendamiento operativo	2
DEPSA 96, S.A.	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	Contractual	Contratos de arrendamiento operativo	4
INOC, S.A.	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	Contractual	Contratos de arrendamiento operativo	3

Nombre o denominación social del accionista significativo	Nombre o denominación social de la sociedad o entidad de su grupo	Naturaleza de la relación	Tipo de la operación	Importe (miles de euros)
CORPORACIÓN CATALANA OCCIDENTE, S.A.	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	Contractual	Contratos de arrendamiento operativo	3
LA PREVISIÓN 96, S.A.	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	Contractual	Contratos de arrendamiento operativo	3
INOC, S.A.	GRUPO CATALANA OCCIDENTE, S.A.	Societaria	Dividendos y otros beneficios distribuidos	6.048
CORPORACIÓN CATALANA OCCIDENTE, S.A.	GRUPO CATALANA OCCIDENTE, S.A.	Societaria	Dividendos y otros beneficios distribuidos	23.960
LA PREVISIÓN 96, S.A.	GRUPO CATALANA OCCIDENTE, S.A.	Societaria	Dividendos y otros beneficios distribuidos	20.380
APROA 3G REAL ESTATE, S.L.	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	Contractual	Contratos de arrendamiento operativo	1

D.3. Detalle las operaciones significativas por su cuantía o relevantes por su materia realizadas entre la sociedad o entidades de su grupo, y los administradores o directivos de la sociedad:

Nombre o denominación social de los administradores o directivos	Nombre o denominación social de la sociedad o entidad de su grupo	Vínculo	Naturaleza de la operación	Importe (miles de euros)
Sin datos				N.A.

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.1.13 y los dividendos percibidos, en su caso, por los Consejeros (por importe total de 2.391,14 miles de euros) y miembros de la Alta Dirección (por importe total de 12,54 miles de euros) en su condición de accionistas, no se han producido en el ejercicio operaciones vinculadas efectuadas con administradores, directivos o asimilados a estos efectos, o con sus personas vinculadas, excepto aquellas que perteneciendo al tráfico ordinario de la compañía, se han efectuado en condiciones estándar para los clientes y son de escasa relevancia (entendiendo por tales aquellas cuya información no sea necesaria para expresar la imagen fiel del patrimonio, de la situación financiera y de los resultados de la entidad), o están ya descritas en el presente Informe Anual de Gobierno Corporativo.

D.4. Informe de las operaciones significativas realizadas por la sociedad con otras entidades pertenecientes al mismo grupo, siempre y cuando no se eliminen en el proceso de elaboración de estados financieros consolidados y no formen parte del tráfico habitual de la sociedad en cuanto a su objeto y condiciones.

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	Importe (miles de euros)
SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	INTERESES DEVENGO PRÉSTAMO	80
BILBAO, COMPAÑÍA ANÓNIMA DE SEGUROS Y REASEGUROS	INTERESES DEVENGO PRÉSTAMO	315

Los préstamos a los que hacen referencia los intereses declarados han sido amortizados con anterioridad a 31 de diciembre de 2020.

D.5. Detalle las operaciones significativas realizadas entre la sociedad o entidades de su grupo y otras partes vinculadas, que no hayan sido informadas en los epígrafes anteriores.

Denominación social de la parte vinculada	Breve descripción de la operación	Importe (miles de euros)
Sin datos		N.A.

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 o accionistas significativos.

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 comunique previamente de la situación de conflicto y el Consejo, previo informe de la Comisión de Nombramientos y Retribuciones, apruebe la transacción.

Tratándose de transacciones ordinarias con la Sociedad, bastará que el Consejo de Administración apruebe, de forma genérica, la línea de operaciones.

En todo caso, las transacciones relevantes realizadas entre la Sociedad y sus Consejeros y, en general, las situaciones de conflicto de intereses en que se encuentren, directa o indirectamente, los Consejeros de la Sociedad, serán objeto de información en el Informe Anual de

Gobierno Corporativo, de acuerdo con lo previsto en la legislación aplicable y lo dispuesto en el artículo 45 del Reglamento del Consejo de Administración.

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

No existen mecanismos para resolver los eventuales conflictos de interés que puedan presentarse entre sociedad dominante de la cotizada y las demás empresas del Grupo.

E. SISTEMAS DE CONTROL Y GESTION DE RIESGOS

E.1. Explique el alcance del Sistema de Control y Gestión de Riesgos 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 riesgo 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 riesgos identificados, 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 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") y (vi) políticas relativas al Modelo Interno Parcial para el riesgo de Suscripción del ramo de Crédito y Caución.

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 Grupo Catalana Occidente 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, incluido el fiscal:

El Consejo de Administración, como principal órgano de la Sociedad, es quien decide acerca de las políticas y 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 la Función de Control de Gestión de Riesgos, de 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 gestión de riesgos.

(iii) Tercera Línea de Defensa (Auditoría Interna): Está formada por la Función de Auditoría Interna que es la responsable de realizar una evaluación independiente sobre la efectividad del Sistema de Gobierno, del Sistema de 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 que se contienen en la Política Fiscal Corporativa del Grupo Catalana Occidente aprobada inicialmente por el Consejo del 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 y es el 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, 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 o bien (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 riesgos (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 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.

5. 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.

6. 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 en su capacidad de crecimiento y en el desarrollo de determinados negocios, en mayores requerimientos de capital. La Sociedad, realiza una vigilancia constante de los cambios en el marco 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 de una entidad 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 Grupo Catalana Occidente, sus protocolos 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 ASC 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 a los que está expuesta tanto la Sociedad (incluidos los fiscales), como las entidades individuales aseguradoras que pertenecen al Grupo.

E.5. Indique qué riesgos, 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 el Riesgo Operacional. Adicionalmente, a través del proceso ORSA, se incluyen otros riesgos como el reputacional, estratégico y regulatorio.

En este sentido, el ejercicio 2020 ha venido marcado por la pandemia del Covid-19 que ha impactado en los riesgos de mercado, suscripción y operacional. Pese a la ocurrencia de tan excepcional evento, la fortaleza del sistema de control interno y la solvencia del Grupo, han posibilitado que todas las entidades que lo componen hayan podido continuar con su actividad, respetando los niveles de tolerancia al riesgo establecidos en la estrategia de riesgos del Grupo, no habiéndose materializado riesgos significativos para la Sociedad y las compañías que lo forman.

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:

Los principales riesgos a los que se enfrenta el Grupo son aquellos derivados de la suscripción de sus productos y el riesgo derivado de las inversiones afectas a las provisiones que generan los mismos.

Entre las acciones que la Sociedad y el Grupo efectúan para el seguimiento y control destacan:

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

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

2. Riesgos técnicos o propios del negocio del seguro de Vida:

- (i) Seguimiento de la adecuación de la normativa técnica de suscripción; de la evolución de las provisiones técnicas y de las sensibilidades de las carteras de productos
- (ii) Análisis de los productos a efectos de determinar la suficiencia de las primas;
- (iii) Contratación de la adecuada estructura de reaseguro;
- (iv) Cuantificación del valor intrínseco del negocio de vida ("European Embedded Value") a nivel individual y consolidado; y
- (v) Cálculo del 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 (para el negocio de seguros generales) y de Embedded Value (para el negocio del seguro de vida), y ha asumido la coordinación de los cálculos de dichos indicadores a nivel de negocio tradicional del Grupo.

3. 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 del 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. Adicionalmente, existe una Política de inversiones que determina los activos aptos para inversión, límites de diversificación y los principales sistemas de control establecidos.

El departamento de Control Interno corporativo y la Dirección de Auditoría Interna velan por la adecuación, eficacia y cumplimiento de los citados controles.

4. Riesgo Operacional:

El Grupo dispone de 2 herramientas informáticas que permiten su seguimiento y cuantificación (en el seguro tradicional y de crédito). Los riesgos y controles asociados a procesos se han categorizado 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) con el fin de perfeccionar el Sistema de Gestión de Riesgos y evitar que se repitan.

La información relativa a la valoración de riesgos operacionales, al grado de realización de los controles definidos para su mitigación, así como las pérdidas operacionales acaecidas, es reportada semestralmente al Consejo.

5. Riesgos regulatorios, legales y fiscales:

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

- (i) Dirección de Servicio Jurídico: Entre sus objetivos está el mantener un adecuado cumplimiento de las normativas legales.
- (ii) Departamento de Control de Gestión y Planificación: Tiene, entre otros objetivos, disponer e implementar un adecuado control de la información económico-financiera de la Sociedad y de sus presupuestos.
- (iii) Dirección de control de riesgos: Es la responsable del control de la gestión de riesgos del Grupo y, en particular, de garantizar la aplicación de la normativa de solvencia.
- (iv) Dirección de Auditoría Interna: Su misión es supervisar 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 es la encargada de establecer las políticas y los procesos de control para garantizar el cumplimiento de la normativa fiscal vigente en base a la Política Fiscal Corporativa.

Por último, en cuanto a los procedimientos seguidos para asegurar que el Consejo da respuesta a los desafíos que se presentan sobre los anteriores riesgos, cabe destacar que el mismo es regularmente informado tanto (i) de cualquier novedad material que se pretenda implantar en el sistema de control de riesgos, ya sea por iniciativa propia o a raíz de una nueva normativa o la modificación de la vigente, como (ii) de cualquier pérdida derivada de dichos riesgos. En particular, y en relación con los riesgos fiscales, con anterioridad a la formulación de las Cuentas Anuales, la Asesoría Fiscal del Grupo informa al Consejo sobre las estrategias fiscales aplicadas por la Sociedad y el Grupo durante el ejercicio y sobre el grado de cumplimiento de la citada Política. Asimismo, en el caso de operaciones relevantes o asuntos que deban someterse a la aprobación del Consejo, éste es informado de las consecuencias fiscales de las mismas cuando constituyan un factor relevante.

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, "Grupo Catalana Occidente" o "la Entidad") de mantener e implantar un adecuado y efectivo SCIIF, así como de supervisar el mismo son los siguientes:

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

En virtud de esta delegación, el Consejo de Administración de la Entidad 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 sus conocimientos y experiencia en materia de contabilidad y auditoría.

En el Reglamento del Consejo de Administración se especifica que entre las funciones básicas del Comité de Auditoría están, entre otras, las de:

- (a) Supervisar tanto la eficacia del sistema de control interno de la Entidad, incluyendo el sistema de control interno de la información financiera (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
- (b) 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, vigilar el cumplimiento de los requerimientos legales y la correcta aplicación de los principios de contabilidad generalmente aceptados.

De acuerdo con estas funciones, el Comité de Auditoría está realizando 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 de la Entidad 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: 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 de Grupo Catalana Occidente 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 Grupo Catalana Occidente, 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.

Grupo Catalana Occidente dispone de 83 puestos singulares en relación al personal involucrado en la preparación y revisión de la información financiera, de los cuales 63 disponen de descripción de perfiles de trabajo (DPT) documentada, estando pendiente la actualización de los restantes como consecuencia de la reestructuración de las áreas financieras del Grupo durante este ejercicio. 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 cada entidad, cada paso está definido en un calendario de actuación conocido por todos y cada uno de los agentes intervinientes. La responsabilidad del seguimiento y actualización del calendario es del Departamento de Control de Gestión y Planificación Corporativa, 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 ha sido revisado regularmente, siendo la última versión del mismo verificada por el Comité de Verificación del Cumplimiento de 10 de diciembre de 2020 y aprobada el pasado 28 de enero de 2021 por el Consejo de Administración de la Entidad, con el fin de introducir una serie de mejoras y novedades en el mismo y sus protocolos de desarrollo como consecuencia de (i) la auditoría externa realizada durante el último trimestre de 2019 del sistema de prevención del riesgo penal de Grupo, del que se derivaron una serie de recomendaciones a implementar durante el ejercicio 2020 y (ii) del Plan de Sostenibilidad impulsado por el Grupo.

El Código Ético es de aplicación a los consejeros y empleados, con independencia de su puesto y nivel, tanto de Grupo Catalana Occidente, S.A. 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 tiene amplia difusión a través de circulares internas además de estar disponible tanto en la página web corporativa como en su intranet.

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 el artículo 5 del Código Ético señala que la información económico financiera del Grupo 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.

A estos efectos, 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.

Asimismo, incluye la obligación por parte de los sujetos obligados en virtud del citado Código 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.

Por otra parte, el Consejo de Administración de la Entidad acordó modificar el pasado 30 de julio de 2020 el Reglamento Interno de Conducta ("RIC") del Grupo, para ajustar su redactado tras la adaptación de la normativa española al Reglamento sobre Abuso de Mercado, especialmente en materia de información privilegiada y de operativa discrecional de autocartera. 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 descrito en dicho RIC que ya sea por razón de su cargo o empleo, tengan acceso a información privilegiada, debiendo ser suscrito formalmente por cada una de ellas ("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:

(i) Mantener en todo momento actualizado un registro de las Personas Sujetas y que se encuentra a disposición de las autoridades administrativas correspondientes;

(ii) Recibir las comunicaciones de las operaciones de suscripción, compra o venta, de valores o instrumentos financieros realizadas por las Personas Sujetas por cuenta propia o por personas vinculadas a ellos;

(iii) 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 al que pertenece la Entidad, y resolver las dudas sobre la posible existencia de un conflicto de interés;

(iv) Vigilar, con el apoyo de la Unidad de Relaciones con Analistas, 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

(v) 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. Asimismo, este es el órgano 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:

El Reglamento del Consejo de Administración de la Entidad 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. Dicho mecanismo deberá garantizar la confidencialidad, y en todo caso, prever supuestos en los que las comunicaciones pueden realizarse de forma anónima, respetando los derechos de denunciante y denunciado.

En aplicación de lo establecido en dicho Reglamento, la Entidad cuenta, tal y como se ha comentado anteriormente, como normativa de desarrollo de su Código Ético, con un "Protocolo de Actuación en caso de Irregularidades y Fraudes (Canal de Denuncias)" que se produzcan en el seno de la organización de Grupo Catalana Occidente. El citado Protocolo fue actualizado por el Comité de Verificación del Cumplimiento por última vez el 10 de diciembre de 2020 con motivo de adaptarlo a la reorganización de los servicios jurídicos y la actualización del Código Ético del Grupo, para ser aprobado el pasado 28 de enero de 2021 por el Consejo de Administración de la Entidad.

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 Canal de Denuncias.

El correo electrónico y el correo postal al que deben dirigirse dichas denuncias están incluidos en el citado Protocolo, 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, por lo que todos los sujetos obligados pueden tener un fácil acceso al mismo. 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 denuncias 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 de auditoría sobre irregularidades, 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 de Auditoría Interna Corporativa.

Por otra parte, el Protocolo 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.

- 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 de las distintas entidades 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 2020, el personal de estas áreas ha realizado formación tanto interna como externa por un total de 2.672 horas y 435 asistencias a 86 acciones formativas. De entre estas actividades, destaca la formación relacionada con normas contables, auditoría, control interno y gestión de riesgos, el riesgo de crédito y la Directiva Solvencia II. 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 de identificación de los mismos, en el que han intervenido colegiadamente el Departamento de Control de Gestión y Planificación, el Departamento de Control Interno, así como 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 las entidades que pertenecen al 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 pertenecientes al 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 y el riesgo de que la información se genere con retrasos (no se han identificado de forma separada las aseveraciones 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 el Departamento de Contabilidad Corporativa 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 cualquiera de los riesgos anteriores, 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 SCIF, 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 SCIF, 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 en la intranet y comunicación a la DGSFP o la CNMV, según corresponda.
- (iii) Semestralmente 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, gasto 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) Norma de Desarrollo y Mantenimiento de Sistemas, en el 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 el estándar ISO/IEC 27001 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) Gestión y Control de Cambios, en el que se detalla la normativa que garantice su eficacia;
- (vi) Segregación de Funciones, donde se describe ésta como una 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;
- (vii) En caso de compra de una nueva aplicación informática, se efectúan los procedimientos de validación interna y externa, testeos y validación de usuarios definidos por la Dirección de Operaciones de la Entidad, de acuerdo con la política definida a tal efecto; y
- (viii) 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 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 del Consejo de Administración de 29 de octubre de 2015 la política de gestión de la externalización de las funciones fundamentales y actividades críticas que deben realizar las entidades aseguradoras y reaseguradoras que conforman el Grupo Catalana Occidente, considerando las mismas como aquellas esenciales para el funcionamiento de las entidades aseguradoras sin las cuales sería incapaz 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 cumplimiento normativo, 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 críticas requiere de un examen detallado para comprobar que los mismos pueden desarrollar las funciones o actividades satisfactoriamente verificando que el proveedor es idóneo para (i) prestar el servicio; (ii) desarrollar las funciones o actividades requeridas de modo satisfactorio, así como; (iii) poseer la capacidad técnica y financiera y cualquier autorización exigida por la normativa para prestar el servicio, y que haya 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, que es revisada con carácter anual por el Consejo de Administración (la última revisión es de 28 de mayo de 2020), 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 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 Contabilidad Corporativa, dependiente de Dirección Financiera, es la responsable de definir y coordinar las políticas contables de la Entidad y de las entidades que pertenecen a su Grupo. En particular, dicha unidad 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 que pertenecen a su 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 del Grupo Catalana Occidente. En dichos comités intervienen el Director Financiero del Grupo, el Director de Contabilidad, 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 va actualizando con las normas contables que entran en vigor y con los cambios internos que se implementan para mejoras en los procesos. Durante el presente ejercicio se ha desarrollado una política contable aplicable a las valoraciones de deterioro de los fondos de comercio.

La aprobación de la norma contable IFRS 17, cuya entrada en vigor está prevista para 1 de enero de 2023, obligará a readaptar muchas de estas políticas contables. Durante el ejercicio 2020 se han seguido organizando sesiones de trabajo para analizar los impactos de la aplicación de esta norma en el Grupo con objeto de establecer, de forma preliminar, el conjunto de políticas y principios de implantación de la norma, así como la adaptación de la infraestructura informática para dar respuesta a los nuevos requerimientos normativos. El objetivo principal es la realización de los trabajos preparatorios necesarios para la implementación de la IFRS 17, de forma que se garantice su cumplimiento en la fecha de primera aplicación, y evaluar los potenciales impactos cuantitativos y cualitativos, con la anticipación suficiente a efectos de adaptar su gestión.

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.

Grupo Catalana Occidente elabora su información financiera consolidada y reporting sobre la plataforma HFM.

Por su parte, las entidades que forman parte del Grupo Catalana Occidente, 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, existe la Dirección de Auditoría Interna, que depende jerárquicamente del Comité de Auditoría, apoyando 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 directamente las auditorías realizadas.

Asimismo, la Dirección de Auditoría Interna 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, el equipo de la misma está integrado por veintidós personas incluido su director. Los integrantes del equipo de auditoría interna realizan esta función de forma exclusiva, destinando a ello la totalidad de su tiempo de trabajo.

La Dirección de Auditoría Interna 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 unos principios que sirvan para uniformar y estandarizar dentro de lo posible la realización de las mismas. Esta metodología distingue las tres fases naturales y cronológicas que debe tener una auditoría:

- (i) su planificación,
- (ii) el trabajo de campo y su realización y
- (iii) el informe de auditoría.

Como consecuencia de la aplicación de la valoración del nivel de control interno observado en la auditoría, contemplado en el documento "Procedimiento y Metodología de Auditoría Interna" comentado, la Dirección de Auditoría Interna 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 los auditados discrepan, las discrepancias son elevadas al Comité de Auditoría Interna Corporativa, que decide si se deben implementar las recomendaciones o no.

Desde la Dirección de Auditoría Interna se lleva un registro de todas las recomendaciones que deben implementarse, así como de los plazos en los que los auditados deben hacerlo. Una vez finalizado el plazo se solicita información sobre el grado de implantación de las recomendaciones si los auditados no han informado previamente de que ya han cumplido las mismas. Una vez verificado este extremo, el Director de Auditoría Interna

Corporativa informa al Comité de Auditoría y al Comité de Auditoría Interna Corporativo, además de sobre el seguimiento de las recomendaciones, su implementación en plazo y fuera de él, y aquellas pendientes de hacerlo en plazo y fuera de él.

Durante el ejercicio 2020, la Unidad de Control Interno de la Información Financiera adscrita al Departamento de Control de Gestión y Planificación de Grupo Catalana Occidente, S.A., con dependencia de la Dirección Financiera, 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, una vez al año.

La Dirección de Auditoría Interna 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, evaluando 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 que se acuerdan con los auditados, así como el plazo para su implementación, 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 que se ha cumplido el plazo, se comprueba con sus responsables la implementación de dichas recomendaciones.

En 2020 igual que en 2019, todas las auditorías del SCIIF se realizaron con los propios recursos de la Dirección de Auditoría Interna.

En particular, durante el ejercicio 2020 Auditoría Interna Corporativa ha realizado la auditoría de 11 procesos del SCIIF (3 procesos de Seguros Catalana Occidente, S.A. de Seguros y Reaseguros, 1 de Bilbao, Compañía Anónima de Seguros y Reaseguros, 2 de Plus Ultra Seguros Generales y Vida, S.A. de Seguros y Reaseguros, 3 de Northispana de Seguros y Reaseguros, S.A., 1 de Grupo Catalana Occidente Gestión de Activos, S.A., SGIIC.

Paralelamente, y durante este ejercicio, se ha seguido avanzando en la incorporación de todos los controles de información financiera acordados 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, habiéndose incluido, en relación a las Entidades Aseguradoras del Negocio Tradicional, la totalidad de los controles de la información financiera de Seguros Catalana Occidente, S.A. de Seguros y Reaseguros y Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros, y la casi totalidad de los de Bilbao, Compañía Anónima de Seguros y Reaseguros y Northispana de Seguros y Reaseguros, S.A.

Por lo que respecta al negocio de Seguro de Crédito, durante el ejercicio 2020, la Dirección de Auditoría Interna ha verificado en Atradius Crédito y Caución S.A. de Seguros y Reaseguros, un total de 242 controles relacionados con auditorías planificadas para el ejercicio 2020.

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 puede formular recomendaciones en cada una de las auditorías que realiza si lo considera necesario.

Además, tal y como se ha señalado en el apartado F.5.1 anterior, la Dirección de Auditoría Interna 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 la conveniencia de su implementación. 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 el informe sea enviado al Comité de Dirección de Grupo y al Comité de Auditoría.

Adicionalmente, con periodicidad semestral, la Dirección de Auditoría Interna emite un informe de actividad que se eleva al Comité de Auditoría Corporativo y 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. Asimismo, en cada auditoría se propone un plan de acción y se realiza un seguimiento de las recomendaciones / debilidades detectadas.

Por su parte, aquellas auditorías que son realizadas por auditores externos, cuentan con la colaboración de la Dirección de Auditoría Interna, 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 Corporativa 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 [X] 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 [X] Explique [] No aplicable []

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. Sin embargo, no existen mecanismos para resolver los eventuales conflictos de interés que puedan presentarse.

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 [X] Explique []

Respecto al apartado a), en la Junta General Ordinaria de Accionistas se dan las explicaciones de los aspectos más relevantes del gobierno corporativo de la Sociedad y de los cambios acaecidos desde la anterior Junta General. Dichas explicaciones las realiza, en lugar del Presidente, el Secretario, que es la persona que conduce la Junta, alcanzándose así en igual medida los objetivos de la Recomendación. En cuanto al apartado b), y respecto a la información verbal sobre los motivos concretos por los que la Sociedad no sigue alguna de las recomendaciones del Código de Gobierno Corporativo, la Sociedad entiende que dichos motivos ya están suficientemente explicitados en el presente Informe.

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 [] Cumple parcialmente [] Explique [X]

El Comité de Auditoría y la Comisión de Nombramientos y Retribuciones, según corresponda, analiza las cuestiones objeto de los apartados a) a c) anteriores e informa al Consejo de Administración sobre los mismos, respecto a los apartados a) a c) mediante los correspondientes informes. Sin embargo, la Sociedad únicamente publica en la página web corporativa los informes que deben estar a disposición de los accionistas de acuerdo con la normativa vigente. Respecto a los informes no obligatorios, la Sociedad no los publica por cuanto entiende que las materias objeto de los mismos se hallan suficientemente reflejadas en la documentación que se pone a disposición de los accionistas de acuerdo con la normativa vigente.

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 []

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 [] 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 [] Explique []

Si bien el actual Consejo cuenta con 16 miembros, uno por encima de lo que la recomendación considera aconsejable, la Sociedad entiende, por la naturaleza y las concretas circunstancias de la misma, que esta es la dimensión precisa para lograr un funcionamiento eficaz y participativo del Consejo de Administración. En este sentido, las preguntas a los consejeros sobre este aspecto en los sucesivos informes de autoevaluación del consejo de administración en los últimos ejercicios, así como en las que les realizó el experto externo al que se encomendó la evaluación del consejo de administración en el ejercicio 2018, avalarían esta visión.

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 [] Cumple parcialmente [] Explique []

El Consejo de Administración no ha aprobado en la fecha de este Informe una política de selección de consejeros con el contenido señalado en la recomendación. No obstante, la Sociedad tiene una política de aptitud y honorabilidad aplicable a los miembros del Consejo de Administración que establece las directrices generales para que, de conformidad con la legislación en materia aseguradora, los consejeros, en su conjunto, posean los conocimientos suficientes en todas las áreas necesarias para desarrollar la actividad de la Sociedad. Asimismo, cuenta con la Comisión de Nombramientos y Retribuciones que analiza al candidato antes de proponer su nombramiento ante el Consejo o a la Junta de Accionistas de acuerdo con el Reglamento del Consejo, y con la evaluación que, como miembros del Consejo de una entidad que controla entidades aseguradoras, deben pasar frente a la Dirección General de Seguros y Fondos de Pensiones. Por tanto, se alcanza en igual medida el objetivo perseguido por esta Recomendación.

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, pero no cumple la segunda parte de la misma en cuanto al número de consejeras.

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 accionariales 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 [X] 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 [X]

Los consejeros independientes representan el 12,5% del total de consejeros sobre el 33% recomendado. La Sociedad considera que, en última instancia, no se vulnera la finalidad de la presente Recomendación que, de conformidad con el Código de Buen Gobierno, radica en que ningún accionista significativo ejerza en el Consejo de Administración una influencia superior respecto a su participación en el capital social, representando los consejeros dominicales un porcentaje similar al que ostentan en el capital social. Asimismo, la Sociedad considera que los Consejeros, en virtud de sus deberes legales de diligente administración, lealtad y defensa del interés social, están obligados a defender el interés social de la Sociedad y de todos sus accionistas por encima de cualquier otra circunstancia.

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 [] Cumple parcialmente [X] Explique []

La Sociedad hace pública a través de su página web y mantiene actualizada, toda la información a la que hace referencia la presente recomendación con la excepción de informar sobre las demás actividades retribuidas que realicen los consejeros, cualquiera que sea su naturaleza, por cuanto entiende que, en la medida en la que dichas actividades (i) no conflictúan con el objeto social de la Sociedad y su grupo de sociedades (lo que se les cuestiona específicamente); y (ii) les permitan cumplir con sus funciones y dedicación a sus labores como consejeros en el marco de lo establecido en el Reglamento del Consejo y la LSC, no es necesario publicar dicha información.

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 período estatutario para el que hubiera sido nombrado, salvo cuando concorra 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 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 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 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 [X] 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 [X] 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 [X] 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 [X] 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 [X] 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 [X] 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 [X] 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 [X] 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, y tal y como se ha explicitado en los apartados anteriores, existe un equilibrio adecuado entre los componentes fijos y variables de la remuneración, si bien la Sociedad no ha considerado necesario introducir variables en el sistema de remuneración con el objeto de ajustarlo a objetivos, valores e intereses a largo plazo de la Sociedad ni otorgar planes de entrega de acciones o de instrumentos financieros referenciados a su valor, por cuanto (i) la probada permanencia y estabilidad de los actuales consejeros ejecutivos 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 ejercitarlos 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 []

Cumple parcialmente []

Explique []

No aplicable []

La recomendación se cumple para 14 de los 16 consejeros de la Sociedad. En el caso del Consejero Delegado y el Consejero Director General, los pagos por resolución o extinción del Contrato podrían superar el importe equivalente a dos años de la retribución total anual, ya que, tal y como se describe en el Informe Anual de Remuneraciones, desde hace varios ejercicios los mismos han destinado el 50% de su remuneración variable (que habrían tenido derecho a consolidar) a aportaciones al sistema de previsión social de manera no consolidada, de tal forma que el acumulado de dichos ejercicios puede acabar contribuyendo a superar el citado umbral.

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 B.5

Al amparo de lo establecido en los artículos 40.6.bis y 41.3 del Real Decreto-ley 8/2020, de 17 de marzo, de medidas urgentes extraordinarias para hacer frente al impacto económico y social del COVID-19, y en el marco de las recomendaciones de la Autoridad Europea de Seguros y Pensiones de Jubilación y de la Dirección General de Seguros y Fondos de Pensiones, en sus respectivas notas de 2 y 8 de abril de 2020, en relación con la distribución de dividendos por parte de las entidades aseguradoras ante la situación generada por el coronavirus / COVID-19, el consejo de administración de la Sociedad decidió retirar el segundo punto del orden del día ("Distribución de resultados del ejercicio 2019") de la Junta General de Accionistas de la Sociedad de fecha 30 de abril de 2020.

La nueva propuesta de distribución de resultados fue formulada por el Consejo de Administración de conformidad con lo establecido en los referidos artículos del Real Decreto-ley 8/2020 y demás normativa mercantil y aprobada en la Junta General de Accionistas de 29 de octubre de 2020.

Nota respecto al Apartado C.1.2

COTYP, S.L. y VILLASA, S.L. causaron baja como miembros del Consejo de Administración de la Sociedad tras la expiración de su cargo con anterioridad a la Junta General de Accionistas de 30 de abril de 2020, siendo nombrados en idéntica fecha sus respectivos anteriores representantes persona física, Don Alberto Thiebaut Estrada y Don Fernando Villavecchia Obregón.

Asimismo, se hace constar que en fecha 26 de noviembre de 2020 el Consejo de Administración de la Sociedad, previo informe favorable de la Comisión de Nombramientos y Retribuciones, tomó razón de la comunicación formal efectuada por el consejero GESTIÓN DE ACTIVOS Y VALORES, S.L., notificando su intención de sustituir a su representante persona física, Don Javier Juncadella Salisachs, por Don Álvaro Juncadella de Pallejá, y aceptando asimismo la renuncia del referido consejero a sus cargos de Vicepresidente y miembro de la Comisión de Nombramientos y Retribuciones de la Sociedad.

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. Todo ello está explicado en mayor detalle en la Memoria de Sostenibilidad del Grupo Catalana Occidente, disponible en la página web corporativa.

Este informe anual de gobierno corporativo ha sido aprobado por el consejo de Administración de la sociedad, en su sesión de fecha:

[25/02/2021]

Indique si ha habido consejeros que hayan votado en contra o se hayan abstenido en relación con la aprobación del presente Informe.

[] Sí
[✓] No

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Glossary

Item	Definition	Formulation
Technical result	Result of the insurance activity	Technical result = (premiums accrued from direct insurance + premiums accrued from reinsurance accepted + information services and commissions) - Technical cost - Participation in benefits and return premiums - Net operating expenses - Other technical expenses
Reinsurance result	Result due to transferring business to the reinsurer or accepting business from other entities.	Reinsurance result = Result of Inward Re + Result of ceded reinsurance
Financial result	Result of the financial investments.	Financial result = income from financial assets (coupons, dividends, actions) - financial expenses (commissions and other expenses) + result of subsidiary companies - interest accrued on the debt - interest paid to the insured parties of the life insurance business
Technical/financial result	Result of the insurance activity, including the financial result. This result is particularly relevant for Life insurance.	Technical/financial result = Technical result + Financial result
Result of non-technical non-financial account	Income and expenses that cannot be assigned to the technical or financial results.	Result of non-technical non-financial account = Income - expenses that cannot be assigned to the technical or financial results.
Result of credit insurance complementary activities	Result of activities that cannot be assigned to the purely insurance business. Mainly distinguishes the activities of: <ul style="list-style-type: none"> · Information services · Recoveries · Management of the export account of the Dutch state. 	Result of credit insurance complementary activities = income - expenses
Recurring result	Result of the entity's regular activity	Recurring result = technical/financial result + non-technical account result - taxes, all resulting from normal activity
Non-recurring result	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-recurring result = technical/financial result + non-technical account result - taxes, all resulting from extraordinary or atypical activity

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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 Premiums invoiced = premiums issued from direct insurance + premiums from accepted reinsurance
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
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 Interest coverage ratio = result before taxes / Interest
Technical cost	Direct costs of accident coverage. See claims.	Technical cost = claims in the year, net of reinsurance + variation of other technical provisions, net of reinsurance
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.
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 variation in the value of the financial assets for each percentage point (100 basic points) of variation 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.)
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?
Company satisfaction 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

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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
Income from insurance	Measures the 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
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
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
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
Ex. single premiums	Total premiums without considering non-periodic premiums in the Life business	Ex. single premiums = Invoiced premiums - single premiums in the life business
Technical provisions	Amount of the obligations assumed that are derived from insurance and reinsurance contracts.	
Combined ratio	Indicator that measures the technical profitability of the Non Life insurances.	Combined ratio = Ratio of claims + ratio of expenses
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
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)

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Claims ratio	Business indicator, consisting of the proportion between claims and earned premiums.	Claims ratio = Claims / Income from insurance
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
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
Resources transferred to the company	Amount that the Group returns to the main stakeholders.	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 attributed to shareholders of the parent company at the start and end of the period (twelve months)) x 100
Claims	See technical cost. Economic evaluation of claims.	Claims = Payments made from direct insurance + Variation of the provision for services of direct insurance + expenses attributable to services
Total Potential ExposureTPE	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

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2021 Calendar

January	February	March	April	May	June	July	August	September	October	November	December
	25 Results 12M2020		29 Results 3M2021			29 Results 6M2021			28 Results 9M2021		
	25 Presentation of results 12M2020 16.30		30 Presentation of results 3M2021 11.30			29 Presentation of results 6M2021 16.30			28 Presentation of results 9M2021 16.30		
			29 General Sharehold- ers' Meeting 2020								
	Interim divi- dend 2020			Comple- mentary dividend 2020		Interim divi- dend 2021			Interim divi- dend 2021		

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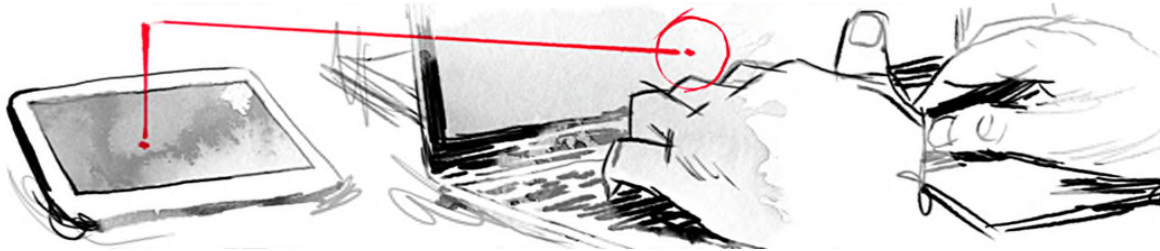
04 Corporate governance

06 Sustainability

08 Corporate governance **report**

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Consolidated annual accounts



GRUPO CATALANA OCCIDENTE, S.A. AND SUBSIDIARIES
(Grupo Catalana Occidente)
CONSOLIDATED BALANCE SHEETS AT 31 December 2020
AND 31 December 2019 (Notes 1 to 3)

(Figures in € Thousand)

ASSET	Note	31.12.2020	31.12.2019 (*)
1. Cash and other cash equivalents	6	1.477.975	1.354.740
2. Financial assets held for trading	7.a.	-	-
3. Other financial assets at fair value through profit or loss	7.a.	585.341	579.019
a) Equity instruments		49	26.259
b) Debt securities		-	1.026
c) Investments held for the benefit of policyholders who bear the investment risk		585.292	551.734
4. Available-for-Sale financial assets	7.a.	9.862.441	9.586.342
a) Equity instruments		1.834.453	1.769.154
b) Debt securities		7.554.910	7.337.199
c) Loans		-	-
d) Bank deposits		473.078	479.989
5. Loans and items receivable		1.249.224	1.197.027
a) Loans and other financial assets	7.a.	329.531	327.770
b) Receivables	7.b.	886.604	845.875
c) Investments held for the benefit of policyholders who bear the investment risk	7.a.	33.089	23.382
8. Reinsurer's share of technical provisions	14	1.108.067	874.347
9. Property, plant and equipment and investment property		1.138.895	1.095.491
a) Property, plant and equipment	9.a.	446.019	434.101
b) Investment property	9.b.	692.876	661.390
10. Intangible assets		994.051	995.015
a) Goodwill	10.a.	801.972	804.975
b) Policy portfolio acquisition costs	10	319	349
c) Other intangible assets	10	191.760	189.691
11. Investments in entities accounted for using the equity method	8	85.183	85.794
12. Tax assets		356.292	331.429
a) Current tax assets	11.b.	84.347	105.165
b) Deferred tax assets	11.c.	271.945	226.264
13. Other assets	12	510.267	578.745
TOTAL ASSETS		17.367.736	16.677.949

(*) Presented solely and exclusively for comparison purposes.

The accompanying Notes 1 to 22 and Appendices I and II are an integral part of the Consolidated Balance Sheet at 31 December 2020.

GRUPO CATALANA OCCIDENTE, S.A. AND SUBSIDIARIES
(Grupo Catalana Occidente)
CONSOLIDATED BALANCE SHEETS AT 31 December 2020
AND 31 December 2019 (Notes 1 to 3)

(Figures in € Thousand)

NET LIABILITIES AND EQUITY	Note	31.12.2020	31.12.2019 (*)
TOTAL LIABILITIES		13.430.117	12.826.766
3. Debits and payables		1.181.783	954.707
a) Subordinated liabilities	13.a.	200.704	200.545
b) Other payables	13.b.	981.079	754.162
5. Technical provisions	14	10.982.462	10.652.097
a) For unearned premiums		1.323.100	1.354.729
b) For unexpired risks		2.659	4.098
c) For life insurance			
- Provision for unearned premiums and unexpired risks		27.451	27.537
- Mathematical provision		5.851.522	5.839.867
- Provision for life insurance where the investment risk is borne by policyholders		618.746	575.144
d) For claims		3.014.609	2.729.261
e) For policyholder dividends and return premiums		40.688	31.783
f) Other technical provisions		103.687	89.678
6. Non-technical provisions	15	234.599	210.513
7. Tax liabilities		535.765	554.947
a) Current tax liabilities	11.b.	46.949	66.510
b) Deferred tax liabilities	11.c.	488.816	488.437
8. Other Liabilities		495.508	454.502
TOTAL NET EQUITY		3.937.619	3.851.183
Equity		2.855.394	2.684.352
1. Capital	16.a.	36.000	36.000
2. Share Premium Account	16.b.	1.533	1.533
3. Reserves	16.b.	2.617.181	2.320.994
4. Less: Shares and holdings in own equity	16.c.	23.539	22.000
7. Profit or loss for the year attributable to the parent company		262.331	385.937
a) Consolidated profit or loss		270.132	424.530
b) Profit or loss attributable to minority interests	17	7.801	38.593
8. Less: Interim Dividend	16.e.	38.112	38.112
Other comprehensive income and accumulated in equity	16.g.	723.508	792.792
1. Items that will not be re-classified to results		-	-
2. Items that may later qualify for results-		723.508	792.792
a) Available-for-sale financial assets		995.976	994.333
c) Exchange differences		(38.488)	(16.999)
d) Correction of accounting mismatches		(230.066)	(183.559)
e) Entities accounted for using the equity method		(3.914)	(983)
f) Other adjustments		-	-
EQUITY ATTRIBUTABLE TO THE PARENT COMPANY		3.578.902	3.477.144
MINORITY INTERESTS	17	358.717	374.039
1. Other comprehensive income and accumulated in equity		(3.049)	2.592
2. Other		361.766	371.447
TOTAL NET EQUITY AND LIABILITIES		17.367.736	16.677.949

(*) Presented solely and exclusively for comparison purposes.

The accompanying Notes 1 to 22 and Appendices I and II are an integral part of the Consolidated Balance Sheet at 31 December 2020.

GRUPO CATALANA OCCIDENTE, S.A. AND SUBSIDIARIES
(Grupo Catalana Occidente)
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR
THE FINANCIAL YEARS ENDED 31 December 2020 AND 2019 (notes 1 to 3)

		(Figures in € Thousand)	
	Note	Year 2020	Year 2019 (*)
1. Earned premiums for the year, net of reinsurance	18	2.650.712	2.868.311
2. Income from property, plant and equipment and investments	18	132.626	110.414
3. Other technical income	18	252.075	252.525
4. Claims incurred in the year, net of reinsurance	18	(1.586.246)	(1.583.792)
5. Change in other technical provisions, net of reinsurance	18	(13.962)	(13.110)
6. Provision for policyholder dividends and return premiums		(4.640)	(3.873)
7. Net operating expenses	18	(942.774)	(976.346)
8. Other technical expenses	18	(24.030)	(15.209)
9. Expenses arising from property, plant and equipment and investments	18	(125.673)	(96.019)
A) NON-LIFE RESULT		338.088	542.901
10. Earned premiums for the year, net of reinsurance	18	771.779	805.487
11. Income from property, plant and equipment and investments	18	206.728	214.202
12. Income from investments assigned to insurance policies in which policyholders bear the investment risk	18	43.745	62.245
13. Other technical income	18	6.087	5.663
14. Claims incurred in the year, net of reinsurance	18	(734.112)	(727.843)
15. Change in other technical provisions, net of reinsurance	18	(47.480)	(162.693)
16. Provision for policyholder dividends and return premiums	18	(26.677)	(19.918)
17. Net operating expenses	18	(72.261)	(73.912)
18. Other technical expenses	18	(2.815)	(5.022)
19. Expenses arising from property, plant and equipment and investments	18	(53.877)	(41.880)
20. Expenses of investments assigned to insurance policies in which policyholders bear the investment risk	18	(53.202)	(13.059)
B) LIFE INSURANCE RESULT		37.915	43.270
C) RESULT ON TECHNICAL ACCOUNT		376.003	586.171
21. Income from property, plant and equipment and investments		(3.710)	(6.508)
22. Negative goodwill		-	-
23. Expenses arising from property, plant and equipment and investments		(5.811)	(5.283)
24. Other income	18	49.531	31.124
25. Other expenses	18	(51.439)	(49.305)
E) PROFIT BEFORE TAX		364.574	556.199
26. Income tax	11.d	(94.442)	(131.669)
F) PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS		270.132	424.530
27. Profit for the year from discontinued operations, net of taxes		-	-
G) CONSOLIDATED PROFIT FOR THE YEAR		270.132	424.530
a) Profit attributable to equity holders of the parent		262.331	385.937
b) Profit attributable to minority interests	17	7.801	38.593
(figures in Euros)			
EARNINGS PER SHARE			
Basic	16.f	2,22	3,27
Diluted	16.f	2,22	3,27

(*) Presented solely and exclusively for comparison purposes.

The accompanying Notes 1 to 22 and Appendices I and II are an integral part of the Consolidated Income Statement for 2020.

GRUPO CATALANA OCCIDENTE, S.A. AND SUBSIDIARIES
(Grupo Catalana Occidente)

CONSOLIDATED STATEMENTS OF RECOGNISED INCOME AND EXPENSE FOR FINANCIAL YEARS ENDING 31
December 2020 AND 2019 (Notes 1 to 3)

(Figures in € Thousand)

	Note	Year 2020	Year 2019 (*)
A) CONSOLIDATED PROFIT FOR THE PERIOD		270.132	424.530
B) OTHER COMPREHENSIVE INCOME - ITEMS NOT RECLASSIFIED IN THE PROFIT		(6.708)	(19.492)
1. Actuarial Gains/(losses) on long term remuneration to personnel	15	(12.511)	(24.777)
2. Share in other comprehensive income recognised by investments in joint ventures and associates		-	-
3. Other income and expenses not reclassified in the profit for the period		-	-
4. Tax effect	11.d.	5.803	5.285
C) OTHER COMPREHENSIVE INCOME - ITEMS THAT CAN BE RECLASSIFIED AFTER THE PROFIT		(74.925)	366.873
1. Available-for-sale financial assets		(1.360)	607.196
a) Valuation gains/(losses)	7.a.	(20.745)	587.170
b) Amounts transferred to the income statement		19.385	20.026
c) Other reclassifications		-	-
2. Cash flow hedges:		-	-
a) Valuation gains/(losses)		-	-
b) Amounts transferred to the income statement		-	-
c) Amounts transferred to the initial carrying amount of hedged items		-	-
c) Other reclassifications		-	-
3. Hedges of net investments in foreign operations:		-	-
a) Valuation gains/(losses)		-	-
b) Amounts transferred to the income statement		-	-
c) Other reclassifications		-	-
4. Exchange differences:		(25.934)	10.969
a) Valuation gains/(losses)		(25.934)	10.969
b) Amounts transferred to the income statement		-	-
c) Other reclassifications		-	-
5. Correction of accounting mismatches:		(61.128)	(152.029)
a) Valuation gains/(losses)		(61.128)	(152.029)
b) Amounts transferred to the income statement		-	-
c) Other reclassifications		-	-
6. Assets held for sale:		-	-
a) Valuation gains/(losses)		-	-
b) Amounts transferred to the income statement		-	-
c) Other reclassifications		-	-
7. Share in other comprehensive income recognised by investments in joint ventures and associates		(3.408)	1.438
a) Valuation gains/(losses)	8	(3.408)	1.438
b) Amounts transferred to the income statement		-	-
c) Other reclassifications		-	-
8. Other income and expenses that can be reclassified after the profit for the period		-	-
9. Tax effect	11.d.	16.905	(100.701)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A + B + C)		188.499	771.911
a) Attributable to equity holders of the parent		187.350	722.895
b) Attributable to minority interests		1.149	49.016

(*) Presented solely and exclusively for comparison purposes.

The accompanying Notes 1 to 22 and Appendices I and II are an integral part of the consolidated Statement of Recognised Income and Expenses for the year 2020.

GRUPO CATALANA OCCIDENTE, S.A. AND SUBSIDIARIES
(Grupo Catalana Occidente)

CONSOLIDATED CHANGES IN EQUITY STATEMENT FOR
THE FINANCIAL YEARS ENDED 31 December 2020 AND 2019 (notes 1 to 3)

(Figures in € Thousand)

	Note	Equity attributable to equity holders of the parent company					Other comprehensive income and accumulated in equity	Minority interests	Total net equity
		Equity							
		Capital or mutual fund	Share premium and Reserves	Treasury shares and participation units	Profit for the year attributable to the parent company	(Interim Dividends)			
Closing balance at 31 December 2018 (*)		36.000	2.095.117	(22.259)	352.160	(36.288)	439.063	340.343	3.204.136
Adjustment for changes in accounting policies		-	-	-	-	-	-	-	-
Adjustment for errors		-	-	-	-	-	-	-	-
Opening balance adjusted to 01 January 2019 (*)		36.000	2.095.117	(22.259)	352.160	(36.288)	439.063	340.343	3.204.136
I. Total recognised income/(expenses)		-	(16.771)	-	385.937	-	353.729	49.016	771.911
II. Transactions with members or shareholders		-	-	259	-	(100.512)	-	(14.915)	(115.168)
1. Capital increases/(decreases)		-	-	-	-	-	-	-	-
2. Conversion of financial liabilities into equity		-	-	-	-	-	-	-	-
3. Dividend distribution		-	-	-	-	(100.512)	-	(14.915)	(115.427)
4. Transactions with treasury shares or holdings (net)	16.c.	-	-	259	-	-	-	-	259
5. Increases (decreases) due to business combinations		-	-	-	-	-	-	-	-
6. Other transactions with members or shareholders		-	-	-	-	-	-	-	-
III. Other changes in equity		-	244.181	-	(352.160)	98.688	-	(405)	(9.696)
1. Share-based payments		-	-	-	-	-	-	-	-
2. Transfers between equity components		-	253.472	-	(352.160)	98.688	-	-	-
3. Other changes		-	(9.291)	-	-	-	-	(405)	(9.696)
Closing balance at 31 December 2019 (*)		36.000	2.322.527	(22.000)	385.937	(38.112)	792.792	374.039	3.851.183
Adjustment for changes in accounting policies		-	-	-	-	-	-	-	-
Adjustment for errors		-	-	-	-	-	-	-	-
Opening balance adjusted to 01 January 2020		36.000	2.322.527	(22.000)	385.937	(38.112)	792.792	374.039	3.851.183
I. Total recognised income/(expenses)		-	(5.697)	-	262.331	-	(69.284)	1.149	188.499
II. Transactions with members or shareholders		-	-	(1.539)	-	(81.510)	-	(16.476)	(99.525)
1. Capital increases/(decreases)		-	-	-	-	-	-	-	-
2. Conversion of financial liabilities into equity		-	-	-	-	-	-	-	-
3. Dividend distribution	16.e.	-	-	-	-	(81.510)	-	(16.476)	(97.986)
4. Transactions with treasury shares or holdings (net)	16.c.	-	-	(1.539)	-	-	-	-	(1.539)
5. Increases (decreases) due to business combinations		-	-	-	-	-	-	-	-
6. Other transactions with members or shareholders		-	-	-	-	-	-	-	-
III. Other changes in equity		-	301.884	-	(385.937)	81.510	-	5	(2.538)
1. Share-based payments		-	-	-	-	-	-	-	-
2. Transfers between equity components	16.d.	-	304.427	-	(385.937)	81.510	-	-	-
3. Other changes		-	(2.543)	-	-	-	-	5	(2.538)
Closing balance at 31 December 2020		36.000	2.618.714	(23.539)	262.331	(38.112)	723.508	358.717	3.937.619

(*) Presented solely and exclusively for comparison purposes.

The accompanying Notes 1 to 22 and Appendices I and II are an integral part of the Consolidated Statement of Changes in Equity at 31 December 2020.

GRUPO CATALANA OCCIDENTE, S.A. AND SUBSIDIARIES
(Grupo Catalana Occidente)
CONSOLIDATED CASH FLOW STATEMENTS FOR THE FINANCIAL YEARS
ENDED 31 December 2020 AND 2019 (DIRECT METHOD) (Notes 1 to 3)

	Note	Year 2020	Year 2019 (*)
(Figures in € Thousand)			
A) CASH FLOWS FROM OPERATING ACTIVITIES (1+2+3)		498.134	513.462
1. Insurance activities:		933.674	905.091
(+) Cash received from insurance activities		5.599.857	5.428.597
(-) Cash paid in insurance activities		(4.666.183)	(4.523.506)
2. Other operating activities:		(340.410)	(233.635)
(+) Cash received from other operating activities		499.619	586.890
(-) Cash paid in other operating activities		(840.029)	(820.525)
3. Income tax refunded/(paid)		(95.130)	(157.994)
B) CASH FLOWS FROM INVESTING ACTIVITIES (1 + 2)		(237.774)	(177.499)
1. Cash received from investing activities:		2.442.159	3.079.468
(+) Property, plant and equipment		2.695	555
(+) Investment property		2.520	12.279
(+) Intangible assets		-	-
(+) Financial instruments		2.054.943	2.596.692
(+) Investments in equity instruments		-	-
(+) Subsidiaries and other business units		-	-
(+) Interest received		177.480	188.929
(+) Dividends received		44.133	53.037
(+) Other cash received in relation to investing activities		160.388	227.976
2. Payments from investment activities:		(2.679.933)	(3.256.967)
(-) Property, plant and equipment	9.a.	(38.123)	(26.964)
(-) Investment property	9.b.	(48.290)	(110.433)
(-) Intangible assets	10	(48.912)	(52.504)
(-) Financial instruments		(2.455.132)	(2.622.802)
(-) Investments in equity instruments		-	-
(-) Subsidiaries and other business units	8	-	(159.554)
(-) Other cash paid in relation to investing activities		(89.476)	(284.710)
C) CASH FLOWS FROM FINANCING ACTIVITIES (1 + 2)		(128.857)	(144.415)
1. Cash received from financing activities:		638	259
(+) Subordinated liabilities		-	-
(+) Cash received from issue of equity instruments and capital increase		-	-
(+) Assessments received and contributions from members or mutual members		-	-
(+) Disposal of treasury shares	16.c.	638	259
(+) Other cash received in relation to financing activities		-	-
2. Cash paid in investing activities:		(129.495)	(144.674)
(-) Dividends to shareholders	16.e.	(81.510)	(100.512)
(-) Interest paid		(14.108)	(14.526)
(-) Subordinated liabilities		-	-
(-) Cash paid for return of contributions to shareholders		-	-
(-) Assessments paid and return of contributions to members or mutual members		-	-
(-) Purchase of own securities	16.c.	(2.177)	-
(-) Other cash paid in relation to financing activities		(31.700)	(29.636)
D) EFFECT OF CHANGES IN EXCHANGE RATES		(8.268)	(339)
E) NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)		123.235	191.209
F) CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD		1.354.740	1.163.531
G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E+F)		1.477.975	1.354.740
COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		Year 2020	Year 2019 (*)
(+) Cash		1.447.960	1.154.843
(+) Other financial assets		30.015	199.897
(-) Less : Bank overdrafts repayable on demand		-	-
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		1.477.975	1.354.740

(*) Presented solely and exclusively for comparison purposes.
The accompanying Notes 1 to 22 and Appendices I and II are an integral part of the consolidated Cash Flow Statement for the year 2020.

Grupo Catalana Occidente, S.A. and Subsidiaries (Grupo Catalana Occidente)

Notes to the Consolidated Financial Statements
For the Financial Year Ended
on 31 December 2020

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 expense, 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 2020 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 domicile

Grupo Catalana Occidente, Sociedad Anónima (“the parent company”) 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, Sociedad Anónima 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 Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros (“Seguros Catalana Occidente”) through a non-cash contribution consisting of the entire business line, including all the assets and liabilities allocated to it and all its staff.

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 Economy and Finance 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.

The insurance companies belonging to Grupo Catalana Occidente, S.A. operate in the following business lines: Life, Credit, Surety, Accident, Sickness, Health, Motor, Marine, Lake and River Transport (hull), Aircraft, Freight, Fire and Natural Disasters, Other damage to property (combined

Agricultural Insurance, Theft and other), Liability (in vehicles, aircraft, marine, inland transport, arising from nuclear or other risks), various monetary Losses, Legal Defence, Assistance and Funeral. The Group considers all of the branches it operates in to be traditional business except for the branches of Credit and Surety, which is included within the credit insurance business.

In addition, 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, Seguros Catalana Occidente y Bilbao Compañía Anónima de Seguros y Reaseguros, S.A. ('Seguros Bilbao') are promoting partners "GCO Previsión, EPSV Individual". The total amount of assets of managed funds and EPSV amounted to €599,802 thousand at 31 December 2020 (€563,822 thousand at 31 December 2019). The gross income earned from management fees of the various funds amounted to €5,008 thousand in 2019 (€4,608 thousand in 2019) 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 mutual funds "GCO Mixto, FI", "GCO Acciones, FI", "GCO Eurobolsa, FI", "GCO Renta Fija, FI", "GCO Global 50, FI", "GCO Internacional, FI" and "GCO Ahorro, FI" (see Note 7.a.2). The total amount of assets of managed mutual funds amounted to €329,935 thousand at 31 December 2020 (€315,789 thousand at 31 December 2019).

In view of the business activity carried out by the parent 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 Act 11/2018, of 28 December, which modifies the Code of Commerce, Consolidated Text of the Spanish Corporation Act and the Account Auditing Act regarding non-financial information and diversity, which is included in the consolidated management report for Grupo Catalana Occidente.

1.c) Group structure and distribution systems

The subsidiary companies Seguros Catalana Occidente, Seguros Bilbao, Plus Ultra, Nortehispana, de Seguros y Reaseguros S. A. ('Nortehispana') and Atradius N.V., have their own independent structure and organisational network.

From an organisational standpoint, the companies comprising Grupo Catalana Occidente ("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, Malaga and Santander, and call centres with staff distributed between Sant Cugat and Madrid.

The Group has a territorial structure comprising 1,509 offices spread across Spain and 82 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 2020 the Group worked with a total of 17,042 agents throughout Spain (17,327 at 31 December 2019).

The Group operates in more than 50 countries through the subsidiary Atradius N.V., which at 31 December 2020 had 2,464 intermediaries (2,539 at 31 December 2019).

With regards to the brokerage channels, according to Act 26/2006 de Mediación de Seguros y Reaseguros Privados (Act 26/2006 on private insurance and reinsurance brokerage), and by virtue of the application of its stipulations in its second additional provision, all current agency agreements are deemed to be exclusive insurance agency agreements. In this way, the following subsidiary companies act as exclusive agency companies:

- Tecniseguros, Sociedad de Agencia de Seguros, S.A. as an agency of Seguros Catalana Occidente.
- S. Órbita, Sociedad Agencia de Seguros, S.A. as an insurance agency in Bilbao.
- Previsora Bilbaína Agencia de Seguros, S.A. and Nortehispana Mediación Agencia de Seguros, S.A. as Nortehispana agencies.

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 2020, the shares traded at €29.15 per share (€31.15 per share at 31 December 2019).

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 on the Regulation, Supervision and Solvency of Insurance and Reinsurance Entities (hereinafter, "ROSSEAR"), as well as the current articles of Royal Decree 2486/1998 of 20 November, approving the Regulation on Insurance Regulation and Supervision (hereinafter, "ROSSP"), and the regulatory provisions established by the Directorate General of Insurance and Pension Funds, including the Framework Document in relation to the accounting regime for insurance entities relating to IFRS 4 *Insurance Contracts* published on 22 December 2004, as well as the criteria and regulations established by the local regulators in the different countries of the Group's foreign subsidiaries.
- d) Act 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 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 25 February 2021, and shall be subject, as well as those from investee companies, to the approval by the respective Annual General Meeting of Shareholders. The 2019 consolidated annual financial statements were approved by the Annual General Meeting of Shareholders of the Grupo Catalana Occidente, S.A. which was held on 30 April 2020.

The Group's consolidated financial statements have been prepared from accounting records maintained by the parent 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 and the companies of the Group.

In preparing the 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 directors, and these judgements and estimates relate, inter alia, to:

- The fair value and impairment losses of certain unlisted financial assets (Notes 3-b.3 and 3-b.4)
- The assumptions and hypotheses included in the calculation of the technical lifetime provisions (Note 3.j.2).
- The assumptions and hypotheses included in the calculation and model used for the valuation of non-life technical provisions determined by statistical methods (Note 3.j.2).
- The assumptions and hypotheses included in the calculation of technical provisions and recoveries in the credit line (Note 3.j.2 and Note 4.b.B).
- 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 (see Note 3-e)
- The actuarial assumptions used to calculate the pension liabilities and obligations (Note 3.k.1).
- The assumptions and hypotheses used in the calculation of the liability adequacy test (Note 3.j.2)
- The assumptions included in the calculation of the provisional premiums estimated at closure derived from the credit and surety business (Note 3.m.1).
- 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 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 2020

New accounting standards and amendments have come into force in 2020 which have naturally been taken into account in preparing the attached consolidated financial statements.

- **Amendment to IFRS 3 Business definition Clarifications** to the definition of a business that shall help determine whether it is an acquisition of a business or a group of assets. The amended definition emphasises that the product of a business is to provide goods and services to customers, whereas the previous definition focused on providing profitability in the form of dividends, lower costs or other economic benefits to investors and others. In addition to modifying the wording of the definition, additional guidance has been provided. To be considered a business, an acquisition would have to include an input and a process that together contribute significantly to the ability to create products. The new guide provides a framework for assessing when both elements are present (even for early-stage companies that have not generated products). In order to be a business without results, it will now be necessary to have an organised workforce.

These amendments shall apply to business combinations whose acquisition date is from the beginning of the first annual reporting period beginning on 1 January 2020 and to acquisitions of assets occurring on or after the beginning of that reporting period.

- **Amendments to IFRS 9, IAS 39 and IFRS 7 Reform of Reference Interest Rates:** The amendments provide temporary and limited exceptions to the hedge accounting requirements of IAS 39 and IFRS 9 so that companies can continue to meet the requirements, based on the assumption that existing reference interest rates are not altered by the reform of the interbank offer rate. The amendments apply to annual periods beginning on or after 1 January 2020.
- **Amendments to IAS 1 and IAS 8 Definition of "Materiality"** Amendments to align the definition of "materiality" with that contained in the conceptual framework. These amendments clarify the definition of "material" by introducing, in addition to omitted or inaccurate items that may influence users' decisions, the concept of "obscure" information. Such amendments make IFRSs more consistent, but are not expected to have a significant impact on the preparation of financial statements.
- **Amendment to IFRS16 Leases:** Change due to the COVID-19 pandemic, which allows lessees to post certain rent improvements as variable (negative) payments, rather than as amendments. In other words, it the total impact to be recorded directly as a lower expense.

This amendment is effective for annual financial years beginning on or after 1 June 2020, although earlier application is permitted, as approved by the European Union on 9 October 2020. The impact on the amounts recorded in the consolidated financial statements arising from this amendment is not significant.

- **Amendments to the references to the Conceptual Framework in IFRS:** The IASB has issued a revised conceptual framework to be used in the development of accounting standards. Although no changes are made to any of the existing accounting standards, entities that

rely on the conceptual framework to determine their accounting policies for transactions, events or conditions that are not under the scope of the issued accounting standards will be required to apply the revised conceptual framework from 1 January 2020.

Any accounting policy or valuation principle which can have a material effect on the 2020 consolidated financial statements has been applied in its preparation.

2.d.2) Current standards, amendments and interpretations not adopted

IFRS 9 Financial Instruments: Classification and Measurement

The effective date of IFRS 9 was 1 January 2018. The Group, however, has taken into account the application of the Deferral Approach provided for the insurance sector to postpone the application of IFRS 9 until the date of effective entry of IFRS 17, (see Note 2.d.3). The Group can apply the temporary exemption of IFRS 9 provided that its activities are predominantly connected to insurance, as described in paragraph 20D of the IFRS 4, on the date of annual presentation which is immediately prior to 1 April 2016 (i.e. Upon close of 31 December 2015).

The Group complies with said requirement in virtue of the fact that the amount of the liabilities that arise from contracts within the scope of IFRS 4 is significant in comparison with the total amount of all liabilities. The percentage of the total amount of the liabilities connected to insurance (with regards to the total amount of all liabilities) is greater than 80% and the Group is not involved in significant activity that is not connected to insurance.

Breakdowns required by the deferral approach of IFRS 9

Below is the detail of the fair value of the financial assets based on the SPPI criteria on 31 December 2020 and 2019, as well as the change in fair value during the exercise. The assets are classified in two categories:

- SPPI: financial assets where the cash flows represent only payments of principal and interest over the amount of the principal pending, excluding any asset classified as held for trading under IFRS 9, or that is managed and where the performance is evaluated on the basis of the fair value.
- Others: all financial assets not included in the SPPI category:
 - i. Where the contractual terms do not lead to cash flow on certain dates that are only payments of principal and interests over the amount of principal pending.
 - ii. Classified as maintained to negotiate under IFRS 9 or that are managed and the performance is evaluated based on the fair value.

Investments classified by nature	€ Thousand		
	31.12.2020	31.12.2019	Change of fair value during the year
Equity Instruments	1,834,502	1,795,413	39,089
SPPI	-	-	-
Others	1,834,502	1,795,413	39,089
Debt securities	7,554,910	7,338,225	216,685
SPPI	7,373,778	7,226,736	145,639
Others	181,132	111,489	71,047
Investments held for the benefit of policyholders who bear the investment risk	618,381	575,116	43,265
SPPI	133,168	132,059	1,109
Others	485,213	443,057	42,156
Loans	195,034	165,405	29,629
SPPI	195,034	165,405	29,629
Others	-	-	-
Other financial assets (*)	10,143	8,335	1,808
SPPI	10,143	8,335	1,808
Others	-	-	-
Deposits with credit institutions	573,425	608,628	(35,203)
SPPI	100,347	128,639	(28,292)
Others	473,078	479,989	(6,911)
Deposits for accepted reinsurance	24,007	25,391	(1,384)
SPPI	24,007	25,391	(1,384)
Others	-	-	-
Credits receivable	886,604	845,875	40,729
SPPI	886,604	845,875	40,729
Others	-	-	-
TOTAL (**)	11,697,006	11,362,388	334,618

(*) The market value indicated corresponds to the book value, which is considered the best estimate of the fair value.

(**) The total investments by nature classified by the section of the consolidated statement can be seen in Note 7.

From the analysis undertaken of the fixed income portfolio, assets have been identified that, having been through the SPPI test and having a non-low credit risk upon close of the year (credit rating lower than Investment Grade), have suffered a significant increase in credit risk since their initial recognition. Said assets imply a percentage of 0.01% over the total asset portfolio. The credit ratings of the financial assets that pass the SPPI test are included in the rating details of Note 4.c).

It is expected that the new requirements of IFRS 9 and IFRS 17 (which is developed in the next section) may have a significant impact on the amounts registered in the financial statements of the Group when they enter into force and the Administrators are currently quantifying said potential impact.

2.d.3) 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
Not approved for use in the European Union:	
New rules	
IFRS 17 Insurance Contracts	It 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. 1 January 2023 (*)
Amendments and/or interpretations	
Amendment to IAS 1: Presentation of financial statements - Classification of liabilities as current or non-current	Presentation of financial statements - Classification of liabilities as current or non-current 1 January 2022 (**)
Amendment to IFRS 3: Reference to Conceptual Framework 2018.	This determines what constitutes an asset or a liability in a business combination. In addition, a new exception has been added in IFRS 3 for liabilities and contingent liabilities. 1 January 2022
Amendment to IAS 16: Tangible fixed assets - Income obtained before intended use.	It is prohibited to deduct from the cost of an item of property, plant and equipment any revenue from the sale of items produced while the entity is preparing the asset for its intended use. 1 January 2022
Amendment to IAS 37: Onerous contracts - Cost of fulfilling a contract.	It explains that the direct cost of performing a contract comprises the incremental costs of performing that contract and an allocation of other costs that relate directly to the performance of contracts. It clarifies that before making a separate provision for an onerous contract, an entity shall recognise any impairment loss that has occurred on the assets used to fulfil the contract, rather than on the assets dedicated to that contract. 1 January 2022
Annual improvements to IFRS: 2018 - 2020 cycle	The amendments affect IFRS 1, IFRS 9, IFRS 16 and IAS 41. 1 January 2022
Amendment to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its affiliate or joint venture	Clarify the accounting treatment of the sale or contribution of assets between an investor and its associates and joint ventures, which will depend on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a "business". The investor recognises the full gain or loss when the non-monetary assets constitute a 'business'. If the assets do not meet the definition of business, the investor recognises the gain or loss to the extent of the interests of other investors. The amendments apply only when an investor sells or contributes assets to its associate or joint venture. (***)

(*) ISAB decided on 17 April 2020 to postpone the effective date of the Standard by one year, from 1 January 2022 to 1 January 2023

(**) ISAB has proposed that it be deferred to 1 January 2023 (Draft amendment of 3 June 2020).

(***) Originally, these amendments to IFRS 10 and IAS 28 were prospective and effective for annual periods beginning on or after 1 January 2016. However, at the end of 2015, the IASB took the decision to postpone the effective date of these amendments (without setting a new specific date), as a broader review is being planned that could result in simplifying the accounting for these transactions and other aspects of accounting for associates and joint ventures.

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.

IFRS 17 Insurance Contracts

This standard replaces IFRS 4, a standard that permits continued use of the local accounting practices and that has led to insurance contracts being accounted for in a different manner among jurisdictions. This standard establishes the principles for registration, presentation and breakdown of the insurance contracts with the objective of the entity providing relevant and reliable information that allows the users of the financial information to determine the effect that these contracts have on the entity's financial statements.

The implementation of IFRS 17 will imply undertaking consistent accounting for all insurance contracts based on an evaluation model that will use calculation hypotheses updated at each close date (such as the type of discount, actuarial hypotheses, and regarding other financial variables).

The effects of the changes on the previous hypotheses can be recognised both in the income statement and the equity, depending on their nature and on whether said changes are associated to the provision of a service that has already taken place or not, or imply reclassification among the components of the liability of registered insurance. The income or expenses can be fully registered in the income statement or in the equity.

For all contracts that are not onerous, the entities will recognise a profit margin in the profit and loss account (called "contractual service margin") throughout the period during which the entity provides the service. However, if at the time of initial recognition or during the period when the entity provides the service, the contract is onerous, the entity must recognise the loss in the profit and loss account immediately.

On 26 June 2019, the IASB published a Draft Proposal for Amendments to IFRS 17 for public consultation. The objective of the amendments is to continue to support their implementation, alleviating the concerns and challenges raised about the implementation of the standard by the actors affected by it. In this sense, one of the amendments included in this Draft refers to the deferral of the date of entry into force of the standard. IFRS 17 will be applicable in annual periods that begin on 01 January 2023 (date of first application), although the presentation of comparative information is obligatory (transition date of 01 January 2022).

The proposed amendments are only designed to minimize the risk of disruption to the implementation currently under way. On 25 June 2020, the IASB published the Final Amendments to IFRS 17.

With regard to the implementation of the standard, the Group has continued the project to adapt to the new regulatory framework for IFRS 17 insurance contracts initiated in September 2017, working this year on the complete analysis of impacts, which seeks to obtain modelisation of the balance and income statement under IFRS 17, with the objective of establishing, in a preliminary manner, the set of policies and principles for assessment of implementation of the standard, as well as the adaptation of the IT infrastructure to respond to the new regulatory requirements. The principal objective is the performance of the preparatory work necessary for implementation of IFRS 17, in order to guarantee compliance on the date of first application and to evaluate the potential qualitative and quantitative impacts, with sufficient anticipation of the effects to adapt the management and to align the requirements of said standard with those derived from IFRS 9.

2.e) Comparison of information

The consolidated financial statements for 2020 are presented comparatively with the previous year, pursuant to the requirements of *IAS 1 - Presentation of Financial Statements*.

2.f) Consolidation principles

The Group's scope of consolidation was defined according to the provisions of IFRS 10 – Consolidated and Separate Financial Statements and IAS 28 – Investments in Associates (see Annex I and II).

These consolidated financial statements for 2020 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 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.

Annex I to these Consolidated Notes contains significant information on these companies and Note 5 provides information about the most significant changes during 2020 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 book value 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 statement, 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 results of subsidiaries acquired during the year are included in the consolidated income statement from the date of acquisition to year-end. 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 stakes in mutual funds managed by companies of the Group where the participation of the same 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 stakes in said funds are classified in the section "Financial investments - stakes in mutual funds".

The effect of consolidating on 31 December 2020, the funds which the Group has control over (i.e. GCO Acciones, FI; GCO Eurobolsa, FI and GCO Internacional, FI; see Note 7.a.2), would imply an

increase in the assets and liabilities of the financial situation statement of €20,512 thousand, which is 0.1% of the total assets (€20,708 thousand 0.1% of the total at 31 December 2019)

In application of IAS 8, the Group will proceed to consolidate its stake 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 the same.

Annex II provides relevant information about associates.

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 income statement, 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 expense.

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 2020 in associates, any increases in the Group's stakes in the capital of companies already classified as associates at the start of the year, as well as information on the sale and loss through impairment of shares, 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 Group has defined as the main segments those corresponding to the 'Traditional business' and the 'Credit insurance business' (see Note 1.b).

The '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, the 'Traditional business' includes 'Other activities' to group together all those operating operations that are different from, or not related to, actual insurance activity. The income and expenses included in this category include the results of the Group's subsidiaries that do not engage directly in insurance business and other income and expenses, as detailed in Note 18.

The 'Credit Insurance Business' includes the Credit and Surety branches and is mainly made up of the insurance business of the subsidiary subgroup Atradius N.V., which operates 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

Segment assets are assets 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 subsidiary. The profit or loss from such investments is included in the ordinary profit 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 results 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 attached income statement, part of the general and administrative expenses is presented under the headings "Claims incurred in the year, net of reinsurance", "Other technical costs" and "Expenses arising from tangible fixed assets and investments", while the rest is presented as "Net operating 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

In the cash flow statement the following expressions are used:

- 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 to its shareholders are also included in this category.

3. Significant accounting principles and policies and measurement bases used in the consolidated accounts

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 assets

3.b.1) Recognition

Financial assets are generally recognised on the date of settlement. In Accordance with *IAS 39 - Financial Instruments: Recognition and Measurement*, the Group classifies its financial instruments at initial recognition in the following categories: at fair value through profit or loss, available for sale and loans and receivables.

3.b.2) Classification of financial assets

Note 7 to the consolidated financial statements shows the book value of financial assets at 31 December 2020 and 2019, together with the specific nature of these assets, classified as follows:

— Financial assets at fair value through profit or loss:

Within this category, two types of financial asset are distinguished

- Financial assets held for trading (HFT portfolio):

These financial assets are classified as held for trading because they are acquired principally for the purpose of selling or repurchasing them in the short term, are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking or are derivatives not designated as hedging instruments.

- Other financial assets at fair value through profit or loss (FVPL portfolio):

These assets are classified into financial schemes or portfolios allocated to insurance transactions (insurance contracts for which the flows arising from the financial assets sufficiently match, in timing and quantity, the obligations stemming from a group of homogeneous policies).

Also, the Group allocates to this portfolio, mostly, all financial instruments with an associated or embedded derivative and part of its investments in fixed income and variable income, whether or not the bonds are traded on an active market, part of its long-term deposits and all non-mortgage loans corresponding to financed premiums for outsourced pension plans.

The fair value of financial instruments that are not quoted on an active market or for which no firm market value is available from the counterparty (or through a contributor) is determined by discounting the cash flows the assets in question are expected to generate, using the market yield curve (see following section).

– Loans and receivables (LR portfolio):

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

The majority of the Group's mortgage loans, non-mortgage loans, advances against policies, other financial assets, quotations, bank deposits and receivables relating to the deposits required in the inward reinsurance business are included in this category.

Other receivables such as receivables arising out of direct insurance, reinsurance and coinsurance operations and other receivables other than tax assets are also presented in this category, according to their nature. Some of these items are excluded from the scope of IAS 39 and are specifically dealt with by other IFRS standards.

– Available-for-sale financial assets (AFS portfolio):

This category includes all financial assets that are not classified in the other portfolios.

As a general rule, the Group includes in this category all equity instruments, the part of its portfolio of quoted and unquoted bonds that is not specifically set aside to cover commitments to insured customers, all its shares and units in mutual funds, part of its long-term deposits, and other financial assets with published price quotations.

Also, the Group maintains various contracts for financial swap of interest rates, receiving from the other parties, generally, predetermined fixed amounts in the same currency. The value is fixed in the beginning and does not change during the anticipated life of the operation. The main purpose of these operations is to cover the cash flow necessary in order to cover the payments derived from commitments with insured parties.

Investments in associates are accounted for under the specific sub-heading of “Investments in entities accounted for using the equity method”.

In 2020, and in the previous one, no financial instruments were classified as “Held-to-maturity investments”.

3.b.3) Recognition and measurement of financial assets

The Group measures financial assets at initial recognition at fair value, adjusted (in the case of financial assets not recognised at fair value through profit or loss) for any transaction costs directly attributable to the purchase or issue thereof.

After initial recognition, the Group measures financial assets, including derivatives that are assets, at fair value, without any deduction for transaction costs incurred on sale, except for certain loans and receivables which are measured at amortised cost using the effective interest rate method.

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 valuation 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 valuation date.
- Level 2: for instruments for which there is no directly observable price, their fair value is estimated by applying commonly accepted valuation 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 valuation of the bond and the swap. The valuations 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 valuation 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 valuation is usually carried out by asking a third party for a reference valuation. The main valuation technique used is the Net Asset Value or Theoretical Book Value 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 ownership interest in the company.

The valuation 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.

All financial assets except for those recognised at fair value through profit or loss are subject to impairment testing.

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) Impairment of financial assets.

At each balance sheet date, the Group assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired, taking into account events that either individually or in conjunction with others provide such evidence.

As a general rule, a prolonged and significant decline in the market value of equity and debt securities, taken individually, below their cost or amortised cost is considered evidence of

impairment. Cases where the unrealised loss on a given security is irreversible are also considered evidence of impairment.

Where there is evidence of impairment, based on the aforesaid criteria, the Group analyses the situation to determine the extent of the loss to be recognised. The following methods are used to determine the amount of the impairment:

– Financial assets carried at amortised cost:

The amount of the loss is measured as the difference between the asset's book value and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The book value of the asset is reduced through use of an allowance account, while the amount of the loss is recognised in profit or loss.

If in subsequent periods the amount of the impairment loss decreases, the previously recognised impairment loss is reversed in the income statement.

This type of asset includes the amounts receivable by the Group from certain insured customers and/or policyholders for uncollected or unbilled premiums. In this case, impairment is determined on the basis of the last three (3) years' cancellation experience, and taking into account the number of months elapsed between the theoretical collection date and each reporting date, as well as the line of insurance in question.

Receivables on the recovery of claims are capitalised when realisation is sufficiently guaranteed.

– Available-for-sale financial assets

When the fair value of an available-for-sale financial asset declines significantly, the cumulative loss that had been recognised directly in equity is removed from equity and recognised in the profit or loss account, even though the financial asset has not been derecognised.

Impairment losses recognised in profit or loss for investments in equity instruments classified as available for sale (equity securities) are not reversed through profit or loss. However, reversals associated with debt instruments are recognised in the profit or loss account.

The Group's impairment criteria and policies for establishing if there is evidence of impairment losses on available-for-sale financial assets:

- Listed or unlisted debt instruments are considered to have suffered an impairment if there is objective evidence of such as a result of one or more events occurring after the initial recognition of the asset and this event or events have an impact on the future estimated cash flows associated with the financial asset or group of financial assets that can be reliably estimated. The downgrading of an entity's credit rating is not in itself evidence of a loss of value, although it may indicate an impairment when taken together with other available information. A decline in the fair value of an asset to below its cost is also not prima facie evidence of an impairment loss. These events are evaluated together with other situations that may indicate a loss (e.g. if the issuer is in serious financial difficulties, if contractual clauses have been breached, if a bidding event or financial reorganisation is likely, or if the active market for the instrument disappears.
- The Group determines if there is evidence of impairment losses on listed equity instruments primarily on the basis of establishing time or percentage criteria for comparing the average cost of the instrument with its quoted price. Specifically, according to the time or percentage ranges established in the Group's accounting policies, objective evidence of impairment shall be deemed to exist when there is a 40% decrease in the share price relative to the average cost of acquisition or in a situation of continued loss for a period exceeding 18 months.

The Group also considers situations where the issuer is declared, or is likely to be declared, insolvent, or has significant financial difficulties to be objective evidence of impairment losses.

- For unlisted equity instruments, the criteria applied to determine impairment losses are based on comparing the average acquisition cost of the instrument with its fair value calculated using best estimates according to the information available.
- Investment in entities accounted for using the equity method:
- 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.b.5) Recognition of changes in the fair value of financial assets and liabilities

A gain or loss arising from a change in the fair value of a financial asset that is not part of a hedging transaction is recognised as follows:

- Any profit or loss on a financial asset at fair value through profit or loss is recognised in the profit and loss account for the year under the heading “Losses on investments” or “Gains on the sale of investments” in the Life insurance line income statement.
- Any profit or loss on an available-for-sale asset is recognised directly in equity, in the “Valuation adjustments” line, until the financial asset is derecognised, except for impairment losses and exchange gains or losses. In the case of variable income financial assets classified as “Available-for-Sale financial assets”, the differences by exchange rate are recognised in the net equity under the line of “Valuation adjustment”. Upon reversal of the asset, the profit or loss previously recognised in equity is recognised in the profit and loss account for the year.

However, interest calculated using the effective interest rate method is recognised in the income statement for the year (see point 1 of this Note). Dividends on an equity instrument classified as available for sale are recognised in the profit and loss account for the year when the Group’s right to receive payment has been 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.

3.b.6) Investments held for the benefit of policyholders who bear the investment risk.

Investments held for the benefit of insurance policyholders who bear the investment risk are measured at cost upon subscription or purchase thereof. This cost price is subsequently adjusted on the basis of the assets’ realisable value. Any revaluation or impairment of these assets is credited or charged to the Life insurance income statement under the headings “Income from investments assigned to insurance policies where policyholders bear the investment risk” and “Expenses of investments assigned to insurance policies where policyholders bear the investment risk”.

All equity, fixed-income and other instruments are priced officially linked to insurance where the policyholder assumes the risk of the investment and are designated and classified as “at fair value with changes in profit and loss”. Only financial assets without published price quotations (short-term bank deposits and current accounts) and other assets allocated to the business are assigned to the Loans and receivables portfolio.

For presentation purposes, all investments and balances assigned to the business are classified by portfolio under the balance sheet headings “Other financial assets at fair value through profit or

loss” and “Loans and receivables”, while the liabilities assigned to these contracts are classified as “Technical provisions – for life insurance policies”.

3.c) Tangible fixed assets

3.c.1) Buildings, improvements in own buildings, transport elements, data processing equipment and other tangible fixed assets

The Group records under this balance sheet item all owner-occupied property, properties occupied by companies of the Group and properties under construction or development for future use as investment property, all of which property is held in fee simple. Properties under construction or development are reclassified as investment property on completion.

“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 tangible fixed assets”. 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:

Tangible fixed asset 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 book value of an asset is immediately reduced in line with its recoverable amount if the book value is greater than the estimated recoverable value. Profits and losses on disposal are calculated by comparing the net sale proceeds with the recognised book values.

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 valuation methods correspond to the methodology established in the Order ECO/805/2003, of March 27, partially modified 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 valued.

These valuations correspond to Level 2 and Level 3 of the hierarchy of fair value established by *IFRS 13 Valuation 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 valuation techniques, it should be highlighted that:

- The method of comparison (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 method of cost 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 method of income update 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 (Level 3).

3.c.2) Operating 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 income statement.

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 income statement.

3.d) Investment property

Property that is held for capital appreciation or to generate rental income over the long term and that is not occupied by Group companies is classified as investment property.

Also included under this heading 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 expenditure 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 evaluation 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 deterioration.

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 book value of the CGU assigned to the goodwill is higher than the recoverable value of the same. 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.

The estimate of these values is performed by taking into account different parameters or variables such as the macroeconomic environment, the type of business, historic behaviour, etc. All parameters used in the calculation maintain internal coherence between them, as well as the hypotheses of the Group strategy, in general, and for each business individually.

The key assumptions on which the Group's management has based its projections of results to determine the present value of future cashflows from investments relative to companies pertaining to the insurance business, according to the periods covered by the most recent budgets or forecasts, 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 result: 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 hypotheses 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 2020, 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 book value of the CGU. In order to determine a possible loss in value, this is verified for the entirety of the book value 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 book value, 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 2020, 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 book value. This item also includes amounts paid upon acquisition of a group of policies from various intermediaries.

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.

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 and policies in portfolio, which are valued at their fair value on the date of acquisition and the costs related as incurred by the purchaser are registered as expenses in the year they are produced.

The distribution networks and policies in the portfolio have a finite useful life and are therefore depreciated accordingly (between ten and twenty years). In the case of trademarks, the valuation 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.

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 book value 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 amortised.

Impairment losses of their book value 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 differences

Exchange differences arising on translation of foreign currency balances into the functional currency are generally recognised in the income statement at their net amount. However:

- Exchange 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 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 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 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 2020 and 2019:

Currency	Year-end rate		Average annual rate	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
U.S. Dollar	0.815	0.890	0.835	0.911
Pound sterling	1.112	1.175	1.113	1.173
Japanese Yen	0.008	0.008	0.008	0.008
Swiss Franc	0.926	0.921	0.934	0.897
Swedish Krona	0.100	0.096	0.095	0.095
Norwegian Krone	0.096	0.101	0.093	0.102
Danish Krone	0.134	0.134	0.134	0.134
Mexican peso	0.041	0.047	0.041	0.046
Australian Dollar	0.629	0.625	0.66	0.616

3.h) Company income tax

The corporation 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 book value 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 liquidated.

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 2020 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 recognizes 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) Financial liabilities

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.

No securities have been issued that are convertible into shares of the parent 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).

After initial recognition at fair value, in general the Group measures all its financial liabilities at amortised cost using the effective interest rate method.

When a financial liability recognised at amortised cost is derecognised or the effective interest rate method is applied to it, the resulting income and expenses are recognised in the income statement.

At 31 December 2020, neither the parent nor any other Group company has guaranteed any other debt securities issued by associates or third parties unrelated to the Group.

3.1.1) Debits and payables

This category includes trade and non-trade payables, including creditors and other accounts payable.

Payables are initially recognised at fair value, adjusted for directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method. This effective interest is the discount rate which equates the instrument's book value and expected future payment flows until maturity of the liability.

Nonetheless, 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.

3. j) Insurance and reinsurance assets and liabilities

The Group applies the requirements established in IFRS 4 – 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.j.1) Classification of the portfolio of contracts

The Group assesses and classifies its portfolio of direct Life and Non-life business (including inward reinsurance) and of outward reinsurance taking into account the Implementation Guidance accompanying IFRS 4 and the guidelines issued, other than for statutory purposes, by the DGSFP on 22 December 2004, through the Framework Document on the Accounting System for Insurance Companies in relation to IFRS 4. All contracts are classified as “insurance contracts”, including the financial guarantee contracts issued by the Group in the form of insurance contracts, in accordance with the exception provided for in the amendment published on 27 January 2006.

The Group does not unbundle any deposit components associated with insurance contracts, since such unbundling is voluntary in nature. Also, it is considered that the surrender options issued to

the insurance policyholders either have a fair value of zero or, alternatively, that their value forms part of the insurance liability.

3.j.2) Valuation of insurance and reinsurance assets and liabilities

IFRS 4 imposes restrictions on permitted changes to accounting policies relating to insurance contracts. Pursuant to this standard, the Group has maintained the valuation rules for insurance contract assets and liabilities applicable under the accounting principles and valuation rules established in Spain and the other countries in which the Group operates, which are mandatory for all insurance providers:

The Group applies the liability adequacy test provided for in IFRS 4, with a view to ensuring the adequacy of contractual liabilities.

- Life insurance compares the book value of technical provisions, less any deferred acquisition costs or any intangible assets related to the insurance contracts under assessment, against the amount determined as a result of considering current estimates of all future cash flows derived from insurance contracts, taking into account the temporary value of money and using realistic hypotheses (economic, biometric, etc.) according to the experience of each company. In accordance with Spanish regulations, in the above calculation the Group offsets deficits against surpluses, considering the various types of insurance included in the life insurance line as a single level of aggregation.
- In the non-life insurance and the credit insurance business, in addition to comparing the carrying amount of technical provisions with the value resulting from considering the most current estimates of future flows, the Group compares the non-life benefit provisions of the previous year with the resulting payments and provisions at the end of the period, resulting in a positive balance (positive run-off).

For a small group of the foreign subsidiaries of Atradius N.V. these calculations are made locally and are subject to external actuarial review and/or centralised assessment by the Group.

The Group considers that the adequacy of these liabilities has been effectively proven. As the liabilities were adequate according to the calculations made at 31 December 2020 and 2019, it was not necessary to increase the amount of insurance liabilities recognised as of those dates.

For the purpose of partially avoiding the mismatches caused by the use of different valuation bases for financial assets, which are classified mainly under the available-for-sale portfolio, and insurance liabilities, the Group reassigns the portion of the unrealised gains arising from the above assets which are expected to be allocated to the insured in the future as they materialise or by applying an assumed interest rate higher than the maximum rate permitted by DGSFP. The reassignment is done by decreasing the "other comprehensive income" to equity through the "Corrections of accounting mismatches" sub-heading and recording an increase in liabilities through the "Other liabilities" sub-heading.

The main accounting policies applied by the Group in connection with the technical provisions are summarised below:

Unearned premiums and unexpired risks reserves

The unearned premiums provision is the proportion of premiums earned in the year to be allocated to the period from each year-end to the expiry of the policy period. The insurance companies that operate in the traditional business, calculate this provision by reference to the premium rates for each line of insurance on a policy-by-policy basis, net, where appropriate, of the loading for contingencies (i.e., commissions and other acquisition costs are not deducted).

For the credit insurance business, the Group does not make a provision for unearned premiums since the premium is fully consumed at the time the underlying business transaction takes place. This provision is only made if there are premiums invoiced prior to the start of the risk. For the credit insurance business in Spain and Portugal, a provision is made for unearned premiums, which is the fraction of the premiums earned in the year that must be allocated to the period between the end of each year and the due date for payment of the covered invoices.

The unexpired risks provision is intended to complement the provision for unearned premiums to the extent that the amount of this provision is not sufficient to reflect the measurement of all risks and expenses to be covered in relation to the coverage period not closed at year-end. It is calculated and established, as needed, for the Spanish companies in the Group, in accordance with the calculation stipulated in Article 31 of the Private Insurance Regulations (ROSSP), amended by Royal Decree 239/2007 of 16 February, considering the technical result by year of occurrence for the closing year jointly with the previous year or the four previous years, depending on the business line in question.

The above calculation is made for each line or product sold, understood as the specific guarantee or group of related guarantees with respect to the risks arising from the same type of insured object.

Life insurance reserves

This reserve comprises the unearned premiums reserve for insurance policies with a coverage period equal to or shorter than a year and, mainly for other lines of insurance, the mathematical provision. Mathematical provisions, which represent the excess of the current actuarial value of the future obligations of insurance subsidiaries over the value of the premiums payable by policyholders, are calculated on a policy-by-policy basis using an individual capitalisation method, by reference to the valuation premium earned in the year, in accordance with the Technical Bases of each line of insurance, adjusted, as appropriate, for the mortality tables accepted under current Spanish legislation.

The Group also values the options for the insured when they can choose the maturity of the policy, primarily in endowment insurance and retirement for which there is currently no new business, including a capital or an annuity whose interest rate is fixed from the moment of contracting the policy.

Regarding the interest rates applied for calculation of the technical provisions in Spain for accounting purposes for life insurance for the contracts that are subject to sections 33.1.a).1 and 33.1.b).1 of the ROSSP, resulting from the entry into force of Royal Decree 1060/2015, of 20 November, on Organisation, Supervision and Solvency of Insurance and Reinsurance Entities, the Group decided to accept the adaptation of the temporary structure of interest rates without risk as included in article 54 of said royal decree. The adaptation will take place in a linear manner over 10 years, to be counted from 1 January 2016. The effective annual rate calculated for the year 2020 has been -0.04% and the annual effective rate applied in 2020 has been 0.76%. On 31 December 2020, there are 5 years of adaptation remaining.

In 2020, the Group recognised a provision of €10,221 thousand (€10,120 thousand in 2019) for the application of the above-mentioned transitional measure, the total impact of the adjustment according to the November 2020 risk-free interest rate term structure being €49,777 thousand.

Provisions for life insurance policies where risk is borne by policyholders

For presentation purposes the technical provisions relating to insurance policies in which policyholders bear the investment risk are included in liabilities under "Technical provisions - Life insurance provision". The related technical provisions are determined based on the indices or assets established as a reference for determining the economic value of the policyholders' rights (see Note 14).

Claims provision

This provision includes the total amount of obligations outstanding as a result of claims, declared or not, incurred at year-end. The Group calculates this provision as the difference between the total estimated or certain cost of claims incurred but not reported, settled or paid and the aggregate amounts of such claims already paid on account.

Claims not yet settled or paid and claims not yet reported.

Statistical methods

The subsidiary Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros uses global statistical methods to calculate the provision for outstanding and unpaid claims and claims incurred but not yet reported in the following lines, with the following dates of reporting, authorisation and effect for accounting purposes:

Lines in which global statistical methods are applied, net and gross of reinsurance	Date of reporting to DGSFP	Date of authorisation by DGSFP	Effective date for accounting purposes
General third-party liability	29 January 2007	8 January 2008	31 December 2007
Motor third party liability Other motor insurance Multi-risk: - Family Home	17 December 2007	8 January 2008	31 December 2007
Multi-risk: - Retail - Blocks of Flats - Industrial (SME) - Others (Offices) Accident Transport	30 May 2008	10 July 2008	31 December 2008

The subsidiary Bilbao Compañía Anónima de Seguros y Reaseguros also uses global statistical methods to calculate the provision for outstanding and unpaid claims and claims incurred but not yet reported in the following lines, with the following dates of reporting, authorisation and effect for accounting purposes:

Lines in which global statistical methods are applied, net and gross of reinsurance	Date of reporting to DGSFP	Date of authorisation by DGSFP	Effective date for accounting purposes
Motor third party liability Other motor insurance General third-party liability Multi-risk: - Family Home - Retail - Blocks of Flats - Industrial (SME) Accident Transport - merchandise	22 June 2010	24 September 2010	31 December 2010

The subsidiary company Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros, since 2006 when it received authorisation from the DGSFP, also uses global statistical methods to calculate the technical provisions of the services as regulated in article 43 of the ROSSP:

Lines in which global statistical methods are applied, net and gross of reinsurance	Date of reporting to DGSFP	Date of authorisation by DGSFP	Effective date for accounting purposes
Motor Body Motor Material Civil liability Multi-risk: - Family Home - Retail - Blocks of Flats - SMEs Accident Combined Industrial and Fire Transport Machinery Breakdown Electrical equipment All construction risk Health	28 April 2006	28 July 2006	31 December 2006

For these lines, the provision for outstanding or unpaid claims and unreported losses is calculated globally, without separating the two components. For the abovementioned lines, the provision has been calculated in accordance with the best estimate provided by internal actuarial calculations, using generally accepted deterministic and stochastic models. Details of the methods and the main assumptions used in calculating these provisions at 31 December 2020, are given below:

- The Group has chosen the (deterministic) Chain Ladder method for calculating claims paid and incurred, complemented by the (stochastic) Bootstrap technique.
- Outlier claims, defined as claims whose estimated cost exceeds a certain amount, depending on the line, are excluded from these methods, despite of being assessed at an individual level.
- Estimated payments are net of recoveries.
- No effect of inflation or financial discount over time has been considered.

These subsidiaries undertake an annual suitability check of the calculations made in accordance with the requirements of the Regulations.

For the purpose of the fiscal deductibility of the statistically calculated claims provision, the minimum amount of the provision has been calculated in accordance with the requirements of the Sixth Additional Provision of ROSSEAR. Differences between the provisions made and those considered a tax-deductible expense have been recorded as temporary differences.

The subsidiary Atradius NV, with the exception of the business in Spain and Portugal, uses statistical methods for the calculation of the provision for benefits from the direct credit insurance business, excluding claims with a higher volume, for which individual valuations are made. Expected losses are estimated using historical claims data, which are compared with claims estimates and other known trends and developments. Claims estimates are based on trends in reported claims, the time elapsed between each claim event and the reporting of the claim, the average costs of claims, the proportion of expenses, and recoveries.

Estimates of future guarantee payments are established on the basis of the required amount of guarantee minus the amount to be taken into account for estimated recoveries, calculated on the basis of specific historical information for each case.

Individual assessments

For all other outstanding and unpaid claims of the remaining companies and/or lines, including the credit insurance business in Spain and Portugal, the amount of the provision is calculated on a case-by-case basis, using the best information available at year-end.

Unreported claims

Except for the lines in which statistical methods are used, the provision for unreported losses is calculated based on the insurance companies' experience, taking into account the average costs and unreported losses of the last five (5) years.

For credit insurance business, the provision for outstanding claims is the estimate for future claims payments that will result from risks assumed, but for which no notification of loss has been received. For the credit insurance business in Spain and Portugal, this provision is the estimate for future claims payments that will result from risks assumed, but for which no notification of loss has been received and for which the underlying invoices are past due at the end of the reporting period.

Internal claims settlement expenses

The claims provision includes an estimated amount for internal management and claims handling expenses. This is to meet any expenses the company may incur in finally settling claims that have to be included in the claims provision for direct insurance and inward reinsurance. This estimate is calculated in accordance with Article 42 of the ROSSP, taking into account the ratio between claims-related internal expenses and claims paid, adjusted for the change in the claims provision in each line. This percentage is applied to the claims provision for each line, taking into account

the expense allocation system and the systems for calculating the claims provision explained previously.

Independently of the valuation method used and pursuant to current law, the Group does not discount the claims provision.

Provisions for policyholder dividends and returns

These provisions include the earnings accrued to insured customers or beneficiaries that are not yet allocated at year-end. They do not reflect the effect of allocating part of the unrealised capital gains on the investment portfolio to policyholders, which is included in the “Other liabilities” sub-heading.

Other technical provisions – Provision for funeral insurance

The funeral provision is calculated using individual capitalisation methods, i.e., it is calculated insured party by insured party, unlike the current actuarial value of the company’s future obligations and those of the insured party.

For policies issued prior to the entry into force of the eleventh transitional provision of the ROSSP approved by Royal Decree 2486/1998, the provision has been made in accordance with the aforementioned transitional provision. Said provision states that the insurance companies that, on 31 December 2014, still had policies where the technical bases and provisions were not in conformance with the provisions of articles 79 and 46, would have a maximum period of 20 years, counted from 1 January 2015, to register in their balance sheet the provision resulting from carrying out the corresponding adaptation, which must take into consideration the characteristics of the different types of contract, specifically, the date of first insurance and the premiums that the policyholder is obliged to pay from that time to the insurance entity. Based on this, it is calculated for each of the years of the transitory period, the difference between the amount of the provision that must be constituted in conformance with the actuarial approach of the operation and that constituted, increasing the provision each year in conformance with the systematic plan presented to the DGSFP, in virtue of which the provision has been provided for 31 December 2020, 2019 and previous years.

Lastly, details of the rest of the main accounting policies, other than the technical provisions, used by the Group in relation to other assets and liabilities related to insurance contracts are given below:

Commissions and deferred acquisition expenses

It should be noted that the “Other assets” heading on the asset side of the balance sheet consists essentially of commissions and other acquisition costs relating to premiums written that are to be allocated in the period between each year-end and the end of the contract term, the costs recognised in income being those actually incurred in the period, subject to the limit established in the Technical Basis.

Likewise, the “Other liabilities” heading on the liabilities side of the balance sheet includes commissions and other acquisition costs relating to outward reinsurance that are to be allocated in subsequent periods in line with the cover period of the ceded policies.

Commissions and acquisition costs directly related to new premiums written are never capitalised, but are recognised in income in the year in which they are incurred.

Amount for estimated recoveries

According to the establishments of article 14 of Order EHA/339/2007, of 16 February, which develops certain precepts of the regulatory standards for private insurance, with regards to the establishments of the second paragraph of section 1. Recognition of the registry standard and valuation 8, “Financial instruments”, of the Accounting plan for insurance entities, approved by

Royal Decree 1317/2008, of 24 July, recoveries can be activated by the entities that operate in credit and bond insurance, using statistical methods that comply with the requirements that, for the provision of services, are established in sections 1 and 3 of article 43 of the Regulation on Organisation and Supervision of Private Insurance.

The international regulations applicable to insurance contracts, IFRS 4, permits continuing with the accounting practices used in the valuation of insurance contracts that must be applied in a consistent manner over time.

In this regard, in general, the recoveries of claim credits are counted only when their performance is sufficiently secured. The entirety of these recoveries come from the subsidiary Atradius N.V.

In the estimated recoveries from claims, the Group uses actuarial techniques that are broadly accepted on the market and that include from deterministic "Chain Ladder" techniques to individualised calculated by debtor in large claims, using historic information of the claim behaviour for the different products of credit and bond insurance.

Annually, there are internal comparison procedures for the calculations made with said actuarial techniques in order to guarantee adequacy of the estimates made.

Estimated recoveries, net of reinsurance, are recorded in the "Receivables - Other receivables" sub-heading in the consolidated balance sheet.

Agreements between insurers

The subsidiaries Seguros Catalana Occidente, Seguros Bilbao and Plus Ultra are members of the CICOS system for the settlement of certain motor claims (in application of the CIDE-ASCIDE agreements). Claims against insurers arising under such claims settlement agreements are recorded under the heading "Receivable under motor agreements" on the asset side of the Group balance sheet, together with the other items included under the "Other receivables" sub-heading in "Loans and receivables".

Amounts payable to insurers under claim settlement agreements are included under the heading "Payable under agreements with insurers", which is included along with the rest of the provisions under "Non-technical provisions" in the accompanying consolidated balance sheet. In any case, where the insurance companies have insured the liable party, any amounts payable to other insurers under these agreements are included in the claims provision.

Reinsurance

The reinsurance contracts entered into by the Group's insurance subsidiaries with other insurance entities transfer, in all cases, a significant proportion of the insurance risk to the reinsurers.

In some cases, the above contracts provide for commission payment agreements (profit-sharing) with their reinsurance companies, which are based on the claims ratio per underwriting year. The Group entities record these fees taking into account detailed assessments of expected loss ratios. In the case of Atradius NV, the scale fees (an additional income or expense on top of the provisional fee) are based on an estimate by the management of the institution of the final loss ratio for a subscription year.

Any profits or losses arising, at the time of entering into reinsurance contracts, from the use of different measurement bases for pricing the contract and measuring the insurance liabilities covered are recognised directly in the profit and loss account.

3.k) 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.k.1) Provisions for pensions and similar obligations

Post-retirement benefits

The main companies of the Group with pension commitments and other similar obligations are Seguros Catalana Occidente, Seguros Bilbao and Atradius

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 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.k.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 litigation in progress, compensation, redundancy pay or other obligations.

3.l) Treasury 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.m) 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.m.1) Income from Written Premiums

Premiums written during the year, less cancellations and return premiums, are recorded as period income, corrected by the change in the premiums accrued and not issued, which are derived from contracts created or extended during the year, in relation to which the right of the insured party to collect from the same arises during said period.

In the traditional business segment, premiums for Non-Life insurance and renewable annual Life contracts in the direct business are recognised as income over the term of the contracts, based on the time elapsed. These premiums are accrued via the establishment of provisions for unearned premiums. Life insurance premiums are long-term contracts, whether single or regular premium policies, and are recognised when the insurer's collection right comes into effect.

In the credit insurance business segment, premium income is recorded on the dates when receipts are issued for the estimated provisional premium (credit area) or final premium (surety area). This provisional premium is regularised in accordance with the actual sales insured, and is recorded under the heading 'Other assets - Accruals and deferrals - Unearned and unissued premium'.

The assumptions used for the estimates of earned and unearned premiums are based on the most recent trends in the insured business, customer-specific information, information on outstanding claims and, where relevant, macroeconomic information. It is this changing macroeconomic information, in the context of an unprecedented pandemic, which requires a quantification of additional uncertainty about the business-as-usual process that is followed in the estimates of earned and unearned premium to ensure that potential future developments do not adversely affect the financial statements in future years. The positive historical evolution of this process shows that any potential deviation in unknown shipments under this pandemic would be covered without significant impacts on insurance premiums.

The Group's income through fees for instalment payments of premiums is recognised as an increase in finance income and is accrued over the collection period of the bills generating these surcharges.

Premiums for outward reinsurance are recognised on the basis of reinsurance contracts written and in accordance with the same criteria used for direct insurance.

3.m.2) Income from information services and other technical income

This income comes mainly from Atradius 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.m.3) Income from funeral services and other non-technical income

The income from Other activities mostly includes the income originating from the funeral services provided by Grupo Asistea. 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.m.4) 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.5) Claims incurred and changes in provisions

Claims incurred comprise benefits paid during the year, related changes in technical provisions and the portion of general expenses allocated to the claims function.

3.m.6) Commissions

Commission income and expense is recognised in income over the period in which the associated service is provided, except for commissions associated with a specific, individual act, which are recognised at the time they arise.

3.n) Business combinations

The 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 conformance with IRFS 4.

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 of extraordinary events.
- Managing 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 evaluation 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.

Secondly, the capital is quantified according to the requirements of rating agencies. In particular, the Group assesses its credit quality through the agencies A.M. Best y Moody's. In December 2020, A.M. Best confirmed 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 results and appropriate capitalization of the Group's main operating entities. Furthermore, it considers that exposure to natural disasters is limited, thanks to the existence of a national coverage system (Consorcio de Compensación de Seguros).

Moody's affirmed the 'A2' rating of the operating entities in the credit insurance business under the Atradius brand, upgrading the outlook back to stable in February 2021. The confirmation 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. This is due to Atradius' dynamic risk exposure management, its strong economic capitalisation and its solid positioning as the second largest global credit insurance player.

Grupo Catalana Occidente and all of its individual entities have the objective of maintaining a solvency ratio that allows them to favour growth and to undertake prudent and stable remuneration of shareholders.

Subsidiaries with insurance activity in Spain are supervised by the Directorate General of Insurance and Pension Funds (DGSFP). In addition, Grupo Catalana Occidente is supervised by the Board of European Supervisors conformed by the DGSFP and the Central Bank of Ireland (hereinafter, "CBI").

The subsidiaries with insurance activities outside of Spain and its respective territories are: Atradius Reinsurance DAC. in Ireland, regulated by the CBI; Atradius Seguros de Crédito, S.A. in Mexico, regulated by the National Commission of Insurance and Finance (CNSF); Atradius Trade Credit Insurance, Inc. in the United States, regulated by Maryland Insurance Administration (MIA); and Atradius Rus Credit Insurance LLC in Russia, which is regulated by the Central Bank of the Russian

Federation. The regulators mentioned above are responsible for regulating the calculation of the solvency margin in their respective countries.

The Group has a robust, solvent asset position which is not expected to be materially impacted by further economic downturns caused by the COVID-19 pandemic.

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 government: Organisational structure of the Risk Management System. The Risk Government 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 the integration of the same 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 government 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 function of internal audit.

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 government 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 materialize, 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 objective 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 (three years) 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:

- Traditional Technical Business Risks
- Credit insurance and Bonding risk
- Financial Market Risks
- Operational Risks
- Other non-operational risks such as reputational risk and strategic risk.

In 2020, the most significant risk management implications are related to the global effects of the COVID-19 pandemic crisis. The risks arising from this crisis were initially mitigated by activating the contingency and continuity protocol. Specifically, the Group has set up a Contingency Committee to ensure, as a matter of priority, the safety of all employees and collaborators and the continuity of the business maintaining the service to our customers. Its tasks can be summarised as follows:

- To guarantee the protection of employees, in coordination with the Prevention Service, and the continuity of doing their job.
- To guarantee the stability of the systems and the maintenance of the operations in a crisis context of with a 100% demand of teleworking positions.
- To organise and apply the stages of the Contingency Plan referring to the continuity of the business.
- To prepare communications to the entire Group, both to employees and to commercial networks and customers.

In addition, the impact of COVID-19 on results and solvency has been analysed, not only in the light of current information but also by incorporating adverse scenarios, which take into account an increase in the claims ratio in the credit business and a fall in the financial markets. In all these cases, the Group's capital adequacy ratio would be well above the minimum risk appetite threshold approved by the Group.

A. Traditional Technical Business Risks

With regard to non-life insurance, underwriting risk is divided into those of insufficient premiums, insufficient technical provisions, portfolio fall 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 subscription standards consider the specificities of each business and establish:

- The limits for subscription, 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 cease of risk through reinsurance contracts.

The Group measures the subscription 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.
- Product analysis, aimed at determining the adequacy of premiums and technical provisions.
- 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.
- On-going analysis of policy returns and results, taking whatever measures are needed to prevent high claims rates.
- Traceability mechanisms in Internal Control.

Also, 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 the premiums attributed to direct business and reinsurance accepted on 31 December 2020 is as follows: Life 28.8%; Motor 24.1%; Multi-risk 25.0% and Others 22.1% (see Note 18).

In the business of GCO Reaseguros, S.A., it consists of portfolios granted from companies with Grupo Catalana Occidente. For this, it maintains reinsurance contracts under the modality of excess loss, surplus and quota share. When channelling reinsurance, the traditional business companies in the Group also maintain a very diversified business.

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. 75% of the premiums go back to reinsurers with a rating of AA or higher.
- Diversified, in the shares assigned to reinsurers. The panel of external reinsurers consists of 10 reinsurers, where the 5 main companies in the panel hold 78% of the premiums.
- 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 the quantity of the same, the number and size of serious claims and the estimate of recoverable percentages.

Also, to assess the level of uncertainty for the technical provisions:

- 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 regards to the main sensitivities performed by the Group in traditional business, we can highlight:
 - Interest rates: in the year 2020, the sensitivity analysis for increase or decrease of 100 basic points in the type of discount represented +/- 5.1% with regards to the solvency provisions of the Group.
 - Increase in claims: in the year 2020, the sensitivity analysis carried out, according to an increase in sensitivity of 5% in the segment of Motors third party liability and 10% in other guarantees and multi-risks, represented an increase of 1.6% with regards to the solvency provisions of the Group.

The COVID-19 crisis has not significantly impacted traditional business risks. In the motor sector, the premium risk has been reduced as a result of the reduction in the accident rate. However, this circumstance has been mitigated through a prudent provisioning policy. In view of the above, no additional sensitivity scenarios have been carried out in the traditional business since the results for the year have remained at the usual pre-crisis levels and no disruptive impact is expected.

B. Technical Risks of the credit insurance business

Credit insurance is subdivided into three categories: traditional credit risk, instalment credit protection and special products. Each category has particular risk characteristics and the Group manages the risk of each product in the way it deems most appropriate.

- **Traditional credit risk**

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.

For traditional credit insurance there are two underwriting processes: policy underwriting and buyer underwriting. In the first of these, the Group decides on the appropriateness of the potential policyholder in addition to the guarantee terms and conditions to be included. Buyer underwriting is the process by which the Group manages the risk on the portfolio of existing policies related to a single buyer.

One of the most effective instruments for controlling exposure to risk is the Group's capacity to impose, or remove, conditions for certain forms of cover at country level.

- **The risk of Credit Protection insurance**

The instalment credit protection unit insures policyholders against the risk of non-payment by customers under instalment credit agreements. Here the Group typically insures portfolio loans. This product does not cover losses as a result of fraud by the customer.

Exposure is usually divided into corporate (companies covered by leasing or by bank loans), and *retail* (consumer credits of financial entities)

- **Special Products Risk**

The Group also offers a range of tailor-made policies, for example policies where only one commercial transaction is guaranteed.

- **Bonding Risk**

Bonding insurance is offered in Italy, Spain, France and the Scandinavian countries. 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.

- **Reinsurance assumed**

Atradius Reinsurance DAC is the reinsurer of the Group 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 have been established at local level for the entire credit business. Local credit committees may sign off on amounts up to certain thresholds, beyond which only the Credit Committee 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. Because of the inclusion process of the Spanish business through Atradius Crédito y Caución, S.A. De Seguros y Reaseguros in Atradius, the database, despite being independent, is accessible to the 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.

To manage the concentration risks of our portfolio during the COVID-19 pandemic, we first prioritized our underwriting strategy in countries and sectors, and then reviewed the most significant and severe risks with respect to the credit limit and exposure of our policyholders, considering the impacts caused by the contagions. Several actions were taken based on credit reviews, the information available at the time and the foreseeable reduction in business traffic in the near future. During 2020, a significant number of limits were removed and reduced in all markets, targeting the most vulnerable segments. As a result of these decisions, our portfolio has been reduced by improving its quality and concentration risk has decreased.

Following there is a detail of TPE by country, sector and buyer group:

Buyer's country	Of which	TPE 2020 Millions of euro	TPE 2019 Millions of euro
Denmark, Finland, Norway, Netherlands, Sweden, Baltic Countries	The Netherlands	29,875	30,392
	Others	30,779	31,748
Austria, Czech Republic, Germany, Greece, Hungary, Poland, Slovakia, Switzerland	Germany	93,568	93,024
	Others	64,630	68,595
UK, North America, Australia, Asia and Others	United Kingdom	42,033	46,219
	Ireland	4,306	4,800
	USA and Canada	54,188	60,602
	Mexico and Central America	9,030	11,107
	Brazil	8,546	9,560
	Asia and Australia	84,153	95,595
	Others	10,011	12,627
Southern Europe	France	45,239	48,407
	Italy	42,001	43,661
	Spain and Portugal	79,231	98,739
	Belgium and Luxembourg	16,959	17,444
Total		614,549	672,520

Industrial sector	TPE 2020 Millions of euro	TPE 2019 Millions of euro
Durable consumer goods	69,071	73,144
Metals	61,597	72,285
Electronics	73,189	82,858
Construction	47,073	51,494
Chemicals	82,804	87,466
Transport	53,098	61,128
Machinery	39,635	41,225
Food	63,860	64,587
Construction Materials	29,345	29,389
Services	23,346	27,109
Textiles	15,404	19,660
Finance	13,131	13,156
Agriculture	29,845	33,954
Paper	13,151	15,065
Total	614,549	672,520

Grouping by number of buyers	TPE 2020 Millions of euro	TPE 2019 Millions of euro
0 – 20	322,137	357,231
20 – 100	103,940	116,550
100 – 250	69,176	68,958
250 – 500	50,378	53,359
500 – 1,000	34,522	39,402
Over 1,000	34,396	37,020
Total	614,549	672,520

Exposures to bonds and instalment credit protection have very different characteristics and are not, therefore, included in the tables above. The exposure to bonds at 31 December 2020 is €24,100 million and instalment credit protection totals €3,000 million.

Under normal circumstances, the most important assumption used in the methodology for calculating technical provisions for traditional credit insurance in order to set the estimate of the final number of claims during the most recent months of sales would be that the claims inflow at the beginning of 2021 will be around 20% higher compared to the level at the end of 2020. The main methodologies for estimating traditional credit insurance claims provisions underpin 81% (2019: 83%) of traditional credit insurance claims provisions.

However, in light of increased uncertainty as a result of current circumstances, we have taken a different approach to the 2020 close. During the second half of 2020, the number of reported claims decreased significantly compared to the first half of the year. This relates partly to a fall in insured business as a result of closures in the early 2020s and partly due to government support for the economy. Provisions have been established based on the assumption that this drop is temporary and implies a sharp increase in the number of claims received in early 2021 of 10% - 40%, depending on the country, above the level of the first half of 2020.

An indication of the sensitivity to the expected ultimate number of claims would be as follows: if the estimated ultimate number of claims during the most recent six months of risk were to change by 10%, the claims provisions would change by €35 million, gross of reinsurance (2019): €29 million). As the provisions for the most recent months are set as the estimated number times the estimated cost of claims, it also applies to the sensitivity to the cost of claims for accepted reinsurance. The sensitivity is approximately linear. Unless otherwise stated, the same applies to other sensitivities mentioned in this section.

By their nature, it is not easy to quantify an estimate of the inflow of large claims. The order of magnitude of this sensitivity would, in Management's opinion, be similar to the sensitivity of the estimated number of claims during the most recent months, although, as is inevitable with severity risk, this has a greater range. Historical data shows that the correlation between aggregate ultimate losses from large losses per underwriting year and normal losses is over 80%. Considering the above, the approach based on historical experience determines a final loss from large losses as a proportion of the total losses of the last two risk years. In the event that this ratio were 10% higher, provisions for traditional credit insurance claims would increase by €71 million (2019): €38 million).

Atradius is regularly reviewing how Brexit could affect defaults in the UK buyers' portfolio. As a result of the significant impairment in the UK economy, the impact of which was fully reflected in the provisions resulting from the normal UK methodology, combined with the prudence included therein, Atradius has concluded that the specific and additional provision for a severe Brexit scenario (2019: €29 million) is no longer necessary. As such, the provision has been applied during 2020.

Recoveries undertaken may deviate from expected recoveries. Expected recoveries amount to €490 million (2019: €481 million). The two largest components of expected recoveries are

traditional credit insurance recoveries of €218 million (2019: €245 million) and for instalment payment protection €154 million (2019: €149 million).

Given that recovery rates differ by country and product, and also that the evolution depends on the age of the underwriting year, it is difficult to provide insight into sensitivity by measuring the impact of a simple change in parameters. In the case of traditional credit insurance, ultimate recoveries are first estimated through commonly used projection methods. The estimates are then adjusted to take into account a margin of uncertainty such that a favourable development of the estimates is by far the most likely outcome. However, the impact of reducing these estimates by 10% is €22 million (2019: €25 million). With respect to term credit protection, for which similar uncertainty margins are included, the impact of reducing estimates by 10% is €15 million (2019: €15 million).

The greatest impact of COVID-19 will be on the credit business, both as a result of the increase in claims due to the increase in insolvencies and impacts at a global level as a result of the decrease in insured sales due to the economic recession resulting from the pandemic.

The Group has taken various actions to mitigate these risks: restrictive underwriting measures, risk mitigation actions taken selectively for the protection of our customers, and through the agreements established by the various European governments.

These arrangements are part of a comprehensive package of measures aimed at ensuring that the necessary liquidity is available in the market, to counter the damage inflicted on companies due to the pandemic and to preserve the continuity of economic activity during and after the pandemic. In particular, they want to ensure that credit insurance services continue to be available to all types of businesses. All contracts apply to direct business.

The Group has signed agreements with Germany, Denmark, Norway, Belgium, France, Luxembourg, the Netherlands, the United Kingdom, Italy and Spain. The Group has signed agreements with Germany, Denmark, Norway, Belgium, France, Luxembourg, the Netherlands, the United Kingdom, Italy and Spain. In Europe, all agreements were previously approved by the European Commission. These agreements apply before the private reinsurance already in place, with the exception of Spain whose agreement provides for an additional assignment (running in parallel with the assignment to private operators). All ceding agreements are based on the assumption of risk and the ceding rates for premiums and claims depend on each country.

The combined impact of these measures on these consolidated financial statements is as follows:

- Balance sheet: increase in debts (net of credits) for reinsurance operations by €195,371 thousand and increase in the reinsurance share of technical provisions by €224,233 thousand.
- Income statement: loss of €44,856 thousand composed of €412,662 thousand as earned premiums of the ceded reinsurance, €266,688 thousand as claims of the ceded reinsurance and €101,118 thousand as commissions of the ceded reinsurance.

As a consequence of the uncertainty of the near future, the Group has extended until 30 June 2021 the governance arrangements in Germany, Denmark, Norway, Belgium, Luxembourg, the Netherlands, the United Kingdom and Spain.

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.
- **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 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 objective 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 Group's investment policy approved by the Board of Directors has not changed substantially due to the impact of COVID-19.

The economic situation generated by the pandemic has had a very significant impact on financial markets, especially on equity markets which have suffered significant falls. 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 certain sectors that could be particularly affected by the impact of the pandemic (tourism, restaurants, airlines, among others) has been monitored. It is important to note that there is no material investments in any of them. Additionally, the portfolio diversification controls in place would mitigate any risk in this regard.
- In relation to investments in variable income, as in the case of fixed-income investments, the exposure to certain securities that might be particularly affected in the future by the impact of the economic crisis arising from COVID-19 has been analysed in detail. It is important to note that no significant exposure is maintained in sectors such as airlines, tourism or catering.

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 +8.2% solvency ratio whereas a decrease in the curve of 100 bps represents -9% in solvency ratio.
- Variable Income: An decrease in the variable income of the stock market of -10% represents +2.9% solvency ratio whereas a decrease in the variable income of -25% represents +1.5% in solvency ratio.
- Properties: A decrease in value of 5% of the property value implies -1.7% of the solvency ratio.
- A combined decrease of 10% in the variable income value and of 5% in the properties implies an increase of +1.1% 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 for both the traditional insurance business and the credit insurance business various IT tools that permit monitoring and quantification. 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: Its objectives include to ensure, through the units of regulatory compliance, within the organization of the various Group companies, proper compliance with legal regulations, and that these are applied consistently. In order to do so, this Department and the legal departments of the main Group companies maintain fluid coordination through the Compliance Verification Committee. For regulations that are particularly sensitive with regards to the sector in which the Group operates, such as those aimed at preventing money laundering, terrorist financing and data protection, the Departments in question are typically involved in all internal committees established to ensure compliance with the same.
- Department of Management and Planning Control: The unit, belonging to the Company's Financial Management, among other objectives, 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:

- Avails of a code of ethics signed by the board members, employees and service providers.
- Has a procedure for action in cases of irregularities and fraud.
- Determines the requirements of aptitude and honour.
- Monitors the information published in communication media.
- Avails of protocols for action for the management of reputational risk events.

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 objectives 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 in the same.

F. Monitoring risks

Through mechanisms deployed to identify, analyse and address the associated risks in different areas, the Group recognizes 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.

G. 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 intermediaries 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 minimize 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 boasts an internal control system which ensures the objectives of effectiveness and efficiency of operations, reliability of financial reporting, asset protection and compliance with applicable laws and regulations, and which also permits availing of adequate mechanisms with regards to solvency in order to identify and measure all of the significant risks existing and to cover them suitably with own permitted 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 formalizes 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 authorization 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 objectives are properly managed.

The control activities of the Group take place under a framework of: (i) suitable segregation of tasks and responsibilities both between the personnel and between the functions carried out, (ii) 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) authorisations prior to the assumption of risks, global guidelines for information security, understanding this to be the preservation of confidentiality, integrity and availability of the information and of the systems that process it from any threat, risk or damage that may be suffered in accordance with their importance to the Group and (iv) existence of the mechanisms necessary to guarantee the continuity of the business. The existence of these mechanisms has allowed the Group to continue operating in the current COVID-19 situation without incurring significant operational losses beyond the IT-related costs incurred, without calling into question the going concern principle.

- **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 2020 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.

The fair value valuations of the financial investments included in the portfolio available for sale and in the negotiation portfolio are classified according to the levels of variables used in the valuation (see Note 3.b.3).

The breakdown of financial assets at 31 December 2020 according to the inputs used is as follows (in € thousand):

	Level 1	Level 2	Level 3	Total at 31/12/2020
Financial assets held for trading	-	-	-	-
Derivatives	-	-	-	-
Other financial assets at fair value through profit or loss	585,341	-	-	585,341
Financial Investments in Equity	-	-	-	-
Stakes in mutual funds	49	-	-	49
Debt securities	-	-	-	-
Investments held for the benefit of policyholders who bear the investment risk	585,292	-	-	585,292
Available-for-Sale financial assets	9,225,213	507,502	129,726	9,862,441
Financial Investments in Equity	1,283,901	-	18,042	1,301,943
Stakes in mutual funds	420,826	-	111,684	532,510
Debt securities	7,520,486	34,424	-	7,554,910
Loans	-	-	-	-
Deposits with credit institutions	-	473,078	-	473,078
Total at 31 December 2020	9,810,554	507,502	129,726	10,447,782

At 31 December 2020, financial instruments at fair value classified as Level 3 represented 1.11% of financial assets.

The same information reported at the end of the year 2019 is as follows (in € thousand):

	Level 1	Level 2	Level 3	Total at 31/12/2019
Financial assets held for trading	-	-	-	-
Derivatives	-	-	-	-
Other financial assets at fair value through profit or loss	579,019	-	-	579,019
Financial Investments in Equity	26,009	-	-	26,009
Stakes in mutual funds	250	-	-	250
Debt securities	1,026	-	-	1,026
Investments held for the benefit of policyholders who bear the investment risk	551,734	-	-	551,734
Available-for-Sale financial assets	9,205,535	380,807	-	9,586,342
Financial Investments in Equity	1,274,185	18,282	-	1,292,467
Stakes in mutual funds	476,687	-	-	476,687
Debt securities	7,278,300	58,899	-	7,337,199
Loans	-	-	-	-
Deposits with credit institutions	176,363	303,626	-	479,989
Total at 31 December 2019	9,784,554	380,807	-	10,165,361

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, a number of financial instruments were reclassified between valuation levels in 2020:

	Of	Level 1	
	A	Level 2	Level 3
Available-for-Sale financial assets			
Financial Investments in Equity		-	20,605
Stakes in mutual funds		-	48,315
Debt securities		-	-
Deposits with credit institutions		176,363	-
Total at 31 December 2020		176,363	68,920

The amount of financial instruments that have been transferred between the different valuation levels during the 2020 financial year is not significant with respect to the total financial investment portfolio, and they do not reflect changes in the measurement method of these instruments with respect to the previous financial year.

In addition, below is a breakdown of the movement in financial assets classified in Level 3 (in € thousand):

	Available-for-Sale financial assets (AFS)		Total
	Financial Investments in Equity	Stakes in mutual funds	
Net book value on 1 January 2019	-	-	-
Purchases	-	-	-
Sales and amortisations	-	-	-
Reclassifications and transfers	-	-	-
Changes in value against reserves	-	-	-
Changes in value against results	-	-	-
Effect of changes on the exchange rates	-	-	-
Changes in loss due to value impairment	-	-	-
Net book value on 31 December 2019	-	-	-
Purchases	20	88,654	88,674
Sales and amortisations	(695)	(25,810)	(26,505)
Reclassifications and transfers	20,605	48,315	68,920
Changes in value against reserves	(1,888)	525	(1,363)
Changes in value against results	-	-	-
Effect of changes on the exchange rates	-	-	-
Changes in loss due to value impairment	-	-	-
Net book value on 31 December 2020	18,042	111,684	129,726

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 valuation models would involve no substantial changes in the values obtained.

The credit rating of the fixed income and deposits issuers in credit entities on 31 December 2020 and 2019 is shown below (amounts in € thousand):

Rating	31/12/2020						
	AAA	AA	A	BBB	Under investment grade	No rating	TOTAL
Public Fixed Income	246,365	336,226	2,340,954	337,184	5,924	6,449	3,273,102
SPPI	245,639	334,084	2,321,328	337,184	5,924	6,449	3,250,608
Others	726	2,142	19,626	-	-	-	22,494
Private fixed income	34,042	193,737	1,006,715	2,938,005	102,777	6,532	4,281,808
SPPI	30,691	189,383	957,494	2,837,309	102,777	5,516	4,123,170
Others	3,351	4,354	49,221	100,696	-	1,016	158,638
Total fixed income	280,407	529,963	3,347,669	3,275,189	108,701	12,981	7,554,910
% Fixed-Income	3.71%	7.01%	44.31%	43.35%	1.44%	0.17%	100.00%
Deposits with credit institutions	38,000	-4,000	44,347	22,000	-	473,078	573,425
SPPI	38,000	-4,000	44,347	22,000	-	-	100,347
Others	-	-	-	-	-	473,078	473,078

Rating	31/12/2019						
	AAA	AA	A	BBB	Under investment grade	No rating	TOTAL
Public Fixed Income	266,704	331,190	2,449,255	328,998	8,153	22,099	3,406,399
SPPI	266,704	329,032	2,449,255	328,998	8,153	21,246	3,403,388
Others	-	2,158	-	-	-	853	3,011
Private fixed income	39,843	210,713	1,097,933	2,483,463	75,838	24,036	3,931,826
SPPI	35,993	206,410	1,037,343	2,444,512	75,838	23,002	3,823,098
Others	3,850	4,303	60,590	38,951	-	1,034	108,728
Total fixed income	306,547	541,903	3,547,188	2,812,461	83,991	46,135	7,338,225
% Fixed-Income	4.18%	7.38%	48.34%	38.33%	1.14%	0.63%	100.00%
Deposits with credit institutions	39,000	14,000	40,639	35,000	-	479,989	608,628
SPPI	39,000	14,000	40,639	35,000	-	-	128,639
Others	-	-	-	-	-	479,989	479,989

The investment criteria also include various measures of risk diversification by sector, country and currency (amounts in € Thousand):

Sector	31/12/2020				31/12/2019			
	Equity instruments	%	Representative debt values	%	Equity instruments	%	Representative debt values	%
Communications	124,609	6.79%	483,491	6.40%	98,277	5.47%	475,525	6.48%
Cyclical consumer goods	123,570	6.74%	670,486	8.87%	116,389	6.48%	663,297	9.04%
Non-cyclical consumer goods	216,785	11.82%	539,642	7.14%	190,351	10.60%	415,941	5.67%
Energy	12,564	0.68%	96,705	1.28%	60,597	3.38%	107,034	1.46%
Financial	343,682	18.73%	1,703,347	22.55%	353,023	19.66%	1,558,019	21.23%
Industrial	155,164	8.46%	344,586	4.56%	186,460	10.39%	321,044	4.37%
Technological	170,411	9.29%	89,521	1.18%	122,909	6.85%	59,140	0.80%
Public Services	165,082	9.00%	350,707	4.64%	126,715	7.06%	325,504	4.44%
Diversified	3,484	0.19%	1,937	0.03%	3,657	0.20%	1,361	0.02%
Commodities	18,785	1.02%	2,653	0.04%	13,989	0.78%	3,723	0.05%
Governance	-	-	3,271,835	43.31%	-	-	3,407,637	46.44%
Others (*)	500,366	27.28%	-	-	523,046	29.13%	-	-
Total	1,834,502	100.00%	7,554,910	100.00%	1,795,413	100.00%	7,338,225	100.00%

(*) Includes mutual funds.

Year 2020
€ Thousand

Country	Equity instruments	Public Fixed Income	Private fixed income	Deposits in banks	Cash and other equivalent assets
Spain	479,844	2,570,015	1,523,553	257,158	1,077,371
Greece	-	-	-	-	4,510
Portugal	-	5,138	-	-	2,076
Ireland (*)	290,687	17,276	17,656	-	64,489
Italy	31,457	68,846	7,177	309	1,905
Germany	180,780	83,384	337,534	16,918	5,043
France	222,175	200,829	671,504	-	13,020
United Kingdom	18,950	7,842	425,576	32,201	1,795
The Netherlands	64,344	33,088	554,647	810	154,059
Other Europe	195,510	96,816	181,048	187,579	23,334
U.S.	330,970	74,230	495,707	1,813	12,448
Rest OECD	8,799	84,980	64,270	53,284	66,204
Rest of the world	10,986	30,658	3,136	23,353	51,721
Total	1,834,502	3,273,102	4,281,808	573,425	1,477,975

(*) Ireland equity instruments are mutual funds.

Year 2019
€ Thousand

Country	Equity instruments	Public Fixed Income	Private fixed income	Deposits in banks	Cash and other equivalent assets
Spain	460,981	2,653,230	1,441,136	52,812	978,044
Greece	-	-	-	-	2,246
Portugal	-	5,406	-	-	186
Ireland (*)	275,248	14,612	22,319	-	105,570
Italy	29,492	65,388	12,769	315	1,021
Germany	141,133	101,044	306,247	31,289	7,668
France	233,747	248,982	598,499	67,694	19,634
United Kingdom	13,932	8,574	373,009	32,171	18,201
The Netherlands	63,441	35,013	574,619	67,123	114,333
Other Europe	249,709	89,874	109,352	263,526	28,105
U.S.	306,540	79,035	384,868	1,678	9,005
Rest OECD	7,476	83,782	100,182	66,679	62,277
Rest of the world	13,714	21,459	8,826	25,341	8,450
Total	1,795,413	3,406,399	3,931,826	608,628	1,354,740

(*) Ireland equity instruments are mutual 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 2020 and 2019:

Year 2020 **€ Thousand**

Currency	Equity Instruments	Debt securities	Deposits in banks	Cash and other equivalent assets	Other assets	Total Assets at 31/12/2020
Euro	1,282,892	7,229,056	504,728	982,629	5,064,555	15,063,860
GB pound	43,320	37,534	878	199,155	218,123	499,010
U.S. Dollar	340,709	192,277	25,127	147,301	247,946	953,360
Other	167,581	96,043	42,692	148,890	396,300	851,506
Total	1,834,502	7,554,910	573,425	1,477,975	5,926,924	17,367,736

Year 2019 **€ Thousand**

Currency	Equity Instruments	Debt securities	Deposits in banks	Cash and other equivalent assets	Other assets	Total Assets at 31/12/2019
Euro	1,266,465	7,040,388	522,778	1,187,627	4,806,064	14,823,322
GB pound	18,511	35,234	335	14,309	150,206	218,595
U.S. Dollar	310,952	185,004	24,756	39,355	226,508	786,575
Other	199,485	77,599	60,759	113,449	398,165	849,457
Total	1,795,413	7,338,225	608,628	1,354,740	5,580,943	16,677,949

Year 2020 **€ Thousand**

Currency	Subordinated liabilities	Technical provisions	Other Liabilities	Total Liabilities at 31/12/2020
Euro	200,704	10,181,926	1,859,629	12,242,259
GB pound	-	119,624	136,444	256,068
U.S. Dollar	-	288,667	80,624	369,291
Other	-	392,245	170,254	562,499
Total	200,704	10,982,462	2,246,951	13,430,117

Year 2019 **€ Thousand**

Currency	Subordinated liabilities	Technical provisions	Other Liabilities	Total Liabilities at 31/12/2019
Euro	200,545	9,947,959	1,679,730	11,828,234
GB pound	-	66,125	68,573	134,698
U.S. Dollar	-	248,546	64,311	312,857
Other	-	389,467	161,510	550,977
Total	200,545	10,652,097	1,974,124	12,826,766

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 Group's exposure to risk arising from credit derivatives is immaterial.

5. Principal operations and changes in the consolidation perimeter

5.a) Merger between Funeraria La Auxiliadora S.L.U. and Funeraria Bilbaína, S.A.

On 29 July 2020, the sole shareholder of Funeraria La Auxiliadora S.L.U. (hereinafter, FLAUX), and the General Meeting of Shareholders of Funeraria Bilbaína, S.A. (hereinafter, FB), agreed to merge the two companies, in which the Group holds a 100% stake, by means of the absorption of FB by FLAUX, which implied the extinction of the former and the en bloc transfer of its corporate assets to FLAUX, which acquired its rights and obligations by universal succession.

As a result of this operation, FLAUX has changed its corporate name to Funerarias Bilbaína y la Auxiliadora, S.L.

This transaction was not subject to any administrative authorisation and, after the execution of the merger deed, it was registered in the Bizkaia Mercantile Register on 30 September 2020.

5.b) Acquisition of 100% of Legion Empresarial, S.L.

On 2 November 2020, Grupo Catalana Occidente, through its investee Funerarias Bilbaína y La Auxiliadora, S.L., reached an agreement to acquire 100% of the shares of Aguirre y García de Andoin, S.L. for €1,770 thousand.

After having obtained the corresponding authorisation for the transfer and acquisition of the shares from the National Markets and Competition Commission on 27 January 2021, the execution of the sale and purchase agreement was formalised on 8 February 2021.

6. Cash and other cash equivalents

The breakdown of cash and cash equivalents at 31 December 2020 and 2019 are as follows:

Cash and other cash equivalents	€ Thousand	
	31/12/2020	31/12/2019
Cash in banks and in cash	1,447,960	1,154,843
Short-term bank deposits	30,015	199,897
Total	1,477,975	1,354,740

7. Financial assets

The breakdown of financial assets at 31 December 2020, 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	€ Thousand				
	Financial Assets held for trading (HFT)	Other financial assets at fair value through profit or loss (RVPL)	Available-for-Sale financial assets (AFS)	Loans and receivables (LR):	Total at 31.12.2020
FINANCIAL INVESTMENTS:	-	585,341	9,862,441	362,620	10,810,402
Equity Instruments					
- Financial Investments in Equity	-	-	1,301,943	-	1,301,943
- Stakes in mutual funds	-	49	532,510	-	532,559
Debt securities	-	-	7,554,910	-	7,554,910
Derivatives	-	-	-	-	-
Hybrid instruments	-	-	-	-	-
Investments on behalf of policyholders assuming the investment risk	-	585,292	-	33,089	618,381
Loans	-	-	-	195,034	195,034
Other financial assets	-	-	-	10,143	10,143
Deposits with credit institutions	-	-	473,078	100,347	573,425
Deposits for accepted reinsurance	-	-	-	24,007	24,007
RECEIVABLES:	-	-	-	886,604	886,604
Credits for direct insurance direct and coinsurance	-	-	-	358,952	358,952
Receivables arising from reinsurance operations	-	-	-	74,853	74,853
Other receivables	-	-	-	452,799	452,799
Total net	-	585,341	9,862,441	1,249,224	11,697,006

The same information reported at year-end, 31 December 2019 is as follows (in € thousand):

Investments classified by category of financial asset and by type	€ Thousand				
	Financial Assets held for trading (HFT)	Other financial assets at fair value through profit or loss (RVPL)	Available-for-Sale financial assets (AFS)	Loans and receivables (LR):	Total at 31.12.2019
FINANCIAL INVESTMENTS:	-	579,019	9,586,342	351,152	10,516,513
Equity Instruments					
- Financial Investments in Equity	-	26,009	1,292,467	-	1,318,476
- Stakes in mutual funds	-	250	476,687	-	476,937
Debt securities	-	1,026	7,337,199	-	7,338,225
Derivatives	-	-	-	-	-
Hybrid instruments	-	-	-	-	-
Investments on behalf of policyholders assuming the investment risk	-	551,734	-	23,382	575,116
Loans	-	-	-	165,405	165,405
Other financial assets	-	-	-	8,335	8,335
Deposits with credit institutions	-	-	479,989	128,639	608,628
Deposits for accepted reinsurance	-	-	-	25,391	25,391
RECEIVABLES:	-	-	-	845,875	845,875
Credits for direct insurance direct and coinsurance	-	-	-	359,612	359,612
Receivables arising from reinsurance operations	-	-	-	74,977	74,977
Other receivables	-	-	-	411,286	411,286
Total net	-	579,019	9,586,342	1,197,027	11,362,388

7.a) Financial investments

The movements in this section, broken down by portfolio, are shown below (in € thousand):

Financial assets held for trading

	€ Thousand			
	Financial Assets held for trading (HFT)			Total HFT
	Equity Instruments	Debt securities	Derivatives	
Net book value on 1 January 2019	-	-	29	29
Additions to the perimeter - Business Combinations	26,940	1,053	-	27,993
Purchases	-	-	-	-
Sales and amortisations	-	-	(29)	(29)
Reclassifications and transfers	(26,940)	(1,053)	-	(27,993)
Change of implicit interest	-	-	-	-
Changes in value against results	-	-	-	-
Effect of changes on the exchange rates	-	-	-	-
Changes in loss due to value impairment	-	-	-	-
Net book value on 31 December 2019	-	-	-	-
Additions to the perimeter - Business Combinations	-	-	-	-
Purchases	-	-	-	-
Sales and amortisations	-	-	-	-
Reclassifications and transfers	-	-	-	-
Change of implicit interest	-	-	-	-
Changes in value against results	-	-	-	-
Effect of changes on the exchange rates	-	-	-	-
Changes in loss due to value impairment	-	-	-	-
Net book value on 31 December 2020	-	-	-	-

(*) Includes unmatured accrued interest on assets.

Financial assets at fair value with changes in profit and loss

	€ Thousand				Total RVPL
	Other financial assets at fair value with changes in PL (RVPL)				
	Equity Instruments	Debt securities	Investments held for the benefit of policyholders who bear the investment risk (1)	Deposits with credit institutions	
Net book value on 1 January 2019	96	-	340,718	-	340,814
Additions to the perimeter - Business Combinations	423	-	141,951	-	142,374
Purchases	-	-	106,130	-	106,130
Sales and amortisations	(2,642)	-	(83,755)	-	(86,397)
Reclassifications and transfers	26,940	1,053	-	-	27,993
Change of implicit interest	-	(23)	35	-	12
Changes in value against results	1,442	(4)	46,655	-	48,093
Effect of changes on the exchange rates	-	-	-	-	-
Changes in loss due to value impairment	-	-	-	-	-
Net book value on 31 December 2019	26,259	1,026	551,734	-	579,019
Additions to the perimeter - Business Combinations	-	-	-	-	-
Purchases	-	-	158,963	-	158,963
Sales and amortisations	(24,421)	(1,067)	(112,347)	-	(137,835)
Reclassifications and transfers	435	-	(435)	-	-
Change of implicit interest	-	41	902	-	943
Changes in value against results	(2,224)	-	(13,525)	-	(15,749)
Effect of changes on the exchange rates	-	-	-	-	-
Changes in loss due to value impairment	-	-	-	-	-
Net book value on 31 December 2020	49	-	585,292	-	585,341

(1) At 31 December 2020, the unrealised gains and losses on investments held on behalf of policyholders who bear the investment risk amounted to €29,321 and (€42,814) thousand respectively (€46,398 and (€7,521) thousand at 31 December 2019, respectively).

Most of the revaluations credited to the profit and loss account, net of the related tax effect and of the allocation to minority interests, arose from financial instruments that are quoted on organised markets or for which a sufficiently reliable market valuation is available (see Note 4.c).

Available-for-Sale financial assets

	Available-for-Sale financial assets (AVS)					€ Thousand
	Financial Investments in Equity	Stakes in mutual funds	Fixed-income securities	Non-mortgage loans and advances on policies	Deposits with credit institutions	Total AFS
	Net book value on 1 January 2019	956,785	330,951	6,615,682	-	202,313
Additions to the perimeter - Business Combinations	-	38,622	319,465	-	-	358,087
Purchases	209,189	56,890	1,872,358	-	24	2,138,461
Sales and amortisations	(110,356)	(15,655)	(1,702,652)	-	(32,440)	(1,861,103)
Reclassifications and transfers	-	-	2,299	-	295,348	297,647
Adjustments for changes in value	240,127	65,561	264,943	-	16,539	587,170
Change of implicit interest	-	-	(42,529)	-	(1,795)	(44,324)
Effect of changes on the exchange rates	-	318	7,633	-	-	7,951
Changes in loss due to value impairment	(3,278)	-	-	-	-	(3,278)
Net book value on 31 December 2019	1,292,467	476,687	7,337,199	-	479,989	9,586,342
Additions to the perimeter - Business Combinations	-	-	-	-	-	-
Purchases	283,615	198,496	1,558,417	-	-	2,040,528
Sales and amortisations	(210,566)	(110,992)	(1,332,078)	-	(23,366)	(1,677,002)
Reclassifications and transfers	-	-	-	-	-	-
Adjustments for changes in value	(56,162)	(30,372)	47,006	-	18,783	(20,745)
Change of implicit interest (**)	-	-	(29,409)	-	(2,328)	(31,737)
Effect of changes on the exchange rates	-	(1,309)	(26,225)	-	-	(27,534)
Changes in loss due to value impairment	(7,411)	-	-	-	-	(7,411)
Net book value on 31 December 2020	1,301,943	532,510	7,554,910	-	473,078	9,862,441

(*) Includes unmaturred accrued interest on assets.

(**) 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 revaluations credited to the profit and loss account, net of the related tax effect and of the allocation to minority interests, arose from financial instruments that are quoted on organised markets or for which a sufficiently reliable market valuation is available.

During 2020, the Group derecognised from equity €19,385 thousand from the heading "Adjustments for changes in value" relating to net unrealised losses in the "Available-for-Sale" portfolio. This amount was recognised in the consolidated profit and loss account for the period following the assets' disposal. In 2019 for the same concept, net losses of €20,026 thousand were recognised in the profit and loss account.

Loans and items receivable

	Loans and receivables (LR)							€ Thousand
	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	Total LR
Net book value on 1 January 2019	55,348	21,388	63,698	7,789	441,978	26,782	-	616,983
Additions to the perimeter								
- Business Combinations	325	-	-	50	295,348	-	2,299	298,022
Purchases	63,775	6,880	8,054	828	253,330	45,343	-	378,210
Sales and amortisations	(19,509)	(4,886)	(6,515)	(332)	(571,120)	(46,831)	-	(649,193)
Reclassifications and transfers	-	-	-	-	(295,348)	-	(2,299)	(297,647)
Change of implicit interest	441	-	15	-	-	-	-	456
Effect of changes on the exchange rates	-	-	-	-	4,451	97	-	4,548
Changes in loss due to value impairment	-	-	(227)	-	-	-	-	(227)
Net book value on 31 December 2019	100,380	23,382	65,025	8,335	128,639	25,391	-	351,152
Additions to the perimeter								
- Business Combinations (*)	-	-	-	-	-	-	-	-
Purchases	32,000	20,698	6,120	1,808	113,727	81,313	-	255,666
Sales and amortisations	(2,872)	(10,991)	(5,942)	-	(137,969)	(82,736)	-	(240,510)
Reclassifications and transfers	-	-	-	-	-	-	-	-
Change of implicit interest	318	-	5	-	-	-	-	323
Effect of changes on the exchange rates	-	-	-	-	(4,050)	39	-	(4,011)
Changes in loss due to value impairment	-	-	-	-	-	-	-	-
Net book value on 31 December 2020	129,826	33,089	65,208	10,143	100,347	24,007	-	362,620

(*) Includes unmaturred accrued interest on assets.

As of 31 December 2020, the fair value of financial assets classified in the “Loans and receivables” category does not differ significantly from their book value.

7.a.1) Equity investments

The breakdown of the balances of this sub-heading at 31 December 2020 and 2019, is as follows:

	€ Thousand			
	Other financial assets at fair value through profit or loss (RVPL)		Available-for-Sale financial assets (AVS)	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Shares of listed companies	-	26,009	1,283,078	1,270,563
Shares of non-listed companies	-	-	18,865	21,904
Total	-	26,009	1,301,943	1,292,467

The fair value of the shares of unlisted companies has been determined using valuation methods that are generally accepted in the financial industry.

Dividends received by the Group in 2020 amounted to €44,133 thousand (€53,037 thousand in 2019).

7.a.2) Stakes in mutual funds

A breakdown of the investments classified under this sub-heading by type of investment is given below:

	€ thousand			
	Other financial assets at fair value through profit or loss (RVPL)		Available-for-Sale financial assets (AVS)	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Fixed Income	-	123	49,138	21,601
Variable income	49	127	354,400	355,114
Money market	-	-	57,556	48,771
Other mutual funds	-	-	71,416	51,201
Total	49	250	532,510	476,687

The value of the mutual 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 participation available to the Group of each one of them on 31 December 2020 and 2019 (excluding the participation corresponding to investments on behalf of policyholders, see Note 7.a.4):

	31/12/2020			31/12/2019		
	Equity managed by GCO Gestión de Activos at 31.12.2020 (€ Thousand)	Share percentage (%)	Equity (€ thousand).	Equity managed by GCO Gestión de Activos at 31.12.2019 (€ Thousand)	Share percentage (%)	Equity (€ thousand).
GCO Mixto, FI	12,055	-	-	9,026	-	-
GCO Shares, FI	141,180	63%	89,355	162,292	65%	104,889
GCO Eurobolsa, FI	28,745	55%	15,766	27,899	59%	16,521
GCO Fixed income, FI	29,144	-	-	25,520	-	-
GCO Global 50, FI	36,200	10%	3,696	20,505	17%	3,583
GCO International FI	37,630	43%	16,327	28,803	54%	15,590
GCO Savings, FI	44,981	-	-	41,744	-	-
Total	329,935		125,144	315,789		140,583

7.a.3) Fixed-income securities

The breakdown of the balances included under this sub-heading is as follows:

	€ Thousand			
	31/12/2020		31/12/2019	
	CVRPyG	AFS	CVRPyG	AFS
Public debt, obligations and public bonds	-	3,273,102	-	3,406,399
Issued by financial institutions and other private entities	-	4,281,808	1,026	3,930,800
Total	-	7,554,910	1,026	7,337,199

The yield of the portfolio at 31 December 2020 was 2.05% (2.25% at 31 December 2019), with an estimated average maturity of approximately 4.45 years (4.66 years at 31 December 2019)

Any income earned on these fixed-income securities other than changes in their fair value, consisting mainly of interest and net earned premiums for the year, is recognised in the income statement under "Income from property, plant and equipment and investments". In 2020 this income amounted to €160,266 thousand (€172,817 thousand in 2019).

The maturities of the securities included under this sub-heading, classified by the portfolio to which they were assigned at 31 December 2020 and 2019 and taking their fair value into account, are as follows:

Residual maturity	€ Thousand			
	31/12/2020		31/12/2019	
	CVRPyG	AFS	CVRPyG	AFS
Less than 1 year	-	967,679	1,026	836,299
1 to 3 years	-	2,026,041	-	1,840,217
3 to 5 years	-	1,801,714	-	1,883,949
5 to 10 years	-	1,935,259	-	2,065,625
10 to 15 years	-	265,852	-	263,222
15 to 20 years	-	87,708	-	68,817
20 to 25 years	-	232,076	-	210,139
Over 25 years	-	238,581	-	168,931
Total	-	7,554,910	1,026	7,337,199

7.a.4) Investments held for the benefit of insurance policyholders who bear the investment risk

The breakdown by nature of the investment at 31 December 2020 and 2019 is as follows (in € thousand):

	31/12/2020		31/12/2019	
	RVPL Portfolio	LR	RVPL Portfolio	LR
Variable Income	154,642	-	142,750	-
Stakes in mutual funds	330,571	-	300,307	-
Fixed-Income	100,079	-	108,677	-
Other Balances affected				
- Banks (current accounts and short-term deposits)	-	32,955	-	22,597
- Other debts by management fees	-	-	-	-
- Others	-	134	-	785
Total	585,292	33,089	551,734	23,382

The balance of “Other balances affected” is included in “Loans and receivables”, as it is the policyholders who bear 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			
	31/12/2020		31/12/2019	
	Fixed Income	Other Balances affected	Fixed Income	Other Balances affected
Less than 1 year	23,329	33,089	15,153	23,382
1 to 3 years	43,813	-	48,695	-
3 to 5 years	32,937	-	41,865	-
5 to 10 years	-	-	2,964	-
Over 10 years	-	-	-	-
Rest of investments without maturity	-	-	-	-
Total	100,079	33,089	108,677	23,382

The mathematical provisions at 31 December 2020 and 2019, of insurance contracts where the investment risk is borne by policyholders are as follows:

Policyholder investment	€ Thousand	
	Mathematical provision	
	31/12/2020	31/12/2019
SEGUROS CATALANA OCCIDENTE		
Equity Fund	135,767	144,346
Universal Investment + Variable Multi-savings	49,372	53,889
Universal PIAS Variable	47,319	47,939
Universal Investment Fund	22,650	23,378
Choice Fund	97,098	57,268
SEGUROS BILBAO		
Flexilife	53,898	40,087
PIAS	9,303	10,436
Orbita Link	20,432	23,239
Insurance Savings account + Single Account	12,802	10,213
Others	736	852
PLUS ULTRA		
Life Fund	6,228	3,522
Management Social Welfare Plan	162,776	159,947
Total	618,381	575,116

At 31 December 2020 and 2019 the balance of stakes in mutual funds is classified in the portfolio valued at fair value with changes in the profit or loss account and corresponds to mutual funds managed by GCO Gestión de Activos according to the following breakdown:

Type of Asset	Description (name)	€ Thousand	
		31/12/2020	31/12/2019
FI	GCO Savings	39,643	37,237
FI	GCO Mixed	9,006	5,413
FI	GCO Shares	40,736	44,122
FI	GCO Eurobolsa	9,244	7,649
FI	GCO Fixed Income	25,001	21,445
FI	GCO Global 50	26,004	12,710
FI	GCO International	15,784	9,019
		165,418	137,595

On 31 December 2020 and 2019, the Group's share in the investment funds managed by GCO Gestión de Activos, corresponding to policyholder investments, is as follows:

	Share percentage (%)	
	31/12/2020	31/12/2019
GCO Mixto, FI	75%	61%
GCO Shares, FI	29%	28%
GCO Eurobolsa, FI	32%	28%
GCO Fixed income, FI	86%	85%
GCO Global 50, FI	72%	52%
GCO International FI	42%	30%
GCO Savings, FI	88%	90%

7.a.5) Loans and other financial assets

The breakdown of the balances making up this sub-heading at 31 December 2020 and 2019 is as follows:

	€ Thousand			
	31/12/2020		31/12/2019	
	AFS	LR	AFS	LR
Non-mortgage loans and advances on policies:				
· Advances on policies	-	19,809	-	22,124
· Loans to brokers	-	16	-	16
· Other loans	-	110,001	-	78,241
Mortgage loans	-	65,208	-	65,024
Other financial assets	-	10,143	-	8,335
Total	-	205,177	-	173,740

The maturities of mortgage loans and other loans held by the Group at amortised cost are as follows:

Year of maturity	€ Thousand			
	31/12/2020		31/12/2019	
	AFS	LR	AFS	LR
Mature and up to three months	-	4,094	-	3,658
Between 3 months and up to 1 year	-	3,026	-	1,898
Between one year and five years	-	60,301	-	51,375
Over five years	-	107,788	-	86,334
Total	-	175,209	-	143,265

There are some group of mortgage loans ("reverse mortgages"), totalling €33,316 thousand, at a fixed interest rate of between 6.00% and 7.50%. The remaining mortgage loans bear annual interest rates of between 0.00% and 1.92% (between 0.00% and 2.64% in 2019). 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					
	31/12/2020			31/12/2019		
	AFS	LR	Total	AFS	LR	Total
From 3 months to 1 year	(14,292)	98,766	84,474	2,864	128,639	131,503
From 1 year to 3 years	10,692	1,581	12,273	(6,882)	-	(6,882)
From 3 years to 5 years	(4,576)	-	(4,576)	4,742	-	4,742
From 5 years to 10 years	151,362	-	151,362	161,139	-	161,139
From 10 years to 15 years	(16,027)	-	(16,027)	(16,960)	-	(16,960)
From 15 years to 20 years	107,010	-	107,010	119,387	-	119,387
From 20 years to 25 years	13,008	-	13,008	14,240	-	14,240
Over 25 years	225,901	-	225,901	201,459	-	201,459
	473,078	100,347	573,425	479,989	128,639	608,628

7.a.7) Impairment losses

During 2020 impairment losses for value impairment stood at €7,411 thousand (€3,505 thousand in 2019).

7.b) Receivables

A breakdown of the receivables from insurance, reinsurance and coinsurance contracts at 31 December 2020 and 2019, together with other receivables, is given below:

	€ Thousand	
	LR	
	31/12/2020	31/12/2019
Receivables arising from direct insurance operations:		
- Policyholders - outstanding invoices:		
. Direct business and coinsurance	236,624	237,805
. Credits for invoices pending issue	107,399	107,796
. (Provision for premiums pending collection)	(18,228)	(17,458)
- Intermediaries:		
. Outstanding balances with intermediaries	34,924	33,159
. (Provision for impairment of balance with intermediaries)	(1,767)	(1,690)
Receivables arising from reinsurance operations:		
. Outstanding balance with reinsurers	75,157	75,067
. (Provision for impairment of balance with reinsurance)	(304)	(90)
Other credits:		
. Credits with Public Administrations	12,916	20,167
. Rest of credits	442,781	394,733
. (Provision for impairment of rest of credits)	(2,898)	(3,614)
Total	886,604	845,875

As of 31 December 2020 we estimate that the fair value of loans does not differ significantly from the net book value.

The changes in and detail of the impairment losses recognised in 2020 and 2019 are shown in the following table, with the various changes under “Earned premiums, net of reinsurance” and “Net operating expenses” being recognised in the income statement.

(Figures in € Thousand)	Provision for premiums pending	Provision for impairment of balance with intermediaries	Provision for impairment of balance with reinsurance	Provision for impairment of rest of credits
Balances at 1 January 2019	18,214	1,633	121	4,179
Additions into the scope of consolidation	154	-	-	-
Provisions charged against profit	-	57	-	-
Amounts released with a credit to profit	(910)	-	(31)	(565)
Balances at 31 December 2019	17,458	1,690	90	3,614
Additions into the scope of consolidation	-	-	-	-
Provisions charged against profit	770	77	214	-
Amounts released with a credit to profit	-	-	-	(716)
Balances at 31 December 2020	18,228	1,767	304	2,898

A breakdown of other credits in the consolidated balance sheet on 31 December 2020 and 2019 is given below:

	€ Thousand	
	31/12/2020	31/12/2019
Other credits:		
Credits with Public Administrations	12,916	20,167
Rest of credits	442,781	394,733
Outstanding and estimated recoveries (Note 3.b)	281,482	278,334
Debtors for motor agreements (Note 3.j)	10,065	6,964
Balances of brokers with dubious collection and other dubious balances	1,283	1,151
Commissions to collect for Credit Insurance information services	33,838	38,453
Personnel	1,349	1,480
Debtors by leases	3,929	2,510
Sundry debtors	110,835	65,841
Provision for impairment of rest of credits	(2,898)	(3,614)
Total	452,799	411,286

On 25 September 2018, GCO Activos Inmobiliarios reached an agreement to acquire 100% of Peñalvento, S.L.U., Inmobiliaria Colonial, Socimi, S.A., with the ultimate aim of obtaining property of the construction of a future office building in Méndez Alvaro Norte I (Arganzuela district- Madrid) for an estimated total price of €94,281 thousand. This building will become part of the Group's property assets once the conditions precedent provided for in the aforementioned agreement are met, which include, inter alia, completion of construction and delivery of the building to GCO Activos Inmobiliarios once the delivery window has been completed, which extends from 1 May 2022 to 28 February 2023, inclusive.

Within the sub-heading "Various debtors" there is an amount of €28,287 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 book value is a fair approximation of its fair value.

8. Investments in entities accounted for using the equity method (associates accounted for using the equity method)

The composition and movements during 2020 of those investments in the capital of companies over which the Group exercises significant influence is as follows:

Society	€ Thousand					Balances at 31/12/2020
	Balances at 31/12/2019	Consolidation perimeter inputs and outputs	Increases due to non-distributed profit for the year	Other valuation changes	Impairment Losses	
Asitur Asistencia, S.A.	7,090	-	846	(684)	-	7,252
Calboquer, S.L.	102	-	30	(13)	-	119
Gesiuris, S.A. S.G.I.I.C. (1)	4,000	-	70	(94)	-	3,976
MB Corredors d'Assegurances, S.A.	28	-	7	-	-	35
Inversiones Credere, S.A.	-	-	-	-	-	-
CLAL Credit Insurance Ltd. (2) (4)	15,538	-	759	(328)	-	15,969
Compañía de Seguros de Crédito Continental S.A. (3) (4)	41,419	-	1,924	(863)	-	42,480
The Lebanese Credit Insurer S.A.L. (4)	-	-	22	(22)	-	-
Credit Guarantee Insurance Corporation of Africa Limited (4)	17,617	-	(67)	(2,198)	-	15,352
TOTAL	85,794	-	3,591	(4,202)	-	85,183

- (1) Includes goodwill totalling €1,836 thousand.
- (2) CLAL includes goodwill totalling €2,127 thousand.
- (3) CSC Continental includes goodwill totalling €11,366 thousand.
- (4) Participated through the company Atradius N.V.

These investments are accounted for using the equity method, using the best estimate available at the time of preparing the financial statements. Annex 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 valued by the equity method", considering the projections of future business of the companies and financial market parameters.

The flows of dividends and cash flows are estimated using a projection period and a normalised 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 normalised 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 valuation 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 2020 and 2019 have been as follows:

Insurance entity CGU	Discount rate	
	31/12/2020	31/12/2019
CLAL - Israel	3.90%	4.40%
CSC Continental - Chile	6.30%	6.70%

Insurance entity CGU	Perpetual growth rate	
	31/12/2020	31/12/2019
CLAL - Israel	3.00%	3.00%
CSC Continental - Chile	3.00%	3.00%

In parallel to this central valuation 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
CLAL	-32.2%	110.8%	102.3%	-29.6%	-10.0%	10.0%	0.0%	0.0%
CSC Continental	-11.3%	15.4%	11.4%	-8.4%	-8.5%	8.5%	-4.5%	4.5%

At 31 December 2020, based on the results of the impairment tests, the Group has not recognised any impairment in the consolidated income statement.

2019 movements are shown below:

Society	€ Thousand					Balances at 31/12/2019
	Balances at 31/12/2018	Consolidation perimeter inputs and outputs	Increases due to non-distributed profit for the year	Other valuation changes	Impairment Losses	
Asitur Asistencia, S.A.	6,026	-	294	770	-	7,090
Calboquer, S.L.	90	-	6	6	-	102
Gesiuris, S.A. S.G.I.I.C. (1)	3,762	-	166	72	-	4,000
MB Corredors d'Assegurances, S.A.	243	-	(17)	(198)	-	28
Inversiones Credere, S.A.	-	-	-	-	-	-
CLAL Credit Insurance Ltd. (2) (4)	13,472	-	701	1,365	-	15,538
Compañía de Seguros de Crédito Continental S.A. (3) (4)	38,322	-	3,764	(667)	-	41,419
The Lebanese Credit Insurer S.A.L. (4)	1,659	-	80	31	(1,770)	-
Credit Guarantee Insurance Corporation of Africa Limited (4)	21,917	-	1,950	677	(6,927)	17,617
TOTAL	85,491	-	6,944	2,056	(8,697)	85,794

- (1) Includes goodwill totalling €1,836 thousand.
(2) CLAL includes goodwill totalling €2,127 thousand.
(3) CSC Continental includes goodwill totalling €11,366 thousand.
(4) Participated through the company Atradius N.V.

As at 31 December 2019, using the results of the impairment tests, the Group recognised impairment of €1,770 thousand and €6,927 thousand in the consolidated income statement in respect of the value of its holdings in The Lebanese Credit Insurer S.A.L and Credit Guarantee Insurance Corporation of Africa Limited, respectively .

9. Property, plant and equipment and investment property

9.a) Tangible fixed assets

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 2020 is as follows (in € thousand):

	Owner-Occupied Property	Furniture and installations	Transport equipment	Data processing hardware	Improvements to owned property	Rights of use	Other tangible fixed asset	Total
Cost on 1 January 2020	302,788	130,677	7,448	95,588	71,361	158,880	11,237	777,979
Accumulated Depreciation on 1 January 2020	(81,813)	(97,390)	(4,240)	(78,548)	(42,663)	(30,449)	(1,516)	(336,619)
Impairment Losses	(7,259)	-	-	-	-	-	-	(7,259)
Net book value on 1 January 2020	213,716	33,287	3,208	17,040	28,698	128,431	9,721	434,101
Additions to the perimeter - Business Combinations	-	-	-	-	-	-	-	-
Investments or Additions	499	9,057	1,047	12,865	14,359	32,349	296	70,472
Advances in progress	-	-	-	-	-	-	7,945	7,945
Reclassifications and transfers (Note 9.b)	(6,044)	-	-	-	-	-	-	(6,044)
Sales and Withdrawals	(2,694)	(2,901)	(1,514)	(5,719)	(905)	(3,781)	-	(17,514)
Effect of changes on the exchange rates	(211)	(992)	-	(1,452)	-	(2,330)	-	(4,985)
Additions to the perimeter - Business Combinations	-	-	-	-	-	-	-	-
Depreciation for the year	(3,155)	(7,177)	(756)	(8,612)	(4,901)	(31,351)	(78)	(56,030)
Reclassifications and transfers of the amortisation (Nota 9.b)	5,233	-	-	-	-	-	-	5,233
Withdrawals from amortisation	367	2,760	1,003	2,690	535	3,350	-	10,705
Effect of changes on the exchange rates	36	813	-	1,074	-	616	-	2,539
Impairment Losses	(93)	-	-	-	-	(310)	-	(403)
Net book value on 31 December 2020	207,654	34,847	2,988	17,886	37,786	126,974	17,884	446,019

Breakdown of the net book value on 31 December 2020 (in € thousand):

	Owner-Occupied Property	Furniture and installations	Transport equipment	Data processing hardware	Improvements to owned property	Rights of use	Other tangible fixed asset	Total
Cost on 31 December 2020	294,338	135,841	6,981	101,282	84,815	185,118	19,478	827,853
Accumulated Depreciation on 31 December 2020	(79,332)	(100,994)	(3,993)	(83,396)	(47,029)	(57,834)	(1,594)	(374,172)
Impairment Losses	(7,352)	-	-	-	-	(310)	-	(7,662)

The movement and detail for the year 2019 are as follows (in € thousand):

	Owner-Occupied Property	Furniture and installations	Transport equipment	Data processing hardware	Improvements to owned property	Rights of use	Other tangible fixed asset	Total
Cost on 1 January 2019	312,165	128,982	7,434	90,959	66,744	-	4,076	610,360
Accumulated Depreciation on 1 January 2019	(83,873)	(96,355)	(4,132)	(71,129)	(40,130)	-	(1,413)	(297,032)
Impairment Losses	(7,319)	-	-	-	-	-	-	(7,319)
Net book value on 1 January 2019	220,973	32,627	3,302	19,830	26,614	-	2,663	306,009
First application of IFRS	-	-	-	-	-	149,941	-	149,941
Additions to the perimeter - Business Combinations	-	494	-	1,325	-	-	8	1,827
Investments or Additions	7,134	7,819	768	4,215	6,790	8,603	237	35,566
Advances in progress	-	-	-	-	-	-	8,417	8,417
Reclassifications and transfers (Note 9.b)	(16,052)	-	-	-	-	-	-	(16,052)
Sales and Withdrawals	(546)	(7,296)	(754)	(1,914)	(2,173)	(815)	(1,501)	(14,999)
Effect of changes on the exchange rates	87	678	-	1,003	-	1,151	-	2,919
Additions to the perimeter - Business Combinations	-	(494)	-	(1,214)	-	-	(8)	(1,716)
Depreciation for the year	(4,553)	(7,235)	(800)	(7,295)	(4,544)	(30,623)	(110)	(55,160)
Reclassifications and transfers of the amortisation (Nota 9.b)	6,543	-	-	-	-	-	-	6,543
Withdrawals from amortisation	84	7,232	692	1,789	2,011	288	15	12,111
Effect of changes on the exchange rates	(14)	(538)	-	(699)	-	(114)	-	(1,365)
Impairment Losses	60	-	-	-	-	-	-	60
Net book value on 31 December 2019	213,716	33,287	3,208	17,040	28,698	128,431	9,721	434,101

Breakdown of the net book value on 31 December 2019 (in € thousand):

	Owner-Occupied Property	Furniture and installations	Transport equipment	Data processing hardware	Improvements to owned property	Rights of use	Other tangible fixed asset	Total
Cost on 31 December 2019	302,788	130,677	7,448	95,588	71,361	158,880	11,237	777,979
Accumulated Depreciation on 31 December 2019	(81,813)	(97,390)	(4,240)	(78,548)	(42,663)	(30,449)	(1,516)	(336,619)
Impairment Losses	(7,259)	-	-	-	-	-	-	(7,259)

At 31 December 2020 and 2019, the Group holds own use in full own-use and there were no liens of any type over any of them.

On 31 July 2019, GCO Activos Inmobiliarios (buyer) entered into an agreement with Inmobiliaria de Edificios Industriales, S.L. (seller), by which it will acquire a plot of land located in the industrial sector of the partial plan "Mas Duran - Can Feu" in San Quirze del Vallés, in order to build an industrial building there. This agreement is subject to a condition precedent until the seller complies with the conditions for the acquisition of the land and the granting of a building permit. Under this contract GCO Activos Inmobiliarios disbursed €1,920 thousand which were recorded as advances on other tangible fixed assets. During 2020 an additional €3,614 thousand were disbursed as advances as a result of meeting the milestones established in the contract. The purchase contract for this property was signed on 20 January 2021.

On 8 November 2019, Seguros Bilbao signed a private purchase agreement with Metrovacesa Promoción y Arrendamiento, S.A. for the future construction of a building on calle Foresta 8 (Madrid), subject to a condition precedent. Under this contract, Seguros Bilbao paid €6,497 thousand relating to 15% of the purchase price, which was recognised as an advance on other property, plant and equipment. In addition, in 2020, €4,331 thousand were paid, corresponding to 10% of the purchase price. As of 31 December 2020, the building permit was obtained and construction started in January 2021.

In addition to these contracts, the Group has no other significant commitments to acquire new property.

At year-end 2020, all the Group's tangible assets were used directly in operations.

There were no significant impairment losses on tangible fixed assets during the year.

The net value of own-use properties located abroad was €20,244 thousand at 31 December 2020 (€20,694 thousand at 31 December 2019).

During 2020, profits were obtained from own-use property amounting to €128 thousand.

The market value at 31 December 2020 of the Group's own-use properties was as follows (in € thousand):

	Market value on 31/12/2020				
	Traditional Business Segment			Segment Credit insurance business	Total
	Non-Life	Life	Other activities		
Owner-Occupied Property	144,828	82,469	22,887	103,537	353,721

At the end of the previous year, the market value of property used by the Group assigned to the traditional business segment categories, i.e. non-life, life and other activities, was €151,667 thousand, €83,867 thousand and €22,671 thousand, respectively, and €115,507 thousand for the credit insurance business segment.

The gains associated with the property for own use amounted to €146,067 thousand in the year 2020 (€159,996 thousand in the year 2019).

The market value of the own-use property has been obtained according to the methodology described in Note 3.c).

Leases: Rights of use assets

Right-of-use assets relate 94% to buildings (94% in 2019) and 6% to cars (6% in 2019) under a number of operating leases.

The leases at 31 December 2020 and 2019 for which the Group is the lessee are (in € Thousand):

	Year 2020	Year 2019
Lease liabilities (see Note 13-b)	130,055	129,483
Amounts recognised in the consolidated income statement:		
Cost of amortization of rights of use	31,214	30,623
Interest expense on lease liabilities	3,696	4,091
(minus) Rent expense (*)	(35,396)	(33,727)
Gross profit impact	(486)	987
Fiscal impact	128	(247)
Net profit impact	(358)	740

(*) 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 € 3,583 thousand in 2020 (2019: €876 thousand).

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 2020 is as follows (in € thousand):

	Property investments, third party use
Cost on 1 January 2020	791,789
Accumulated Depreciation on 1 January 2020	(129,096)
Impairment Losses	(1,303)
Net book value on 1 January 2020	661,390
Additions to the perimeter - Business Combinations	-
Investments or Additions	48,290
Advances in progress	-
Reclassifications and transfers (Note 9.a)	6,044
Sales and Withdrawals	(2,520)
Effect of changes on the exchange rates	(82)
Additions to the perimeter - Business Combinations	-
Depreciation for the year	(12,306)
Reclassifications and transfers of the amortisation (Note 9.a)	(5,233)
Withdrawals from amortisation	1,126
Effect of changes on the exchange rates	9
Impairment Losses	(3,842)
Net book value on 31 December 2020	692,876

Breakdown of the net book value on 31 December 2020 (in € thousand):	
	Property investments, third party use
Cost on 31 December 2020	843,521
Accumulated Depreciation on 31 December 2020	(145,500)
Impairment Losses	(5,145)

Likewise, the heading and the detail for 2019 are as follows (in € thousand):

	Property investments, third party use
Cost on 1 January 2019	676,913
Accumulated Depreciation on 1 January 2019	(113,352)
Impairment Losses	(2,480)
Net book value on 1 January 2019	561,081
Additions to the perimeter - Business Combinations	-
Investments or Additions	110,433
Advances in progress	-
Reclassifications and transfers (Note 9.a)	16,052
Sales and Withdrawals	(11,645)
Effect of changes on the exchange rates	36
Additions to the perimeter - Business Combinations	-
Depreciation for the year	(11,313)
Reclassifications and transfers of the amortisation (Note 9.a)	(6,543)
Withdrawals from amortisation	2,116
Effect of changes on the exchange rates	(4)
Impairment Losses	1,177
Net book value on 31 December 2019	661,390

Breakdown of the net book value on 31 December 2019 (in € thousand):	
	Property investments, third party use
Cost on 31 December 2019	791,789
Accumulated Depreciation on 31 December 2019	(129,096)
Impairment Losses	(1,303)

With regard to the most significant acquisitions in 2020, the Group has signed several earnest money contracts for the purchase of six industrial warehouses belonging to various companies of the holding company CONSTRALSA, through the subsidiary GCO Activos Inmobiliarios. The operation also includes three photovoltaic panel facilities located on the roofs of these buildings. The total amount of the transaction is €35,624 thousand, plus the corresponding VAT, of which €1,811 thousand has been advanced. The breakdown of these acquisitions is as follows:

- On 30 September 2020 a contract was signed for the purchase and sale of three warehouses for a combined amount of €22,684 thousand. In addition, on the same date photovoltaic facilities were acquired for these properties for an amount of €2,830 thousand.
- On 1 October 2020, a purchase and sale agreement was signed for two warehouses located in Perpignan, France, for a combined value of €8,110 thousand.

- On 9 October 2020, a purchase and sale agreement for a warehouse in Hungary was signed for € 2,000 thousand.

In addition, on 22 December 2020, the Group acquired a property in San Sebastián, Spain, for €1,157 thousand, through the subsidiary Seguros Catalana Occidente.

Impairment losses of € 3,842 thousand were recognised in 2020.

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.

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 2020 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 FY 2020, profits were obtained from property investment amounting to €3,081 thousand.

The market value of the Group's investment property at 31 December 2020 was as follows (in € thousand):

	Market value on 31/12/2020				
	Traditional Business Segment			Segment Credit insurance business	Total
	Non-Life	Life	Other activities		
Property investments, third party use	336,185	424,045	288,419	23,282	1,071,931

At the end of the previous year, the market value of property used by the Group assigned to the traditional business segment categories, i.e. non-life, life and other activities, was €350,226 thousand, €403,985 thousand and €265,375 thousand respectively, and €14,882 thousand for the credit insurance business segment.

The unrealised capital gains associated with property investments amounted to €379,055 thousand in the year 2020 (€373,078 thousand in the year 2019).

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 the year 2020 and 2019 are listed below:

€ Thousand	Granted in operative lease		Investments investments	
	Year 2020	Year 2019	Year 2020	Year 2019
Rental income	41,535	39,847	-	336
Direct operating expenses	15,169	15,241	1,043	864

In line with the above and taking into account the current situation of the COVID-19 health crisis, the Group has considered it appropriate to carry out certain renegotiations and lease extensions in order to keep tenants in the properties.

As of 31 December, the minimum future Incomes for the last two years of non-cancellable operating leases are as follows:

Future operating lease receipts	€ Thousand	
	31/12/2020	31/12/2019
Less than 1 year	39,031	42,111
Over one year but less than five	107,397	122,580
Over five years	117,583	138,610
Total	264,011	303,301

The Group has not taken into account Income from contingent charges for the years 2020 and 2019.

Most leases have a duration of between 5 and 10 years and are renewable.

10. Intangible assets

Activity of this balance sheet item in 2020 and 2019 was as follows (in € thousand):

	Consolidation	Policy portfolio acquisition costs	Other intangible assets					Other intangible assets not generated internally	Total other intangible assets
			Internally generated IT applications	IT Applications acquired	Brand	Distribution network	Portfolio policies		
Cost on 1 January 2019	792,951	344	201,445	139,311	19,450	16,140	21,340	526	398,212
Accumulated Depreciation on 1 January 2019	-	-	(90,592)	(106,628)	(5,800)	(2,825)	(21,340)	(299)	(227,484)
Impairment loss on 01 January 2019	-	-	(27,911)	-	-	-	-	-	(27,911)
Net book value on 1 January 2019	792,951	344	82,942	32,683	13,650	13,315	-	227	142,817
Additions to the perimeter - Business Combinations	21,890	-	-	6,172	-	-	33,000	92	39,264
Additions	146	15	41,171	11,333	-	-	-	-	52,504
Reclassifications and transfers	-	-	-	-	-	-	-	-	-
Withdrawals	-	-	(4,938)	(4,743)	(5,800)	-	(21,340)	(266)	(37,087)
Effect of changes on the exchange rates	(12)	-	4,005	1,109	-	-	-	-	5,114
Additions to the perimeter - Business Combinations	-	-	-	(5,294)	-	-	-	(1)	(5,295)
Depreciation for the year	-	(10)	(21,186)	(6,380)	-	(807)	(3,025)	(52)	(31,450)
Reclassifications and transfers	-	-	-	-	-	-	-	-	-
Withdrawals in amortisation	-	-	6,210	1,487	5,800	-	21,340	-	34,837
Effect of changes on the exchange rates	-	-	(2,487)	(1,064)	-	-	-	-	(3,551)
Impairment Losses	(10,000)	-	(7,079)	(383)	-	-	-	-	(7,462)
Cost on 31 December 2019	814,975	359	241,683	153,182	13,650	16,140	33,000	352	458,007
Accumulated Depreciation on 31 December 2019	-	(10)	(108,055)	(117,879)	-	(3,632)	(3,025)	(352)	(232,943)
Impairment loss on 31 December 2019	(10,000)	-	(34,990)	(383)	-	-	-	-	(35,373)
Net book value on 31 December 2019	804,975	349	98,638	34,920	13,650	12,508	29,975	-	189,691
Additions to the perimeter - Business Combinations	-	-	-	-	-	-	-	-	-
Additions	-	-	32,649	16,263	-	-	-	100	49,012
Reclassifications and transfers	-	-	(1,492)	1,492	-	-	-	-	-
Withdrawals	-	(20)	(933)	(6,360)	-	-	-	-	(7,293)
Effect of changes on the exchange rates	(3)	-	(4,707)	(1,291)	-	-	-	-	(5,998)
Additions to the perimeter - Business Combinations	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	(10)	(8,563)	(13,547)	-	(807)	(3,300)	(17)	(26,234)
Reclassifications and transfers	-	-	-	-	-	-	-	-	-
Withdrawals in amortisation	-	-	294	4,786	-	-	-	-	5,080
Effect of changes on the exchange rates	-	-	3,100	1,232	-	-	-	-	4,332
Impairment Losses	(3,000)	-	(16,447)	(383)	-	-	-	-	(16,830)
Cost on 31 December 2020	814,972	339	267,200	163,286	13,650	16,140	33,000	452	493,728
Accumulated Depreciation on 31 December 2020	-	(20)	(113,224)	(125,408)	-	(4,439)	(6,325)	(369)	(249,765)
Impairment loss on 31 December 2020	(13,000)	-	(51,437)	(766)	-	-	-	-	(52,203)
Net book value on 31 December 2020	801,972	319	102,539	37,112	13,650	11,701	26,675	83	191,760

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 cashgenerating units (CGUs) from which it arose, is as follows:

CGU	€ Thousand	
	31/12/2020	31/12/2019
Fully consolidated companies:		
Atradius N.V.	461,634	461,637
Plus Ultra Seguros Generales y Vida, S.A. de Seguros y Reaseguros	123,002	123,002
Bilbao, Compañía Anónima de Seguros y Reaseguros, S.A.	94,398	94,398
Nortehispana de Seguros y Reaseguros, S.A.	38,396	38,396
Seguros Catalana Occidente, S.A. de Seguros y Reaseguros	23,086	23,086
Asistea Servicios Integrales S.L.U.	40,041	40,041
Graydon Holding N.V.	17,920	20,920
Grupo Catalana Occidente Activos Inmobiliarios, S.L.	3,255	3,255
Others	240	240
Gross Total	801,972	804,975
Less: Impairment Losses	-	-
Net book value	801,972	804,975

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 evaluate 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 that have been adjusted to adapt them to the new business situation brought about by COVID-19. The remaining years are estimated using normalized ratios and growth rates.

The discount rates, before taxes, used in the financial year 2020 for updating the cash flow projections obtained from the projection of income and expenditure carried out according to the criteria mentioned above, have been as follows:

CGU	Discount rate	
	31/12/2020	31/12/2019
Atradius N.V.	8.20%	7.50%
Plus Ultra	8.40%	8.40%
Seguros Bilbao	8.40%	8.40%
NorteHispana	8.40%	8.40%
Seguros Catalana Occidente	8.40%	8.40%
Asistea Servicios Integrales S.L.U.	6.70%	6.70%
Graydon Holding N.V.	6.80%	6.40%

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 valued.

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	
	31/12/2020	31/12/2019
Atradius N.V.	1.00%	1.00%
Plus Ultra	1.00%	1.00%
Seguros Bilbao	1.00%	1.00%
NorteHispana	1.00%	1.00%
Seguros Catalana Occidente	1.00%	1.00%
Asistea Servicios Integrales S.L.U.	2.40%	2.40%
Graydon Holding N.V.	1.50%	1.50%

The rate of growth 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.

To estimate the terminal value, two different methodologies have been used, depending on the business typology the CGU: for non-insurance business the terminal value has been estimated based on the formula of Gordon Saphiro, while in the case of insurance business, the methodology has been based on the formula of perpetual income of distributable dividend, having compared this calculation methodology with other similar and generally accepted methodologies such as Gordon-Shapiro and resulting in insignificant 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 valuation 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.	-5.5%	6.3%	0.4%	-0.3%	-2.0%	2.0%	-5.3%	5.3%
Plus Ultra	-5.9%	6.7%	5.9%	-5.2%	-6.3%	6.3%	-4.9%	4.9%
Seguros Bilbao	-5.5%	6.3%	5.5%	-4.8%	-4.5%	4.5%	-5.1%	5.1%
NorteHispana	-5.1%	5.8%	5.1%	-4.5%	-1.8%	1.8%	-7.6%	7.6%
Seguros Catalana Occidente	-6.3%	6.9%	6.3%	-5.5%	-2.0%	2.0%	0.0%	0.0%

Non-insurance CGUs	Discount rate		Perpetual growth rate		EBIDTA	
	+ 50 bp	- 50 bp	+ 50 bp	- 50 bp	+ 50 bp	- 50 bp
Asistea Servicios Integrales S.L.U.	-8.6%	10.9%	9.9%	-7.8%	2.3%	-2.3%
Graydon Holding N.V.	-10.8%	13.1%	13.7%	-11.3%	11.3%	-11.3%

At 31 December 2020, based on the updated assumptions of Graydon's short-term business plan and in accordance with the result of the test, the Group proceeded to record an impairment of €3,000 thousand corresponding to Graydon's goodwill (€10,000 thousand in the 2019 financial year).

For the rest of the CGU's, based on the estimates, projections and independent experts' reports available to the parent company's Board Members and management, the projected income and cash flows attributable to the Group from these companies, considered as cash generating units, support the book value of the net assets recognised.

Likewise, no sensitivity analysis mentioned above would imply that the book value of the units would exceed the recoverable amount, with the exception of Atradius N.V. (€44 million in the most pessimistic scenario) and Graydon.

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).

The book value of investments in intangible assets consisting of rights exercisable outside Spain or related to investments outside Spain amount to €325,205 thousand, with accumulated amortisation of €210,328 thousand.

In the last financial year, the Group recorded impairment losses on internally generated software, from Atradius N.V., amounting to €16,447 thousand. This software had been developed by the Group and have deteriorated, following the criteria mentioned under applicable rules (see Note 3.e.3).

10.b.2) Brand

On 19 June 2015, and derived from the acquisition of Plus Ultra, the Group incorporated the value of the brand "Plus Ultra" in the balance sheet at fair value. The fair value was determined through the "royalty" method, with the method of internal profitability rate for a hypothetical licensee, determining the "royalty" fee from comparables belonging to the insurance industry, and with a cash-flow attributable to the brand for a period of 5 years and a terminal value of the same. In the process of valuation, an indefinite useful life was established for the brand Plus Ultra.

The "Plus Ultra" brand, in the same way as the other intangible assets with an indefinite useful life, is not amortised on a systematic basis, according to the applicable accounting regulations, and instead is submitted, at least once a year, to an impairment test and, where appropriate, to register the corresponding valuation correction.

The financial projections used in the assessment exercises cover a period of 3 years and are based on business plans previously approved by Management. For determination of the terminal value, the Gordon Shapiro approach was used, which estimates the terminal value as the current value of a perpetual growing income. A perpetual growth rate of 1% has been considered, based on reports by financial analysts who follow both GCO and comparable companies.

The discount rate applied in the valuation of the brand was 8.4% (8.4% in the previous year) corresponding to the cost of equity. As it is an intangible asset, and therefore has greater uncertainty than the business as a whole, a premium of intangibility has been used for the cost of own resources of 1%.

Possible changes have been calculated in the main assumptions of the model and said brand has been subject to a sensitivity analysis. The impacts regarding the value in use derived from this analysis are the following:

	Discount rate		Perpetual growth rate	
	+ 50 bp	- 50 bp	+ 50 bp	- 50 bp
Plus Ultra Brand	-5.8%	6.6%	4.9%	-4.4%

On 31 December 2020, no sensitivity analysis mentioned above would imply that the book value of the units would exceed the recoverable amount.

10.b.3) 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" based on the excess profit from the contributory assets required for the operation of the business.

The estimated useful lives for the intermediaries' network was established as between fifteen and twenty years according to the typology of intermediaries and according to their experience over time. This is the rate which is used to proceed with linear amortisation of this asset.

10.b.4) Portfolio policies

In the business combination of Seguros de Vida y Pensiones Antares, S.A. (merged with Plus Ultra), 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, 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 2020 year end, all intangible assets of the Group are directly affected by the operation.

11. Tax position

11.a) Tax consolidation regime

From the year 2002, 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 Act 27/2014, of 27 November, on Corporation Tax (hereinafter "LIS") applicable in common territory.

In 2020, 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 Caución S.A. de Seguros y Reaseguros; (iii) Atradius Information Services BV Sucursal en España; (iv) Atradius Participations Holding, S.L., Sociedad Unipersonal; (v) Catalana Occidente Capital, Agencia de Valores, S.A.; (vi) Cosalud Servicios, S.A.; (vii) Funeraria Merino Díez, S.L.; (viii) Funeraria Nuestra Señora de los Remedios, S.L.; (ix) GCO Gestora de Pensiones, EGFP, S.A.; (x) GCO Reaseguros, S.A.; (xi) Grupo Catalana Occidente Activos Inmobiliarios, S.L.U.; (xii) Grupo Catalana Occidente Gestión de Activos, S.A. S.G.I.I.C.; (xiii) Iberinform Internacional, S.A.; (xiv) Iberinmobiliaria, S.A.; (xv) Invercyca, S.A.; (xvi) Nortehispana, de Seguros y Reaseguros, S.A.; (xvii) Nortehispana Mediación Agencia de Seguros, S.A.U.; (xviii) Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros; (xix) Seguros Catalana Occidente, S.A. de Seguros y Reaseguros; (xx) Sociedad Gestión Catalana Occidente, S.A. and (xxi) Tecniseguros, Sociedad de Agencia de Seguros, S.A.

From 2016, the tax base that, according to the tax legislation, has been obtained by this tax consolidation group is subject to a tax rate of 25% (28% in 2015 and 30% in the other years that have not expired).

On the other hand, the company Bilbao Compañía Anónima de Seguros y Reaseguros, S.A. Is the representative of the tax consolidation group number 0497B which is subject to the tax regulations in the territory of Vizcaya and whose subsidiaries in 2020 are: (i) Asistea Servicios Integrales S.L.U. (Formerly called Arroita 1878, S.L.); (ii) Bilbao Hipotecaria, S.A., E.F.C.; (iii) Bilbao Telemark, S.L.; (iv) Bilbao Vida y Gestores Financieros, S.A.; (v) Funerarias Bilbaína y La Auxiliadora, S.L.U.; (vi) Mediagen, S.L.U.; (vii) Previsora Bilbaína, Agencia de Seguros, S.A. ("Previsora Agencia"); y (viii) S. Órbita Sociedad Agencia de Seguros, S.A. The tax base which, in accordance with local tax legislation, has been obtained by this tax consolidation group is subject to a tax rate of 24% (26% in 2018 and 28% from the other years subject to time-barred limitations).

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, Catoc, SICAV S.A. and Hercasol, S.A. SICAV are subject to a tax rate of 1% as they are investment companies with variable capital that comply with 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 43.38% for the year 2020.

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 Act 37/1992 on Value Added Tax.

In 2020, 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) Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros; (ix) Prepersa de Peritación de Seguros y Prevención, A.I.E.; and (x) Seguros Catalana Occidente, S.A. de Seguros y Reaseguros.

11.b) Current Assets and Liabilities

Current tax assets and liabilities at 31 December 2020 and 2019 include the following items:

	€ Thousand	
	31/12/2020	31/12/2019
Current tax assets:		
Public Treasury debtor for:		
• Debtor balance Liquidation Consolidated tax group parent company	12,576	30,007
• Other debtor balances of other tax groups or individual companies	71,771	75,158
Total current tax assets	84,347	105,165
Current tax liabilities:		
Public Treasury creditor for:		
• Corporate tax litigation	1,627	10,216
• Other creditor balances of other tax groups or individual companies	45,322	56,294
Total current tax liabilities	46,949	66,510

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 2020, in application of the provisions of IFRIC 23, €1,627 thousand has been recognised under current tax liabilities to reflect contingencies arising from litigation with the tax authorities in relation to corporate income tax (31 December 2019: €10,216 thousand).

11.c) Deferred tax assets and liabilities

In addition, at 31 December 2020 the Group had anticipated and deferred tax assets totalling €271,945 thousand and €488,816 thousand respectively, recognised under "Deferred tax assets" and "Deferred tax liabilities".

At 31 December 2019 the deferred tax assets and liabilities amounted to € 226,264 thousand and € 488,437 thousand, respectively.

The origins of the deferred tax assets and liabilities available to the Group at 31 December 2020 and 2019, are as follows:

Deferred taxes debtors with origin in:	€ Thousand	
	31/12/2020	31/12/2019
Tax losses passed on	9,267	10,059
Tax adjustments in technical provisions	101,755	89,517
Tax goodwill	2,149	3,234
Provisions for insolvencies	3,591	4,068
Expense from outsourcing of pensions	36,672	41,223
Accelerated depreciation balance sheet update	119	101
Provision for invoices pending collection	1,971	2,095
Adjustments for valuation of financial investments	143,040	107,632
Other deferred tax debtors	50,228	26,119
TOTAL	348,792	284,048
Balance compensation (*)	(76,847)	(57,784)
TOTAL	271,945	226,264

(*) This offsetting complies with the criteria for offsetting deferred tax assets and liabilities established by IAS 12.

Deferred taxes creditors with origin in:	€ Thousand	
	31/12/2020	31/12/2019
Adjustments for valuation of financial investments	386,616	366,322
Stabilisation reserve	131,015	114,859
Tax adjustments in technical provisions	-	-
Corporate tax litigation	-	3,720
Other deferred tax creditors	48,032	61,320
TOTAL	565,663	546,221
Balance compensation (*)	(76,847)	(57,784)
TOTAL	488,816	488,437

(*) This offsetting complies with the criteria for offsetting deferred tax assets and liabilities established by IAS 12.

At 31 December 2020, 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 2019, € 3,720 thousand were recognised for this same item.

The Group does not have, on 31 December 2020, 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:

	Year 2020 in € thousand				
	Profit and loss account		Income and expenses directly attributed to net equity		Total
Balance of income and expenditure for the year	270,132		(81,633)		188,499
Company income tax	94,442		(22,708)		71,734
	A	D	A	D	
Permanent differences	23,778	(98,451)	-	-	(74,673)
Temporary differences	172,528	(195,634)	73,639	30,702	81,235
Compensation for negative tax bases from previous years	-		-		-
Tax base	266,795		-		266,795

	Year 2019 in € thousand				
	Profit and loss account		Income and expenses directly attributed to net equity		Total
Balance of income and expenditure for the year	424,530		347,381		771,911
Company income tax	131,669		95,416		227,085
	A	D	A	D	
Permanent differences	15,938	(400,649)	-	-	(384,711)
Temporary differences	39,098	(30,580)	176,806	(619,603)	(434,279)
Compensation for negative tax bases from previous years	-		-		-
Tax base	180,006		-		180,006

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 2020 and 2019 is presented below:

	€ Thousand	
	Year 2020	Year 2019
Result before tax	364,574	556,199
Non-tax consolidation adjustments	63,969	384,501
Adjustments for permanent differences	(74,673)	(383,462)
Integrated tax base	353,870	557,238
25% of adjusted pre-tax profit	88,468	139,310
Tax effect by tax rates other than 25%	6,112	(6,631)
Market share resulting from applying the tax rate of each country	94,580	132,679
Deductions from the quota	(3,842)	1,498
Compensation for negative tax bases	-	-
Current tax expense with origin in previous years	3,704	(2,508)
Expense of corporate income tax registered with offsetting in the income statement	94,442	131,669

The possible impacts of Act 11/2020, of 30 December, on the General State Budget for 2021, which approved certain amendments to corporate income tax with effect for tax periods beginning on or

after 1 January 2021, have been assessed, concluding that there is no impact on the year-end 31 December 2020.

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).

The Tax consolidation group, whose parent company is Grupo Catalana Occidente, S.A., has open to inspection the Corporation Tax from the year 2012 because, adopting criteria of maximum prudence, the Group proceeded to submit a supplementary declaration with regards to the years not expired in July 2017 (i.e., the years 2012 to 2015), considering that, on the basis of the judgement of the Supreme Court dated 4 April 2017, the provision of outstanding benefits or gross payment of reinsurance is subject to the tax limit established in Additional Provision 6 of the ROSSEAR.

The foregoing shall be interpreted without prejudice to Article 66.bis of Act 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 31 December 2020, Grupo Catalana Occidente and the tax consolidation group have the following years open for inspection:

Taxes	Years
Corporate tax	2012-2019 (*)
Value Added Tax	December 2016-November 2020 (**)
Withholdings from Income Tax and Corporation Tax	December 2016-November 2020 (**)
Tax on insurance premiums	December 2016-November 2020 (**)
Others	2017-2020
Local Taxes	2017-2020

(*) The Corporate Income Tax for the year 2020 is pending presentation, with the maximum date for submission being 26 July 2021.

(**) In accordance with a judgement by the Supreme Court, which defends a thesis which is in principle already overcome, the year 2016 expires on 30 January 2021, after the completion of the deadline for submission of annual summaries for that financial year.

In general, the rest of the group companies have the years determined by applicable tax law open for review by the tax inspection authorities for the main applicable taxes.

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 (years 2014 and 2015) and the individual corporation tax of the same, (years 2016 and 2017).

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 records of inspection: (i) in relation to the goodwill deducted in 2005 to 2010, the Company had filed a contentious-administrative appeal with the Spanish National Appellate Court ("AN") 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 AN issued a judgement, the content of which was made known to Plus Ultra on 27 January 2020. In that judgement, the National Assembly 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 AN 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.

In addition, 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, S.A. de Seguros y Reaseguros. Consequently, the statute of limitations period for the aforementioned years of the consolidated group has been interrupted once again.

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 1996, and as a result of the process of total spin-off of Depsa, S.A. de Seguros y Reaseguros, the Company received a 100% stake in the company formed after the aforementioned spin-off process, which the same insuring activity and the same company name as the earlier company. The book value for which the Company recorded the shares received from the new company is the same that it held for its participation in the spin-off company, i.e., €296 thousand.
- On 2 October 2001 the Company made a contribution in kind of a line of business, receiving in exchange 298,515 shares of Seguros Catalana Occidente, S.A. de Seguros y Reaseguros of €60.101210 par value each, resulting in a total accounting value of €17,941 thousand. The list of assets, rights and obligations transferred to the transferee company, along with their corresponding accounting figures, appears in the detailed inventory of assets and liabilities included in the portfolio transfer and capital reduction/extension of Seguros Catalana Occidente, S.A. de Seguros y Reaseguros, executed before the Notary of Barcelona, Mr. Miguel Tarragona Coromina on 2 October 2001, No. 4,311 of his protocol.
- On 22 March 2007 the shareholders of Compañía Española de Seguros y Reaseguros de Crédito y Caución, S.A. (i.e., Crédito y Caución) formed a new company called Grupo Compañía Española de Crédito y Caución, Sociedad Limitada, through the contribution of all the shares they had from the first, and by cash contribution of the remaining amount to reach the established share capital and share premium. According to the above, the Company subscribed for 7,772 shares of the new company, which accounts for a 43.18% stake of its share capital, the same as it had at that time at Crédito y Caución.
- On 21 May 2015, the sole shareholder of Seguros Catalana Occidente, S.A. de Seguros y Reaseguros, Single Shareholder Company (the "Acquiring Company"), the sole shareholder of Catoc Vida, S.A. Single Shareholder Company and Cosalud, S.A. de Seguros, Single Shareholder

Company (the "Acquired Companies") approved the merger by absorption of the Acquired Companies by the Acquiring Company through the block transmission of the equity being acquired, by universal succession, for all assets, liabilities, rights and obligations and relationships of all types of the Acquired Companies and dissolution without liquidation, a circumstance that will lead to the extinction of the same. The operations of the Acquired Companies are considered complete, for accounting purposes, by the Acquiring Company, from the date of 1 January 2015, the date of beginning of the year when the merger is approved. The merger operation is taxed under the special regime regulated in Chapter VII of Title VII of the LIS.

- On 2 February 2016, the sole shareholders of Compañía Española de Seguros y Reaseguros de Crédito y Caución, S.A.U. (the "Acquiring Company") and Atradius Credit Insurance NV (the "Acquired Company") approved the merger by absorption of the Acquired Company by the Acquiring Company through the block transmission of the equity being acquired, by universal succession, for all assets, liabilities, rights and obligations and relationships of all types of the Acquired Companies and dissolution without liquidation, a circumstance that will lead to their extinction. The operations of the Acquired Companies are considered complete, for accounting purposes, by the Acquiring Company, from the date of 01 January 2016, the date of beginning of the year when the merger is approved. The merger operation is taxed under the special regime regulated in Chapter VII of Title VII of the LIS.
- On 13 September 2017, Salerno 94, S.A.U. (the "acquiring company") absorbed Sociedad Gestión Catalana Occidente, S.A.U. (the "acquired company") in order to eliminate or at least reduce, the administrative and management costs implied by maintaining companies engaged in the same activity within the Group. On the other hand, the acquiring company took over the corporate name of acquired company (Sociedad Gestión Catalana Occidente, S.A.U.). Said merger operation was subject to the tax neutrality regime established in Chapter VII of Title VII of the LIS, for which purpose, and in accordance with said Act, the mandatory communication to the Tax Administration was made. In compliance with the reporting obligations set out in article 86 of the Act on Corporation Tax, Sociedad Gestión Catalana Occidente, S.A.U. noted in the individual Annual Accounts Report corresponding to financial year 2017 that: (i) it did not include any asset in its accounting books for a value other than that stated in those of the Acquired Company prior to the transaction; and (ii) the acquired company did not transfer any tax benefit.
- On 30 November 2018, Grupo Catalana Occidente Activos Inmobiliarios, S.L. (hereinafter, the "acquiring company") acquired Legion Empresarial, S.L.U. (Hereinafter, the "acquired company") in order to eliminate or at least reduce, the administrative and management costs implied by maintaining companies engaged in the same activity within the Group. The operations of the Acquired Company were considered to be completed, for accounting purposes, by the acquiring company, from the date of 25 July 2018, the date on which the acquiring company acquired control of the acquired company, under the deed of sale of 100% of the shares of the absorbed company, granted on that date. Said merger operation was subject to the tax neutrality regime established in Chapter VII of Title VII of the LIS, for which purpose, and in accordance with said Act, the mandatory communication to the Tax Administration was made. Grupo Catalana Occidente Activos Inmobiliarios, S.L. recorded, in their individual Annual Accounts report corresponding to the financial year 2018, the elements which are obligatory under article 86 of the LIS.
- On 7 December 2018, Nortehispana, de Seguros y Reaseguros, S.A. (Hereinafter, the "Acquiring Company") acquired PB Cemer 2002, S.L.U., Previsora Bilbaína Seguros, S.A.U. and Previsora Bilbaína Vida Seguros, S.A.U. (Hereinafter, the "Acquired Companies") in order to eliminate or at least reduce, the administrative and management costs implied by maintaining companies engaged in the same activity within the Group. 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. Nortehispana de Seguros y Reaseguros, S.A. recorded, in their individual Annual Accounts report corresponding

to the financial year 2018, the elements which are obligatory under article 86 of the LIS and in article 110 of the NFIS.

- On 29 July 2019, the merger deed was granted, by virtue of which Previsora Bilbaína, Agencia de Seguros, S.A. (the "Acquiring Company") absorbed the company Previsora Inversiones, S.A.U. (hereinafter the "Acquiring Company") in order to eliminate or at least reduce the administrative and management costs involved in keeping companies engaged in activities ancillary to insurance 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. Previsora Bilbaína, Agencia de Seguros, S.A. disclosed in the notes to its individual financial statements for 2019 the disclosures required by Article 110 of the NFIS.

- On 25 September 2019, Funeraria Nuestra Señora de los Remedios, S.L. (the "Acquiring Company") absorbed Mantenimiento Valdegovia, S.L.U., Servicios Funerarios Cisneros, S.L.U. and Tanatorio Norte Madrid, S.L.U. (Hereinafter, the "acquired companies") in order to eliminate or at least reduce, the administrative and management costs implied by maintaining companies engaged in the same activity within the Group. Said merger operation was subject to the tax neutrality regime established in Chapter VII of Title VII of the LIS, for which purpose, and in accordance with said Act, the mandatory communication to the Tax Administration was made. Funeraria Nuestra Señora de los Remedios, S.L. included in the Notes to the individual financial statements corresponding to the 2019 financial year the mentions provided for in article 86 of the LIS.

- On 12 December 2019, Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros ("the Acquiring Company") absorbed Seguros de Vida y Pensiones Antares, S.A. ("the Acquired Company") in order to eliminate, or at least reduce, the administrative and management costs of maintaining companies engaged in the same activity in the Group. Said merger operation was subject to the tax neutrality regime established in Chapter VII of Title VII of the LIS, for which purpose, and in accordance with said Act, the mandatory communication to the Tax Administration was made. Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros included in the Notes to its individual financial statements for 2019 the disclosures required by article 86 of the LIS.

- On 15 September 2020, Funeraria La Auxiliadora S.L.U. (hereinafter, the "Absorbing Company") absorbed Funeraria Bilbaína, S.A. (hereinafter, the "Absorbed Company"). (hereinafter, the "Absorbed Company"), and the company resulting from the merger was renamed Funerarias Bilbaína y La Auxiliadora, S.L.U. This merger was carried out in order to eliminate, or at least reduce, the administrative and management costs of keeping companies engaged in the same activity within the Group. Said merger operation was subject to the tax neutrality regime established in Chapter VII of Title VI of the NFIS, for which purpose, and in accordance with said Act, the mandatory communication to the Tax Administration was made. Funeraria La Auxiliadora, S.L.U. included the information required by the NFIS in the Notes its individual Financial Statements for the financial year 2020.

12. Other assets

The details of financial liabilities at 31 December 2020 and 2019 broken down by nature, are as follows (in € thousand):

Other assets	€ Thousand	
	31/12/2020	31/12/2019
Assets Derived from pension liabilities (see Note 15)	53,667	53,393
Accruals	456,172	525,016
Premiums accrued and not emitted, net of commissions and assignments	179,165	247,435
Other acquisition costs and commissions	236,612	239,141
Prepayment	17,285	16,590
Other accruals	23,110	21,850
Other assets	428	336
TOTAL	510,267	578,745

The assets arising from pension commitments correspond to the surplus of pension plans from the subsidiaries of Atradius NV.

Unwritten earned premiums correspond to the estimated provisional premiums at year-end, mainly derived from the credit insurance business.

13. Debits and payables

The details of financial liabilities at 31 December 2020 and 2019 broken down by nature, are as follows (in € thousand):

Financial liabilities	Debits and payables	
	€ Thousand	
	31/12/2020	31/12/2019
Subordinated liabilities	200,704	200,545
Other debts	981,079	754,162
Liabilities from insurance and coinsurance operations	116,160	111,872
Deposits received on buying reinsurance	58,277	52,906
Liabilities from reinsurance operations	274,830	83,197
Other debts	531,812	506,187
TOTAL	1,181,783	954,707

13.a) Subordinated liabilities

The subordinated liabilities include the subordinate emissions made by Atradius Finance B.V. and Atradius Reinsurance DAC, subsidiaries 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.

On the date of issue, Plus Ultra issued €40,000 thousand for the aforementioned subordinated bonds. Subsequently, during the year 2016, Seguros Catalana Occidente and Seguros Bilbao issued €11,291 thousand and €2,000 thousand of nominal value, respectively. In addition, during the year 2017, Seguros Catalana Occidente and Seguros Bilbao issued €2,000 thousand and €1,000 thousand of nominal value, respectively. These operations have been eliminated in the consolidation process.

On 20 April 2016, Atradius Reinsurance DAC received a subordinated loan, mainly from the subsidiaries of the Group, for the nominal amount of €75,000 thousand with a maturity of 10 years, which would be repurchased from the fifth year, on an annual basis. The loan has a fixed interest rate of 5.0% payable annually by instalments until the maturity date.

The lenders in the group are Seguros Bilbao, Seguros Catalana Occidente and Nortehispana, having granted €40,000 thousand, €23,000 thousand and €6,000 thousand, respectively, for the above-mentioned subordinated loan, which have been eliminated in consolidation.

On 31 December 2020, the Group estimates the fair value of 100% of the subordinated liabilities at €354,202 thousand, based on binding quotations from independent experts, which correspond to Level 2 in the hierarchy of fair value established in *IFRS 13 Assessment of the fair value*. During the year 2020, interests of subordinated liabilities have been paid for an amount of €16,875 thousand.

13.b) Other payables

A breakdown of the payables arising out of insurance, reinsurance and coinsurance contracts, together with other payables, at 31 December 2020 and 2019, is given below:

	€ Thousand	
	31/12/2020	31/12/2019
Liabilities from direct insurance and coinsurance operations	116,160	111,872
• With insured parties and co-insurers	44,591	37,830
• With intermediaries	44,506	46,207
• Conditional debts	27,063	27,835
Deposits received on buying reinsurance	58,277	52,906
Liabilities from reinsurance operations	274,830	83,197
Rest of other debts	531,812	506,187
TOTAL	981,079	754,162

“Rest of Other payables” includes the following items at 31 December 2020 and 2019:

Other liabilities:	€ Thousand	
	31/12/2020	31/12/2019
Tax and social debts	60,362	53,782
Public Treasury creditor for other concepts (withholdings, VAT...)	17,724	25,354
Surcharges on insurance premiums	28,727	16,131
Social security agencies	13,911	12,297
Rest of debts	471,450	452,405
Collections pending assignment	23,468	23,417
Bonds received	7,372	6,979
Research and Development project loan	3,283	3,269
Leasehold liabilities	130,055	129,483
Accrued Expenses	206,374	210,374
Invoices pending payment	23,780	20,828
Sundry creditors	77,118	58,055
TOTAL	531,812	506,187

The breakdown by maturity of the 'Rental liabilities' recorded at year-end is as follows:

Leasehold liabilities	€ Thousand	
	31/12/2020	31/12/2019
Less than 1 year	29,113	27,443
Over one year but less than five	75,884	66,055
Over five years	41,726	44,142
Total (*)	146,723	137,640

(*) Does not include the effect of the financial discount.

The following items are included under the section 'accrued expenses by item' at 31 December 2020 and 2019:

Accrued expenses by concept	€ Thousand	
	31/12/2020	31/12/2019
Personnel expenses	69,389	72,693
Production expenses	38,823	30,921
External services and supplies	12,795	15,338
Other items	85,367	91,422
Total	206,374	210,374

14. Technical provisions

14. a) Change in technical provisions

A breakdown of the provisions established at 31 December 2020 and the change with respect to 31 December 2019, together with reinsurers' share of these provisions, is given below (in € thousand):

Provision	Balance on 1 January 2020	Additions to the scope of consolidation	Change in profit and loss account (*)	Change in exchange rate	Consolidation adjustments	Balances on 31 December 2020
Technical Provisions:						
Unearned premiums	1,354,729	-	(11,520)	(20,428)	319	1,323,100
Provision for unexpired risks	4,098	-	(1,435)	-	(4)	2,659
Life insurance:						
- Provision for unearned premiums.	27,537	-	(114)	-	28	27,451
- Mathematical provision	5,839,867	-	3,967	-	7,688	5,851,522
- For life insurance where the risk is borne by policyholders	575,144	-	43,513	-	89	618,746
Provisions	2,729,261	-	357,578	(53,885)	(**)(18,345)	3,014,609
Provision for policyholder dividends and return premiums	31,783	-	8,772	-	133	40,688
Other technical provisions	89,678	-	13,962	-	47	103,687
	10,652,097	-	414,723	(74,313)	(10,045)	10,982,462
Reinsurer's share of technical provisions (transferred):						
Provision for unearned premiums.	200,229	-	37,156	(8,347)	317	229,355
Life insurance provision:						
- Provision for unearned premiums.	1,783	-	(360)	-	28	1,451
- Mathematical provision	-	-	-	-	-	-
Claims provision	671,981	-	242,206	(16,030)	(21,428)	876,729
Other technical provisions	354	-	-	-	178	532
	874,347	-	279,002	(24,377)	(20,905)	1,108,067

(*) See change in profit and loss account in Note 18.

(**) The most relevant adjustment corresponds to the activation of collections in the credit business. In the calculation of the impact on the profit and loss account, these collections are counted within the change of the technical provision of benefits. For the purposes of inclusion on the balance sheet, collections are presented separately from the technical provision of benefits.

The movements in these provisions in 2019 were as follows (in € thousand):

Provision	Balance on 1 January 2019	Additions to the scope of consolidation (***)	Change in profit and loss account (*)	Change in exchange rate	Consolidation adjustments	Balances on 31 December 2019
Technical Provisions:						
Unearned premiums	1,296,520	74,875	(21,420)	4,819	(65)	1,354,729
Provision for unexpired risks	6,022	-	(1,926)	-	2	4,098
Life insurance:						
- Provision for unearned premiums.	26,031	35,094	(33,588)	-	-	27,537
- Mathematical provision	5,181,207	562,006	91,606	-	5,048	5,839,867
- For life insurance where the risk is borne by policyholders	362,106	141,951	71,087	-	-	575,144
Provisions	2,633,399	24,905	57,170	10,018	(**) 3,769	2,729,261
Provision for policyholder dividends and return premiums	5,179	28,171	(5,995)	-	4,428	31,783
Other technical provisions	57,236	18,997	13,110	-	335	89,678
	9,567,700	885,999	170,044	14,837	13,517	10,652,097
Reinsurer's share of technical provisions (transferred):						
Provision for unearned premiums.	190,300	587	8,829	(578)	1,091	200,229
Life insurance provision:						
- Provision for unearned premiums.	1,983	5,861	(6,061)	-	-	1,783
- Mathematical provision	-	-	-	-	-	-
Claims provision	645,093	2,866	17,700	(2,574)	8,896	671,981
Other technical provisions	-	373	-	-	(19)	354
	837,376	9,687	20,468	(3,152)	9,968	874,347

(*) See change in profit and loss account in Note 18.

(**) The most relevant adjustment corresponds to the activation of collections in the credit business. In the calculation of the impact on the profit and loss account, these collections are counted within the change of the technical provision of benefits. For the purposes of inclusion on the balance sheet, collections are presented separately from the technical provision of benefits.

(***) Antares Integration

On 17 December 2020, the DGSFP published a Resolution on the mortality and survival tables to be used by insurance and reinsurance companies, declaring the admissibility of the PER2020 tables for survival insurance and granting a transitional period of 4 years to adapt to these tables. In the event that the entities avail themselves of the transitional period, they must have at least 25% of the total amount pending provisioning at 31 December 2021.

For this purpose, at the end of the 2019 financial year, the Group had already opted to apply the first-order biometric tables published by the DGSFP in their entirety, entailing the recognition during the 2019 financial year of an additional mathematical provision amounting to €13,325 thousand, the amount of which was recorded under the heading 'Variation in other technical provisions, net of reinsurance' in the consolidated income statement. For this purpose, the technical surcharges applied are those published by the DGSFP in the first order tables.

On 31 December 2020, the Group updated the aforementioned amounts, entailing an additional provision of €2,909 thousand in Seguros Catalana Occidente, recorded under the heading 'Variation in other technical provisions, net of reinsurance' in the consolidated income statement.

Exceptionally, as regards the Group's specific collective called Institución Telefónica de Previsión (ITP), at 31 December 2020 the Group continues to use its own experience tables, also applying the technical surcharges published by the DGSFP. In this regard, the Group has opted to avail itself of the

transitional period permitted by the Resolution of 17 December 2020. At 31 December 2020, the Group brought forward the provision that it would be required to make at 31 December 2021, providing €5,500 thousand, representing 25% of the total amount pending provision. As a result of the foregoing, the total amount to be recognised for this item between 31 December 2021 and 31 December 2024 would amount to €16,700 thousand.

The non-life technical provisions, by their very nature and calculation methodology, are not impacted by the discount rate. In addition, during the year there have been no changes in the calculation methodology for these technical provisions.

The interest rate used for the financial-actuarial discount of the provisions of the life business is credited daily to the liabilities of the insurance entities. In this regard, in 2020 and 2019, for the entire life business of the Group, the amount of interest applied to the liabilities amounted to 127,030 and 191,780 thousand euros respectively (see Note 18.c for breakdown and distribution of the rates applied). In addition, the discount rate applied for the calculation of technical provisions for the life business has not changed with regards to the previous annuity, except in a portfolio of policies of little significance.

In some forms of life insurance sold by Seguros Catalana Occidente, S.A. de Seguros y Reaseguros, mainly mixed and retirement insurance, the insured can choose when the policy expires between a capital or monthly income at an interest rate determined upon taking out the policy. The life insurance provision recorded at 31 December 2020 includes €560 thousand to reflect the value of these maturity options, calculated on the basis of each subsidiary's past experience and the estimated increased cost involved in the annuity option. This provision as of 31 December 2019 amounts to €613 thousand.

In addition, for certain commitments acquired prior to 1 January 1999, at 31 December 2020 the Group maintains a provision of €50,999 thousand, both in order to be able to pay the guaranteed interest rate and also in order to pay future administrative expenses of these policies.

On 3 October 2000 the Directorate General of Insurance and Pension Funds published a Resolution in relation to mortality and survival tables to be used by insurance companies, and the PERM/F-2000P tables which became applicable for new production to be carried out after the entry into force of the Resolution was published (15 October 2000). For policies already in force at that date, companies were authorised to use the PERM/F-2000C tables. The Group maintains life insurance provisions that fully account for the impact of applying the abovementioned tables. In 2007, the Group started to use the PERM/F-2000P tables for policies already in force at the date of the abovementioned Resolution. The total provision as a result of the application of these tables in 2020 was €84,092 thousand.

A breakdown of the technical provisions for direct insurance and inward reinsurance at 31 December 2020 depending on the different segments is given below:

	€ Thousand					
	Traditional Business Segment				Credit Insurance Business Segment	Total
	Motor	Multi-risk	Other miscellaneous insurance	Life		
Provision on 31 December 2020						
Technical Provisions:						
Unearned premiums and unexpired risks reserves	317,426	329,314	148,481	27,451	530,538	1,353,210
Mathematics	-	-	-	5,851,522	-	5,851,522
Where risk is borne by policyholders	-	-	-	618,746	-	618,746
Provisions	537,086	214,948	316,010	166,390	1,780,175	3,014,609
Provision for policyholder dividends and return premiums	2,853	173	6,258	31,404	-	40,688
Other technical provisions	-	-	103,687	-	-	103,687
	857,365	544,435	574,436	6,695,513	2,310,713	10,982,462

Technical provisions for the direct and reinsurance business accepted for the year 2019 are detailed as follows:

	€ Thousand					
	Traditional Business Segment				Credit Insurance Business Segment	Total
	Motor	Multi-risk	Other miscellaneous insurance	Life		
Provision on 31 December 2019						
Technical Provisions:						
Unearned premiums and unexpired risks reserves	319,853	319,357	147,053	27,537	572,564	1,386,364
Mathematics	-	-	-	5,839,867	-	5,839,867
Where risk is borne by policyholders	-	-	-	575,144	-	575,144
Provisions	504,178	218,316	298,238	148,408	1,560,121	2,729,261
Provision for policyholder dividends and return premiums	-	-	5,617	26,166	-	31,783
Other technical provisions	-	-	89,546	132	-	89,678
	824,031	537,673	540,454	6,617,254	2,132,685	10,652,097

The amount of unrealised gains on financial assets classified as available-for-sale and at fair value through profit or loss attributable to the insured at the reporting date has been added to "Other liabilities". These deferred capital gains amount to € 359,853 thousand as at 31 December 2020 (31 December 2019: € 301,393 thousand).

The amount of the provision for deferred policyholder dividends at 31 December 2020 represents an overall allocation of 38.5% (32.9% on 31 December 2019) of the total unrealised gains on investments linked to life insurance contracts with policyholder participation rights.

The effect of reinsurance granted in the profit and loss account for years 2020 and 2019 has been as follows:

	€ Thousand	
	Year 2020	Year 2019
Premiums attributed to transferred reinsurance		
– Ceded premiums	1,057,111	801,250
– Change provision for unearned premiums	(36,796)	(2,768)
Commissions (*)	(344,122)	(338,827)
Cost of the transfer	676,193	459,655
Reinsurance claims (*)	(634,874)	(437,745)
Total cost of reinsurance	41,319	21,910

(*) Reinsurance commissions and claims are presented in the profit and loss account netting the “Net operating expenses” and “Year claims net of reinsurance” sublines.

14. b) Changes in claims provisions

Below is the performance in the lines of Motor, Multirisk and Other Non-Life and Miscellaneous Multi-Peril of the technical provision for claims established at the different dates for direct business, based on the occurrence of claims, according to the benefits paid and the reserves available for the same after the coverage end.

The Credit and Bond segment uses methods for calculating technical provisions are other than those used in other lines of the Group (see note 3.j.2), so it must be noted that the following information has been prepared including the reinsurance assumed and net of claim recoveries and recognising as concurrence year the year in which the risk incurred.

	MOTOR					MULTI-RISK				
	Claims occurred in the year 2015	Claims occurred in the year 2016	Claims occurred in the year 2017	Claims occurred in the year 2018	Claims occurred in the year 2019	Claims occurred in the year 2015	Claims occurred in the year 2016	Claims occurred in the year 2017	Claims occurred in the year 2018	Claims occurred in the year 2019
Claims provision Originally estimated (*)	190,581	222,400	217,643	228,070	222,543	108,372	80,896	72,894	79,670	84,785
Estimated claims assessment:										
One year later	176,217	213,280	204,679	213,902	217,839	104,647	84,532	73,695	83,367	89,530
Two years later	168,974	197,823	192,072	207,367		104,138	82,102	73,142	82,698	
Three years later	165,481	189,971	187,178			99,116	79,816	72,732		
Four years later	162,417	188,434				98,860	78,936			
Five years later	161,636					97,840				
Cumulative amounts paid:	149,801	160,701	146,407	138,066	107,359	91,830	71,971	62,418	68,338	68,467

	CREDIT AND SURETY					VARIOUS				
	Claims occurred in the year 2015	Claims occurred in the year 2016	Claims occurred in the year 2017	Claims occurred in the year 2018	Claims occurred in the year 2019	Claims occurred in the year 2015	Claims occurred in the year 2016	Claims occurred in the year 2017	Claims occurred in the year 2018	Claims occurred in the year 2019
Claims provision Originally estimated (*)	850,660	772,486	783,975	844,384	890,208	67,025	72,027	69,101	72,929	84,020
Estimated claims assessment:										
One year later	807,490	692,418	767,362	926,764	914,868	66,219	70,484	70,475	81,199	83,983
Two years later	776,042	671,418	716,578	873,482		67,840	68,761	72,105	86,600	
Three years later	753,181	664,741	715,070			66,943	71,419	71,968		
Four years later	745,671	660,458				64,364	71,921			
Five years later	747,443					65,400				
Cumulative amounts paid:	725,528	673,599	692,235	815,477	692,897	56,618	59,634	54,490	56,758	47,248

(*) Not including the technical provision for claims settlement expenses.

15. Non-technical provisions

The breakdown as of 31 December 2020 and 2019 is as follows:

	€ Thousand	
	31/12/2020	31/12/2019
Provisions for pensions and similar obligations	189,379	174,062
Temporary Income - indemnities for termination	1,755	2,801
Other commitments with the personnel	12,334	7,822
Debts for agreements with insurers	12,775	9,271
Provisions for liabilities	2,303	2,525
Provisions for restructuring	1,822	4,130
Litigation/Legal	13,260	9,491
Other provisions	971	411
Total	234,599	210,513

Besides the stipulations noted in Note 11 and those that correspond to the nature of the insurance business which are duly valued 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.

On 31 December 2020 and 2019, the commitments are reflected in the provision for pensions, and similar obligations are detailed as follows:

	2020 (€Thousand)			2019 (€Thousand)		
	Provision defined	Contributed defined	Total Commitments	Provision defined	Contributed defined	Total Commitments
Commitments for pensions						
Accrued by active personnel	501,290	23,420	524,710	459,980	21,206	481,186
Caused by passive personnel	551,762	-	551,762	535,717	-	535,717
Total Obligations	1,053,052	23,420	1,076,472	995,697	21,206	1,016,903
Assets affected by the plan						
Atradius affected assets	885,338	-	885,338	840,040	-	840,040
Assets not recognised Atradius Dutch plan	-	-	-	-	-	-
Total assets	885,338	-	885,338	840,040	-	840,040
Provisions for pensions and similar obligations	167,714	23,420	191,134	155,657	21,206	176,863

Assets and liabilities for pension obligations relate to assets and liabilities for defined benefit plans. The main defined benefit plans are in the UK, Germany, the Netherlands and Spain, accounting for 92% (2019: 92%) of the defined benefit obligations. 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 following table summarises the conciliation, the funding status and the amounts recognized in the consolidated balance sheet as of 31 December 2020 for defined benefit obligations (in € thousand):

	Obligations of defined provision		Fair value of assets affected		Impact of the minimum requirement / limit of the asset		(Asset)/Net liability of the provision defined	
	2020	2019	2020	2019	2020	2019	2020	2019
Balance on 1 January	995,697	871,781	840,040	742,741	-	-	155,657	129,040
Reclassification of plans	-	-	-	-	-	-	-	-
Included in profit and loss								
Cost of services for the current financial year	15,382	12,858	-	-	-	-	15,382	12,858
Cost for past services	279	35	-	-	-	-	279	35
Cost (Income) of the interest	12,189	17,670	12,001	17,055	-	-	188	615
Administration costs	630	580	-	-	-	-	630	580
Effects of the exchange rate	2,319	(1,176)	(367)	882	-	-	2,686	(2,058)
Total included in profit and loss	30,799	29,967	11,634	17,937	-	-	19,165	12,030
Included in OCI:								
Revaluation loss (gain):								
Actuarial loss (gain) by:								
- Demographic hypothesis	(8,141)	(11,421)	-	-	-	-	(8,141)	(11,421)
- Financial hypothesis	87,500	118,529	-	-	-	-	87,500	118,529
- Experience adjustments	(8,126)	(159)	-	-	-	-	(8,126)	(159)
- adjustments for defined benefit restrictions on net assets	-	-	-	-	-	-	-	-
Input of assets affected by the plan, excluding income of interest	-	-	58,821	83,032	-	-	(58,821)	(83,032)
Changes in unrecoverable surplus other than interest	-	-	-	-	-	-	-	-
Effects of the exchange rate	(19,263)	16,056	(19,362)	15,196	-	-	99	860
Total included in OCI	51,970	123,005	39,459	98,228	-	-	12,511	24,777
Others:								
Contributions paid by the employer	(3,658)	(3,817)	11,426	16,128	-	-	(15,084)	(19,945)
Contributions from the participants	2,039	2,023	2,039	2,023	-	-	-	-
Benefits paid	(22,684)	(25,720)	(21,178)	(24,192)	-	-	(1,506)	(1,528)
Excess asset reclassifications	-	-	(274)	(14,953)	-	-	274	14,953
Additional profits/losses	(1,111)	(1,542)	2,192	2,128	-	-	(3,303)	(3,670)
Total Other	(25,414)	(29,056)	(5,795)	(18,866)	-	-	(19,619)	(10,190)
Balance on 31 December	1,053,052	995,697	885,338	840,040	-	-	167,714	155,657

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 totalling €16,900 thousand (€16,300 thousand in 2019) are recognised as part of financial investments because in a bankruptcy situation, these assets are not fully insured for members of pension schemes. In the United Kingdom, there are financial investments amounting to €38,200 thousand (€35,300 thousand in 2019) in a deposit escrow account to support the pension fund for this country. In case of insolvency, the trustee of the pension fund has rights over these investments, provided that certain conditions are met.

Actuarial profit and loss

In 2020, actuarial profits have been recognised in the amount of €12,511 thousand (€24,777 thousand of actuarial profits in the year 2019).

Characteristics of the main defined benefit plans

The following table highlights the main characteristics of defined benefit plans:

Characteristic	United Kingdom	Germany	The Netherlands	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.	Right to pension based on percentage of average wage (maximum of €0.1 million - closed to new employees).	Post employment:: Retirement awards, post-retirement life insurance, annuities, amount EX GAN, Christmas hamper, holiday insurance. Long-term: tenure awards.
Census	114 active (2019: 130 active members). 530 inactive (2019: 520 inactive members).	484 active (2019: 496 active members). 466 inactive (2019: 456 inactive members).	275 active (2019: 289 active members). 1,364 inactive (2019: 1,361 inactive members).	3,093 active (2019: 3,113 active members). 951 inactive (2019: 1,001 inactive members).
Obligations of defined provision	€297 million (2019: €287 million).	€156 million (2019: €149 million).	€452 million (2019: €407 million).	€47.7 million (2019: €56.7 million).
Plan assets	€351 million (2019: €341 million).	€84 million (2019: €83 million). Assets of €16.9 million (2019: €16.3 million) are recognised as part of financial investments.	€420 million (2019: €382 million).	Plan 0 assets. Reimbursement rights €13.8 million (2019: €14.6 million).
Revaluation profits (losses) in OCI	€3.3 million - profit (2019: €6 million - profit).	€7.0 million - loss (2019: €10.5 million - loss).	€7.4 million - loss (2019: €8.6 million - loss).	€1.7 million - profit (2019: €6.6 million - profit).
Instruments	The basis of the financing agreement for both commitments is borne by the Trust Deed and Rules. The Pension Fund performs actuarial valuations 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 employer contributes a base annual premium as a percentage of the total eligible wages of all active participants which can not be lower than the regulatory requirements.	The commitments are externalized through linked insurance policies and with the company itself.
Contributions paid by the employee	In 2020, the contributions amounted to 7.1% (2019: 7.1%) of the pensionable salary.	None.	Employees contribute 7.5% (2019: 7.5%) of their pensionable salary.	None.

Characteristic	United Kingdom	Germany	The Netherlands	Spain
ALM Strategy	Every three years, an ALM study is performed to review the investment policy. The policy consists of maintaining government and corporate bonds with respect to the pensioners to match liabilities and maintain assets that are expected to provide a return with respect to non-pensioners.	The investment objectives 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.	At least once every three years, an ALM study is carried out which analyses the impact of the strategic investment policy. The interest rate risk is partially covered through the use of debt instruments in combination with Liability Driven Investment funds.	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 Dutch pension plan is subject to Dutch pension legislation and guidelines issued by the Dutch 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 thousands of euro):

Plan assets	2020	2019
Cash and other cash equivalents	16,497	14,768
Variable income	182,426	184,744
Fixed Income	333,436	320,651
Investment funds	274,316	239,477
Insurance contracts	65,888	66,527
Real estate assets	12,775	13,873
Total	885,338	840,040

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.

The current yield on plan assets in 2020 was €71,700 thousand profit (€98,300 thousand profit in 2019).

The main assumptions used in financial years 2020 and 2019 for the major defined benefit plans are as follows:

Principal actuarial hypotheses	United Kingdom		Germany		The Netherlands		Spain	
	2020	2019	2020	2019	2020	2019	2020	2019
Discount rate	1.50%	2.00%	0.75%	1.00%	1.00%	1.00%	0.24%	0.48%
Inflation rate	2.75%	3.00%	1.75%	1.75%	1.75%	1.75%	1.50%	1.90%
Expected Increase of future wages	2.50%	2.25%	2.30%	2.30%	1.75%	1.75%	1.50%	1.50%
Expected increase in levels of future profits	2.67%	2.85%	1.50%	1.50%	1.50%	0.88%	N/A	N/A
Mortality table	CMI 2019 (1.5% LTR)	CMI 2018 (1.5% LTR)	Heubeck Richttafeln	Heubeck Richttafeln	Prognoseta fel AG2020	Prognoseta fel AG2018	PERM/F - 2000P PASEM - 2010	PERM/F - 2000P PASEM - 2010
Modified	20	20	16	17	21	21	11	11

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):

Obligations of defined provision	2020		2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(165,634)	222,326	(151,496)	202,141
Wage growth rate (1% movement)	21,137	(20,145)	20,232	(19,275)
Inflation rate (1% movement)	94,114	(70,009)	128,264	(109,091)
Expected increase in levels of future profits (1% movement)	175,108	(138,026)	159,985	(126,183)
Future mortality (+ 1 year)	39,221	-	34,651	-

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 the year 2020 the Group's parent company has not undertaken significant changes in its accounting policies.

16.a) Capital

The parent's registered share 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 2020 were as follows:

	Percentage of stake
Corporación Catalana Occidente, S.A.	29.40%
La Previsión 96, S.A.	25.00%

The company Inoc, S.A., which holds 100% of Corporación Catalana Occidente, S.A. and 72.25% of La Previsión 96, S.A., directly and indirectly holds 55.01% of the parent company on 31 December 2020 and belongs to a group whose parent 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 2020 and at 31 December 2020, and the movements during the year.

The breakdown of the share premium and each type of reserve as of 31 December 2020 and 2019 is as follows:

	€ Thousand	
	Balances on 31/12/2020	Balances on 31/12/2019
Share issuing premium	1,533	1,533
Differences from adjustment of capital to euros	61	61
Legal Reserve.	7,212	7,212
Voluntary reserves of the parent company	1,038,064	903,330
Reserves in companies for global integration	1,543,876	1,387,608
Reserves at consolidated companies by the shareholding Method (equity method)	27,968	22,783
Reserves	2,617,181	2,320,994
Total share premium and Reserves	2,618,714	2,322,527

16.b.1) Share issuing premium

The balance of the type of reserves, according to the revised text of the Capital Companies Act can be used to expand capital. Not 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 Act 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 to this end and as long as it does not exceed 20% of the corporate capital, this reserve can only be used to compensate losses, as long as there are no other sufficient reserves available to this end. At the various dates presented, the amount of this reserve accounted for 20% of corporate capital.

16.b.4) Voluntary reserves of the parent company

Breakdown as of 31 December 2020 and 2019 is as follows (in € thousand):

	31/12/2020	31/12/2019
Voluntary reserves	1,027,960	893,226
Merger reserve	9,799	9,799
Other reserves	305	305
Total	1,038,064	903,330

The balances of these reserves are freely available. The merger reserve stems from the merger with Occidente, Cía. de Seguros y Reaseguros in the year 1988.

16.b.5) Reserves and Other global result accumulated in consolidated companies

A breakdown by entities of amounts in this consolidated balance sheet account at 31 December 2020 and 2019, taking into account the adjustments for consolidation, is given below:

	€ Thousand					
	31/12/2020			31/12/2019		
	Reserves	Other comprehensive income and accumulated in equity	Total	Reserves	Other comprehensive income and accumulated in equity	Total
Fully consolidated companies:						
Grupo Catalana Occidente, S.A.	498,224	-	498,224	211,551	-	211,551
Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros	21,286	383,199	404,485	215,372	404,851	620,223
Grupo Catalana Occidente Tecnología y Servicios, A.I.E.	(103)	-	(103)	(2,615)	-	(2,615)
Nortehispana, S.A. Cía de Seguros y Reaseguros	67,269	29,022	96,291	51,967	29,070	81,037
Bilbao Compañía Anónima de Seguros y Reaseguros, S.A. and subsidiaries	(29,936)	164,260	134,324	(282)	178,767	178,485
Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros	2,710	56,021	58,731	29,238	61,893	9,1131
Cosalud Servicios, S.A.	9,205	68	9,273	9,201	92	9,293
Grupo Compañía Española de Crédito y Caución, S.L. / Atradius N.V.	811,728	30,529	842,257	716,379	58,722	775,101
Tecniseguros, Sociedad de Agencia de Seguros, S.A.	(97)	-	(97)	(67)	-	(67)
Previsora Bilbaína Agencia de Seguros, S.A.	(624)	69	(555)	50	65	115
Prepersa, de Peritación de Seguros y Prevención, A.I.E.	882	-	882	884	-	884
Sociedad Gestión Catalana Occidente, S.A.	37,760	-	37,760	34,051	-	34,051
Hercasol, S.A. SICAV	25,215	10,104	35,319	22,757	9,576	32,333
Catoc, SICAV, S.A.	79,935	49,426	129,361	79,289	49,535	128,824
C.O. Capital Ag. Valores	1,935	14	1,949	3,943	16	3,959
Grupo Catalana Occidente Contact Center, A.I.E.	(14)	-	(14)	(10)	-	(10)
Inversions Catalana Occident, S.A.	182	-	182	215	-	215
Grupo Catalana Occidente Gestión de Activos S.A., S.G.I.I.C.	(49)	64	15	166	57	223
Grupo Catalana Occidente Activos Inmobiliarios, S.L.	3,293	585	3,878	969	(41)	928
GCO Reaseguros, S.A.	10,124	89	10,213	10,978	44	11,022
GCO Gestora de Pensiones, E.G.F.P., S.A.	305	28	333	55	20	75
Nortehispana Mediacion, Agencia De Seguros S.A.	-	-	-	(2)	-	(2)
Grupo Asistea	4,646	-	4,646	3,519	-	3,519
	1,543,876	723,478	2,267,354	1,387,608	792,667	2,180,275
Accounted for using the equity method:						
Calboquer, S.L.	78	-	78	77	-	77
Asitur Asistencia, S.A.	4,581	-	4,581	5,180	-	5,180
Gesiuris, S.A. S.G.I.I.C.	1,077	30	1,107	910	125	1,035
MB Corredors d'Assegurances, S.A.	(73)	-	(73)	(70)	-	(70)
Inversiones Credere, S.A.	(517)	-	(517)	(517)	-	(517)
Atradius - Associated entities	22,822	-	22,822	17,203	-	17,203
	27,968	30	27,998	22,783	125	22,908
TOTAL	1,571,844	723,508	2,295,352	1,410,391	792,792	2,203,183

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 2020, and 2019, 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 2020, the total of Group shares owned by the subsidiary Sociedad Gestión Catalana Occidente, S.A. represents 1.70% of the capital issued as of that date (1.75% as of 31 December 2019). During the year 2020, the percentage of shares outstanding held by the above company has remained at 1.72% calculated on a daily basis. The average price of the portfolio as of 31 December 2020 was €11.52 per share (€10.50 per share on 31 December 2019). 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 2020, 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 the years 2020 and 2019 has been as follows:

	€ Thousand		Number of shares
	Cost of acquisition	Nominal value	
Balances on 01 January 2019	22,259	636	2,119,698
Additions	-	-	-
Withdrawals (*)	(259)	(7)	(24,681)
Balances on 31 December 2019	22,000	629	2,095,017
Additions	2,177	6	19,238
Withdrawals (*)	(638)	(22)	(71,731)
Balances on 31 December 2020	23,539	613	2,042,524

(*) Purchases and sales made by Sociedad Gestión Catalana Occidente, S.A.

16.d) Distribution of results

The Board members will propose to the shareholders at the Annual General Meeting that the 2020 profit of Grupo Catalana Occidente, Sociedad Anónima would be distributed as follows:

Distribution	Year 2020
	€ Thousand
To Dividends	105,852
To voluntary reserves	397,339
Net profit for the year	503,191

On 22 April 2020 and pursuant to Articles 40.6.a and 41.3 of Royal Decree Act 8/2020, of 17 March, on urgent extraordinary measures to deal with the economic and social impact of COVID-19, and within the framework of the recommendations of the European Insurance and Occupational Pensions Authority and the DGSFP, in their respective notes of 2 and 8 April 2020, in relation to the distribution generated by COVID-19, the Board of Directors of the parent company agreed to withdraw the proposal for the distribution of profits included in the consolidated annual accounts for 2019, taking into account both the recommendations of the supervisors and the principle of prudence and business discretion that should govern the actions of the Board of Directors, especially in the face of an unprecedented health crisis.

At the same Board meeting, it was agreed to distribute a fourth interim dividend out of 2019 profits of €0.2029 per share, which was paid on 13 May 2020.

Previously, at meetings held on 27 June 2019, 26 September 2019 and 30 January 2020, the parent company's Board of Directors had approved the distribution of a total interim dividend of €57,168 thousand out of 2013 profit. Payment was effected in instalments, on 10 July 2019, 9 October 2019 and 12 February 2020.

The consolidated net benefit of the year 2019 is detailed in the statement of changes in equity.

16.e) Dividends

The various amounts paid by shareholders in the year 2020 as dividends is as follows:

Government Body:	Date of Agreement:	Date of Payment:	Type of Dividend:	Per share in euros	Total in € thousand
Board of Directors	30 January 2020	12 February 2020	3rd Interim dividend 2019	0.1588	19,056
General Shareholders' Meeting	22 April 2020	13 May 2020	4 ^o . Interim dividend 2019	0.2029	24,342
Board of Directors	23 June 2020	01 July 2020	1st Interim dividend 2020	0.1588	19,056
Board of Directors	23 September 2020	07 October 2020	2 nd Interim dividend 2020	0.1588	19,056
					81,510

The interim dividends for the year 2020 are calculated by reference to the balance sheet of the parent company at the following dates and with the following breakdown:

	€ Thousand	
	23 June 2020	23 September 2020
Sum of available and realisable assets	133,292	124,696
Amount of payable liabilities (*)	52,346	58,441
Estimated surplus liquidity	80,946	66,255
Interim dividend	19,056	19,056

(*) Includes the proposed interim dividend

The completed dividend payouts during FY 2020 comply with the requirements and limitations established by the current legal framework and the Articles of Association in the parent company.

Additionally, the Board of Directors of the Company, at its 28 January 2021 meeting, resolved to distribute a third interim dividend based on 2020's results amounting to €19,056 thousand, which was paid on 10 February 2021. This dividend has been calculated taking the balance of the Company on 28 January 2021 as a reference, and with the following breakdown:

	€ Thousand 28 January 2021
Amount of available and realisable assets	418,932
Amount of callable liabilities (*)	37,295
Estimated surplus liquidity	381,637
Interim dividend	19,056

(*) Includes the proposed interim dividend

The Board of Directors plans to propose to the General Shareholders' Meeting the distribution of a total dividend of €105,852 thousand charged to the results of the 2020 financial year, corresponding to

€0.8821 per share. The final dividend totalling €48,684 thousand, i.e. €0.4057 per share, will be paid in May 2021.

16.f) Earnings per share

The earnings per share are determined by dividing the net result attributable to the Group by the weighted average of ordinary shares outstanding during the period, excluding the average number of treasury shares held over that time.

This calculation is illustrated as follows:

	2020	2019
From continued and discontinued operations:		
Net profit attributable to equity holders of the parent company (€ thousand)	262,331	385,937
Average weighted number of shares issued (thousands of shares)	120,000	120,000
Less: Weighted treasury shares (thousands of shares) (*)	(2,069)	(2,103)
Weighted average number of shares outstanding (thousands of shares)	117,931	117,897
Earnings per share (Euros)	2.22	3.27
From discontinued operations:		
Net profit attributable to equity holders of the parent from discontinued operations (€ thousand)	-	-
Earnings per share (Euros)	2.22	3.27

(*) Refers to treasury shares held in treasury stock for 2020 and 2019.

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 comprehensive income and accumulated in equity

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 results and those that can be subsequently reclassified to results.

Among the main items that may be subsequently reclassified to results are: those corresponding to changes in the valuation of assets that remain classified in the portfolio of 'available-for-sale financial assets', including the corrections of accounting asymmetries generated by the allocation decision-makers latent net capital gains on investments as well as those associated with exchange differences by conversion of balances held in foreign currency of the portfolio and of foreign associates of Atradius, N.V.

Other comprehensive income and accumulated - items that may be subsequently reclassified to results by:

	€ Thousand	
	Balances on 31/12/2020	Balances on 31/12/2019
Available-for-Sale financial assets	995,976	994,333
Exchange Differences	(38,488)	(16,999)
Correction of accounting mismatches	(230,066)	(183,559)
Entities accounted for using the equity method	(3,914)	(983)
Other adjustments	-	-
Other comprehensive income and accumulated in equity	723,508	792,792

Available-for-Sale financial assets

This heading basically encompasses the net amount of the changes in the fair value of available-for-sale financial assets, which, as stated in Note 3.b.5, are classified as part of the Group's consolidated equity. These changes are recorded in the consolidated profit and loss statement when the sale of source assets occurs.

Conversion differences

This reserve encompasses mainly exchange gains and losses on non-monetary items recognised in equity.

Corrections of accounting mismatches

This item includes the changes in unrealised gains arising on financial assets classified in the available-for-sale portfolios at fair value through profit or loss that are attributable to life policyholders.

Entities accounted for using the equity method

Includes income and expenses charged directly to net equity derived from holdings in entities valued using the equity method.

Other comprehensive income and accumulated - items that cannot be reclassified to results by:

Actuarial profit and loss

Includes the actuarial changes that arise when calculating the obligations 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 2020, as shown in the table of defined benefit commitments in Note 15, amounts to €12,511 thousand loss (€6,708 thousand net of tax effect).

17. Minority interests

A breakdown of “Minority interests” and “Profit or loss attributable to minority interests” at 31 December 2020 and 2019, by consolidated company, is given below:

	€ Thousand			
	31/12/2020		31/12/2019	
	Interest Interests	P&L attributable to external partners	Interest interests	P&L attributable to external partners
Nortehispana, S.A. de Seguros y Reaseguros	-	-	-	23
Grupo Compañía Española de Crédito y Caución, S.L./ Atradius N.V.	350,523	7,397	366,212	38,129
Bilbao Compañía Anónima de Seguros y Reaseguros, S.A.	834	127	939	109
Catoc SICAV, S.A	229	9	220	1
Grupo Catalana Occidente Servicios Tecnológicos, A.I.E.	53	-	54	2
Grupo Catalana Occidente Contact Center, A.I.E.	-	-	-	-
Grupo Catalana Occidente Activos Inmobiliarios, S.L.	1	-	1	1
Hercasol S.A. SICAV	7,130	245	6,666	305
Grupo Asistea	(53)	23	(53)	23
Total	358,717	7,801	374,039	38,593

The movements in “Minority interests” in 2020 and 2019 are shown in the statement of recognised income and expense and the statement of changes in equity.

18. Financial information by segment

The breakdown of the financial information according to the segments defined by the Group is as follows:

ASSET	31 December 2020			31 December 2019		
	Traditional business	Credit insurance business	TOTAL	Traditional business	Credit insurance business	TOTAL
Cash and other cash equivalents	1,053,234	424,741	1,477,975	2,176,505	(821,765)	1,354,740
Other financial assets at fair value through profit or loss	585,341	-	585,341	579,019	-	579,019
Available-for-Sale financial assets	7,292,170	2,570,271	9,862,441	7,132,609	2,453,733	9,586,342
Loans and items receivable	1,832,199	(582,975)	1,249,224	522,615	674,412	1,197,027
Reinsurer's share of technical provisions	132,426	975,641	1,108,067	116,010	758,337	874,347
Property, plant and equipment and investment property	949,289	189,606	1,138,895	924,208	171,283	1,095,491
Intangible assets	395,592	598,459	994,051	398,847	596,168	995,015
Shareholdings in group companies and associates	10,827	74,356	85,183	7,666	78,128	85,794
Tax assets	268,438	87,854	356,292	254,925	76,504	331,429
Other assets	15,7117	353,150	510,267	151,922	426,823	578,745
TOTAL ASSETS	12,676,633	4,691,103	17,367,736	12,264,326	4,413,623	16,677,949

LIABILITIES AND EQUITY	31 December 2020			31 December 2019		
	Traditional business	Credit insurance business	TOTAL	Traditional business	Credit insurance business	TOTAL
Debits and payables	319,427	862,356	1,181,783	294,588	660,119	954,707
Technical provisions	8,673,186	2,309,276	10,982,462	8,520,802	2,131,295	10,652,097
Non-technical provisions	89,228	145,371	234,599	84,009	126,504	210,513
Tax liabilities	417,145	118,620	535,765	428,807	126,140	554,947
Other Liabilities	366,406	129,102	495,508	307,145	147,357	454,502
Net equity	2,811,241	1,126,378	3,937,619	2,628,975	1,222,208	3,851,183
TOTAL LIABILITIES AND EQUITY	12,676,633	4,691,103	17,367,736	12,264,326	4,413,623	16,677,949

Total premiums from direct insurance and reinsurance accepted during 2020 and 2019 totalled €4,430,683 thousand and €4,414,455 thousand, respectively. The Group's revenues do not depend on any one large customer.

In addition, the Group has managed payments to pension plans and investment funds not reflected in the consolidated profit and loss account, amounting to €71,795 thousand during the year 2020 and €70,982 thousand during the year 2019.

The breakdown of earned premiums in 2020 and 2019, and all other income and expense items, grouped according to the main business segments is as follows:

Year 2020 (€ thousand)

	Traditional business				Credit insurance business	Total
	Motor	Multi-risk	Various others	Life		
Premiums attributed direct business and accepted reinsurance	655,490	676,929	598,993	781,572	1,729,822	4,442,806
Premiums accrued from direct insurance	653,791	686,929	596,188	781,406	1,485,673	4,203,987
Premiums accrued from accepted reinsurance	-	(115)	4,318	-	222,493	226,696
Change of the provision for premiums pending collection	(728)	(248)	(71)	52	49	(946)
Change in the provision for unearned premiums from direct insurance	2,427	(10,409)	(2,321)	114	20,099	9,910
Change of the provision for risks in progress of direct insurance	-	785	650	-	-	1,435
Change in the provision for unearned premiums of accepted reinsurance	-	(13)	229	-	1,508	1,724
Premiums attributed to transferred reinsurance	(21,756)	(42,044)	(45,404)	(9,793)	(901,318)	(1,020,315)
Premiums accrued from transferred reinsurance	(20,870)	(44,281)	(50,016)	(9,433)	(932,511)	(1,057,111)
Change in the provision for unearned premiums from transferred reinsurance	(886)	2,237	4,612	(360)	31,193	36,796
Income from property, plant and equipment and investments	35,559	30,194	23,228	206,728	43,645	339,354
Income from property investments	8,584	6,096	4,892	21,207	548	41,327
Income from financial investments	13,745	10,855	11,165	180,003	27,100	242,868
Holdings in company profits under the equity method	318	298	176	-	3,010	3,802
Applications of value adjustments for impairment of property, plant and equipment and property investments	419	204	192	89	-	904
Applications of value adjustments for impairment of financial investments	-	-	-	-	-	-
Profits from intangible fixed assets and real estate investments	65	65	31	2,785	252	3,198
Profits from performance of financial investments	12,428	12,676	6,772	2,644	12,735	47,255
Income from investments assigned to insurance policies in which policyholders bear the investment risk	-	-	-	43,745	-	43,745
Other technical income	18	14	45	6,087	251,998	258,162
Claims incurred in the year, net of reinsurance	(422,355)	(347,915)	(280,852)	(734,112)	(535,124)	(2,320,358)
Provisions paid for direct insurance	(364,923)	(365,670)	(269,740)	(717,745)	(667,776)	(2,385,854)
Provisions paid for accepted reinsurance	(6)	(26)	(449)	(3)	(86,779)	(87,263)
Provisions paid for transferred reinsurance	8,864	43,213	16,935	2,940	320,716	392,668
Change of the provision for direct insurance	(32,549)	3406	(17,968)	(17,608)	(198,155)	(262,874)
Change in the provision for accepted reinsurance	(359)	(39)	492	(439)	(94,359)	(94,704)
Change in the provision for transferred reinsurance	2,864	(91)	6,021	1,317	232,095	242,206
Expenses attributable to provisions	(36,246)	(28,708)	(16,143)	(2,574)	(40,866)	(124,537)
Change in other technical provisions, net of reinsurance	-	-	(13,962)	(47,480)	-	(61,442)
Provisions for life insurance from direct insurance	-	-	-	(3,967)	-	(3,967)
Provisions for life insurance from accepted reinsurance	-	-	-	-	-	-
Provisions for life insurance from transferred reinsurance	-	-	-	-	-	-
Provisions for life insurance where the investment risk is borne by policyholders	-	-	-	(43,513)	-	(43,513)
Other technical provisions	-	-	(13,962)	-	-	(13,962)
Provision for policyholder dividends and return premiums	(2,853)	(173)	(1,614)	(26,677)	-	(31,317)
Provisions and expenses for holdings in profits and rebates	-	-	(973)	(21,572)	-	(22,545)
Change of the provision for dividends and returns	(2,853)	(173)	(641)	(5,105)	-	(8,772)
Net operating expenses	(144,059)	(209,243)	(165,593)	(72,261)	(423,879)	(1,015,035)
Acquisition expenses (fees and other expenses)	(124,047)	(190,258)	(141,025)	(64,731)	(310,728)	(830,789)
Administration costs	(22,325)	(26,145)	(34,840)	(12,500)	(432,558)	(528,368)
Commissions and stakes in the transferred reinsurance	2,313	7,160	10,272	4,970	319,407	344,122
Other technical expenses	(70)	(1,850)	(2,322)	(2,815)	(19,788)	(26,845)
Change of impairment due to insolvencies	(14)	(26)	(8)	(240)	43	(245)
Other technical expenses	(56)	(1,824)	(2,314)	(2,575)	(19,831)	(26,600)
Expenses arising from property, plant and equipment and investments	(24,272)	(21,617)	(14,657)	(53,877)	(65,127)	(179,550)
Management expenses arising from property, plant and equipment and real estate investments	(3,069)	(2,346)	(1,771)	(7,890)	(11)	(15,087)
Management of expenses for investments and financial accounts	(2,897)	(2,427)	(1,950)	(22,173)	(25,732)	(55,179)
Amortisation of property, plant and equipment and real estate investments	(3,962)	(2,970)	(2,418)	(7,659)	(23,802)	(40,811)
Impairment from property, plant and equipment and real estate investments	(730)	(605)	(484)	(3,061)	(270)	(5,150)
Impairment of the financial investments.	(68)	(32)	(24)	-	(7,411)	(7,535)
Loss originating from property, plant and equipment and real estate investments	(44)	(45)	(32)	(399)	11	(509)
Loss originating from financial investments	(13,502)	(13,192)	(7,978)	(12,695)	(7,912)	(55,279)
Expenses from investments assigned to insurance policies in which policyholders bear the investment risk	-	-	-	(53,202)	-	(53,202)
Technical-financial result	75,702	84,295	97,862	37,915	80,229	376,003

Year 2019 (€ thousand)

	Traditional business				Credit insurance business	Total
	Motor	Multi-risk	Various others	Life		
Premiums attributed direct business and accepted reinsurance	655,220	655,815	583,595	815,713	1,761,937	4,472,280
Premiums accrued from direct insurance	657,278	661,599	508,823	782,014	1,582,594	4,192,308
Premiums accrued from accepted reinsurance	-	283	3,024	(21)	218,861	222,147
Change of the provision for premiums pending collection	196	252	1,057	132	(746)	891
Change in the provision for unearned premiums from direct insurance	(2,254)	(8,524)	70,998	33,560	(32,587)	61,193
Change of the provision for risks in progress of direct insurance	-	1,886	40	-	-	1,926
Change in the provision for unearned premiums of accepted reinsurance	-	319	(347)	28	(6,185)	(6,185)
Premiums attributed to transferred reinsurance	(23,365)	(38,659)	(39,229)	(10,226)	(687,003)	(798,482)
Premiums accrued from transferred reinsurance	(23,229)	(38,806)	(39,004)	(4,165)	(696,046)	(801,250)
Change in the provision for unearned premiums from transferred reinsurance	(136)	147	(225)	(6,061)	9,043	2,768
Income from property, plant and equipment and investments	30736	23973	19720	214202	35985	324616
Income from property investments	8,222	5,670	4,960	20,215	638	39,705
Income from financial investments	16,516	11,807	11,120	188,993	25,194	253,630
Holdings in company profits under the equity method	167	151	94	-	7,127	7,539
Applications of value adjustments for impairment of property, plant and equipment and property investments	525	278	350	219	-	1,372
Applications of value adjustments for impairment of financial investments	-	-	-	-	-	-
Profits from intangible fixed assets and real estate investments	71	35	39	287	204	636
Profits from performance of financial investments	5,235	6,032	3,157	4,488	2,822	21,734
Income from investments assigned to insurance policies in which policyholders bear the investment risk	-	-	-	62245	-	62245
Other technical income	6	5	17	5663	252497	258188
Claims incurred in the year, net of reinsurance	(445,211)	(340,540)	(275,865)	(727,843)	(522,176)	(2,311,635)
Provisions paid for direct insurance	(414,485)	(334,480)	(282,669)	(727,618)	(702,261)	(2,461,513)
Provisions paid for accepted reinsurance	7	(1)	(503)	(259)	(116,669)	(117,425)
Provisions paid for transferred reinsurance	11,152	16,979	19,623	4,082	368,209	420,045
Change of the provision for direct insurance	(11,948)	(5,677)	738	2031	(44,955)	(59,811)
Change in the provision for accepted reinsurance	2,446	(11,865)	447	(207)	11,820	2,641
Change in the provision for transferred reinsurance	(5,459)	21,896	1,885	(2,705)	2,083	17,700
Expenses attributable to provisions	(26,924)	(27,392)	(15,386)	(3,167)	(40,403)	(113,272)
Change in other technical provisions, net of reinsurance	-	-	(13,110)	(162,693)	-	(175,803)
Provisions for life insurance from direct insurance	-	-	-	(91,606)	-	(91,606)
Provisions for life insurance from accepted reinsurance	-	-	-	-	-	-
Provisions for life insurance from transferred reinsurance	-	-	-	-	-	-
Provisions for life insurance where the investment risk is borne by policyholders	-	-	-	(71,087)	-	(71,087)
Other technical provisions	-	-	(13,110)	-	-	(13,110)
Provision for policyholder dividends and return premiums	-	-	(3,873)	(19,918)	-	(23,791)
Provisions and expenses for holdings in profits and rebates	-	-	(6,003)	(23,783)	-	(29,786)
Change of the provision for dividends and returns	-	-	2130	3865	-	5995
Net operating expenses	(143,479)	(205,582)	(170,641)	(73,912)	(456,644)	(1,050,258)
Acquisition expenses (fees and other expenses)	(124,243)	(188,888)	(144,639)	(66,349)	(322,769)	(846,888)
Administration costs	(21,639)	(23,027)	(34,343)	(12,348)	(450,840)	(542,197)
Commissions and stakes in the transferred reinsurance	2,403	6,333	8,341	4,785	316,965	338,827
Other technical expenses	(3,152)	(2,173)	(2,338)	(5,022)	(7,546)	(20,231)
Change of impairment due to insolvencies	(26)	(30)	15	(31)	740	668
Other technical expenses	(3,126)	(2,143)	(2,353)	(4,991)	(8,286)	(20,899)
Expenses arising from property, plant and equipment and investments	(13,902)	(11,335)	(8,771)	(41,880)	(62,011)	(137,899)
Management expenses arising from property, plant and equipment and real estate investments	(2,930)	(2,201)	(1,696)	(7,454)	(18)	(14,299)
Management of expenses for investments and financial accounts	(2,612)	(2,133)	(1,856)	(22,353)	(25,916)	(54,870)
Amortisation of property, plant and equipment and real estate investments	(3,126)	(2,289)	(1,920)	(5,350)	(23,689)	(36,374)
Impairment from property, plant and equipment and real estate investments	(45)	(69)	(28)	-	110	(32)
Impairment of the financial investments.	(63)	(33)	(26)	(345)	(11,031)	(11,498)
Loss originating from property, plant and equipment and real estate investments	(1)	(2)	(46)	(40)	(14)	(103)
Loss originating from financial investments	(5,125)	(4,608)	(3,199)	(6,338)	(1,453)	(20,723)
Expenses from investments assigned to insurance policies in which policyholders bear the investment risk	-	-	-	(13,059)	-	(13,059)
Technical-financial result	56,853	81,504	89,505	43,270	315,039	586,171

In the income statement of the Credit Insurance Business segment for 2020 and 2019, 'Other Technical Income' includes service income from Atradius N.V. as detailed below:

	Year 2020	Year 2019
Collection and recovery services	54,791	52,549
Information services and commissions	133,071	136,501
Other income for services	64,136	63,447
Total "Other technical income" - Credit insurance	251,998	252,497

In the non-technical income statement, the following items are included under the subheadings of 'Other income' and 'Other expenses':

Other income - Year 2020	€ Thousand	Other expenses - Year 2020	€ Thousand
	Other activities		Other activities
Collection awards	2,922	Personnel expenses	22,538
Funeral business income	27,806	Other administration costs	12,034
Income from the sale of property	-	Funeral business expenses	11,942
Application of provision for tax contingencies (Note 11-f)	11,419	Intangible amortisation Plus Ultra	-
Other income	7,384	Other expenses	4,925
Total	49,531	Total	51,439

Other income - Year 2019	€ Thousand	Other expenses - Year 2019	€ Thousand
	Other activities		Other activities
Collection awards	3,052	Personnel expenses	20,655
Funeral business income	24,304	Other administration costs	15,295
Income from the sale of property	-	Funeral business expenses	10,115
Other income	3,768	Intangible amortisation Plus Ultra	-
		Other expenses	3,240
Total	31,124	Total	49,305

The losses due to asset value impairment, broken down by the nature of these assets, registered in the accompanying consolidated profit and loss statement are as follows:

Year 2020

€ Thousand

Impairment Losses	Traditional Business			Credit insurance business	Total
	Non-Life	Life	Other activities		
Available-for-sale financial assets (Note 7.a.)	-	-	-	7,411	7,411
Loans and items receivable	124	-	249	-	373
Material assets (Note 9)	1,003	2,972	-	270	4,245
Intangible assets (Note 10)	-	-	-	19,830	19,830
Investment in entities accounted for using the equity method (Note 8)	-	-	-	-	-
Total	1,127	2,972	249	27,511	31,859

Year 2019

€ Thousand

Impairment Losses	Traditional Business			Credit insurance business	Total
	Non-Life	Life	Other activities		
Available-for-sale financial assets (Note 7.a.)	121	345	-	2,812	3,278
Loans and receivables (Note 7.a.)	-	-	227	-	227
Material assets (Note 9)	(1,013)	(220)	107	(111)	(1,237)
Intangible assets (Note 10)	-	-	-	17,462	17,462
Investment in entities accounted for using the equity method (Note 8)	-	-	478	8,219	8,697
Total	(892)	125	812	28,382	28,427

18.a) Composition of life business by volume of premiums

The breakdown of the life business (direct insurance) in 2020 and 2019, by premium volume, is as follows:

Life insurance premiums (direct)	€ Thousand	
	Year 2020	Year 2019
Premiums for individual contracts	688,884	717,190
Premiums for collective insurance contracts	92,522	64,824
	781,406	782,014
Periodic premiums	534,698	539,022
Single premiums	246,708	242,992
	781,406	782,014
Premiums for contracts without participation in profits	358,670	349,853
Premiums for contracts with participation in profits ⁽¹⁾	290,080	326,932
Premiums for contracts where risk is assumed by the customer	132,656	105,229
	781,406	782,014

(1) Includes insurance contracts with a spread between the guaranteed interest rate and the interest rate per the technical bases.

18.b) Expenses by nature

A breakdown of staff costs for the years 2019 and 2020 and allocation to the profit and loss for each segment is shown below:

	€ Thousand	
	Year 2020	Year 2019
Wages and Salaries	437,149	445,391
Social Security	90,106	90,916
Contributions to external pension funds	36,165	33,094
Awards and Prizes	10,770	8,524
Other personnel costs	12,549	12,727
Total	586,739	590,652

Destination for personnel expenses - Year 2020	Traditional Business			Credit insurance business	Total
	Non-Life	Life	Other activities		
Claims incurred in the year, net of reinsurance	32,220	1,282	-	15,958	49,460
Expenses arising from property, plant and equipment and investments	1,031	2,512	-	-	3,543
Net operating expenses	140,290	27,322	-	291,304	458,916
Other expenses	3,136	874	24,029	46,781	74,820
Total net	176,677	31,990	24,029	354,043	586,739

Destination for personnel expenses - Year 2019	Traditional Business			Credit insurance business	Total
	Non-Life	Life	Other activities		
Claims incurred in the year, net of reinsurance	33,048	1,483	-	15,652	50,183
Expenses arising from property, plant and equipment and investments	1,402	2,498	-	-	3,900
Net operating expenses	138,859	27,474	-	299,633	465,966
Other expenses	4,015	1,168	20,716	44,704	70,603
Total net	177,324	32,623	20,716	359,989	590,652

18.c) Technical conditions for the main types of life insurance

The technical conditions for the main types of life insurance, which account for more than 5% of life insurance premiums or provisions, are as follows:

Modality and Type of Coverage	Technical interest	Biometric table (*)	€ Thousand					
			2020			2019		
			Premiums	Mathematical provision (*)	Amount distributed shares in profits	Premiums	Mathematical provision (*)	Amount distributed shares in profits
SEGUROS CATALANA OCCIDENTE								
Universal retirement Provision at the time of retirement in the form of capital or income	Indexed and 5%	GKM-80	10,025	280,431	2,191	11,814	283,825	2,287
Universal Life and Retirement Same as above, more capital for death if this is prior to retirement.	Indexed 3% and 5%	GKM-80	8,746	261,832	1,589	9,815	264,109	1,618
Universal Life and Pension Same as above	Indexed 3.5% and 5%	GKM-80	20,319	388,172	2,128	20,851	380,520	2,123
Universal PPA	Indexed	GKM-80; GKM/F-95/ PASEM2010	15,556	240,130	4,458	16,966	245,968	4,492
Universal PIAS	Indexed	GKM/F-95/ PASEM2010	36,401	232,098	4,160	41,804	229,100	3,993
Universal Future Saving	Indexed	GKM/F-95/ PASEM2010	27,775	216,975	4,153	30,462	212,721	4,209
Increasing savings	Indexed	PASEM2010	43,335	73,537	-	34,110	41,867	-
Golden Equity	Indexed 3.5%	GKM-80; GKM/F-95/ PASEM2010	-	417,629	2,133	-	457,914	2,458
Customer Account	Indexed	PASEM2010	23,721	127,779	504	28,908	116,804	748
Capital Life	Indexed	PASEM2010	21,364	80,066	-	32,722	69,387	-
Temporary individual renewable Temporary risk insurance annually renewable.	2%	GKM-80 adjusted GKM/F-95 PASEM2010	46,124	9,544 (**)	-	44,785	9,561 (**)	-
Collective Retirement Insurance with Participation in Profits Provision at the time of retirement in the form of capital or income	2.25, 3.5 and 5% and matched operations	GRM-70; GR/F-80-2; GRM/F-95 PERM/F2000P	18,210	559,990	54	25,726	54,4175	39
SEGUROS BILBAO								
Flexilife Seguros Bilbao	6.00%	GKM-70/ 80	3,236	92,421	-	3,571	98,594	-
Flexilife indexed Seguros Bilbao	Indexed	Unisex (PASEM/PASEF)	78,235	470,786	-	72,981	428,419	-
Seguros Bilbao Retirement Plan	4.26%	GRM-70 / 80 / 95	4,535	93,623	85	5,178	101,217	20
Seguros Bilbao Savings Account	Indexed	Unisex (PASEM/PASEF)	9,026	105,784	-	14,770	123,138	-
PPA Seguros Bilbao	Indexed	Unisex (PASEM/PASEF)	8,209	68,534	-	8,748	67,379	-
Cuenta Única Seguros Bilbao	Indexed	Unisex (PASEM/PASEF)	16,005	216,581	-	22,443	225,597	-
PIAS	Indexed	Unisex (PASEM/PASEF)	19,019	77,935	-	18,784	74,607	-

NORTEHISPANA								
NorteHispana Pensions Deferred capital with participation in profits	6, 4, 3, 2.4% and 2%	GRM - 95	13,860	97,655	1,075	13,840	96,372	1,114
NorteHispana Universal Contribution without participation in profits	Indexed	PASEM2010	4,304	89,639	-	4,493	87,602	-
PLUS ULTRA								
Temporary Annual Renewable Risk insurance	0% - 6%	PASEM2010	13,646	6,241 (**)	-	13,420	6,391 (**)	-
Savings Plans, periodic premium Deferred Insurance with Premium refunds	1.5% - 6%	GR95U	9,964	114,255	89	9,170	115,751	132
Savings Plans, single premium Deferred Insurance with Premium refunds	0.4% - 6%	GR95U	14,473	142,189	1	27,015	150,981	1
PPA Retirement insurance with cover for survival and death	0.4% - 2.5%	GR95U	13,861	119,438	525	14,859	104,974	632
PIAS Whole Life Insurance to constitute an annuity	Indexed (***)	PASEM2010	40,105	210,105	-	42,891	194,622	-
SIALP Individual Long-Term Savings Insurance	Indexed (***)	PASEM2010	13,113	36,898	-	10,854	30,405	-
Collective Risk Risk insurance, collective	4%	PASEM2010	36,921	5,277	-	36,372	4,783	-
Deferred Collective Capital Capital insurance by externalisation of pension commitments	2.8%	PERM/F2000P/C	4,378	237,289	-	6,438	237,936	-
Rents Capital insurance by externalisation of pension commitments	1.5% - 10.5%	PERM/F2000P	604	185,133	-	640	228,252	-
Unit Linked	Variable (****)	PASEM2010	16,295	162,776	-	15,842	159,985	-

(*) The biometric tables specified in the Technical Notes are shown, which subsidiaries depend on to calculate their life insurance provisions. Additional provisions are also recorded to comply with the PERM/F-2000, GRM/F - 95 and PER 2020 tables (see Notes 3.j) and 14.a) of the Report).

(**) Provision for unearned premiums.

(***) Periodically indexed interest rate. On 31 December 2020, equal to 1.3%

(****) Equities, policyholder risk

For all types of individual life insurance and certain group life insurance policies, policyholder dividends are allocated through increases in the life insurance provision in accordance with the term of the various policies. In the group life risk business, policyholder dividends are allocated to policyholders through premium reductions on policy renewal. Dividends accrued to the insured or beneficiaries but not yet allocated are recognised in the sub-heading "Technical provisions - Reserves for policyholder dividends and return premiums".

In accordance with the provisions of the current ROSSP, the assumed interest rate used to calculate the life insurance provision is as follows:

a) For obligations assumed since 1 January 1999, in respect of insurance policies with assigned (matched) investments, the subsidiaries have used the interest rate set forth in the technical bases (based on the internal rate of return of said investments). For policies without matched investments, the interest rate used is the rate set by the DGSFP for 2020 and 2019 (0.59% and 0.98% respectively) or for the year the policy came into effect, provided the duration of the collections specifically assigned to the policies, estimated at the market interest rate, is equal to or greater than the duration of the payments arising from the policies, based on their likelihood flows and estimated at the market interest rate.

b) For obligations assumed prior to 1 January 1999, the mathematical provisions continue to be calculated at the same assumed interest rate as is used to calculate the premium, up to the limit of the actual or expected return on the assets allocated to cover these provisions. Since the rate of return on the investments assigned for this purpose in 2020 and 2019 exceeded the established assumed interest rate, no additional provision was required, except for certain types of policies issued by the subsidiary Bilbao Compañía Anónima de Seguros y Reaseguros, S.A., where the actual rate of return was insufficient to meet future administrative expenses arising from the policies.

19. Information by geographical area

19. a) Earned premiums from direct insurance, inward reinsurance and other technical income

The geographic areas defined by the Group basically map the location of insured customers by management region, due to the integration of the Atradius N.V. business. A distinction is made between Spain and the following regions:

- Netherlands and Scandinavian countries: Denmark, Finland, Norway and Sweden.
- Central and Eastern Europe, Greece and Turkey: Austria, Czech Republic, Germany, Hungary, Poland, Slovakia, Switzerland.
- Southern Europe: Belgium, France, Italy, Luxembourg and Andorra
- United Kingdom and Ireland
- North America: Canada, Mexico, United States.
- Oceania, Asia and other emerging markets: Australia, China, Japan, New Zealand, Singapore.

The geographical distribution of the direct insurance business in 2020 and 2019 was as follows:

€ Thousand

Geographical Area	Distribution of earned premiums from direct insurance, inward reinsurance and other technical income, by geographical area					
	Year 2020			Year 2019		
	Segment Traditional business		Credit Insurance Business Segment	Segment Traditional business		Credit Insurance Business Segment
	Non-Life	Life		Non-Life	Life	
Domestic market	1,918,653	784,403	350,160	1,882,385	818,053	369,473
Export:						
- Netherlands and Scandinavian countries	-	-	272,311	-	-	282,222
- Central Europe, Eastern Europe, Greece and Turkey	-	-	354,984	-	-	378,748
- Southern Europe	12,836	3,256	381,465	12,274	3,323	386,126
- United Kingdom and Ireland	-	-	316,438	-	-	302,901
- North America	-	-	121,713	-	-	123,348
- Oceania, Asia and other emerging countries	-	-	184,749	-	-	171,616
Total	1,931,489	787,659	1,981,820	1,894,659	821,376	2,014,434

19.b) 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	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 at 31/12/2020	10,595,099	1,169,877	936,907	1,376,222	2,259,853	651,782	377,996	17,367,736
Assets at 31/12/2019	10,115,421	1,346,644	895,427	1,476,151	1,930,530	579,156	334,620	16,677,949

19.c) Acquisitions of tangible fixed assets and intangible assets

€ Thousand

	Spain	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
Year 2020								
Acquisitions of tangible fixed assets	60,797	670	1,559	865	5,843	502	236	70,472
Acquisitions of investment property	38,180	-	2,000	8,110	-	-	-	48,290
Acquisitions of intangible assets	11,504	24,341	1,325	518	9,964	1,360	-	49,012

€ Thousand

Year 2019	Spain	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
Acquisitions of tangible fixed assets	29,560	1,490	706	713	2,474	171	452	35,566
Acquisitions of investment property	110,433	-	-	-	-	-	-	110,433
Acquisitions of intangible assets	5,118	33,796	1,297	460	11,068	765	-	52,504

20. Related-party transactions

All related party transactions have been carried out in market conditions.

20.a) List of related parties

During 2020, there have been no relevant operations 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)
ASSET				
Receivables	6,669	5,740	-	-
Total	6,669	5,740	-	-
LIABILITY				
Payables	7,486	1	-	-
Total	7,486	1	-	-
PROFIT AND LOSS				
Provision of services (payments)	-	(59,026)	-	-
Provision of services (charges)	2,684	16,673	-	-
Financial costs	(395)	-	-	-
Dividends received	519,029	-	-	-
Total	521,318	(42,353)	-	-
OTHER				
Dividends paid	-	-	2,404	50,388
Total	-	-	2,404	50,388

The reinsurance and coinsurance operations, as well as balances with reinsurers and assignors, deposits established and technical provisions for reinsurance transactions made between Group companies, eliminated in the consolidation process during the year 2020 are as follows:

In € Thousand	Companies of the group
ASSET/LIABILITY	
Deposits for reinsurance	25,059
Credits/debts for reinsurance/coinsurance transactions	30,756
Technical provisions reinsurance	75,946
Acquisition costs and commissions	5,419
Total	137,180
PROFIT AND LOSS	
Premiums of accepted/transferred reinsurance	109,933
Benefits paid for accepted/transferred reinsurance	57,742
Change in technical provisions	10,090
Accepted/assigned reinsurance commissions	35,984
Total	213,749

20.b) Board Members' and senior executives' remuneration and other benefits

The Board of Directors of the parent company is made up of 12 people, 11 men and 1 woman, and 4 corporate members, represented physically by 4 men.

In 2020 and 2019, the Board Members for the parent company and subsidiary companies received the following remuneration from the subsidiaries:

Board Members' remuneration

Members of the Board of Directors	€ Thousand	
	Year 2020	Year 2019
Concept		
Fixed remuneration	1,803	1,766
Variable remuneration	356	347
Allowances	623	561
Bylaws	3,598	3,526
Others	161	124
Total	6,541	6,324

In addition, deferred variable remuneration not consolidated amounts to €111 thousand.

Other provisions for members of the Board of Directors

Members of the Board of Directors	€ Thousand	
	Year 2020	Year 2019
Other benefits	-	-
Advances	-	-
Loans granted	-	-
Pension schemes and funds: Contributions	-	-
Pension schemes and funds: Liabilities incurred	-	-
Life insurance premiums	416	396
Guarantees provided in favour of Board Members	-	-
Total	416	396

Remuneration of members of the senior management, excluding members of the Board of Directors

Senior Management is considered to be the members of the Steering Committee of the Group that are not in turn executive directors and the Director of Internal Audit.

In 2020 and 2019, the Senior Management members for the parent company and subsidiary companies received the following remuneration:

Senior Management	€ Thousand	
	Year 2020	Year 2019
Total remuneration received by senior management	3,489	2,793

In addition, deferred variable remuneration not consolidated amounts to €353 thousand.

In preparing these consolidated financial statements, 7 people (men) have been classified as senior managers as of 31 December 2020 (6 people on 31 December 2019).

The Group has taken out a civil liability insurance contract where the policyholder is the parent company that encompasses, among other workers, the Executives and Board Members of the Group. This a policy has generated an insurance premium expense in the year 2020 of €71 thousand.

On 31 December 2020 and 2019 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 Act, 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 persons related thereto, as defined in art. 231 of the revised text of the Capital Companies Act (TRLSC), have not been involved in conflicts of interest specified in art. 229 of that statute, since there has been no communication whatsoever in the sense indicated in paragraph 3 of this article to the Board of Directors or the rest of the Directors. Therefore, the financial statements do not include any breakdown in this regard.

21. Other Information

21.a) Employees

In compliance with Article 260 of the revised text of the Capital Companies Act, the Group provides the following breakdown of the average number of full-time employees (or equivalent) of the parent and its subsidiaries in 2020 and 2019 by job category and gender.

Professional category	Year 2020			Year 2019		
	Men	Women	Total	Men	Women	Total
Executives	155	46	201	180	33	213
Intermediate management	1,127	506	1,633	1,136	486	1,622
Qualified administrative and sales	2,479	2,496	4,975	2,455	2,542	4,997
Administrative support	137	438	575	172	436	608
Total	3,898	3,486	7,384	3,943	3,497	7,440

The total number of employees on 31 December 2020 is 7,587.

With regards to disability, the Group complies with the LISMI (Act 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) Auditors' fees

The General Shareholders Meeting of Grupo Catalana Occidente held on 26 April 2018, agreed to appoint PricewaterhouseCoopers Auditores, S.L., in accordance with the provisions of article 264 of the Corporate Act, as auditors of the annual accounts and consolidated management report of the Group corresponding to the years ended on 31 December 2018, 2019 and 2020.

Next, the fees for audit services and other services provided by the auditor of the Group's consolidated financial statements, PricewaterhouseCoopers Auditores S.L., and companies within the PwC network and service fees charged by the auditors of annual accounts of the companies included in the scope of consolidation and entities related to them by control, joint ownership or management:

Year 2020

Description	€ Thousand	
	Services provided by the main auditor (*) (**)	Services provided by other audit firms (*)
Audit Services	3,256	127
Other verification services	1,179	-
Total Audit and related services	4,435	127
Tax Advisory Services	-	5
Other services	58	-
Total Professional Services	58	5

(*) Amounts without expenses or VAT.

(**) Amounts corresponding to PricewaterhouseCoopers Auditores, S.L.

Year 2019

Description	€ Thousand	
	Services provided by the main auditor (*) (**)	Services provided by other audit firms (*)
Audit Services	2,942	130
Other verification services	1,158	-
Total Audit and related services	4,100	130
Tax Advisory Services	-	38
Other services	40	498
Total Professional Services	40	536

(*) Amounts without expenses or VAT.

(**) Amounts corresponding to PricewaterhouseCoopers Auditores, S.L.

21.c) Information on deferrals for payments to suppliers: Information obligation under Act 15/2010 of 5 July

Below is the information required by the Third Additional Provision of Act 15/2010, of 5 July (modified through the second final provision of Act 31/2014, of 3 December) prepared pursuant to the resolution of the ICAC on 29 January 2016, on the information to be incorporated to the annual accounts in relation to the average period of payment to suppliers in commercial operations.

	Payments made and pending payment by year-end	
	Amount	
	2020	2019
Average payment period for suppliers (days)	18.91	17.39
Ratio of transactions paid (days)	17.46	17.09
Ratio of transactions pending payment (days)	46.82	23.19
Total payments made (€ thousand)	413,331	342,091
Total payments pending (€ thousand)	21,472	17,679

According to the resolution of the ICAC, 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 Act 31/2014, of 3 December were taken into consideration.

Suppliers are considered, for the exclusive purpose of providing the information established in this Resolution, to be commercial creditors for debts with suppliers of goods or services, included in the item "other liabilities" of the current liabilities in the balance sheet.

The "average period of payment to suppliers" is considered to be the time from delivery of the goods or the provision of services by provider and material payment of the operation.

The legal maximum payment limit applicable to the Company in Spain, in the year 2020, under Act 3/2004 (modified by Act 11/2013, of 26 July), which stipulates measures to address late payment in commercial transactions, is 30 calendar days except where there is an agreement between the parties, without agreements exceeding 60 natural days being permitted under any circumstances.

On 31 December 2020, the Group does not have pending payments to suppliers beyond the legal term deferral balance.

22. Subsequent events

In addition to the interim dividend mentioned in Note 16, after the close of the year and until the date of preparation of these annual accounts, no events have taken place which affect them significantly, other than those explained in the above notes.

Annexes

Annex I: List of subsidiaries on 31 December 2020

Annex II: List of associated entities on 31 December 2020

Annex I: List of subsidiaries on 31 December 2020

Figures in € Thousand

Society (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 comprehensive income and accumulated in equity	Premiums attributed net of reinsurance	Ordinary Income
Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros Paseo de la Castellana, 4 Madrid	Insurance and reinsurance	100%	-	100%	5,754,068	18,030	190,541	12,076 (1)	385,251	1,070,023	-
Grupo Compañía Española de Crédito y Caución, Sociedad Limitada Paseo de la Castellana, 4 Madrid	Holds shares	73.84%	-	73.84%	652,512	18,000	617,518	16,602 (2)	-	-	66,069
Atradius NV y Sociedades Dependientes David Ricardostraat, 1 1066 JS Amsterdam (The Netherlands)	Credit and surety insurance and complementary insurance activities	35.77%	47.43%	83.20%	5,380,249	79,122	1,789,103	44,167	902	828,051	251,998
Sociedad Gestión Catalana Occidente, S.A. Paseo de la Castellana, 4 Madrid	Financial investments	100%	-	100%	49,310	721	44,923	3,662	-	-	1,411
Cosalud Servicios, S.A. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Hire of industrial offices and others	100%	-	100%	9,928	3,005	6,458	157	68	-	418
Grupo Catalana Occidente Gestión de Activos S.A., S.G.I.I.C. Cedaceros, 9 - planta baja Madrid	Financial investments	100%	-	100%	6,469	391	5,051	95 (3)	64	-	7,512
GCO Reaseguros, S.A. Paseo de la Castellana, 4 Madrid	Reinsurance	100%	-	100%	138,053	9,050	11,806	188 (4)	89	8,349	-
GCO Gestora de Pensiones, EGFP, S.A. Paseo de la Castellana, 4 Madrid	Pension fund management	100%	-	100%	3,184	2,500	110	67	28	-	4,793
Bilbao, Compañía Anónima de Seguros y Reaseguros, S.A. Paseo del Puerto, 20 Getxo (Vizcaya)	Insurance and reinsurance	-	99.73%	99.73%	2,021,834	28,009	77,679	3,401 (5)	167,241	462,158	-
Bilbao Hipotecaria, S.A., E.F.C. Paseo del Puerto, 20 Getxo (Vizcaya)	Mortgage Credit	-	99.73%	99.73%	68,102	5,000	660	957	-	-	2,141
S. Órbita, Sociedad Agencia de Seguros, S.A. Paseo del Puerto, 20 Getxo (Vizcaya)	Insurance broker	-	99.73%	99.73%	2,881	1,100	293	14	-	-	4,251
Bilbao Telemark, S.L. Paseo del Puerto, 20 Getxo (Vizcaya)	Tele-marketing	-	99.73%	99.73%	349	37	54	11	-	-	1,545
Bilbao Vida y Gestores Financieros, S.A. Paseo del Puerto, 20 Getxo (Vizcaya)	Insurance broker	-	99.73%	99.73%	791	60	56	5	-	-	5,080
Nortehispana de Seguros y Reaseguros, S.A. Paseo de la Castellana, 4 Madrid	Insurance and reinsurance	-	100%	100%	482,975	20,670	73,791	10,367 (6)	29,022	198,326	-

Society		% of voting rights			Summarised financial information						
		(Name and address)	Activity	Direct	Indirect	Total	Total assets	Share Capital	Equity reserves	Year result, net of dividend	Other comprehensive income and accumulated in equity
Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros Plaza de las Cortes, 8 Madrid	Insurance and reinsurance	-	100%	100%	2,979,658	97,619	211,723	28,623 (8)	84,368	863,814	-
Hercasol, S.A. SICAV Avenida Diagonal, 399 Barcelona	Financial investments	-	88.48% (*)	88.48% (*)	61,994	57,792	1,335	2,754	-	-	3,327
Catoc SICAV, S.A. Cedaceros, 9 – planta baja Madrid	Financial investments	0.01%	99.86% (*)	99.86% (*)	167,948	8,286	153,363	6,254	-	-	7,052
PREPERSA de Peritación de Seguros y Prevención, A.I.E. Jesús Serra Santamans, 1 Sant Cugat del Vallés (Barcelona)	Prevention and appraisal	-	100%	100%	4,675	60	947	15	-	-	5,981
Tecniseguros, Sociedad de Agencia de Seguros, S.A. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Insurance broker	-	100%	100%	1,051	60	(67)	65	-	-	6,826
Nortehispana Mediacion, Agencia De Seguros S.A. Paseo Castellana, 4 Madrid	Insurance broker	-	100%	100%	253	60	-	-	-	-	4,253
Previsora Bilbaina Agencia de Seguros, S.A. Alameda Mazarredo, 73 Bilbao	Insurance broker	-	100%	100%	10,055	60	7,530	31	76	-	11,194
Catalana Occidente Capital, Agencia de Valores, S.A. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Stock broker	-	100%	100%	2,914	300	2,335	32 (7)	14	-	1,437
Grupo Catalana Occidente Tecnología y Servicios, A.I.E. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Auxiliary insurance services	0.42%	99.51%	99.93%	54,259	35,826	(170)	34	-	-	89,976
Grupo Catalana Occidente Contact Center, A.I.E. Jesús Serra Santamans, 3 - 4º planta Sant Cugat del Vallés (Barcelona)	Telephone attention	-	99.97%	99.97%	2,272	600	87	1	-	-	8,051
Grupo Catalana Occidente Activos Inmobiliarios S.L. Avenida Alcalde Barnils 63 Sant Cugat del Vallés (Barcelona)	Real Estate Development	-	99.95%	99.95%	337,715	116,801	202,285	(235)	585	-	11,535
Inversions Catalana Occident, S.A. Avinguda Carlemany, 65 Escaldes Engordany (Andorra)	Creation, management and operation of insurance entities	-	100%	100%	5,555	60	311	(9)	-	-	2,866
Grupo Asistea Henao, 19 Bilbao	Funeral business	-	100%	100%	44,182	2,003	35,808	3,688	-	-	27,784

- (*) 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 paid an interim dividend of €231,286 thousand and has posted an increase in the equalisation provision for the amount of €4,843 thousand.
 - (2) The Company paid an interim dividend of €48,600 thousand.
 - (3) The Company paid an interim dividend of €985 thousand.
 - (4) The company has paid an interim dividend of €1,100 thousand and has posted an increase in the equalisation provision for the amount of €582 thousand.
 - (5) The company has paid an interim dividend of €42,212 thousand and has posted an increase in the equalisation provision for the amount of €1,956 thousand.
 - (6) The Company paid an interim dividend of €5,500 thousand.
 - (7) The Company paid an interim dividend of €400 thousand.
 - (8) The company has paid an interim dividend of €26,000 thousand and has posted an increase in the equalisation provision for the amount of €8,587 thousand.

The financial information given for the aforementioned Group companies (total assets, share capital, equity reserves, profit for the year net of dividend, earned premiums less reinsurance and ordinary income) has been obtained from the latest individual or consolidated financial statements available for the 2020 financial year, prepared in accordance with the regulatory framework for financial information applicable to each of the companies. These financial statements have been duly adapted by each company to the Group's accounting policies.

In the case of insurance companies, the figure for earned premiums net of reinsurance is given. In all other companies, the figure given is ordinary income.

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 2020, the list of subsidiaries of Atradius N.V., which are wholly owned unless otherwise indicated, is as follows:

Sociedad	País	Sociedad	País
Accento Services S.A.	Bélgica	Atradius Crédito y Caución Seguradora S.A.	Brasil
Atradius Collections B.V.	Holanda	Atradius Dutch State Business N.V.	Holanda
Sucursal Bélgica	Bélgica	Atradius Enterprise Management Consulting (Shanghai) Co., Ltd.	China
Sucursal República Checa	República Checa	Atradius Finance B.V.	Holanda
Sucursal Dinamarca	Dinamarca	Atradius Information Services B.V.	Holanda
Sucursal Francia	Francia	Sucursal Bélgica	Bélgica
Sucursal Dubai	EAU	Sucursal Dinamarca	Dinamarca
Sucursal Alemania	Alemania	Sucursal Francia	Francia
Sucursal Hungría	Hungría	Sucursal Alemania	Alemania
Sucursal Irlanda	Irlanda	Sucursal Irlanda	Irlanda
Sucursal Italia	Italia	Sucursal Italia	Italia
Sucursal Polonia	Polonia	Sucursal Japón	Japón
Sucursal Turquía	Turquía	Sucursal Noruega	Noruega
Atradius Collections DMCC	EAU	Sucursal España	España
Atradius Collections Holding B.V.	Holanda	Sucursal Suecia	Suecia
Atradius Collections Limited	Canadá	Sucursal Suiza	Suiza
Atradius Collections Limited	Hong Kong	Sucursal Taiwán	Taiwán
Atradius Collections Limited	Reino Unido	Sucursal Tailandia	Tailandia
Atradius Collections Pte. Limited	Singapur	Sucursal Reino Unido	Reino Unido
Atradius Collections Pty. Limited	Australia	Atradius Information Services Vietnam Company Limited	Vietnam
Atradius Collections Serviços de Cobranças de Dividas Ltda	Brasil	Atradius India Credit Management Services Private Ltd.	India
Atradius Collections, S.A. de C.V.	México	Atradius Insurance Holding N.V.	Holanda
Atradius Collections S.L.	España	Atradius Investments Limited	Irlanda
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	Irlanda
Atradius Credit Management Services (RUS) LLC	Rusia	Atradius Reinsurance DAC Escritório de Representação no Brasil Ltda.	Brasil
Atradius Crédito y Caución S.A. de Seguros y Reaseguros	España	Atradius Rus Credit Insurance LLC	Rusia
Sucursal Australia	Australia	Atradius Seguros de Crédito, S.A.	México
Sucursal Austria	Austria	Atradius Trade Credit Insurance, Inc.	EEUU
Sucursal Bélgica	Bélgica	Atradius Trade Insurance Brokerage Yuhan Hoesa Crédito y Caución do Brasil Gestao de Riscos de Crédito e Serviços LTDA	Corea del Sur
Sucursal Bulgaria	Bulgaria	Gestifatura S.A.	Brasil
Sucursal Canadá	Canadá	Giant-net B.V.	Portugal
Sucursal República Checa	República Checa	Graydon Holding N.V.	Holanda
Sucursal Dinamarca	Dinamarca	Graydon Nederland B.V.	Holanda
Sucursal Finlandia	Finlandia	Graydon Belgium N.V.	Bélgica
Sucursal Francia	Francia	Graydon UK Ltd.	Reino Unido
Sucursal Alemania	Alemania	Iberinform Internacional S.A.U.	España
Sucursal Grecia	Grecia	Iberinmobiliaria, S.A.U.	España
Sucursal Hong Kong	Hong Kong	Iberinform Portugal S.A.	Portugal
Sucursal Hungría	Hungría	Informes Mexico, S.A. de C.V.	México
Sucursal Irlanda	Irlanda	Invercyca, S.A.U.	España
Sucursal Italia	Italia	OpenCompanies B.V.	Holanda
Sucursal Japón	Japón	PT Atradius Information Services Indonesia	Indonesia
Sucursal Luxemburgo	Luxemburgo	Starzyński i Wspólnicy Kancelaria Prawna spółka komandytowa (*)	Polonia
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%

Annex II: List of associated entities on 31 December 2020

Figures in € Thousand

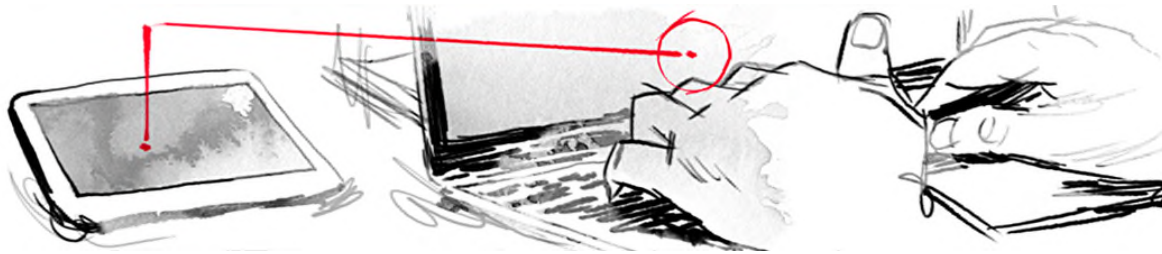
Society (Name and address)	Activity	% of voting rights			Summarised financial information						
		Direct	Indirect	Total	Total assets	Share Capital	Equity reserves	Year result, net of dividend	Other comprehensive income and accumulated in equity	Premiums attributed net of reinsurance	Ordinary Income
Inversiones Credere S.A. Santiago - Chile	Holds shares	50.00%	-	50.00%	-	-	-	-	-	-	-
Calboquer, S.L. Villarroel, 177-179 08936 Barcelona	Medical, social, psychological, and legal advice	-	20.00%	20.00%	1,373	60	387	150	-	-	3,614
Asitur Asistencia. S.A. Avenida Encuartes, 21 Tres Cantos (Madrid)	Guidance	-	42.82%	42.82%	34,712	2,945	10,333	3,707	-	-	263,206
Gesiuris Asset Management, S.G.I.I.C., S.A., Cedaceros, 9 Madrid	Investment company	-	26.12% (*)	26.12% (*)	10,058	301	7,966	266 (1)	115	-	6,824
MB Corredors d'Assegurances Calle Prat de la Creu, 59-65 Andorra la Vella (Andorra)	Insurance broker	-	25%	25%	333	60	49	29	-	-	372
CLAL Credit Insurance Tel Aviv - Israel	Credit and surety insurance	-	16.64%	16.64%	95,722	3,214	63,816	3,796	(1,639)	13,350	-
Compañía de Seguros de Crédito Continental S.A. Santiago - Chile	Credit and surety insurance	-	41.60%	41.60%	124,789	3,558	55,886	4,592	(762)	13,577	-
The Lebanese Credit Insurer S.A.L. Beirut - Lebanon	Credit and surety insurance	-	40.68%	40.68%	-	-	-	39	-	-	-
Credit Guarantee Insurance Corporation of Africa Limited Johannesburg-South Africa	Credit and surety insurance	-	20.80%	20.80%	128,417	144	70,331	(269)	(8,792)	38,097	-

(*) 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 €500 thousand.

The financial information given for the aforementioned Group companies (total assets, share capital, equity reserves, profit for the year net of dividend, earned premiums less reinsurance and ordinary income) has been obtained from the latest individual or consolidated financial statements available for the 2020 financial year, prepared in accordance with the regulatory framework for financial information 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 2020.

Auditors' opinion



**Grupo Catalana Occidente, S.A.
y sociedades dependientes**

Informe de auditoría

Cuentas anuales consolidadas al 31 de diciembre de 2020

Informe de gestión consolidado



Informe de auditoría de cuentas anuales consolidadas emitido por un auditor independiente

A los accionistas de Grupo Catalana Occidente, S.A.:

Informe sobre las cuentas anuales consolidadas

Opinión

Hemos auditado las cuentas anuales consolidadas de Grupo Catalana Occidente, S.A. (la Sociedad dominante) y sus sociedades dependientes (el Grupo), que comprenden el balance a 31 de diciembre de 2020, la cuenta de pérdidas y ganancias, el estado de ingresos y gastos reconocidos, el estado total de cambios en el patrimonio neto, el estado de flujos de efectivo y la memoria, todos ellos consolidados, correspondientes al ejercicio terminado en dicha fecha.

En nuestra opinión, las cuentas anuales consolidadas adjuntas expresan, en todos los aspectos significativos, la imagen fiel del patrimonio y de la situación financiera del Grupo a 31 de diciembre de 2020, así como de sus resultados y flujos de efectivo, todos ellos consolidados, correspondientes al ejercicio terminado en dicha fecha, de conformidad con las Normas Internacionales de Información Financiera, adoptadas por la Unión Europea (NIIF-UE), y demás disposiciones del marco normativo de información financiera que resultan de aplicación en España.

Fundamento de la opinión

Hemos llevado a cabo nuestra auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España. Nuestras responsabilidades de acuerdo con dichas normas se describen más adelante en la sección Responsabilidades del auditor en relación con la auditoría de las cuentas anuales consolidadas de nuestro informe.

Somos independientes del Grupo de conformidad con los requerimientos de ética, incluidos los de independencia, que son aplicables a nuestra auditoría de las cuentas anuales consolidadas en España según lo exigido por la normativa reguladora de la actividad de auditoría de cuentas. En este sentido, no hemos prestado servicios distintos a los de la auditoría de cuentas ni han concurrido situaciones o circunstancias que, de acuerdo con lo establecido en la citada normativa reguladora, hayan afectado a la necesaria independencia de modo que se haya visto comprometida.

Consideramos que la evidencia de auditoría que hemos obtenido proporciona una base suficiente y adecuada para nuestra opinión.

Cuestiones clave de la auditoría

Las cuestiones clave de la auditoría son aquellas cuestiones que, según nuestro juicio profesional, han sido de la mayor significatividad en nuestra auditoría de las cuentas anuales consolidadas del periodo actual. Estas cuestiones han sido tratadas en el contexto de nuestra auditoría de las cuentas anuales consolidadas en su conjunto, y en la formación de nuestra opinión sobre éstas, y no expresamos una opinión por separado sobre esas cuestiones.

Cuestiones clave de la auditoría

Modo en el que se han tratado en la auditoría

Deterioro de Fondos de comercio y activos intangibles derivados de combinaciones de negocio

El Grupo tiene registrados fondos de comercio de consolidación derivados, principalmente, de las diferencias positivas de consolidación con origen en la adquisición de las participaciones en el capital de las sociedades dependientes, o negocios, fundamentalmente, Atradius N.V. (462 millones de euros) y Plus Ultra Seguros Generales y Vida, S.A. de Seguros y Reaseguros (123 millones de euros).

Para la evaluación del deterioro de estos activos, el Grupo determina las unidades generadoras de efectivo (UGEs), estimando su valor recuperable al menos anualmente. Para ello el Grupo utiliza estimaciones internas y valoraciones realizadas por expertos.

Dichas estimaciones incorporan un elevado nivel de juicio, puesto que se basan en hipótesis y asunciones determinadas por la Dirección y sus expertos, tales como los flujos de efectivo considerados, los ratios de solvencia, la tasa de descuento y la tasa de crecimiento a largo plazo empleadas, por lo que se ha considerado una cuestión clave de auditoría.

Al 31 de diciembre de 2020, la Dirección ha considerado en su evaluación el entorno económico y comercial actual resultante de la COVID-19, las condiciones del mercado, y la incertidumbre económica existente en la determinación del valor recuperable de dichos fondos de comercio.

Ver Notas 3.e y 10 de las cuentas anuales consolidadas del ejercicio 2020.

Hemos obtenido un entendimiento de la metodología y proceso de valoración de los activos intangibles y fondos de comercio, incluyendo el control interno.

En relación con el test de deterioro de los fondos de comercio y de los activos intangibles, en los procedimientos realizados se ha considerado el contexto económico derivado de la COVID-19, centrándose en aspectos como:

- Evaluación de las metodologías aplicadas para la estimación del valor recuperable, así como su consistencia con la aplicada en el ejercicio anterior.
- Comprobación de la exactitud matemática de los descuentos de proyecciones de flujos de efectivo, así como de la correcta construcción de los flujos utilizados y de los cálculos realizados.
- Comprobación de las asunciones empleadas para la determinación del valor recuperable tales como: el plan de negocio, los ratios de solvencia, las tasas de descuento y los factores de crecimiento a largo plazo empleados.
- Comprobación de la razonabilidad de dichas hipótesis por el Grupo en el test de deterioro, mediante la involucración de expertos en valoración.
- Realización de un análisis de sensibilidad específico para cada una de las principales asunciones consideradas, teniendo en cuenta diferentes escenarios.
- Asimismo, hemos comprobado la adecuación de la información desglosada en las cuentas anuales consolidadas adjuntas, de acuerdo con la normativa aplicable y con los pronunciamientos de los reguladores.

Cuestiones clave de la auditoría

Modo en el que se han tratado en la auditoría

Valoración de las provisiones técnicas de seguros de vida

El Grupo a través de sus sociedades aseguradoras dependientes, desarrolla la actividad de seguros de vida comercializando seguros vida riesgo, vida ahorro y productos “unit linked”.

En concreto, para los productos de vida ahorro, el Grupo procede al registro de los pasivos asociados con dichos contratos de acuerdo con la normativa regulatoria aplicable. Dicha determinación se compone de un elevado número de cálculos individuales, así como de la utilización de una serie de datos clave, que en algunos casos incorpora componentes de cierto juicio y estimaciones por parte de la Dirección.

Para los productos de vida ahorro, la determinación de la provisión matemática y su suficiencia es una estimación actuarial compleja influida de manera significativa por los métodos de proyección y asunciones utilizadas por la Dirección, tales como tipo de interés técnico, hipótesis de gastos o las tablas biométricas, por ello se ha considerado una cuestión clave de auditoría.

Ver Notas 3.j.2 y 14 de las cuentas anuales consolidadas del ejercicio 2020.

En relación con las valoraciones de los fondos de comercio realizadas por expertos externos de la Dirección, hemos evaluado su competencia, capacidad y la objetividad de su trabajo.

Como resultado de los procedimientos arriba descritos, consideramos que las diferencias que hemos obtenido en las estimaciones efectuadas en relación con la recuperabilidad de los fondos de comercio no se encuentran fuera de un rango razonable en el contexto de las circunstancias en las que se elaboran estas cuentas anuales consolidadas.

Hemos obtenido un entendimiento del proceso de estimación y registro de las provisiones técnicas de seguro de vida, que ha incluido una evaluación del control interno incluyendo los controles de los sistemas de información e hipótesis más relevantes.

En lo que respecta específicamente a la provisión matemática, hemos desarrollado procedimientos complementarios adicionales, realizados con nuestros especialistas actuariales, en relación con:

- Obtención de un entendimiento de la metodología de cálculo de las provisiones para seguros de vida de acuerdo con la naturaleza de los productos, los requisitos regulatorios, así como su aplicación de forma consistente respecto al ejercicio anterior.
- Comprobación del íntegro y adecuado registro contable de las provisiones de seguros de vida, así como de sus variaciones durante el periodo.
- Realización de pruebas en detalle sobre la consistencia de la información relativa a las provisiones técnicas constituidas al cierre del periodo y pagos realizados durante el mismo.
- Comprobación de la integridad, exactitud y reconciliación de los datos base de cálculos técnico-actuariales a los sistemas como a la información contractual.

Cuestiones clave de la auditoría

Modo en el que se han tratado en la auditoría

- Recálculo de la provisión matemática para una selección de pólizas de acuerdo con procedimientos de muestreo y comprobación de las condiciones técnicas y la aplicación de hipótesis biométricas adecuadas a la normativa aplicable.
- Comprobación de la suficiencia de las provisiones matemáticas considerando los requerimientos de las NIIF-UE.
- Comprobación de la adecuación de la información desglosada en las cuentas anuales consolidadas adjuntas, de acuerdo con la normativa aplicable.

Como resultado de los procedimientos arriba descritos, consideramos que los cálculos realizados por la Dirección en relación con las provisiones técnicas de seguros de vida no se encuentran fuera de un rango razonable.

Valoración de las provisiones para prestaciones de seguros de no vida

El Grupo a través de sus sociedades dependientes, desarrolla la actividad de seguros de no vida tradicional en los ramos de autos, multiriesgos y diversos. A su vez, el Grupo desarrolla y comercializa seguros de crédito y caución, en el ámbito nacional e internacional, principalmente por el subgrupo dependiente, Atradius N.V.

En concreto, para los principales ramos del segmento de no vida de negocio tradicional, el Grupo utiliza métodos estadísticos globales en el cálculo de la provisión para siniestros pendientes de liquidación o pago y de siniestros pendientes de declaración, que reflejan el coste estimado de los siniestros ocurridos hasta la fecha de cierre del ejercicio. Dichos cálculos actuariales, basados fundamentalmente tanto en técnicas deterministas como estocásticas generalmente aceptadas, son complejas e incorporan hipótesis y asunciones realizadas por la Dirección.

Hemos obtenido un entendimiento del proceso de estimación y registro de las provisiones para prestaciones que ha incluido una evaluación del control interno relacionado con la valoración de estos pasivos. Nuestros procedimientos, en los que han participado especialistas actuariales, se han centrado en aspectos como:

- Entendimiento de la metodología de cálculo de las provisiones para prestaciones por métodos estadísticos de seguro tradicional.
- Entendimiento y validación de la metodología y principales asunciones para el modelo interno y métodos estadísticos para las provisiones de seguro de crédito y caución, con especial atención a los impactos derivados de la COVID-19.
- Validación de la integridad, exactitud y conciliación de los datos base del cálculo para las provisiones para prestaciones y de siniestros pendientes de declaración.

Cuestiones clave de la auditoría	Modo en el que se han tratado en la auditoría
<p>En el cálculo de las provisiones para prestaciones del segmento de negocio de crédito y caución, el Grupo utiliza modelos internos y métodos estadísticos que son estimaciones complejas e influidas de manera significativa por los métodos de proyección y asunciones utilizadas por la Dirección.</p> <p>En el contexto económico actual, el componente de incertidumbre y de complejidad en la determinación de dichas estimaciones es mayor y la selección de las hipótesis puede modificar de forma significativa las cuentas anuales consolidadas, consideramos por ello la valoración de estas provisiones una cuestión clave de auditoría.</p> <p>Ver Notas 3.j.2 y 14 de la memoria de las cuentas anuales consolidadas del ejercicio 2020.</p>	<ul style="list-style-type: none"> • Realización de pruebas selectivas sobre una muestra de expedientes de siniestros comprobando la razonabilidad de la estimación realizada de acuerdo con la información disponible. • Validación del registro contable de las provisiones para prestaciones, así como de sus variaciones durante el periodo. • Pruebas en detalle sobre la consistencia de la información relativa a provisiones para prestaciones constituidas al cierre del periodo. • Comprobación de la suficiencia de la provisión para prestaciones constituida al cierre del periodo anual anterior. • Evaluación del cálculo y de la metodología, así como de las hipótesis y asunciones, aplicadas por la Dirección en relación con la prueba de suficiencia de pasivos establecida en la NIIF-EU. • Comprobación de la adecuación de la información desglosada en las cuentas anuales consolidadas adjuntas, de acuerdo con la normativa aplicable. <p>Como resultado de los procedimientos anteriormente descritos, consideramos que los cálculos realizados por la Dirección en relación con las provisiones técnicas de seguros de no vida no se encuentran fuera de un rango razonable.</p>

Cuestiones clave de la auditoría

Modo en el que se han tratado en la auditoría

Valoración y deterioro de la cartera de inversiones financieras no cotizadas

Debido a la propia naturaleza de la actividad que desarrolla el Grupo, los principales activos registrados en el balance consolidado corresponden a inversiones financieras.

La mayor parte de los instrumentos financieros del Grupo se valoran utilizando precios de mercados activos y observables. No obstante, hay ciertos activos en la cartera de inversiones del Grupo (637 millones) cuyo valor razonable no se vincula a precios de cotización en mercados activos, sino que se utilizan técnicas de valoración, generalmente aceptadas, para las que las variables significativas pueden o no estar basadas en datos observables.

Estos instrumentos se valoran sobre la base de modelos y supuestos que no son observables por terceros por lo que estas inversiones tienen un mayor componente de juicio y estimación en la selección del método de valoración a aplicar como en las asunciones e hipótesis utilizadas en la determinación de su valor razonable, por tanto, se ha considerado una cuestión clave de auditoría.

Ver Notas 3.b y 7 de la memoria de las cuentas anuales consolidadas del ejercicio 2020.

Hemos obtenido un entendimiento de los procedimientos y criterios empleados por el Grupo en la determinación del valor razonable de los instrumentos financieros al objeto de considerar si los mismos son adecuados, el cual ha incluido una evaluación del control interno relacionado con esta área.

Nuestros procedimientos, se han centrado en aspectos como:

- Comprobación de la integridad de datos y de los registros contables de dichos instrumentos financieros, así como de sus variaciones durante el periodo.
- Solicitud a las entidades depositarias, en el desarrollo de sus funciones de vigilancia, supervisión, custodia y administración para el Grupo, de la confirmación relativa a la existencia de la totalidad de las inversiones financieras recogidas en su cartera al 31 de diciembre de 2020.
- Comprobación de la valoración de una muestra de instrumentos financieros complejos de valorar, con la colaboración de los expertos internos del auditor y cotejo de las valoraciones obtenidas de la contraparte.
- Conciliación de los datos de información del subyacente utilizada en los modelos de valoración para los activos que no cotizan en un mercado activo, así como la comprobación de posibles deterioros de la cartera de inversiones.
- Asimismo, hemos comprobado la adecuación de la información desglosada en las cuentas anuales consolidadas adjuntas, de acuerdo con la normativa aplicable.

Cualquier diferencia obtenida como resultado de nuestros procedimientos respecto a la valoración de las inversiones financieras no se ha encontrado fuera de un rango razonable.

Otra información: Informe de gestión consolidado

La otra información comprende exclusivamente el informe de gestión consolidado del ejercicio 2020, cuya formulación es responsabilidad de los administradores de la Sociedad dominante y no forma parte integrante de las cuentas anuales consolidadas.

Nuestra opinión de auditoría sobre las cuentas anuales consolidadas no cubre el informe de gestión consolidado. Nuestra responsabilidad sobre el informe de gestión consolidado, de conformidad con lo exigido por la normativa reguladora de la actividad de auditoría de cuentas, consiste en:

- a) Comprobar únicamente que el estado de información no financiera consolidado y determinada información incluida en el Informe Anual de Gobierno Corporativo, a los que se refiere la Ley de Auditoría de Cuentas, se ha facilitado en la forma prevista en la normativa aplicable y, en caso contrario, a informar sobre ello.
- b) Evaluar e informar sobre la concordancia del resto de la información incluida en el informe de gestión consolidado con las cuentas anuales consolidadas, a partir del conocimiento del Grupo obtenido en la realización de la auditoría de las citadas cuentas, así como evaluar e informar de si el contenido y presentación de esta parte del informe de gestión consolidado son conformes a la normativa que resulta de aplicación. Si, basándonos en el trabajo que hemos realizado, concluimos que existen incorrecciones materiales, estamos obligados a informar de ello.

Sobre la base del trabajo realizado, según lo descrito anteriormente, hemos comprobado que la información mencionada en el apartado a) anterior se facilita en la forma prevista en la normativa aplicable y que el resto de la información que contiene el informe de gestión consolidado concuerda con la de las cuentas anuales consolidadas del ejercicio 2020 y su contenido y presentación son conformes a la normativa que resulta de aplicación.

Responsabilidad de los administradores y del comité de auditoría en relación con las cuentas anuales consolidadas

Los administradores de la Sociedad dominante son responsables de formular las cuentas anuales consolidadas adjuntas, de forma que expresen la imagen fiel del patrimonio, de la situación financiera y de los resultados consolidados del Grupo, de conformidad con las NIIF-UE y demás disposiciones del marco normativo de información financiera aplicable al Grupo en España, y del control interno que consideren necesario para permitir la preparación de cuentas anuales consolidadas libres de incorrección material, debida a fraude o error.

En la preparación de las cuentas anuales consolidadas, los administradores de la Sociedad dominante son responsables de la valoración de la capacidad del Grupo para continuar como empresa en funcionamiento, revelando, según corresponda, las cuestiones relacionadas con empresa en funcionamiento y utilizando el principio contable de empresa en funcionamiento excepto si los citados administradores tienen intención de liquidar el Grupo o de cesar sus operaciones, o bien no exista otra alternativa realista.

El comité de auditoría de la Sociedad dominante es responsable de la supervisión del proceso de elaboración y presentación de las cuentas anuales consolidadas.

Responsabilidades del auditor en relación con la auditoría de las cuentas anuales consolidadas

Nuestros objetivos son obtener una seguridad razonable de que las cuentas anuales consolidadas en su conjunto están libres de incorrección material, debida a fraude o error, y emitir un informe de auditoría que contiene nuestra opinión.

Seguridad razonable es un alto grado de seguridad pero no garantiza que una auditoría realizada de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España siempre detecte una incorrección material cuando existe. Las incorrecciones pueden deberse a fraude o error y se consideran materiales si, individualmente o de forma agregada, puede preverse razonablemente que influyan en las decisiones económicas que los usuarios toman basándose en las cuentas anuales consolidadas.

Como parte de una auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España, aplicamos nuestro juicio profesional y mantenemos una actitud de escepticismo profesional durante toda la auditoría. También:

- Identificamos y valoramos los riesgos de incorrección material en las cuentas anuales consolidadas, debida a fraude o error, diseñamos y aplicamos procedimientos de auditoría para responder a dichos riesgos y obtenemos evidencia de auditoría suficiente y adecuada para proporcionar una base para nuestra opinión. El riesgo de no detectar una incorrección material debida a fraude es más elevado que en el caso de una incorrección material debida a error, ya que el fraude puede implicar colusión, falsificación, omisiones deliberadas, manifestaciones intencionadamente erróneas, o la elusión del control interno.
- Obtenemos conocimiento del control interno relevante para la auditoría con el fin de diseñar procedimientos de auditoría que sean adecuados en función de las circunstancias, y no con la finalidad de expresar una opinión sobre la eficacia del control interno del Grupo.
- Evaluamos si las políticas contables aplicadas son adecuadas y la razonabilidad de las estimaciones contables y la correspondiente información revelada por los administradores de la Sociedad dominante.
- Concluimos sobre si es adecuada la utilización, por los administradores de la Sociedad dominante, del principio contable de empresa en funcionamiento y, basándonos en la evidencia de auditoría obtenida, concluimos sobre si existe o no una incertidumbre material relacionada con hechos o con condiciones que pueden generar dudas significativas sobre la capacidad del Grupo para continuar como empresa en funcionamiento. Si concluimos que existe una incertidumbre material, se requiere que llamemos la atención en nuestro informe de auditoría sobre la correspondiente información revelada en las cuentas anuales consolidadas o, si dichas revelaciones no son adecuadas, que expresemos una opinión modificada. Nuestras conclusiones se basan en la evidencia de auditoría obtenida hasta la fecha de nuestro informe de auditoría. Sin embargo, los hechos o condiciones futuros pueden ser la causa de que el Grupo deje de ser una empresa en funcionamiento.
- Evaluamos la presentación global, la estructura y el contenido de las cuentas anuales consolidadas, incluida la información revelada, y si las cuentas anuales consolidadas representan las transacciones y hechos subyacentes de un modo que logran expresar la imagen fiel.

- Obtenemos evidencia suficiente y adecuada en relación con la información financiera de las entidades o actividades empresariales dentro del Grupo para expresar una opinión sobre las cuentas anuales consolidadas. Somos responsables de la dirección, supervisión y realización de la auditoría del Grupo. Somos los únicos responsables de nuestra opinión de auditoría.

Nos comunicamos con el comité de auditoría de la Sociedad dominante en relación con, entre otras cuestiones, el alcance y el momento de realización de la auditoría planificados y los hallazgos significativos de la auditoría, así como cualquier deficiencia significativa del control interno que identificamos en el transcurso de la auditoría.

También proporcionamos al comité de auditoría de la Sociedad dominante una declaración de que hemos cumplido los requerimientos de ética aplicables, incluidos los de independencia, y nos hemos comunicado con la misma para informar de aquellas cuestiones que razonablemente puedan suponer una amenaza para nuestra independencia y, en su caso, de las correspondientes salvaguardas.

Entre las cuestiones que han sido objeto de comunicación al comité de auditoría de la Sociedad dominante, determinamos las que han sido de la mayor significatividad en la auditoría de las cuentas anuales consolidadas del periodo actual y que son, en consecuencia, las cuestiones clave de la auditoría.

Describimos esas cuestiones en nuestro informe de auditoría salvo que las disposiciones legales o reglamentarias prohíban revelar públicamente la cuestión.

Informe sobre otros requerimientos legales y reglamentarios

Informe adicional para el comité de auditoría de la Sociedad dominante

La opinión expresada en este informe es coherente con lo manifestado en nuestro informe adicional para el comité de auditoría de la Sociedad dominante de fecha 25 de febrero de 2021.

Periodo de contratación

La Junta General de Accionistas en su reunión celebrada el 26 de abril de 2018 nombró a PricewaterhouseCoopers Auditores, S.L. como auditores del Grupo por un período de tres años, contados a partir del ejercicio finalizado el 31 de diciembre de 2018.

Servicios prestados

Los servicios, distintos de la auditoría de cuentas, que han sido prestados al Grupo auditado se desglosan en la nota 21.b de la memoria de las cuentas anuales consolidadas.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Ana Isabel Peláez Morón (20499)

25 de febrero de 2021



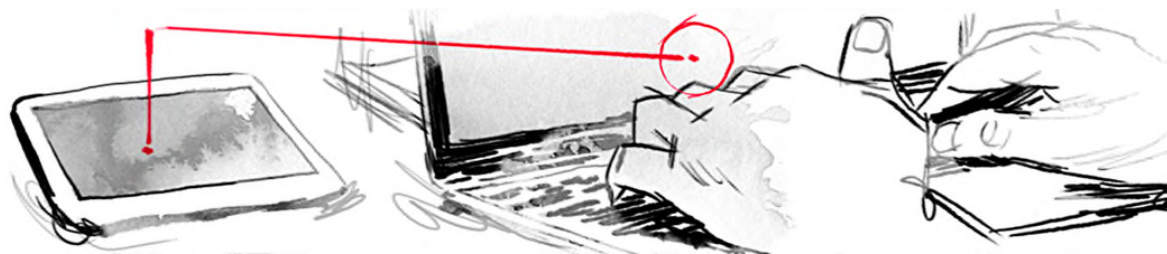
PricewaterhouseCoopers
Auditores, S.L.

2021 Núm. 20/21/05506

SELLO CORPORATIVO: 96,00 EUR

Informe de auditoría de cuentas sujeto
a la normativa de auditoría de cuentas
española o internacional

Independent verification report on the status of non-financial information





**Grupo Catalana Occidente, S.A.
y sociedades dependientes**

Informe de verificación independiente
Estado de Información No Financiera Consolidado
al 31 de diciembre de 2020

Informe de verificación independiente

A los accionistas de Grupo Catalana Occidente, S.A.:

De acuerdo al artículo 49 del Código de Comercio hemos realizado la verificación, con el alcance de seguridad limitada, del Estado de Información No Financiera Consolidado (en adelante EINF) correspondiente al ejercicio finalizado el 31 de diciembre de 2020, de Grupo Catalana Occidente, S.A. (Sociedad dominante) y sociedades dependientes (en adelante Grupo Catalana Occidente) que forma parte del Informe de Gestión Consolidado adjunto de Grupo Catalana Occidente.

El contenido del Informe de Gestión Consolidado incluye información adicional a la requerida por la normativa mercantil vigente en materia de información no financiera que no ha sido objeto de nuestro trabajo de verificación. En este sentido, nuestro trabajo se ha limitado exclusivamente a la verificación de la información identificada en la tabla "Estado de información no financiera" incluida en el apartado 07 del Informe de Gestión Consolidado adjunto.

Responsabilidad de los administradores de la Sociedad dominante

La formulación del EINF incluido en el Informe de Gestión Consolidado de Grupo Catalana Occidente, así como el contenido del mismo, es responsabilidad de los administradores de Grupo Catalana Occidente, S.A. El EINF se ha preparado de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los *Sustainability Reporting Standards de Global Reporting Initiative* (estándares GRI) seleccionados de acuerdo a lo mencionado para cada materia en la tabla "Estado de información no financiera" incluida en el apartado 07 del citado Informe de Gestión Consolidado.

Esta responsabilidad incluye asimismo el diseño, la implantación y el mantenimiento del control interno que se considere necesario para permitir que el EINF esté libre de incorrección material, debida a fraude o error.

Los administradores de Grupo Catalana Occidente, S.A. son también responsables de definir, implantar, adaptar y mantener los sistemas de gestión de los que se obtiene la información necesaria para la preparación del EINF.



Nuestra independencia y control de calidad

Hemos cumplido con los requerimientos de independencia y demás requerimientos de ética del Código de Ética para Profesionales de la Contabilidad emitido por el Consejo de Normas Internacionales de Ética para Profesionales de la Contabilidad (IESBA, por sus siglas en inglés) que está basado en los principios fundamentales de integridad, objetividad, competencia y diligencia profesionales, confidencialidad y comportamiento profesional.

Nuestra firma aplica la Norma Internacional de Control de Calidad 1 (NICC 1) y mantiene, en consecuencia, un sistema global de control de calidad que incluye políticas y procedimientos documentados relativos al cumplimiento de requerimientos de ética, normas profesionales y disposiciones legales y reglamentarias aplicables.

El equipo de trabajo ha estado formado por profesionales expertos en revisiones de Información no Financiera y, específicamente, en información de desempeño económico, social y medioambiental.

Nuestra responsabilidad

Nuestra responsabilidad es expresar nuestras conclusiones en un informe de verificación independiente de seguridad limitada basándonos en el trabajo realizado. Hemos llevado a cabo nuestro trabajo de acuerdo con los requisitos establecidos en la Norma Internacional de Encargos de Aseguramiento 3000 Revisada en vigor, "Encargos de Aseguramiento distintos de la Auditoría y de la Revisión de Información Financiera Histórica" (NIEA 3000 Revisada) emitida por el Consejo de Normas Internacionales de Auditoría y Aseguramiento (IAASB) de la Federación Internacional de Contadores (IFAC) y con la Guía de Actuación sobre encargos de verificación del Estado de Información No Financiera emitida por el Instituto de Censores Jurados de Cuentas de España.

En un trabajo de seguridad limitada los procedimientos llevados a cabo varían en naturaleza y momento de realización, y tienen una menor extensión, que los realizados en un trabajo de seguridad razonable y, por lo tanto, la seguridad proporcionada es también menor.

Nuestro trabajo ha consistido en la formulación de preguntas a la dirección, así como a las diversas unidades de Grupo Catalana Occidente que han participado en la elaboración del EINF, en la revisión de los procesos para recopilar y validar la información presentada en el EINF y en la aplicación de ciertos procedimientos analíticos y pruebas de revisión por muestreo que se describen a continuación:

- Reuniones con el personal de Grupo Catalana Occidente para conocer el modelo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con esas cuestiones y obtener la información necesaria para la revisión externa.
- Análisis del alcance, relevancia e integridad de los contenidos incluidos en el EINF del ejercicio 2020 en función del análisis de materialidad realizado por Grupo Catalana Occidente y descrito en el apartado "Materialidad" del Informe de Gestión Consolidado, considerando los contenidos requeridos en la normativa mercantil en vigor.
- Análisis de los procesos para recopilar y validar los datos presentados en el EINF del ejercicio 2020.

- Revisión de la información relativa a los riesgos, las políticas y los enfoques de gestión aplicados en relación a los aspectos materiales presentados en el EINF del ejercicio 2020.
- Comprobación, mediante pruebas, en base a la selección de una muestra, de la información relativa a los contenidos incluidos en el EINF del ejercicio 2020 y su adecuada compilación a partir de los datos suministrados por las fuentes de información.
- Obtención de una carta de manifestaciones de los administradores y la dirección de la Sociedad dominante.

Conclusión

Basándonos en los procedimientos realizados en nuestra verificación y en las evidencias que hemos obtenido no se ha puesto de manifiesto aspecto alguno que nos haga creer que el EINF de 2020 de Grupo Catalana Occidente correspondiente al ejercicio anual finalizado el 31 de diciembre de 2020 no ha sido preparado, en todos sus aspectos significativos, de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los estándares GRI seleccionados de acuerdo a lo mencionado para cada materia en la tabla "Estado de información no financiera" incluida en el apartado 07 del citado Informe de Gestión Consolidado.

Uso y distribución

Este informe ha sido preparado en respuesta al requerimiento establecido en la normativa mercantil vigente en España, por lo que podría no ser adecuado para otros propósitos y jurisdicciones.

PricewaterhouseCoopers Auditores, S.L.



Juan Ignacio Marull Guasch

25 de febrero de 2021

INSTITUTO DE CENSORES
JURADOS DE CUENTAS
DE ESPAÑA

PricewaterhouseCoopers
Auditores, S.L.

2021 Núm. 20/21/01129

SELLO CORPORATIVO: 30,00 EUR

Informe sobre trabajos distintos
a la auditoría de cuentas



CLASE 8.^a



001162573

Las Cuentas Anuales consolidadas (balance, cuenta de pérdidas y ganancias, el estado de ingresos y gastos reconocidos, estado total de cambios en el patrimonio neto, estado de flujos de efectivo y memoria, todos ellos consolidados) junto con el Informe de Gestión Consolidado de GRUPO CATALANA OCCIDENTE, S.A., correspondientes al ejercicio anual cerrado el 31 de diciembre de 2020, formulados por el Consejo de Administración de la Sociedad celebrado el día de hoy 25 de febrero de 2021, constan extendidos en los folios del Timbre, clase 8.^a, serie 00, números 1162001 al 1162152, documentos que fueron firmados por todos los Consejeros en el folio del Timbre, clase 8.^a, serie 00, número 1162573.

Madrid, a 25 de febrero de 2021

D. José M^a Serra Farré

D. Hugo Serra Calderón

D. Francisco J. Arregui Laborda

Gestión de Activos y Valores, S.L.
D. Álvaro Juncadella de Pallejá

D. Jorge Enrich Izard

Ensivest Bros 2014, S.L.
D. Jorge Enrich Serra

D. José Ignacio Álvarez Juste

D. Federico Halpern Blasco

Lacanuda Consell, S.L.
D. Carlos Halpern Serra

Jusal, S.L.
D. José M^a Juncadella Sala

D^a. M^a Assumpta Soler Serra

D. Enrique Giró Godó

D. Fernando Villavecchia Obregón

D. Alberto Thiebaut Estrada

D. Juan Ignacio Guerrero Gilabert

D. Francisco J. Pérez Farguell



**Grupo Catalana Occidente, S.A.
y sociedades dependientes**

Informe de auditor referido a la “Información relativa al Sistema de Control Interno sobre la Información Financiera (SCIIF)” del Grupo Catalana Occidente correspondiente al ejercicio 2020

Informe de auditor referido a la “Información relativa al Sistema de Control Interno sobre la Información Financiera (SCIIF)” del Grupo Catalana Occidente, S.A. correspondiente al ejercicio 2020

A los Administradores de Grupo Catalana Occidente, S.A.:

De acuerdo con la solicitud del Consejo de Administración de Grupo Catalana Occidente, S.A. (en adelante el “Grupo”) y con nuestra carta propuesta de fecha 10 de julio de 2020, hemos aplicado determinados procedimientos sobre la “Información relativa al SCIIF” adjunta en el Informe Anual de Gobierno Corporativo de Grupo Catalana Occidente, S.A correspondiente al ejercicio 2020, en el que se resumen los procedimientos de control interno de Grupo en relación a la información financiera anual.

Los Administradores son responsables de adoptar las medidas oportunas para garantizar razonablemente la implantación, mantenimiento y supervisión de un adecuado sistema de control interno, así como del desarrollo de mejoras de dicho sistema y de la preparación y establecimiento del contenido de la Información relativa al SCIIF adjunta.

En este sentido, hay que tener en cuenta que, con independencia de la calidad del diseño y operatividad del sistema de control interno adoptado por el Grupo en relación con la información financiera anual, éste sólo puede permitir una seguridad razonable, pero no absoluta, en relación con los objetivos que persigue, debido a las limitaciones inherentes a todo sistema de control interno.

En el curso de nuestro trabajo de auditoría de las cuentas anuales y conforme a las Normas Técnicas de Auditoría, nuestra evaluación del control interno del Grupo ha tenido como único propósito el permitirnos establecer el alcance, la naturaleza y el momento de realización de los procedimientos de auditoría de las cuentas anuales del Grupo. Por consiguiente, nuestra evaluación del control interno, realizada a efectos de dicha auditoría de cuentas, no ha tenido la extensión suficiente para permitirnos emitir una opinión específica sobre la eficacia de dicho control interno sobre la información financiera anual regulada.

A los efectos de la emisión de este informe, hemos aplicado exclusivamente los procedimientos específicos descritos a continuación e indicados en la *Guía de Actuación sobre el Informe del auditor referido a la Información relativa al Sistema de Control Interno sobre la Información Financiera de las entidades cotizadas*, publicada por la Comisión Nacional del Mercado de Valores en su página web, que establece el trabajo a realizar, el alcance mínimo del mismo, así como el contenido de este informe. Como el trabajo resultante de dichos procedimientos tiene, en cualquier caso, un alcance reducido y sustancialmente menor que el de una auditoría o una revisión sobre el sistema de control interno, no expresamos una opinión sobre la efectividad del mismo, ni sobre su diseño y su eficacia operativa, en relación a la información financiera anual del Grupo correspondiente al ejercicio 2020 que se describe en la Información relativa al SCIIF adjunta. En consecuencia, si hubiéramos aplicado procedimientos adicionales a los determinados por la citada Guía o realizado una auditoría o una revisión sobre el sistema de control interno en relación con la información financiera anual regulada, se podrían haber puesto de manifiesto otros hechos o aspectos sobre los que les habríamos informado.

Asimismo, dado que este trabajo especial no constituye una auditoría de cuentas ni se encuentra sometido a la normativa reguladora de la actividad de auditoría de cuentas vigente en España, no expresamos una opinión de auditoría en los términos previstos en la citada normativa.


Se relacionan a continuación los procedimientos aplicados:

1. Lectura y entendimiento de la información preparada por el Grupo en relación con el SCIIF – información de desglose incluida en el Informe de Gestión – y evaluación de si dicha información aborda la totalidad de la información requerida que seguirá el contenido mínimo descrito en el apartado F, relativo a la descripción del SCIIF, del modelo de IAGC según se establece en la Circular 5/2013 de 12 de junio de 2013 de la Comisión Nacional del Mercado de Valores (CNMV), y modificaciones posteriores, siendo la más reciente la Circular 1/2020, de 6 de octubre de la CNMV (en adelante, las Circulares de la CNMV).
2. Preguntas al personal encargado de la elaboración de la información detallada en el punto 1 anterior con el fin de: (i) obtener un entendimiento del proceso seguido en su elaboración; (ii) obtener información que permita evaluar si la terminología utilizada se ajusta a las definiciones del marco de referencia; (iii) obtener información sobre si los procedimientos de control descritos están implantados y en funcionamiento en el Grupo.
3. Revisión de la documentación explicativa soporte de la información detallada en el punto 1 anterior, y que comprenderá, principalmente, aquella directamente puesta a disposición de los responsables de formular la información descriptiva del SCIIF. En este sentido, dicha documentación incluye informes preparados por la función de Auditoría Interna, Alta Dirección y otros especialistas internos o externos en sus funciones de soporte al Comité de Auditoría.
4. Comparación de la información detallada en el punto 1 anterior con el conocimiento del SCIIF del Grupo obtenido como resultado de la aplicación de los procedimientos realizados en el marco de los trabajos de la auditoría de cuentas anuales.
5. Lectura de actas de reuniones del Consejo de Administración, Comité de Auditoría y otras comisiones del Grupo a los efectos de evaluar la consistencia entre los asuntos en ellas abordados en relación al SCIIF y la información detallada en el punto 1 anterior.
6. Obtención de la carta de manifestaciones relativa al trabajo realizado adecuadamente firmada por los responsables de la preparación y formulación de la información detallada en el punto 1 anterior.

Como resultado de los procedimientos aplicados sobre la Información relativa al SCIIF no se han puesto de manifiesto inconsistencias o incidencias que puedan afectar a la misma.

Este informe ha sido preparado exclusivamente en el marco de los requerimientos establecidos por el artículo 540 del texto refundido la Ley de Sociedades de Capital y por las Circulares de la CNMV a los efectos de la descripción del SCIIF en los Informes Anuales de Gobierno Corporativo.

PricewaterhouseCoopers Auditores, S.L.



Ana Isabel Peláez Morón

25 de febrero de 2021

INSTITUTO DE CENSORES
JURADOS DE CUENTAS
DE ESPAÑA

PricewaterhouseCoopers
Auditores, S.L.

2021 Núm. 20/21/05665

SELLO CORPORATIVO: 30,00 EUR

Informe sobre trabajos distintos
a la auditoría de cuentas

INFORME ANUAL EJERCICIO 2020

Grupo Catalana Occidente, Sociedad Anónima

Que en cumplimiento de lo establecido en la Ley de Sociedades de Capital (Real Decreto Legislativo 1/2010, de 2 de julio), así como en los Estatutos Sociales, se presenta por el Consejo de Administración a la Junta General de Accionistas prevista para el 29 de Abril de 2021, en primera convocatoria, para dar cuenta de la gestión del año 2020, y para la aprobación de las Cuentas Anuales del ejercicio 156 de la Compañía.

El Informe de Gestión y las Cuentas Anuales que se acompañan, se depositarán en el Registro Mercantil.

EVOLUCIÓN DEL NEGOCIO

El volumen de ingresos de la Sociedad durante el ejercicio 2020 ha ascendido a **521.713 Miles de Euros**, correspondiendo **519.029 Miles de Euros** a ingresos por participaciones en capital de entidades de seguros y **2.684 Miles de Euros** a otros ingresos de explotación.

El resultado del ejercicio 2020 después de impuestos ha ascendido a **503.191 Miles de Euros**. Con respecto al resultado del ejercicio 2019 después de Impuestos, que ascendió a **216.281 Miles de Euros**, el resultado del ejercicio 2020 ha aumentado en **286.910 Miles de Euros**.

El **Beneficio Neto** de Grupo Catalana Occidente, S.A. asciende a **503.191 Miles de Euros**.

El Consejo de Administración propone y somete a la Junta General de Accionistas la siguiente distribución del Beneficio Neto:

Distribución	Ejercicio 2020
	Miles de Euros
A dividendos	105.852
A reservas voluntarias	397.339
Beneficio neto del ejercicio	503.191

Grupo Catalana Occidente S.A. ha distribuido, en los meses de julio y octubre de 2020 y febrero de 2021 un dividendo a cuenta de los resultados del ejercicio 2020 de 0,1588 euros por acción cada uno de ellos, por un importe total en conjunto de 57.168.000 euros.

El Consejo de Administración tiene previsto proponer a la Junta General de Accionistas el reparto de un dividendo total con cargo a los resultados del ejercicio 2020 de 0,8821 euros por acción. El dividendo complementario de un importe total de 48.684.000 euros, es decir, 0,4057 euros por acción, será satisfecho en el mes de mayo de 2021.

Fecha de pago	Tipo de dividendo	Por acción en Euros	Total en Miles de Euros
Julio 2020	1er. Dividendo a cuenta resultado 2020	0,1588	19.056
Octubre 2020	2º. Dividendo a cuenta resultado 2020	0,1588	19.056
Febrero 2021	3er. Dividendo a cuenta resultado 2020	0,1588	19.056
Mayo 2021	Complementario de resultados 2020	0,4057	48.684
	Totales	0,8821	105.852

La evolución del negocio de la Sociedad está ligada a la de sus filiales, principalmente aseguradoras.

INVERSIONES

El total de las inversiones de la Entidad a 31 de diciembre de 2020 es de **1.542.052 Miles de Euros**, con la siguiente composición:

	2016		2017		2018		2019		2020	
	Importe	% Distr.	Importe	% Distr.	Importe	% Distr.	Importe	% Distr.	Importe	% Distr.
Inversiones financieras en empresas grupo y asociadas	1.146.151	99,21	1.145.901	99,29	1.145.912	96,09	1.146.065	97,42	1.146.065	74,32
Cartera de valores a largo plazo	-	-	-	-	-	-	-	-	-	-
Inversiones financieras a largo plazo	14	-	8	-	15	-	53	0,01	938	0,06
Activos líquidos equivalentes a efectivo	-	-	-	-	-	-	-	-	-	-
Efectivo	9.169	0,79	8.204	0,71	46.579	3,91	30.258	2,57	395.049	25,62
Total Inversiones	1.155.334	100	1.154.113	100	1.192.506	100	1.176.376	100	1.542.052	100

Las inversiones en empresas grupo y asociadas que alcanzan al cierre del ejercicio la cifra de **1.146.065 Miles de Euros** corresponden a:

SOCIEDAD PARTICIPADA	Importe Miles de Euros	Porcentaje de Participación (*)
Seguros Catalana Occidente, S.A.U. de Seguros y Reaseguros	102.184	100%
Grupo Compañía Española de Crédito y Caución, S.L.	538.084	73,84%
Atradius N.V. (**)	477.832	83,20%
Sociedad Gestión Catalana Occidente, S.A.U.	11.643	100%
Sociedad de Inversiones Credere, S.A. (***)	-	49,99%
Cosalud Servicios, S.A.U.	296	100%
GCO Reaseguros, S.A.U.	9.050	100%
Grupo Catalana Occidente Gestión de Activos, S.A.U., S.G.I.I.C	4.312	100%
GCO Gestora de Pensiones, EGFP, S.A.U.	2.500	100%
Catoc, S.I.C.A.V., S.A.	11	0,01%
Grupo Catalana Occidente, Tecnología y Servicios, A.I.E.	153	0,42%
Total Inversiones en empresas grupo y asociadas	1.146.065	

(*) Derechos económicos

(**) Incluye la participación mantenida a través de Grupo Compañía Española de Crédito y Caución, S.L.

(***) Participación deteriorada durante el ejercicio 2017 y 2018

PERSONAL

Al cierre del ejercicio 2020 la Sociedad tiene 126 empleados, 19 más que a cierre del ejercicio anterior.

CONSEJO DE ADMINISTRACION

A cierre del ejercicio, el consejo de administración estaba formado por 16 consejeros, de los cuales 4 son ejecutivos y 2 tienen consideración de independientes.

A continuación se muestra la composición del consejo de administración y de las comisiones delegadas a cierre del ejercicio 2020. Todos ellos son personas de reconocida capacidad profesional, integridad e independencia de criterio. El perfil de los miembros consejo puede consultarse en la web del Grupo Catalana Occidente.

CONSEJO DE ADMINISTRACIÓN	
Presidente	D. José M ^a Serra Farré
Vicepresidente	D. Hugo Serra Calderón
Consejero - Delegado	D. José Ignacio Álvarez Juste
Vocales	D. Jorge Enrich Izard
	D. Francisco Javier Pérez Farguell
	D. Juan Ignacio Guerrero Gilabert
	D. Federico Halpern Blasco
	Gestión de Activos y Valores, S.L.
	D ^a . M ^a . Assumpta Soler Serra
	D. Alberto Thiebaut Estrada
	D. Enrique Giró Godó
	Jusal, S.L.
	Lacanuda Consell, S.L.
Ensivest Bros 2014, S.L.	
D. Fernando Villavecchia Obregón	
Consejero - Secretario	D. Francisco José Arregui Laborda
Vicesecretario - no Consejero	D. Joaquín Guallar Pérez

COMITÉ DE AUDITORIA		COMITÉ NOMBRAMIENTOS Y RETRIBUCIONES	
Presidente	D. Juan Ignacio Guerrero Gilabert	Presidente	D. Francisco Javier Pérez Farguell
Vocales	D. Francisco Javier Pérez Farguell	Vocales	D. Juan Ignacio Guerrero Gilabert
	Lacanuda Consell, S.L.		D. Alberto Thiebaut Estrada
Secretario no Miembro	D. Francisco José Arregui Laborda	Secretario no Miembro	D. Francisco José Arregui Laborda

Durante el año se han celebrado 14 reuniones del consejo de administración, 9 reuniones del Comité de Auditoría y 4 reuniones de la Comisión de Nombramientos y Retribuciones.

Conforme a las Recomendación 36 del Código de Buen Gobierno de las Sociedades Cotizadas, durante el ejercicio 2018 se encomendó a un consultor externo (KPMG Asesores, S.L.) la evaluación de la calidad y eficiencia del funcionamiento del Consejo de Administración, sus comisiones, así como el desempeño de las funciones del Presidente, el Consejero Delegado y el Secretario del Consejo.

El consultor externo analizó la estructura, tamaño y composición del Consejo de Administración y sus comisiones; así como sus dinámicas de funcionamiento, áreas de responsabilidad, tipo de informaciones remitidas al Consejo (en particular en materia de riesgos), sus relaciones con el equipo directivo. Asimismo, analizó y cuestionó a los consejeros respecto al desempeño de las funciones del Presidente del Consejo, el Consejero Delegado y el Secretario del Consejo. El resultado del proceso de evaluación fue positivo, destacando la idoneidad de los procedimientos.

En relación con las recomendaciones emitidas por dicho consultor externo, durante el ejercicio 2019 y 2020 el consejo de administración ha hecho seguimiento de la ejecución de las mismas, habiéndose cumplido la práctica totalidad de las mismas.

El consejo ha realizado una evaluación de su actividad a través de cuestionarios sobre el funcionamiento del consejo y de las comisiones delegadas y sobre el desempeño del presidente y su primer ejecutivo, siendo el resultado igualmente positivo.

El consejo de administración ha aprobado el informe de gobierno corporativo y el informe sobre las remuneraciones de los miembros del consejo de administración correspondiente al ejercicio 2020 siguiendo las pautas establecidas por la normativa en materia de transparencia de las sociedades cotizadas. Puede consultarse todo el detalle en la página web del grupo: www.grupocatalanaoccidente.com

CAPITALES PROPIOS

El capital social suscrito y desembolsado es de **36.000 Miles de Euros** que corresponde a **120 millones** de acciones con un valor nominal de **0,3 euros** cada una, formalizadas mediante anotaciones en cuenta, con idénticos derechos políticos y económicos.

Los capitales propios pasan de **1.126.305 Miles de Euros** en el año 2019 a **1.547.950 Miles de Euros** en el 2020.

Los accionistas de la Sociedad con participación igual o superior al 10% del capital suscrito al 31 de diciembre de 2020 son los siguientes:

	Porcentaje de participación
Corporación Catalana Occidente, S.A.U.	29,40%
La Previsión 96, S.A.	25,00%

La sociedad Inoc, S.A., que posee el 100% del capital social de Corporación Catalana Occidente, S.A.U. y el 72,25% de La Previsión 96, S.A., ostenta directa e indirectamente el 55,01% de la Sociedad al 31 de diciembre de 2020 y pertenece a un grupo cuya cabecera es CO Sociedad de Gestión y Participación, S.A.

Durante el año 2020 se abonaron a los Señores Accionistas un total de **0,67925 euros** por acción. En febrero de 2020 se abonaron **0,1588 euros** por acción en concepto de dividendos a cuenta del resultado del ejercicio 2019 y, en mayo de 2020, se abonaron un total de **0,20285 euros** por acción en concepto de dividendos a cuenta del resultado del ejercicio 2019. En julio y octubre del 2020 y febrero de 2021 se abonaron un total de **0,4764 euros** por acción en concepto de dividendos a cuenta del resultado del ejercicio 2020.

ACCIONES PROPIAS

Durante el ejercicio, la Sociedad no ha realizado operaciones de compra-venta de acciones propias.

ACTIVIDADES I+D

En la Sociedad no ha llevado a cabo ninguna actividad en materia de investigación y desarrollo durante el ejercicio 2020 y 2019.

EVOLUCION ESPERADA DEL NEGOCIO

La evolución de la Sociedad está ligada a la de sus filiales, principalmente aseguradoras.

Previsiblemente las perspectivas de la actividad aseguradora se verán parcialmente influidas por la evolución de la económica mundial.

PRINCIPALES RIESGOS E INCERTIDUMBRES

Los principales riesgos de la Sociedad están ligados a la evolución de sus sociedades participadas.

Dentro de la memoria de las Cuentas Anuales 2020, en la nota 6.3 se detallan los principales riesgos a los que está sujeta la Sociedad.

POLITICA CULTURAL Y MEDIOAMBIENTAL

El Grupo, a través de las distintas entidades, y en especial a través de la Fundación Jesús Serra ha financiado actividades ligadas a diversos campos tales como la investigación, la prevención de la salud, la difusión de la cultura y la conservación del patrimonio o la docencia, entre otras.

En cuanto a la política medioambiental, la sociedad no realiza, de forma directa, ninguna actividad que pueda considerarse de riesgo. En todo caso, se han realizado actuaciones tendentes a optimizar la gestión de los residuos, el uso de materiales biodegradables, el uso de papel reciclado, así como la optimización del consumo energético entre otras.

INFORMACIÓN SOBRE EL PERIODO MEDIO DE PAGO

El periodo medio de pago a los proveedores durante el ejercicio 2020 ha sido de 29,41 días, siendo en el ejercicio 2019 de 26,86 días.

INFORME ANUAL DE GOBIERNO CORPORATIVO

En el Informe de Gestión Consolidado se incluye el Informe Anual del Gobierno Corporativo de la Sociedad según lo dispuesto en el artículo 49.4 del Código de Comercio. De igual forma, dicho informe se encontrará disponible desde la publicación de estas cuentas en la web corporativa y en la web de la CNMV.

INFORMACIÓN NO FINANCIERA

La información relativa al estado de información no financiera de la Sociedad se encuentra incluida en el Informe de Gestión Consolidado del Grupo cuya cabecera es Grupo Catalana Occidente, S.A. y que se depositará, junto con las Cuentas Anuales Consolidadas, en el Registro Mercantil de Madrid.

AUDITORIA

La Junta General de Accionistas de Grupo Catalana Occidente celebrada el 26 de abril de 2018, acordó nombrar a PricewaterhouseCoopers Auditores, S.L., de conformidad con lo previsto en el artículo 264 de la Ley de Sociedades de Capital, como auditores de las cuentas anuales e informe de gestión consolidado del Grupo correspondientes a los ejercicios sociales cerrados del 31 de diciembre de 2018, 2019 y 2020.

HECHOS POSTERIORES

Con posterioridad al cierre del ejercicio y hasta la fecha de formulación de estas cuentas anuales no se ha producido ningún hecho que afecte de forma significativa.

GRUPO CATALANA OCCIDENTE, SOCIEDAD ANÓNIMA
BALANCES AL 31 DE DICIEMBRE DE 2020 Y 2019 (Notas 1 a 4)
(En Miles de Euros)

ACTIVO	31.12.2020	31.12.2019 (*)	PATRIMONIO NETO Y PASIVO	31.12.2020	31.12.2019 (*)
ACTIVO NO CORRIENTE	1.148.288	1.146.577	PATRIMONIO NETO	1.547.950	1.126.305
Inmovilizado material (Nota 5)	542	376	Fondos Propios (Nota 8)		
Elementos de transporte	542	376	Capital	36.000	36.000
Inversiones en empresas del grupo y asociadas a largo plazo (Nota 6)	1.146.065	1.146.065	Prima de emisión	1.533	1.533
Instrumento de patrimonio	1.146.065	1.146.065	Diferencias por ajuste de capital a euros	61	61
Inversiones financieras a largo plazo	938	53	Reservas	1.045.277	910.542
Créditos a empresas (Nota 6.2)	105	50	Legal y estatutarias	7.212	7.212
Otros activos financieros (Nota 6.2 y Nota 9)	833	3	Otras reservas	1.038.065	903.330
Activos por impuesto diferido (Nota 11.5)	743	83	Resultado del ejercicio	503.191	216.281
			Dividendo a cuenta (a deducir)	(38.112)	(38.112)
ACTIVO CORRIENTE	419.054	82.126	PASIVO NO CORRIENTE	1.026	665
Deudores comerciales y otras cuentas a cobrar	24.005	51.868	Provisiones a largo plazo (Nota 9)	1.026	665
Empresas del grupo y asociadas (Nota 12.2)	11.163	21.594	Obligaciones por prestaciones a largo plazo al personal	1.026	665
Deudores varios	183	190	PASIVO CORRIENTE	18.366	101.733
Activos por Impuesto Corriente (Nota 11.1)	12.576	30.008	Deudas con empresas del grupo y asociadas a corto plazo (Notas 10.1 y 12)	7.772	91.383
Otros créditos con las Administraciones Públicas (Nota 11.1)	83	76	Acreeedores comerciales y otras cuentas a pagar	10.594	10.350
Inversiones en empresas del grupo y asociadas a corto plazo	-	-	Proveedores (Nota 10.2)	43	24
Créditos a empresas (Nota 6)	-	-	Acreeedores varios	8.526	8.423
Efectivo y otros activos líquidos equivalentes (Nota 7)	395.049	30.258	Otras deudas con las Administraciones Públicas (Nota 11.1)	2.025	1.903
			Pasivos por Impuesto Corriente (Nota 11.1)	-	-
TOTAL ACTIVO	1.567.342	1.228.703	TOTAL PATRIMONIO NETO Y PASIVO	1.567.342	1.228.703

(*) Se presenta única y exclusivamente a efectos comparativos.

Las Notas 1 a 14 descritas en la Memoria adjunta forman parte integrante del Balance al 31 de diciembre del ejercicio 2020.

GRUPO CATALANA OCCIDENTE, SOCIEDAD ANÓNIMA
CUENTAS DE PÉRDIDAS Y GANANCIAS CORRESPONDIENTES A LOS EJERCICIOS
ANUALES TERMINADOS EL 31 DE DICIEMBRE DE 2020 Y 2019 (Notas 1 a 4)
(En Miles de Euros)

	Ejercicio 2020	Ejercicio 2019 (*)
OPERACIONES CONTINUADAS:		
Importe Neto de la Cifra de Negocios-		
Ingresos de participaciones en instrumentos de patrimonio-		
En empresas del grupo y asociadas (Nota 13.1)	519.029	232.356
En terceros	-	-
Otros ingresos de explotación-		
Ingresos accesorios y otros de gestión corriente (Nota 12.1)	2.684	1.791
Gastos de personal- (Nota 13.2)		
Sueldos, salarios y asimilados	(8.801)	(7.070)
Cargas sociales	(7.267)	(6.447)
Otros gastos de explotación-		
Servicios exteriores	(7146)	(8.269)
Tributos	(83)	227
Otros gastos de gestión corriente	-	-
Amortización del inmovilizado (Nota 5)	(118)	(96)
Deterioro y resultado por enajenación del inmovilizado material		
Deterioros y pérdidas (Nota 5)	2	-
Resultado de explotación	498.300	212.492
Ingresos financieros-		
De valores negociables y otros instrumentos financieros	-	-
En terceros (Nota 7)	2	1
Gastos financieros-		
Por deudas con empresas del grupo y asociadas (Nota 10.1)	(395)	(2.640)
Por deudas con terceros	(270)	(67)
Deterioro y resultado por enajenación de instrumentos financieros		
Deterioros y pérdidas (Nota 6.1)	-	-
Resultado financiero	(663)	(2.706)
Resultado antes de impuestos	497.637	209.786
Impuestos sobre beneficios (Nota 11.4)	5.554	6.495
Resultado del ejercicio procedente de operaciones continuadas	503.191	216.281
OPERACIONES INTERRUMPIDAS		
Resultado del ejercicio procedente de operaciones interrumpidas neto de impuestos	-	-
Resultado del ejercicio	503.191	216.281

(*) Se presenta única y exclusivamente a efectos comparativos.

Las Notas 1 a 14 descritas en la Memoria adjunta forman parte integrante de la cuenta de pérdidas y ganancias correspondiente al ejercicio 2020.

GRUPO CATALANA OCCIDENTE, SOCIEDAD ANÓNIMA

**ESTADOS DE CAMBIOS EN EL PATRIMONIO NETO CORRESPONDIENTES A LOS
EJERCICIOS ANUALES TERMINADOS EL 31 DE DICIEMBRE DE 2020 Y 2019**

**A) ESTADO DE INGRESOS Y GASTOS RECONOCIDOS (Notas 1 a 4)
(En Miles de Euros)**

	Ejercicio 2020	Ejercicio 2019 (*)
Resultado de la cuenta de pérdidas y ganancias (I)	503.191	216.281
Ingresos y gastos imputados directamente al patrimonio neto:		
Por valoración de instrumentos financieros-		
Activos financieros disponibles para la venta	-	-
Otros ingresos/gastos	-	-
Por ganancias y pérdidas actuariales y otros ajustes	(48)	(166)
Efecto impositivo	12	41
Total ingresos y gastos imputados directamente en el patrimonio neto (II)	(36)	(125)
Transferencias a la cuenta de pérdidas y ganancias:		
Por valoración de instrumentos financieros-		
Activos financieros disponibles para la venta	-	-
Otros ingresos/gastos	-	-
Efecto impositivo	-	-
Total transferencias a la cuenta de pérdidas y ganancias (III)	-	-
Total ingresos y gastos reconocidos (I+II+III)	503.155	216.156

(*) Se presenta única y exclusivamente a efectos comparativos.

Las Notas 1 a 14 descritas en la Memoria adjunta forman parte integrante del estado de ingresos y gastos reconocidos correspondiente al ejercicio 2020.

GRUPO CATALANA OCCIDENTE, SOCIEDAD ANÓNIMA
ESTADOS DE CAMBIOS EN EL PATRIMONIO NETO CORRESPONDIENTES A LOS
EJERCICIOS ANUALES TERMINADOS EL 31 DE DICIEMBRE DE 2020 Y 2019

B) ESTADO TOTAL DE CAMBIOS EN EL PATRIMONIO NETO (Notas 1 a 4)

(En Miles de Euros)

	Capital	Prima de Emisión	Reservas ¹	Resultado del Ejercicio	Dividendo a Cuenta	Total
Saldo final del ejercicio 2018 (*)	36.000	1.533	832.478	176.938	(36.288)	1.010.661
Ajustes por cambios de criterio 2018	-	-	-	-	-	-
Ajustes por errores 2018	-	-	-	-	-	-
Saldo ajustado al inicio del ejercicio 2019 (*)	36.000	1.533	832.478	176.938	(36.288)	1.010.661
Total ingresos y gastos reconocidos	-	-	(125)	216.281	-	216.156
Operaciones con accionistas:						
Distribución Resultado Ejercicio 2018	-	-	78.250	(176.938)	98.688	-
Aumentos de capital	-	-	-	-	-	-
Reducciones de capital	-	-	-	-	-	-
Conversión de pasivos financieros en patrimonio neto	-	-	-	-	-	-
Distribución de dividendos	-	-	-	-	(100.512)	(100.512)
Operaciones con acciones propias (netas)	-	-	-	-	-	-
Combinación de negocios	-	-	-	-	-	-
Otras operaciones	-	-	-	-	-	-
Otras variaciones del patrimonio neto	-	-	-	-	-	-
Saldo final del ejercicio 2019 (*)	36.000	1.533	910.603	216.281	(38.112)	1.126.305
Ajustes por cambios de criterio 2019	-	-	-	-	-	-
Ajustes por errores 2019	-	-	-	-	-	-
Saldo ajustado al inicio del ejercicio 2020 (*)	36.000	1.533	910.603	216.281	(38.112)	1.126.305
Total ingresos y gastos reconocidos	-	-	(36)	503.191	-	503.155
Operaciones con accionistas:						
Distribución Resultado Ejercicio 2019	-	-	134.771	(216.281)	81.510	-
Aumentos de capital	-	-	-	-	-	-
Reducciones de capital	-	-	-	-	-	-
Conversión de pasivos financieros en patrimonio neto	-	-	-	-	-	-
Distribución de dividendos (Nota 3)	-	-	-	-	(81.510)	(81.510)
Operaciones con acciones propias (netas)	-	-	-	-	-	-
Combinación de negocios	-	-	-	-	-	-
Otras operaciones	-	-	-	-	-	-
Otras variaciones del patrimonio neto	-	-	-	-	-	-
Saldo final del ejercicio 2020	36.000	1.533	1.045.338	503.191	(38.112)	1.547.950

1. Se incluyen también las diferencias por ajuste de capital a euros

(*) Se presenta única y exclusivamente a efectos comparativos.

Las Notas 1 a 14 descritas en la Memoria adjunta forman parte integrante del estado total de cambios en el patrimonio neto correspondiente al ejercicio 2020.

GRUPO CATALANA OCCIDENTE, SOCIEDAD ANÓNIMA

ESTADOS DE FLUJOS DE EFECTIVO CORRESPONDIENTES A LOS

EJERCICIOS ANUALES TERMINADOS EL 31 DE DICIEMBRE DE 2020 Y 2019

(Notas 1 a 4)
(En Miles de Euros)

	Ejercicio 2020	Ejercicio 2019 (*)
Flujos de efectivo de las actividades de explotación (I):	523.937	194.381
Resultado del ejercicio antes de impuestos	497.637	209.786
Ajustes al resultado-	1.142	3.063
Amortización del inmovilizado	118	96
Correcciones valorativas por deterioro	-	-
Variación de provisiones	361	262
Resultados por bajas y enajenaciones de inmovilizado	-	-
Resultados por bajas y enajenaciones de instrumentos financieros	-	-
Ingresos financieros	(2)	(1)
Gastos financieros	665	2.706
Variación de valor razonable en instrumentos financieros	-	-
Otros ingresos y gastos	-	-
Cambios en el capital corriente-	(1.064)	886
Deudores y otras cuentas a cobrar	(648)	(309)
Otros activos corrientes	-	-
Acreedores y otras cuentas a pagar	244	1.236
Otros pasivos corrientes	-	-
Otros activos y pasivos no corrientes	(660)	(41)
Otros flujos de efectivo de las actividades de explotación-	26.222	(19.354)
Pagos de intereses	(1.517)	(4.711)
Cobros de dividendos	-	-
Cobros de intereses	2	1
Cobros (pagos) por impuesto sobre beneficios	29.015	(13.093)
Otros cobros (pagos)	(1.278)	(1.551)
Flujos de efectivo de las actividades de inversión (II)	(1.176)	(190)
RESULTADO DE EXPLOTACIÓN:	(1.225)	(190)
Pagos por inversiones-	-	-
Empresas del grupo y asociadas	-	-
Inmovilizado material	(337)	(155)
Otros activos financieros	(888)	(35)
Activos no corrientes mantenidos para la venta	-	-
Otros activos	-	-
Cobros por desinversiones-	49	-
Empresas del grupo y asociadas	-	-
Inmovilizado material	49	-
Otros activos financieros	-	-
Activos no corrientes mantenidos para la venta	-	-
Otros activos	-	-
Flujos de efectivo de las actividades de financiación (III)	(157.970)	(210.512)
Cobros y pagos por instrumentos de patrimonio-	-	-
Emisión de instrumentos de patrimonio	-	-
Amortización de instrumentos de patrimonio	-	-
Adquisición de instrumentos de patrimonio propio	-	-
Enajenación de instrumentos de patrimonio propio	-	-
Cobros y pagos por instrumentos de pasivo financiero-	(76.460)	(110.000)
Emisión de obligaciones y otros valores negociables	-	-
Emisión de deudas con entidades de crédito	-	-
Emisión de deudas con empresas del grupo y asociadas	-	-
Emisión de otras deudas	-	-
Devolución y amortización de obligaciones y otros valores negociables	-	-
Devolución y amortización de deudas con entidades de crédito	-	-
Devolución y amortización de deudas con empresas del grupo y asociadas	(76.460)	(110.000)
Devolución y amortización de otras deudas	-	-
Pagos por dividendos y remuneraciones de otros instrumentos de patrimonio-	(81.510)	(100.512)
Dividendos	(81.510)	(100.512)
Remuneración de otros instrumentos de patrimonio	-	-
Efecto de las variaciones de los tipos de cambio (IV)	-	-
AUMENTO/DISMINUCIÓN NETA DEL EFECTIVO O EQUIVALENTES (I+II+III+IV)	364.791	(16.321)
Efectivo o equivalentes al comienzo del ejercicio	30.258	46.579
Efectivo o equivalentes al final del ejercicio	395.049	30.258

(*) Se presenta única y exclusivamente a efectos comparativos.
Las Notas 1 a 14 descritas en la Memoria adjunta forman parte integrante del estado de flujos de efectivo correspondiente al ejercicio 2020.

Grupo Catalana Occidente, S.A.
Memoria del
ejercicio anual terminado el
31 de diciembre de 2020

1. Información general sobre la Sociedad y su actividad

Grupo Catalana Occidente, Sociedad Anónima (en adelante la Sociedad), fue constituida con duración indefinida el 18 de julio de 1864 con la denominación “La Catalana, Sociedad de Seguros contra Incendios a Prima Fija”, pasando a denominarse en 1988 Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros, y cambiando esta denominación por la actual en el ejercicio 2001, como consecuencia del cese en la actividad aseguradora y cambio de objeto social tras la cesión el 2 de octubre de ese año de todo su negocio asegurador y reasegurador a la sociedad dependiente Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros (anteriormente denominada Multinacional Aseguradora, Sociedad Anónima de Seguros y Reaseguros), mediante una aportación no dineraria de rama de actividad que comprendía la totalidad de los activos y pasivos afectos al negocio cedido y todo su personal.

Su objeto social consiste en la compra, suscripción, tenencia, administración, permuta y enajenación de toda clase de valores mobiliarios y participaciones, nacionales y extranjeros, por cuenta propia y sin actividad de intermediación, con la finalidad de dirigir, administrar y gestionar dichos valores y participaciones. La Sociedad realiza dichas actividades, especialmente en relación a valores mobiliarios de entidades dedicadas a la práctica de actividades y operaciones de seguros y reaseguros, y demás operaciones sometidas a la normativa de ordenación del seguro privado, previo el cumplimiento de los preceptivos requisitos legales. La Sociedad no ejerce directamente la actividad aseguradora, que realizan las entidades participadas, siempre que hayan obtenido y conserven la correspondiente autorización administrativa.

La Sociedad dirige y gestiona su participación en el capital social de otras entidades mediante la correspondiente organización de medios personales y materiales. Cuando la participación en el capital de estas entidades así lo permite, la Sociedad ejerce la dirección y el control de las mismas, mediante la pertenencia a sus órganos de administración social, o a través de la prestación de servicios de gestión y administración de dichas entidades.

El domicilio social radica en Paseo de la Castellana, número 4, Madrid.

La totalidad de las acciones de la Sociedad están admitidas a negociación a través del Sistema de Interconexión Bursátil (Mercado Continuo). La valoración bursátil al 31 de diciembre de 2020 era de 29,15 Euros por acción.

Dada la actividad a la que se dedica la Sociedad, la misma no tiene responsabilidades, gastos, activos, ni provisiones y contingencias de naturaleza medioambiental que pudieran ser significativos en relación con el patrimonio, la situación financiera y los resultados de la misma. Por este motivo no se incluyen desgloses específicos en la presente memoria de las cuentas anuales respecto a información de cuestiones medioambientales.

La información no financiera a incluir según lo dispuesto en la Ley 11/2018, de 28 de diciembre, por la que se modifica el Código de Comercio, el texto refundido de la Ley de Sociedades de Capital aprobado por el Real Decreto Legislativo 1/2010, de 2 de julio, y la Ley 22/2015, de 20 de julio, de Auditoría de Cuentas, en materia de información no financiera y diversidad, se encuentra incluida en el informe anual consolidado de Grupo Catalana Occidente, S.A.

La actividad de la Sociedad no se ha visto influenciada significativamente en el ejercicio 2020 por el COVID 19, no esperándose igualmente que esta situación tenga un impacto apreciable en el 2021.

2. Bases de presentación de las cuentas anuales

a) Marco Normativo de información financiera aplicable a la Sociedad

Estas cuentas anuales se han formulado por los Administradores de acuerdo con el marco normativo de información financiera aplicable a la Sociedad, que es el establecido en:

- a) El Código de Comercio y la restante legislación mercantil
- b) El Plan General de Contabilidad aprobado por el Real Decreto 1514/2007 y sus posteriores adaptaciones
- c) Las normas de obligado cumplimiento aprobadas por el Instituto de Contabilidad y Auditoría de Cuentas en desarrollo del Plan General de Contabilidad y sus normas complementarias y,
- d) El resto de la normativa contable española que resulte de aplicación.

b) Imagen fiel

Las cuentas anuales adjuntas han sido obtenidas de los registros contables de la Sociedad y se presentan de acuerdo con el marco normativo de información financiera que le resulta de aplicación y en particular, los principios y criterios contables en él contenidos, de forma que muestran la imagen fiel del patrimonio, de la situación financiera, de los resultados de la Sociedad y de los flujos de efectivo habidos durante el correspondiente ejercicio.

Estas cuentas anuales, que se formulan por el Consejo de Administración el 25 de febrero de 2021, se someterán a la aprobación por la Junta General Ordinaria de Accionistas el 29 de abril de 2021, estimándose que serán aprobadas sin modificación alguna. Por su parte, las cuentas anuales del ejercicio 2019 fueron aprobadas por la Junta General de Accionistas celebrada el 30 de abril de 2020.

Los Administradores de la Sociedad, cuya actividad incluye la actuación como sociedad holding (véase Nota 1), han tenido en cuenta, en la presentación de las cuentas de pérdidas y ganancias adjuntas, la respuesta del Instituto de Contabilidad y Auditoría de Cuentas a la consulta publicada en el BOICAC nº 79 (publicada el 28 de julio de 2009) relativa a la clasificación contable en cuentas individuales de los ingresos y gastos de una sociedad holding y sobre la determinación de la cifra de negocios de esta categoría de entidades.

Según la mencionada consulta todos los ingresos que obtenga una sociedad fruto de su actividad 'financiera', siempre que dicha actividad se considere como ordinaria, formarán parte del concepto 'Importe neto de la cifra de negocios'. En consecuencia, tanto los dividendos como los beneficios obtenidos por la enajenación de las participaciones, baja en cuentas o variación del valor razonable, constituyen de acuerdo con lo indicado, el 'Importe neto de la cifra de negocios'.

De acuerdo con las indicaciones del ICAC, en la rúbrica 'Resultado financiero' se mantienen los ingresos y gastos financieros incurridos en el ejercicio.

Estas cuentas anuales se han preparado por obligación legal y no recogen el efecto de la consolidación de las participaciones en Sociedades del Grupo incluidas en el epígrafe de 'Inversiones en empresas del grupo y asociadas a largo plazo' (véase Nota 6).

De acuerdo con el Reglamento (CE) nº 1606/2002 del Parlamento Europeo y del Consejo del 19 de julio de 2002, todas las sociedades que se rijan por el Derecho de un estado miembro de la Unión Europea, y cuyos títulos valores coticen en un mercado regulado de alguno de los Estados que la conforman, deben presentar sus cuentas consolidadas de los ejercicios que se inicien a partir del 1 de enero de 2005, de acuerdo con las Normas Internacionales de Información Financiera que hayan sido convalidadas por la Unión Europea (NIIF-UE).

En España, la obligación de presentar cuentas anuales consolidadas bajo las NIIF-UE fue asimismo regulada en la disposición final undécima de la Ley 62/2003, de 30 de diciembre, de medidas fiscales, administrativas y del orden social (BOE de 31 de diciembre).

De acuerdo con las anteriores obligaciones, la Sociedad ha formulado sus cuentas anuales consolidadas del ejercicio 2020, que presenta separadamente, de acuerdo con las NIIF-UE. Tomando en consideración el contenido de dichas cuentas anuales consolidadas, el patrimonio neto consolidado del Grupo asciende a 3.937.619 Miles de Euros, el resultado consolidado del ejercicio asciende a 270.132 Miles de Euros y el volumen de activos y de primas imputadas ascienden a 17.367.736 y 3.442.491 Miles de Euros, respectivamente. A continuación, se expone en los cuadros siguientes el detalle de dichas cuentas anuales consolidadas:

Balance consolidado bajo NIIF-UE a 31 de diciembre de 2020 y 2019 (importes en Miles de Euros)

Activo	31.12.2020	31.12.2019	Pasivo y Patrimonio Neto	31.12.2020	31.12.2019
Efectivo y otros activos líquidos equivalentes	1.477.975	1.354.740	Débitos y partidas a pagar	1.181.783	954.707
Activos financieros mantenidos para negociar	-	-	Provisiones técnicas	10.982.462	10.652.097
Otros activos financieros a valor razonable con cambios en pérdidas y ganancias	585.341	579.019	Provisiones no técnicas	234.599	210.513
Activos financieros disponibles para la venta	9.862.441	9.586.342	Pasivos fiscales	535.765	554.947
Préstamos y partidas a cobrar	1.249.224	1.197.027	Resto de pasivos	495.508	454.502
Participación del reaseguro en las provisiones técnicas	1.108.067	874.347			
Inmovilizado material e inversiones inmobiliarias	1.138.895	1.095.491	Patrimonio atribuido a la sociedad dominante	3.578.902	3.477.144
Inmovilizado intangible	994.051	995.015	Intereses minoritarios	358.717	374.039
Participaciones en entidades valoradas por el método de la participación	85.183	85.794			
Activos fiscales	356.292	331.429			
Otros activos	510.267	578.745			
Total Activo	17.367.736	16.677.949	Total Pasivo y Patrimonio Neto	17.367.736	16.677.949

Cuenta de pérdidas y ganancias consolidadas bajo NIIF-UE del ejercicio 2020 y 2019 (importes en Miles de Euros):

	Ejercicio 2020	Ejercicio 2019
Seguro No Vida:		
Primas imputadas netas de reaseguro	2.650.712	2.868.311
Resultado segmento No Vida	338.088	542.901
Seguro Vida:		
Primas imputadas netas de reaseguro	771.779	805.487
Resultado segmento Vida	37.915	43.270
Otras Actividades No Técnicas:		
Resultado segmento Otras actividades	(11.429)	(29.972)
Impuesto sobre beneficios	(94.442)	(131.669)
Resultado del ejercicio:		
Resultado atribuido a socios externos	7.801	38.593
Resultado del ejercicio atribuido a la sociedad dominante	262.331	385.937

c) Principios contables

Para la elaboración de estas cuentas anuales se han seguido los principios contables y criterios de valoración generalmente aceptados, descritos en la Nota 4. No existe ningún principio contable de aplicación obligatoria que, teniendo un efecto significativo en las cuentas anuales, se haya dejado de aplicar en la elaboración de las cuentas anuales adjuntas.

d) Comparación de la información

La información contenida en esta memoria referida al ejercicio 2019 se presenta, a efectos comparativos con la información del ejercicio 2020.

e) Responsabilidad de la información

La información contenida en estas cuentas anuales es responsabilidad de los Administradores de la Sociedad, quienes han verificado, con la debida diligencia, que los diferentes controles establecidos para asegurar la calidad de la información financiero-contable han operado de forma eficaz.

En la elaboración de los estados financieros se han utilizado, en ciertas ocasiones, juicios y estimaciones realizados por la Alta Dirección de la Sociedad, ratificadas posteriormente por los Administradores, que hacen referencia, entre otros, al valor razonable de determinados activos y pasivos, la determinación del valor recuperable de las participaciones en empresas del grupo y asociadas a efectos del test de deterioro, y la vida útil de los activos materiales e intangibles.

Las estimaciones afectan tanto a los importes registrados en el balance y la cuenta de pérdidas y ganancias del ejercicio como el estado de cambios en el patrimonio neto y el estado de flujos de efectivo. A pesar de que estas estimaciones se han realizado en función de la mejor información disponible y teniendo en cuenta la situación económica actual derivada de la pandemia del COVID-19, es posible que acontecimientos futuros obliguen a modificarlas (al alza o a la baja) en los próximos ejercicios, lo que se haría, de forma prospectiva, reconociendo los efectos del cambio de estimación en los estados financieros.

3. Distribución de resultados

La propuesta de distribución del beneficio del ejercicio 2020 que el Consejo de Administración de la Sociedad someterá a la aprobación de la Junta General de Accionistas es la siguiente:

Distribución	Miles de Euros
A reservas voluntarias	397.339
A dividendos	105.852
Beneficio neto del ejercicio	503.191

En cuanto a la distribución del beneficio del ejercicio 2019, con fecha 22 de abril de 2020 y al amparo de lo establecido en los artículos 40.6.bis y 41.3 del Real Decreto Ley 8/2020, de 17 de marzo, de medidas urgentes extraordinarias para hacer frente al impacto económico y social del COVID-19, y en el marco de las recomendaciones de la Autoridad Europea de Seguros y Pensiones de Jubilación y de la DGSFP, en sus respectivas notas del 2 y 8 de abril de 2020, en relación con la distribución generada por el COVID-19, el Consejo de Administración de la Sociedad acordó retirar la propuesta de distribución de resultados incluida en las cuentas anuales del ejercicio 2019, teniendo en consideración tanto las recomendaciones de los supervisores como el principio de prudencia y discrecionalidad empresarial que debe gobernar las actuaciones del Consejo de Administración, especialmente ante una crisis sanitaria sin precedentes.

En la misma sesión del Consejo, se acordó distribuir un cuarto dividendo a cuenta de los resultados del ejercicio 2019 por un importe de 0,2029 euros por acción, cuyo pago se hizo efectivo el 13 de mayo del 2020.

En virtud de la modificación anterior, la Junta General de Accionistas aprobó con fecha 29 de octubre la nueva distribución del resultado correspondiente al ejercicio 2019:

Distribución	Miles de Euros
A reservas voluntarias	134.771
A dividendos	81.510
Beneficio neto del ejercicio	216.281

Previamente, el Consejo de Administración de la Sociedad, en sus reuniones celebradas el 27 de junio de 2019, el 26 de septiembre de 2019 y el 30 de enero de 2020, acordó distribuir, a cuenta del resultado del ejercicio 2019, la cantidad de 57.168 Miles de Euros, importe que se hizo efectivo mediante diversos pagos de los días 10 de julio de 2019, 9 de octubre de 2019 y 12 de febrero de 2020.

En el estado de cambios en el patrimonio neto queda detallada la distribución del beneficio neto del ejercicio 2019.

A continuación, se detallan los diferentes importes abonados a los accionistas en concepto de dividendos durante el ejercicio 2020:

Órgano de Gobierno:	Fecha del acuerdo:	Fecha de Pago:	Tipo dividendo:	Por acción en Euros	Total en Miles de Euros
Consejo de Administración	30 de enero de 2020	12 de febrero de 2020	Tercer dividendo a cuenta resultado 2019	0,1588	19.056
Consejo de Administración	22 de abril de 2020	13 de mayo de 2020	Cuarto dividendo a cuenta resultado 2019	0,2029	24.342
Consejo de Administración	23 de junio de 2020	1 de julio de 2020	Primer dividendo a cuenta resultado 2020	0,1588	19.056
Consejo de Administración	23 de septiembre de 2020	7 de octubre de 2020	Segundo dividendo a cuenta resultado 2020	0,1588	19.056
					81.510

El Consejo de Administración de la Sociedad, en sus sesiones de fecha 23 de junio y 23 de septiembre de 2020, acordó distribuir un primer y segundo dividendo a cuenta de los resultados del ejercicio 2020, ambos por importe de 19.056 Miles de Euros. Estos dividendos se han acordado partiendo de los estados de liquidez según el balance de la Sociedad dominante a las siguientes fechas y con el siguiente detalle:

	Miles de Euros	
	23 de junio de 2020	23 de septiembre de 2020
Suma activos disponibles y realizables	133.292	124.696
Suma pasivos exigibles (*)	52.346	58.441
Superávit estimado de liquidez	80.946	66.255
Dividendo a cuenta	19.056	19.056

(*) Incluye el dividendo a cuenta propuesto.

Las distribuciones de dividendos realizadas durante el ejercicio 2020 cumplen con los requisitos y limitaciones establecidos en la normativa legal y en los Estatutos Sociales vigentes.

Adicionalmente, el Consejo de Administración de la Sociedad, en su sesión de 28 de enero de 2021 ha acordado distribuir un tercer dividendo a cuenta de los resultados del ejercicio 2020 por importe de 19.056 Miles de Euros que ha sido abonado el 10 de febrero de 2021. Este dividendo se ha acordado partiendo de los estados de liquidez según el balance de la Sociedad a 28 de enero de 2021 y con el siguiente detalle:

	Miles de Euros
	28 de enero de 2021
Suma activos disponible y realizables	418.932
Suma pasivos exigibles (*)	37.295
Superávit estimado de liquidez	381.637
Dividendo a cuenta	19.056

(*) Incluye el dividendo a cuenta propuesto.

El Consejo de Administración tiene previsto proponer a la Junta General de Accionistas el reparto de un dividendo total de 105.852 miles de euros con cargo a los resultados del ejercicio 2020 correspondiente a 0,8821 euros por acción. El dividendo complementario de un importe total de 48.684 miles de euros, es decir, 0,4057 euros por acción, será satisfecho en el mes de mayo de 2021.

4. Normas de registro y valoración

Las principales normas de registro y valoración utilizadas por la Sociedad en la elaboración de sus cuentas anuales del ejercicio 2020, de acuerdo con las establecidas por el Plan General de Contabilidad, han sido las siguientes:

a) Inmovilizado material

El inmovilizado material se valora inicialmente por su precio de adquisición o coste de producción, y posteriormente se minora por la correspondiente amortización acumulada y las pérdidas por deterioro, si las hubiera.

Los gastos de conservación y mantenimiento de los diferentes elementos que componen el inmovilizado material se imputan a la cuenta de pérdidas y ganancias del ejercicio en que se incurren. Por el contrario, los importes invertidos en mejoras que contribuyen a aumentar la capacidad o eficiencia o a alargar la vida útil de dichos bienes se registran como mayor coste de los mismos.

La Sociedad amortiza el inmovilizado material siguiendo el método lineal, aplicando porcentajes de amortización anual calculados en función de los años de vida útil estimada de los respectivos bienes, según el siguiente detalle:

	Porcentaje de Amortización
Mobiliario	10%
Instalaciones técnicas	10%
Equipos para procesos de información	25%
Elementos de transporte	14%

Al cierre del ejercicio, se evalúa la existencia de indicios de deterioro, en cuyo caso se estiman los importes recuperables de los activos, efectuándose las correcciones valorativas que procedan si son inferiores a los respectivos valores en libros.

El importe recuperable se determina como el mayor importe entre el valor razonable menos los costes de venta y el valor de uso.

b) Instrumentos financieros

1. Activos financieros

Clasificación-

Los activos financieros que posee la Sociedad se clasifican en las siguientes categorías:

- a) Deudores comerciales y partidas a cobrar: activos financieros originados en la venta de bienes o en la prestación de servicios por operaciones de tráfico de la empresa, o los que no teniendo un origen comercial, no son instrumentos de patrimonio ni derivados y cuyos cobros son de cuantía fija o determinable y no se negocian en un mercado activo.
- b) Inversiones en el patrimonio de empresas del grupo y asociadas: se consideran empresas del grupo aquellas vinculadas con la Sociedad por una relación de control, y empresas asociadas aquellas sobre las que la Sociedad ejerce una influencia significativa. Adicionalmente, dentro de la categoría de multigrupo se incluye a aquellas sociedades sobre las que en virtud de un acuerdo, se ejerce un control conjunto con uno o más socios.

- c) Inversiones financieras a largo plazo: se corresponden a los préstamos concedidos por la Sociedad a su personal y a las fianzas constituidas en concepto de arrendamientos.

Valoración inicial -

Los activos financieros se registran inicialmente al valor razonable de la contraprestación entregada más los costes de la transacción que sean directamente atribuibles.

Valoración posterior -

Los préstamos y partidas a cobrar se valoran por su coste amortizado. Por coste amortizado se entiende el importe al que fue valorado inicialmente el instrumento financiero, menos reembolsos del principal, más o menos, según el caso, la imputación o amortización gradual acumulada, utilizando el método del interés efectivo, de cualquier diferencia existente entre el importe inicial y el valor de reembolso en el vencimiento, menos cualquier disminución por deterioro del valor o incobrabilidad.

Las inversiones en empresas del grupo y asociadas se valoran por su coste, minorado, en su caso, por el importe acumulado de las correcciones valorativas por deterioro. Dichas correcciones se calculan como la diferencia entre su valor en libros y el importe recuperable, entendido éste como el mayor importe entre su valor razonable menos los costes de venta y el valor actual de los flujos de efectivo futuros derivados de la inversión. Salvo mejor evidencia del importe recuperable, se toma en consideración el patrimonio neto de la entidad participada, corregido por las plusvalías tácitas existentes en la fecha de la valoración (incluyendo el fondo de comercio, si lo hubiera).

Deterioro de activos -

Al menos al cierre del ejercicio la Sociedad realiza un test de deterioro para los activos financieros que no están registrados a valor razonable. Se considera que existe evidencia objetiva de deterioro si el valor recuperable del activo financiero es inferior a su valor en libros.

Para las inversiones en empresas del grupo y asociadas para las que se dispone de un fondo de comercio asociado significativo, la Dirección del Grupo analiza y evalúa las estimaciones y proyecciones disponibles de las diferentes sociedades, determinando si las previsiones de ingresos y de flujos de efectivo atribuibles al Grupo de estas sociedades soportan el valor de la participación en dichas sociedades.

Las proyecciones financieras empleadas en los ejercicios de valoración para la entidad participada Atradius, N.V. cubren un periodo de 10 años, para poder incrementar el grado de fiabilidad de las proyecciones, dada la estrecha relación que existe entre la fase del ciclo económico y la evolución de los flujos derivados del negocio de seguro de crédito, y se basan en planes de negocio aprobados previamente por los Administradores de la Sociedad. Los planes de negocio, así como el resto de las hipótesis y asunciones utilizadas en el test de deterioro de participadas han tenido en consideración la situación y contexto actual derivada de la crisis sanitaria del COVID y sus posibles impactos.

Para la construcción de las hipótesis y asunciones utilizadas, tales como la tasa de descuento y la tasa de crecimiento, así como la metodología utilizada en el cálculo del valor recuperable de la participada, la dirección ha contado con la involucración de un experto independiente.

Para la determinación del valor terminal, la metodología se ha basado en la fórmula de renta a perpetuidad del dividendo distributable normalizado, habiendo sido contrastada dicha metodología de cálculo con otras similares y generalmente aceptadas como Gordon- Shapiro y resultando en diferencias no significativas.

En cuanto al cálculo de la renta perpetua del dividendo distributable normalizado, se asume que el dividendo del último año de proyección se incrementa de acuerdo con la tasa de crecimiento a perpetuidad ("g"). Por lo que respecta al modelo Gordon- Shapiro, el flujo normalizado se ha calculado ajustando el flujo libre del último año proyectado por la Dirección, asumiendo un incremento de los ingresos de acuerdo con la tasa de crecimiento a perpetuidad y un margen EBITDA normalizado acorde con la evolución de la UGE en cuestión.

La tasa de descuento aplicada en el ejercicio, para la actualización de las proyecciones de flujos de efectivo obtenidas a partir de la proyección de ingresos y gastos, se ha estimado considerando el tipo libre de riesgo del país, márgenes de seguridad y una beta que considera los riesgos específicos del sector y de los activos.

Las hipótesis y asunciones previamente descritas, han sido de un 8,2%, una tasa de crecimiento a perpetuidad del 1% y el exceso de capital disponible sobre su Capital Requerido por Solvencia II en un 175% para Atradius N.V. y Atradius Crédito y Caución, y un 150% para las unidades situadas en España.

De forma complementaria al escenario de valoración central, se han calculado variaciones posibles en las principales hipótesis del modelo y realizado un análisis de sensibilidad. Algunos de los principales impactos relativos en el valor en uso derivado de este análisis es el siguiente:

Tasa de descuento		Tasa de crecimiento a perpetuidad		Ratio combinado		Ratio de solvencia	
+50pb	- 50pb	+50pb	- 50pb	+50pb	-50pb	+1.000pb	-1.000pb
-5,50%	6,30%	0,40%	-0,30%	-2,00%	2,00%	-5,30%	5,30%

A 31 de diciembre de 2020 ningún análisis de sensibilidad mencionado anteriormente supondría que el importe en libros de las unidades excediera su valor recuperable.

Asimismo, al 31 de diciembre de 2020 ningún cambio razonablemente posible en las tasas de descuento y en las hipótesis clave de la proyección de ingresos y gastos supondría que el importe en libros de las unidades excediera su valor recuperable.

Las hipótesis clave sobre la cual la Dirección del Grupo ha basado las proyecciones de resultados para determinar el valor actual de los flujos de efectivo futuros derivados de las inversiones, de acuerdo con los períodos cubiertos por los presupuestos o previsiones más recientes, son las siguientes:

- Ingresos por primas: se proyecta un incremento anual en función de las previsiones de negocio de cada compañía para los próximos años.
- Siniestralidad: el coeficiente de siniestralidad sobre primas se proyecta en función de las previsiones de negocio de cada compañía para los próximos años.
- Gastos de explotación: mantenimiento de los ratios sobre primas actuales.
- Resultado financiero: en función de las previsiones de la compañía para los próximos años y relacionados con su cartera actual de activos y expectativas de reinversión.
- Capital disponible: en las proyecciones para obtener los flujos y por tanto distribuibles, se ha tenido en cuenta la retención de flujos necesaria para obtener un exceso de capital disponible sobre su Capital Requerido por Solvencia II de acuerdo a la política de Grupo.

En todos los casos, el enfoque utilizado para determinar los valores asignados a las hipótesis claves refleja la experiencia pasada y son uniformes con las fuentes de información externas disponibles en el momento de realización de las mismas.

La valoración de Grupo Compañía Española de Crédito y Caución, S.L. viene determinada por la valoración de Atradius, ya que ostenta un 64,23% de dicha sociedad.

En el caso de que se produzca una pérdida por deterioro del valor un activo financiero, ésta se registra en la cuenta de pérdidas y ganancias del ejercicio en que se manifiesta.

Durante los ejercicios 2020 y 2019 no se han tenido que registrar pérdidas por deterioro de valor. De acuerdo con las estimaciones, proyecciones e informes de expertos independientes de los que disponen los Administradores y la Dirección de la sociedad dominante, las previsiones de ingresos y flujos de efectivo atribuible al Grupo de estas sociedades considerada como unidad generadora de efectivo soporta el valor de los activos netos registrados.

Baja de activos -

La Sociedad da de baja los activos financieros cuando expiran o se han cedido los derechos sobre los flujos de efectivo del correspondiente activo financiero y se han transferido sustancialmente los riesgos y beneficios inherentes a su propiedad.

Durante el ejercicio 2020 no se han producido bajas de activos financieros.

2. Pasivos financieros

Son pasivos financieros aquellos débitos y partidas a pagar que tiene la Sociedad y que se han originado en la compra de bienes y servicios por operaciones de tráfico de la empresa, o también aquellos que sin tener un origen comercial, no pueden ser considerados como instrumentos financieros derivados.

Los débitos y partidas a pagar se valoran inicialmente al valor razonable de la contraprestación recibida, ajustada por los costes de la transacción directamente atribuibles. Con posterioridad, dichos pasivos se valoran de acuerdo con su coste amortizado.

La Sociedad da de baja los pasivos financieros cuando se extinguen las obligaciones que los han generado.

3. Instrumentos de patrimonio

Un instrumento de patrimonio representa una participación residual en el Patrimonio de la Sociedad, una vez deducidos todos sus pasivos.

Los instrumentos de capital emitidos por la Sociedad se registran en el patrimonio neto por el importe recibido, neto de los gastos de emisión.

c) Transacciones en moneda extranjera

La moneda funcional utilizada por la Sociedad es el euro. Consecuentemente, las operaciones en otras divisas distintas del euro se consideran denominadas en moneda extranjera y se registran según los tipos de cambio vigentes en las fechas de las operaciones, en su caso.

Al cierre del ejercicio, los activos y pasivos monetarios denominados en moneda extranjera se convierten aplicando el tipo de cambio en la fecha del balance. Los beneficios o pérdidas puestos de manifiesto se imputan directamente a la cuenta de pérdidas y ganancias del ejercicio en que se producen.

La Sociedad no tiene posiciones en divisas.

d) Impuestos sobre beneficios

El gasto o ingreso por impuesto sobre beneficios comprende la parte relativa al gasto o ingreso por el impuesto corriente y la parte correspondiente al gasto o ingreso por impuesto diferido.

El impuesto corriente es la cantidad que la Sociedad satisface como consecuencia de las liquidaciones fiscales del impuesto sobre el beneficio relativas a un ejercicio. Las deducciones y otras ventajas fiscales en la cuota del impuesto, excluidas las retenciones y pagos a cuenta, así como las pérdidas fiscales compensables de ejercicios anteriores y aplicadas efectivamente en éste, dan lugar a un menor importe del impuesto corriente.

El gasto o el ingreso por impuesto diferido se corresponden con el reconocimiento y la cancelación de los activos y pasivos por impuesto diferido. Estos incluyen las diferencias temporarias que se identifican como aquellos importes que se prevén pagaderos o recuperables derivados de las diferencias entre los importes en libros de los activos y pasivos y su valor fiscal, así como las bases imponibles negativas pendientes de compensación y los créditos por deducciones fiscales no aplicadas fiscalmente. Dichos importes se registran aplicando a la diferencia temporaria o crédito que corresponda el tipo de gravamen al que se espera recuperarlos o liquidarlos.

Se reconocen pasivos por impuestos diferidos para todas las diferencias temporarias imponibles, excepto aquellas derivadas del reconocimiento inicial de fondos de comercio o de otros activos y pasivos en una operación que no afecta ni al resultado fiscal ni al resultado contable y no es una combinación de negocios.

Por su parte, los activos por impuestos diferidos sólo se reconocen en la medida en que se considere probable que la Sociedad vaya a disponer de ganancias fiscales futuras contra las que poder hacerlos efectivos.

Los activos y pasivos por impuestos diferidos, originados por operaciones con cargos o abonos directos en cuentas de patrimonio, se contabilizan también con contrapartida en patrimonio neto.

Los activos y pasivos por impuestos diferidos se determinan aplicando la normativa y los tipos impositivos aprobados o a punto de aprobarse en la fecha del balance y que se espera aplicar cuando el correspondiente activo por impuesto diferido se realice o el pasivo por impuesto diferido se liquide.

En cada cierre contable se reconsideran los activos por impuestos diferidos registrados, efectuándose las oportunas correcciones a los mismos en la medida en que existan dudas sobre su recuperación futura.

Asimismo, en cada cierre se evalúan los activos por impuestos diferidos no registrados en balance y éstos son objeto de reconocimiento en la medida en que pase a ser probable su recuperación con beneficios fiscales futuros.

La dirección de la sociedad ha evaluado los posibles impactos de la Ley 11/2020, de 30 de diciembre, de Presupuestos Generales del Estado para el año 2021, en el que se aprobaron ciertas modificaciones en el Impuesto sobre Sociedades con efectos para los periodos impositivos que se inicien a partir de 1 de enero de 2021, no teniendo impacto contable en el cierre de 31 de diciembre de 2020.

e) Ingresos y gastos

Los ingresos y gastos se imputan en función del criterio de devengo, es decir, cuando se produce la corriente real de bienes y servicios que los mismos representan, con independencia del momento en que se produzca la corriente monetaria o financiera derivada de ellos. Dichos ingresos se valoran por el valor razonable de la contraprestación recibida, deducidos descuentos e impuestos.

Los intereses recibidos de activos financieros se reconocen utilizando el método del tipo de interés efectivo y los dividendos, cuando se declara el derecho del accionista a recibirlos. Los intereses y dividendos de activos financieros devengados con posterioridad al momento de la adquisición se reconocen como ingresos en la cuenta de pérdidas y ganancias.

Tal y como se indica en la 2. b), la Sociedad ha tenido en cuenta su actuación como sociedad holding de cara a la clasificación contable en cuentas individuales de sus ingresos y gastos, así como en la determinación de su cifra de negocios. De esta forma, tanto los dividendos como los beneficios derivados de la enajenación de participaciones, baja en cuentas o variación del valor razonable, constituyen el "Importe neto de la cifra de negocios (Nota 13.1).

f) Provisiones y contingencias

Las cuentas anuales recogen todas las provisiones con respecto a las cuales se estima que la probabilidad de que se tenga que atender la obligación es mayor que de lo contrario.

Las provisiones se valoran por el valor actual de la mejor estimación posible del importe necesario para cancelar o transferir la obligación, teniendo en cuenta la información disponible sobre el suceso y sus consecuencias, y registrándose los ajustes que surjan por la actualización de dichas provisiones como un gasto financiero conforme se va devengando.

La compensación a recibir de un tercero en el momento de liquidar la obligación, siempre que no existan dudas de que dicho reembolso será percibido, se registra como activo, excepto en el caso de que exista un vínculo legal por el que se haya exteriorizado parte del riesgo, y en virtud del cual la Sociedad no esté obligada a responder; en esta situación, la compensación se tendrá en cuenta para estimar el importe por el que, en su caso, figurará la correspondiente provisión.

g) Indemnizaciones por despido

De acuerdo con la legislación vigente, la Sociedad está obligada al pago de indemnizaciones a aquellos empleados con los que, bajo determinadas condiciones, rescinda sus relaciones laborales. Por tanto, las indemnizaciones por despido susceptibles de cuantificación razonable se registran como gasto en el ejercicio

en el que se adopta la decisión del despido. En las cuentas anuales adjuntas no se ha registrado provisión alguna por este concepto, ya que no están previstas situaciones de esta naturaleza.

h) Compromisos por pensiones

La Sociedad tiene compromisos por pensiones post-empleo clasificados como planes de aportación definida y planes de prestación definida, cubiertos mediante pólizas de seguro y planes de pensiones de empleo. Las otras retribuciones a largo plazo, como son los premios de permanencia, están cubiertos mediante fondos internos.

A fecha 31 de diciembre de 2020, se han externalizado los compromisos de prestación definida de premios de jubilación y compensación adicional mediante pólizas de vida ahorro con la sociedad del Grupo, Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros (Sociedad Unipersonal).

Para los planes de aportación definida, la Sociedad realiza contribuciones de carácter predeterminado a una entidad separada, sin que exista la obligación legal ni efectiva de realizar contribuciones adicionales si la entidad separada no pudiera atender las retribuciones de los empleados relacionadas con los servicios prestados en el ejercicio corriente y en los anteriores.

En los planes de prestación definida, el importe de las prestaciones depende de uno o varios factores, como pueden ser la edad, los años de servicio y la retribución. La Sociedad realiza las contribuciones necesarias a una entidad separada, pero a diferencia de los planes de aportación definida, mantiene una obligación legal o implícita de realizar nuevas contribuciones si la entidad separada no pudiera atender las retribuciones de los empleados relacionadas con los servicios prestados en el ejercicio corriente y en los anteriores.

El plan de prestación definida vigente en la Sociedad consiste en rentas vitalicias pagaderas al colectivo de jubilados, seguro de vida vitalicio y hasta los 70 años, premio de jubilación y una compensación absorbible adicional en el momento de la jubilación. La cuantía y colectivo que tiene derecho al compromiso de rentas vitalicias y al seguro de vida vitalicio está totalmente determinado. Gran parte de estos compromisos se encuentran íntegramente asegurados en una entidad separada dentro del Grupo y su cobertura no genera primas adicionales para la sociedad. La dirección de la sociedad ha contratado a un experto independiente para la valoración de dichos compromisos por pensiones externalizados (véase Nota 9).

El valor actual de estas obligaciones se ha determinado considerando unas tablas de mortalidad actualizadas (PASEM 2010) y unas tablas de supervivencia (PERM/F-2000P), una tasa anual de crecimiento salarial (1,50%) y la tasa de descuento considerando como referencia los tipos al 31 de octubre de 2020 (0,37%), correspondientes a títulos de alta calidad crediticia con una duración similar a los pagos esperados de las prestaciones.

i) Transacciones con vinculadas

La Sociedad realiza todas sus operaciones con vinculadas a valores de mercado. Adicionalmente, los precios de transferencia se encuentran adecuadamente soportados por lo que el Consejo de Administración de la Sociedad considera que no existen riesgos significativos por este aspecto de los que puedan derivarse pasivos de consideración en el futuro.

5. Inmovilizado material

El movimiento habido en este capítulo del balance en el ejercicio 2020, así como la información más significativa que afecta a este epígrafe han sido los siguientes:

Inmovilizado material	Miles de Euros
	Elementos de transporte
Coste:	
Saldos al 31 de diciembre de 2019	733
Adiciones activadas	337
Retiros	(197)
Saldos al 31 de diciembre de 2020	873
Amortización acumulada:	
Saldos al 31 de diciembre de 2019	(357)
Dotaciones con cargo a la cuenta de pérdidas y ganancias	(1118)
Retiros	144
Saldos al 31 de diciembre de 2020	(331)
Correcciones por deterioro del valor:	
Saldos al 31 de diciembre de 2019	-
Dotaciones netas con cargo a la cuenta de pérdidas y ganancias	-
Retiros	-
Saldos al 31 de diciembre de 2020	-
Valor Neto Contable:	
Al 31 de diciembre de 2019	376
Al 31 de diciembre de 2020	542

El movimiento habido en este capítulo del balance en el ejercicio 2019, así como la información más significativa que afecta a este epígrafe han sido los siguientes:

Inmovilizado material	Miles de Euros
	Elementos de transporte
Coste:	
Saldos al 31 de diciembre de 2018	578
Adiciones activadas	155
Retiros	-
Saldos al 31 de diciembre de 2019	733
Amortización acumulada:	
Saldos al 31 de diciembre de 2018	(261)
Dotaciones con cargo a la cuenta de pérdidas y ganancias	(96)
Retiros	-
Saldos al 31 de diciembre de 2019	(357)
Correcciones por deterioro del valor:	
Saldos al 31 de diciembre de 2018	-
Dotaciones netas con cargo a la cuenta de pérdidas y ganancias	-
Retiros	-
Saldos al 31 de diciembre de 2019	-
Valor Neto Contable:	
Al 31 de diciembre de 2018	317
Al 31 de diciembre de 2019	376

Durante el ejercicio 2020 y 2019 no se han registrado pérdidas por deterioro de valor en el epígrafe de inmovilizado material.

Adicionalmente, durante el ejercicio 2020 la Sociedad ha enajenado elementos del inmovilizado material por un importe neto de 47 Miles de Euros, habiéndose obtenido un beneficio como resultado de dicha venta de 2 Miles de Euros que se ha registrado en el epígrafe "Deterioro y resultado por enajenaciones del inmovilizado – Resultados por enajenaciones y otro" de la cuenta de resultados adjunta.

6. Inversiones financieras (largo y corto plazo)

6.1) Empresas del grupo y asociadas

El movimiento habido durante el ejercicio 2020 en este epígrafe del balance adjunto ha sido el siguiente:

	Miles de Euros				
	Saldo al 31.12.2019	Entradas y traspasos	Salidas y traspasos	Pérdidas por deterioro	Saldo al 31.12.2020
Empresas del grupo:					
Grupo Compañía Española de Crédito y Caución, S.L.	538.084	-	-	-	538.084
Atradius N.V.	477.832	-	-	-	477.832
Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros	102.184	-	-	-	102.184
Sociedad Gestión Catalana Occidente, S.A.	11.643	-	-	-	11.643
GCO Reaseguros, S.A.	9.050	-	-	-	9.050
Grupo Catalana Occidente Gestión de Activos, S.A., S.G.I.I.C.	4.312	-	-	-	4.312
Cosalud Servicios, S.A.	296	-	-	-	296
Inversiones Credere S.A. (*)	-	-	-	-	-
GCO Gestora de Pensiones, E.G.F.P., S.A.	2.500	-	-	-	2.500
Catoc, S.I.C.A.V., S.A.	11	-	-	-	11
Grupo Catalana Occidente, Tecnología y Servicios, A.I.E.	153	-	-	-	153
	1.146.065	-	-	-	1.146.065

(*) Inversión deteriorada totalmente

El movimiento habido durante el ejercicio 2019 en este epígrafe del balance adjunto ha sido el siguiente:

	Miles de Euros				
	Saldo al 31.12.2018	Entradas y traspasos	Salidas y traspasos	Pérdidas por deterioro	Saldo al 31.12.2019
Empresas del grupo:					
Grupo Compañía Española de Crédito y Caución, S.L.	538.084	-	-	-	538.084
Atradius N.V.	477.832	-	-	-	477.832
Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros	102.184	-	-	-	102.184
Sociedad Gestión Catalana Occidente, S.A.	11.643	-	-	-	11.643
GCO Reaseguros, S.A.	9.050	-	-	-	9.050
Grupo Catalana Occidente Gestión de Activos, S.A., S.G.I.I.C.	4.312	-	-	-	4.312
Cosalud Servicios, S.A.	296	-	-	-	296
Inversiones Credere S.A. (**)	-	-	-	-	-
GCO Gestora de Pensiones, E.G.F.P., S.A.	2.500	-	-	-	2.500
Catoc, S.I.C.A.V., S.A.	11	-	-	-	11
Grupo Catalana Occidente, Tecnología y Servicios, A.I.E. (*)	-	153	-	-	153
	1.145.912	153	-	-	1.146.065

(*) Con fecha 8 de enero de 2019 se adquirieron 50 acciones por un total de 153 miles de euros

(**) Inversión deteriorada totalmente

Seguidamente se incluye la última información disponible más significativa relacionada con las empresas del grupo y asociadas al cierre del ejercicio 2020:

Sociedad (Denominación y domicilio)	Actividad	% Derechos de voto			Cifras en Miles de Euros								
					Información financiera resumida								Valor en libros
		Directo	Indirecto	Total	Total Activo	Capital Social	Reservas Patrimoniales	Resultado ejercicio neto de dividendo	Otro resultado global acumulado	Primas Imputadas Netas Reaseg.	Ingresos ordinarios	Dividendos recibidos (Nota 13.1)	Coste (*)
Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros Paseo de la Castellana, 4 Madrid	Seguros y reaseguros	100%	-	100%	5.754.068	18.030	190.541	12.076 (1)	385.251	1.070.023	-	432.686	102.184
Grupo Compañía Española de Crédito y Caución, Sociedad Limitada Paseo de la Castellana, 4 Madrid	Tenedora acciones	73,84%	-	73,84%	652.512	18.000	617.518	16.602 (2)	-	-	66.069	45.968	18.000
Atradius NV y Sociedades Dependientes David Ricardostraat, 1 1066 JS Ámsterdam (Holanda)	Seguros de crédito y caución y actividades complementarias de seguros	35,77%	47,43%	83,20%	5.380.249	79.122	1.789.103	44.167	902	828.051	251.998	36.790	477.832
Sociedad Gestión Catalana Occidente, S.A.U. Paseo de la Castellana, 4, Madrid	Inversiones financieras	100%	-	100%	49.310	721	44.923	3.662	-	-	1.411	-	11.643
Cosalud Servicios, S.A. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Alquiler de locales industriales y otras	100%	-	100%	9.928	3.005	6.458	157	68	-	418	100	296
Grupo Catalana Occidente Gestión de Activos S.A., S.G.I.I.C. Cedaceros, 9 – planta baja Madrid	Inversiones financieras	100%	-	100%	6.469	391	5.051	95 (3)	64	-	7.512	985	4.312
GCO Reaseguros, S.A.U. Paseo de la Castellana, 4 Madrid	Reaseguros	100%	-	100%	138.053	9.050	11.806	188 (4)	89	8.349	-	2.500	9.050
GCO Gestora de Pensiones, EGFP, S.A. Paseo de la Castellana, 4 Madrid	Gestión de fondos de pensiones	100%	-	100%	3.184	2.500	110	67	28	-	4.793	-	2.500
Bilbao, Compañía Anónima de Seguros y Reaseguros, S.A. Paseo del Puerto, 20 Getxo (Vizcaya)	Seguros y reaseguros	-	99,73%	99,73%	2.021.834	28.009	77.679	3.401 (5)	167.241	462.158	-	-	-
Bilbao Hipotecaria, S.A., E.F.C. Paseo del Puerto, 20 Getxo (Vizcaya)	Crédito hipotecario	-	99,73%	99,73%	68.102	5.000	660	957	-	-	2.141	-	-

Sociedad (Denominación y domicilio)	Actividad	% Derechos de voto			Cifras en Miles de Euros								
					Información financiera resumida								Valor en libros
		Directo	Indirecto	Total	Total Activo	Capital Social	Reservas Patrimoniales	Resultado ejercicio neto de dividendo	Otro resultado global acumulado	Primas Imputadas Netas Reaseg.	Ingresos ordinarios	Dividendos recibidos (Nota 13.1)	Coste
S. Órbita, Sociedad Agencia de Seguros, S.A. Paseo del Puerto, 20 Getxo (Vizcaya)	Agencia de seguros	-	99,73%	99,73%	2.881	1.100	293	14	-	-	4.251	-	-
Bilbao Telemark, S.L. Paseo del Puerto, 20 Getxo (Vizcaya)	Telemarketing	-	99,73%	99,73%	349	37	54	11	-	-	1.545	-	-
Bilbao Vida y Gestores Financieros, S.A. Paseo del Puerto, 20 Getxo (Vizcaya)	Agencia de seguros	-	99,73%	99,73%	791	60	56	5	-	-	5.080	-	-
Nortehispana de Seguros y Reaseguros, S.A.U. Paseo de la Castellana, 4 Madrid	Seguros y reaseguros	-	100%	100%	482.975	20.670	73.791	10.367 (6)	29.022	198.326	-	-	-
Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros, Sociedad Unipersonal Plaza de las Cortes, 8, Madrid	Seguros y reaseguros	-	100%	100%	2.979.658	97.619	211.723	28.623 (8)	84.368	863.814	-	-	-
Hercasol, S.A. SICAV Avenida Diagonal, 399 Barcelona	Inversiones financieras	-	88,48% (*)	88,48% (*)	61.994	57.792	1.335	2.754	-	-	3.327	-	-
Catoc SICAV, S.A. Cedaceros, 9 – planta baja Madrid	Inversiones financieras	0,01%	99,86% (*)	99,86% (*)	167.948	8.286	161.867	6.254	-	-	7.052	-	11
PREPERSA de Peritación de Seguros y Prevención, A.I.E. Jesús Serra Santamans, 1 Sant Cugat del Vallés (Barcelona)	Prevención y peritación	-	100%	100%	4.675	60	947	15	-	-	5.981	-	-

Sociedad (Denominación y domicilio)	Actividad	% Derechos de voto			Cifras en Miles de Euros								
		Directo	Indirecto	Total	Información financiera resumida								Valor en libros
					Total Activo	Capital Social	Reservas Patrimoniales	Resultado ejercicio neto de dividendo	Otro resultado global acumulado	Primas Imputadas Netas Reaseg.	Ingresos ordinarios	Dividendos recibidos (Nota 13.1)	Coste
Tecniseguros, Sociedad de Agencia de Seguros, S.A. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Agencia de seguros	-	100%	100%	1.051	60	(67)	65	-	-	6.826	-	-
Nortehispana Mediación, Agencia De Seguros S.A. Paseo Castellana, 4, Madrid	Agencia de seguros	-	100%	100%	253	60	-	-	-	-	4.253	-	-
Previsora Bilbaina Agencia de Seguros, S.A. Barrancúa, 14, Bilbao	Agencia de seguros	-	100%	100%	10.055	60	7.530	31	76	-	11.194	-	-
Catalana Occidente Capital, Agencia de Valores, S.A. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Agencia de valores	-	100%	100%	2.914	300	2.335	32 (7)	14	-	2.914	-	-
Grupo Catalana Occidente Tecnología y Servicios, A.I.E. Avenida Alcalde Barnils, 63 Sant Cugat del Vallés (Barcelona)	Servicios auxiliares de seguros	0,42%	99,51%	99,93%	54.259	35.826	(170)	34	-	-	89.976	-	153
Grupo Catalana Occidente Contact Center, A.I.E. Jesús Serra Santamans, 3 - 4º Sant Cugat del Vallés (Barcelona)	Atención telefónica	-	99,97%	99,97%	2.272	600	87	1	-	-	8.051	-	-
Grupo Catalana Occidente Activos Inmobiliarios S.L. Avenida Alcalde Barnils 63 Sant Cugat del Vallés (Barcelona)	Promoción inmobiliaria	-	99,95%	99,95%	337.715	116.801	202.285	(235)	585	-	11.535	-	-
Inversions Catalana Occidente, S.A. Avinguda Carlemany, 65 Escaldes Engordany (Andorra)	Creación, gestión y explotación de entidades aseguradoras	-	100%	100%	5.555	60	311	(9)	-	-	2.866	-	-
Grupo Asistea Henaio, 19 Bilbao	Negocio funerario	-	100%	100%	44.182	2.003	35.808	3.688	-	-	27.784	-	-

Sociedad (Denominación y domicilio)	Actividad	% Derechos de voto			Cifras en Miles de Euros								
					Información financiera resumida								Valor en libros
		Directo	Indirecto	Total	Total Activo	Capital Social	Reservas Patrimoniales	Resultado ejercicio neto de dividendo	Otro resultado global acumulado	Primas Imputadas Netas Reaseg.	Ingresos ordinarios	Dividendos recibidos (Nota 13.1)	Coste
Inversiones Credere S.A. Santiago - Chile	Tenedora acciones	50,00%	-	50,00%	-	-	-	-	-	-	-	-	-
Calboquer, S.L. Villarroel, 177-179 08936 Barcelona	Orientación Médica, Social, Psicológica, y Jurídica Telefónica	-	20,00%	20,00%	1.373	60	387	150	-	-	3.614	-	-
Asitur Asistencia. S.A. Avenida Encuartes, 21 Tres Cantos (Madrid)	Asistencia	-	42,82%	42,82%	34.712	2.945	10.333	3.707	-	-	263.206	-	-
Gesiuris Asset Management, Sociedad Gestora de Instituciones de Inversión Colectiva, S.A. Cedaceros, 9 Madrid	Sociedad de inversión	-	26,12% (*)	26,12% (*)	10.058	301	7.966	266	115	-	6.824	-	-
MB Corredors d'Assegurances Calle Prat de la Creu, 59-65 Andorra la Vella (Andorra)	Agencia de seguros	-	25%	25%	333	60	49	29	-	-	372	-	-
CLAL Credit Insurance Tel Aviv - Israel	Seguros de crédito y caución	-	16,64%	16,64%	95.722	3.214	63.816	3.796	(1.639)	13.350	-	-	-
Compañía de Seguros de Crédito Continental S.A. Santiago - Chile	Seguros de crédito y caución	-	41,60%	41,60%	124.789	3.558	55.886	4.592	(762)	13.577	-	-	-
The Lebanese Credit Insurer S.A.L. Beirut - Líbano	Seguros de crédito y caución	-	40,68%	40,68%	-	-	-	39	-	-	-	-	-
Credit Guarantee Insurance Corporation of Africa Limited Johannesburgo - Sudáfrica	Seguros de crédito y caución	-	20,80%	20,80%	128.417	144	70.331	(269)	(8.792)	38.097	-	-	-

(*) Para la determinación de este porcentaje de participación se ha tomado en consideración, únicamente, las acciones en circulación. A la vez, en las reservas patrimoniales mostradas anteriormente se ha descontado el valor de las acciones propias en autocartera

- (1) La sociedad ha repartido un dividendo a cuenta por importe de 231.286 miles de euros y ha reconocido un incremento en la reserva de estabilización a cuenta por importe de 4.843 miles de euros.
- (2) La sociedad ha repartido un dividendo a cuenta por importe de 48.600 miles de euros.
- (3) La sociedad ha repartido un dividendo a cuenta por importe de 985 miles de euros.
- (4) La sociedad ha repartido un dividendo a cuenta por importe de 1.100 miles de euros y ha reconocido un incremento en la reserva de estabilización a cuenta por importe de 582 miles de euros.
- (5) La sociedad ha repartido un dividendo a cuenta por importe de 42.212 miles de euros y ha reconocido un incremento en la reserva de estabilización a cuenta por importe de 1.956 miles de euros.
- (6) La sociedad ha repartido un dividendo a cuenta por importe de 5.500 miles de euros.
- (7) La sociedad ha repartido un dividendo a cuenta por importe de 400 miles de euros.
- (8) La sociedad ha repartido un dividendo a cuenta por importe de 26.000 miles de euros y ha reconocido un incremento en la reserva de estabilización a cuenta por importe de 8.587 miles de euros.

Los fondos propios (Capital social, Reservas patrimoniales y Resultado neto del ejercicio, siendo éste previo a su distribución o aplicación), indicados de las anteriores sociedades, se han obtenido de los últimos cierres del ejercicio 2020, disponibles a la fecha de formulación de cuentas.

Las empresas del grupo son aquellas en que la Sociedad ejerce el control, siendo en general en aquellas en las que dispone de un porcentaje superior al 50%. La Sociedad considera como empresas asociadas consolidables las inversiones en las que posee influencia significativa, lo cual se presume en las que ostenta porcentajes de participación superiores al 20% e inferiores al 50%.

A continuación, se relacionan las sociedades del grupo y asociadas cuyas acciones cotizan en un mercado regulado y sus correspondientes valoraciones bursátiles del último trimestre de 2020 y al 31 de diciembre de 2020:

	Valor por acción en Euros	
	Último trimestre de 2020	31 de diciembre de 2020
Catoc, SICAV, S.A.	1.267,68	1.307,73
Hercasol, S.A. SICAV	17,58	18,31

La Sociedad ha efectuado las notificaciones a que se refiere el artículo 155 del texto refundido de la Ley de Sociedades de Capital en relación con las sociedades participadas, directa o indirectamente, en más de un 10%.

6.2) Inversiones financieras a largo plazo

En este epígrafe se registran préstamos concedidos por la Sociedad a su personal con un saldo a 31 de diciembre de 2020 de 105 Miles de Euros (50 Miles de Euros a 31 de diciembre de 2019).

Adicionalmente, a 31 de diciembre de 2020 se registran las fianzas constituidas en concepto de arrendamientos cuyo importe asciende a 3 Miles de Euros y los derechos de reembolso relativos a retribuciones al personal a largo plazo exigibles a Seguros Catalana Occidente, S.A. de Seguros y Reaseguros (entidad aseguradora del Grupo a la cual se han externalizado los compromisos por pensiones de premio de jubilación y compensación adicional), del sistema de prestación definida por importe de 830 Miles de Euros (véanse notas 9 y 12).

6.3) Información sobre naturaleza y nivel de riesgo de los instrumentos financieros

6.3.1) Información cualitativa

La gestión de los riesgos financieros de la Sociedad está centralizada en la Dirección Financiera del Grupo, la cual tiene establecidos los mecanismos necesarios para controlar la exposición a las variaciones en los tipos de interés, así como a los riesgos de crédito y liquidez. A continuación, se indican los principales riesgos financieros que impactan a la Sociedad:

- Riesgo de crédito:

La Sociedad mantiene su tesorería y activos líquidos equivalentes en entidades financieras de elevado nivel crediticio.

El rating mínimo para inversiones en renta fija es A- y cualquier inversión por debajo de esta calificación requiere su aprobación expresa por parte de la Dirección General e informar al Consejo de Administración. En caso de que el rating soberano de España se sitúe por debajo de A-, la inversión en bonos gubernamentales emitidos o garantizados por el Estado no requerirá autorización siempre que mantenga el grado de inversión. En este sentido, en la selección de riesgos de crédito, se da prioridad a los de más alta calificación crediticia.

- Riesgo de liquidez:

Con el fin de asegurar la liquidez y poder atender todos los compromisos de pago que se derivan de su actividad, la Sociedad dispone de la tesorería que muestra su balance.

- Riesgo de mercado:

La tesorería, los depósitos bancarios y la deuda financiera de la Sociedad, están expuestas al riesgo de tipo de interés, el cual podría tener un efecto adverso en los resultados financieros y en los flujos de caja. Por ello, la Sociedad sigue la política de referenciar sus activos a un tipo de interés al menos igual a la remuneración a pagar por sus activos.

7. **Efectivo y otros activos líquidos equivalentes**

La composición de este epígrafe del balance adjunto al 31 de diciembre de 2020 y 2019 es la siguiente:

	Miles de Euros	
	Saldo a 31.12.2020	Saldo a 31.12.2019
Tesorería	395.049	30.258
Total	395.049	30.258

Al 31 de diciembre de 2020 el saldo de 'Tesorería' corresponde a efectivo de disponibilidad inmediata mantenido en diversas cuentas corrientes bancarias.

Durante el ejercicio 2020 estas cuentas corrientes no han devengado gastos financieros (40 Miles de Euros en el ejercicio 2019) y se encuentran registrados bajo el subepígrafe de 'Gastos Financieros – por deudas con terceros' de la cuenta de pérdidas y ganancias adjunta.

8. **Patrimonio Neto y Fondos propios**

Capital suscrito

Al cierre del ejercicio 2020 el capital social de la Sociedad asciende a 36.000 Miles de Euros, representado por 120.000.000 acciones de 0,30 euros de valor nominal cada una, totalmente suscritas y desembolsadas, formalizadas mediante anotaciones en cuenta, con idénticos derechos políticos y económicos.

Al cierre del ejercicio 2020 los accionistas de la Sociedad con participación igual o superior al 10% del capital suscrito son los siguientes:

	Porcentaje de participación
Corporación Catalana Occidente, S.A.	29,40%
La Previsión 96, S.A.	25,00%

La sociedad INOC, S.A., que posee el 100% de Corporación Catalana Occidente, S.A. y el 72,25% de La Previsión 96, S.A., ostenta directa e indirectamente el 55,01% de la sociedad dominante al 31 de diciembre de 2020 y pertenece a un grupo cuya cabecera es CO Sociedad de Gestión y Participación, S.A..

Prima de emisión

El saldo de este epígrafe el cual asciende a 1.533 Miles de Euros al cierre del ejercicio, se puede utilizar para ampliar el capital y no existe restricción alguna en cuanto a su disponibilidad.

Diferencias por ajuste del capital a Euros

El saldo de esta reserva la cual asciende a 61 Miles de Euros, proviene de la reducción de capital efectuada en el ejercicio 2001 como consecuencia de la redenominación del capital social a euros. Su disponibilidad está sujeta a los mismos requisitos que la reserva legal.

Reserva legal

De acuerdo con el texto refundido de la Ley de Sociedades de Capital, debe destinarse una cifra igual al 10% del beneficio del ejercicio a la reserva legal hasta que ésta alcance, al menos, el 20% del capital social. La reserva legal podrá utilizarse para aumentar el capital social en la parte de su saldo que exceda del 10% del capital ya aumentado. Salvo para esta finalidad y mientras no supere el 20% del capital social, esta reserva sólo podrá destinarse a la compensación de pérdidas y siempre que no existan otras reservas disponibles suficientes para este fin. Al 31 de diciembre de 2020 esta reserva se encuentra completamente constituida con un importe de 7.212 Miles de Euros.

Otras reservas voluntarias

Su detalle a 31 de diciembre de 2020 y 2019 es el siguiente:

	Miles de Euros	
	Saldo a 31.12.2020	Saldo a 31.12.2019
Reserva voluntaria	1.027.961	893.226
Reserva de fusión	9.799	9.799
Otras reservas	305	305
Total	1.038.065	903.330

Los saldos de estas reservas al 31 de diciembre de 2020 son de libre disposición. La reserva de fusión tiene su origen en la fusión por absorción de Occidente, Cía. de Seguros y Reaseguros en 1988.

9. Provisiones y contingencias

El detalle de las provisiones del balance al cierre del ejercicio 2020, así como los principales movimientos registrados durante el ejercicio, son los siguientes:

	Miles de Euros					Saldo a 31.12.2020
	Saldo a 31.12.2019	Traspasos	Dotaciones	Aumentos por actualizaciones	Aplicaciones	
Provisión para pensiones y obligaciones similares:						
Premios al personal por antigüedad	118	13	15	-	(5)	141
Retribuciones a largo plazo al personal	547	287(*)	31	48	(28)	885
Total	665	300	46	48	(33)	1.026

(*) Se corresponde al traspaso de personal desde otras sociedades del grupo

Premios al personal por antigüedad

Determinados empleados de la Sociedad procedían de la sociedad Seguros Catalana Occidente, S.A. de Seguros y Reaseguros (empresa del Grupo). Para estos empleados, la Sociedad ha mantenido la antigüedad y las condiciones de los contratos preexistentes, así como las condiciones del convenio colectivo de los empleados de Seguros Catalana Occidente, S.A. Dicho convenio colectivo establece, en su artículo 38, un premio de permanencia por el que los empleados que cumplan 25 años de servicios en la empresa les corresponderá 1,5 mensualidades del sueldo base más el complemento de adaptación individual y el complemento por experiencia correspondiente al mes en que se cumplan los correspondientes aniversarios.

Retribuciones a largo plazo de prestación definida

Asimismo, el plan de prestación definida también incluye un premio de jubilación. El premio de jubilación reconoce el derecho a percibir tres mensualidades de sueldo base más Complemento de Adaptación Individualizado (CAI) y Complemento de Experiencia en el caso de extinguir los empleados su contrato con la Sociedad a partir de los 59 años de edad por motivos distintos al cese voluntario o despido disciplinario, o de jubilarse a la edad ordinaria prevista legalmente o con anterioridad.

Adicionalmente, el plan de prestación definida también incluye un seguro de vida exteriorizado a través de una póliza de seguros de la modalidad Temporal Anual Renovable (TAR) y un compromiso de compensación adicional por la depreciación de la cobertura de vida vitalicia de riesgo prevista en el anterior convenio colectivo de Seguros Catalana Occidente, S.A..

El seguro de vida está exteriorizado mediante pólizas en la modalidad temporal anual renovable contratadas con Seguros Catalana Occidente, S.A. de Seguros y Reaseguros para el periodo de actividad y en fondo interno para el periodo post- empleo. El premio de jubilación y la compensación adicional quedan totalmente cubierto mediante dos pólizas contratadas con Seguros Catalana Occidente, S.A. de Seguros y Reaseguros y registrada en el epígrafe "Otros activos financieros" (véase Nota 6.2 y 12).

Las variaciones en los saldos de balance se reconocen en las cuentas de pérdidas y ganancias del ejercicio en que se producen, salvo las "ganancias y pérdidas actuariales" (diferencias existentes entre las hipótesis actuariales previas y la realidad y en cambios de hipótesis actuariales), que se imputan directamente en el patrimonio neto, reconociéndose como reservas. La variación de las reservas por pérdidas y ganancias actuariales a 31 de diciembre de 2020 con respecto a 31 de diciembre de 2019 ha sido de 36 Miles de Euros (véase otras variaciones del patrimonio neto en el estado de cambios en el patrimonio neto).

Retribuciones a largo plazo de aportación definida

Las aportaciones realizadas por la Sociedad a la póliza de seguros por este concepto han ascendido a 532 Miles de Euros en el ejercicio 2020 (355 Miles de Euros en 2019), que se encuentran registrados en el epígrafe 'Gastos de Personal' de la cuenta de pérdidas y ganancias adjunta.

10. Deudas a corto plazo

10.1) Empresas del grupo y asociadas

Su detalle al 31 de diciembre de 2020 y 2019 es el siguiente:

	Miles de Euros	
	Saldo a 31.12.2020	Saldo a 31.12.2019
Deudas con empresas del Grupo:		
Por cuotas del Impuesto de Sociedades del ejercicio corriente (Nota 11.1)	7.486	13.295
Por cuotas del Impuesto de Sociedades de ejercicios anteriores (Nota 11.1)	-	-
Por cuotas IVA (Nota 11.1)	247	21
Por préstamos a corto plazo:		
Con Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros	-	10.658
Con Bilbao, Compañía Anónima de Seguros y Reaseguros, S.A.	-	67.318
Otras deudas con empresas del Grupo:		
Grupo Catalana Occidente Tecnología y Servicios, A.I.E.	39	83
Plus Ultra ,Seguros Generales y Vida, S.A. de Seguros y Reaseguros	-	1
Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros	-	7
	7.772	91.383

Al 31 de diciembre de 2019 la Sociedad mantenía 3 préstamos de empresas del grupo, cuyo importe ascendía a 77.976 Miles de Euros (10.658 Miles de Euros correspondientes a un préstamo con Seguros Catalana Occidente, S.A. de Seguros y Reaseguros y 67.318 Miles de Euros correspondientes a dos préstamos con Bilbao, Compañía Anónima de Seguros y Reaseguros, S.A.). En 12 de febrero de 2020 la Sociedad venció uno de los préstamos de Bilbao, Compañía Anónima de Seguros y Reaseguros, S.A. y finalmente con fecha 21 de abril de 2020 vencieron el segundo préstamo con Bilbao, Compañía Anónima de Seguros y Reaseguros, S.A. y el préstamo con Seguros Catalana Occidente, S.A. de Seguros y Reaseguros.

Los intereses devengados y no vencidos de estos préstamos a 31 de diciembre de 2019 ascendían a 1.517 Miles de Euros y se encontraban registrados junto con el importe nominal de los mismos. Los gastos financieros por los intereses devengados en el ejercicio 2020 correspondientes a los préstamos recibidos de sociedades del Grupo han ascendido a 395 Miles de Euros (2.640 Miles de Euros en 2019)

y se encuentran registrados bajo el subepígrafe de 'Gastos financieros - Por deudas con empresas del grupo y asociadas'.

10.2) Información sobre aplazamientos de pago efectuados a proveedores: Deber de información de la Ley 15/2010 de 5 de julio

A continuación, se detalla la información requerida por la Disposición adicional tercera de la Ley 15/2010, de 5 de julio (modificada a través de la Disposición final segunda de la Ley 31/2014, de 3 de diciembre) preparada conforme a la Resolución del ICAC de 29 de enero de 2016, sobre la información a incorporar en la memoria de las cuentas anuales en relación con el periodo medio de pago a proveedores en operaciones comerciales.

	Pagos realizados y pendientes de pago en la fecha de cierre del ejercicio	Pagos realizados y pendientes de pago en la fecha de cierre del ejercicio
	2020	2019
Periodo medio de pago a proveedores (días)	29,41	26,86
Resto de operaciones pagadas (días)	29,47	26,86
Ratio de operaciones pendientes de pago (días)	20,34	26,50
Total pagos realizados (Miles de Euros)	6.110	5.067
Total pagos pendientes (Miles de Euros)	43	22

Conforme a la Resolución del ICAC, para el cálculo del período medio de pago a proveedores se han tenido en cuenta las operaciones comerciales correspondientes a la entrega de bienes o prestaciones de servicios devengadas desde la fecha de entrada en vigor de la Ley 31/2014, de 3 de diciembre.

Se consideran proveedores, a los exclusivos efectos de dar la información prevista en esta Resolución, a los acreedores comerciales por deudas con suministradores de bienes o servicios, incluidos en la partida proveedores del pasivo corriente del balance de situación.

Se entiende por "Periodo medio de pago a proveedores" el plazo que transcurre desde la entrega de los bienes o la prestación de los servicios a cargo del proveedor y el pago material de la operación.

El plazo máximo legal de pago aplicable a la Sociedad en el ejercicio 2020 según la Ley 3/2004, de 29 de diciembre, por la que se establecen medidas de lucha contra la morosidad en las operaciones comerciales, es de 30 días.

11. Administraciones Públicas y Situación fiscal

11.1) Saldos corrientes con las Administraciones Públicas

La composición de los saldos corrientes con las Administraciones Públicas al 31 de diciembre de 2020 y 2019 es la siguiente:

	Miles de Euros	
	Saldo a 31.12.2020	Saldo a 31.12.2019
Administraciones Públicas, saldos deudores:		
Activos por impuesto corriente:		
Hacienda Pública deudora por Impuesto sobre Sociedades de ejercicios anteriores	22	6.118
Hacienda Pública deudora por Impuesto sobre Sociedades del ejercicio corriente	12.554	23.890
Otros saldos con Hacienda Pública	83	76
Total	12.659	30.084

	Miles de Euros	
	Saldo a 31.12.2020	Saldo a 31.12.2019
Pasivos por impuesto corriente:		
Hacienda Pública acreedora por impuesto sobre sociedades del ejercicio corriente	-	-
Administraciones Públicas, saldos acreedores:		
Organismos de la Seguridad Social	178	153
Otras deudas con las Administraciones Públicas:		
Retenciones practicadas	1.847	1.750
Total	2.025	1.903

Desde el ejercicio 2002, parte de las sociedades incluidas en el perímetro de consolidación mercantil con domicilio social en España tributan, a efectos del Impuesto sobre Sociedades, conforme al régimen especial de consolidación fiscal previsto por el Capítulo VI del Título VII de la Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades, aplicable en territorio común.

En 2020, el grupo de consolidación fiscal número 173/01 está integrado por la sociedad Grupo Catalana Occidente, S.A. (como sociedad dominante) y como entidades dependientes: (i) Atradius Collections, S.L.; (ii) Atradius Crédito y Caucción S.A. de Seguros y Reaseguros; (iii) Atradius Information Services BV Sucursal en España; (iv) Atradius Participations Holding, S.L., Sociedad Unipersonal; (v) Catalana Occidente Capital, Agencia de Valores, S.A.; (vi) Cosalud Servicios, S.A.; (vii) Funeraria Merino Díez, S.L.; (viii) Funeraria Nuestra Señora de los Remedios, S.L.; (ix) GCO Gestora de Pensiones, EGFP, S.A.; (x) GCO Reaseguros, S.A.; (xi) Grupo Catalana Occidente Activos Inmobiliarios, S.L.U.; (xii) Grupo Catalana Occidente Gestión de Activos, S.A. S.G.I.I.C.; (xiii) Iberinform Internacional, S.A.; (xiv) Iberinmobiliaria, S.A.; (xv) Invercyca, S.A.; (xvi) Nortehispana, de Seguros y Reaseguros, S.A.; (xvii) Nortehispana Mediación Agencia de Seguros, S.A.U.; (xviii) Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros; (xix) Seguros Catalana Occidente, S.A. de Seguros y Reaseguros; (xx); Sociedad Gestión Catalana Occidente, S.A., (xxi) Tecniseguros, Sociedad de Agencia de Seguros, S.A., (xxii) Nortehispana Mediación Agencia de Seguros, S.A. y (xxiii) GCO Activos Inmobiliarios, S.L.

Desde 2016, la base imponible que, conforme a la legislación fiscal, ha obtenido este grupo de consolidación fiscal se encuentra sujeta a un tipo de gravamen del 25% (28% en 2015 y 30% en el resto de ejercicios no prescritos).

Desde el ejercicio 2014, parte de las sociedades incluidas en el perímetro de consolidación mercantil con domicilio fiscal en territorio común tributan, a efectos del Impuesto sobre el Valor Añadido, conforme al Régimen Especial del Grupo de Entidades previsto en el Capítulo IX del Título IX de la Ley 37/1992 del Impuesto sobre el Valor Añadido.

En 2020, el grupo de entidades número IVA002/14 (en adelante, Grupo Fiscal de IVA) está formado por Grupo Catalana Occidente, S.A. (como sociedad dominante) y como sociedades dependientes: (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) Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros; (ix) Prepersa de Peritación de Seguros y Prevención, A.I.E.; y (x) Seguros Catalana Occidente, S.A. de Seguros y Reaseguros.

Como consecuencia del régimen tributario de consolidación fiscal, a 31 de diciembre de 2020 existen créditos y deudas entre las empresas del Grupo (netos de pagos a cuenta realizados durante el ejercicio) (véanse Notas 10 y 12).

11.2) Conciliación resultado contable y base imponible fiscal

La conciliación entre el resultado contable de la Sociedad (diferente a la del grupo fiscal de la cual es la matriz) de los ejercicios 2020 y 2019 la base imponible del Impuesto sobre sociedades es la siguiente:

Ejercicio 2020

	Miles de euros				Total
	Cuenta de pérdidas y ganancias		Ingresos y gastos directamente imputados al patrimonio		
Saldo de ingresos y gastos del ejercicio	503.191		(36)		503.155
Impuesto sobre Sociedades	(5.554)		(12)		(5.566)
	A	D	A	D	
Diferencias permanentes:	-	(519.498)	-	-	(519.498)
Diferencias temporales:					
Con origen en el ejercicio-	785	-	48	-	833
Con origen en ejercicios anteriores-	-	-	-	-	.
Compensación de bases imponibles negativas de ejercicios anteriores	-		-		-
Base imponible fiscal	(21.076)		-		(21.076)

Ejercicio 2019

	Miles de euros				Total
	Cuenta de pérdidas y ganancias		Ingresos y gastos directamente imputados al patrimonio		
Saldo de ingresos y gastos del ejercicio	216.281		(125)		216.156
Impuesto sobre Sociedades	(6.495)		(41)		(6.536)
	A	D	A	A	D
Diferencias permanentes:	497	(233.933)	-	-	(233.436)
Diferencias temporales:					
Con origen en el ejercicio-	-	-	166	-	166
Con origen en ejercicios anteriores-	-	-	-	-	-
Compensación de bases imponibles negativas de ejercicios anteriores	-		-		.
Base imponible fiscal	(23.650)		-		(23.650)

11.3) Impuestos reconocidos en el Patrimonio neto

El detalle de los impuestos reconocidos directamente en el Patrimonio en el ejercicio 2020 es el siguiente:

	Miles de Euros			
	Saldo al inicio del ejercicio	Aumentos	Disminuciones	Saldo al final del ejercicio
Por impuesto diferido:				
Con origen en el ejercicio-				
Reservas por ganancias/(pérdidas) actuariales por retribuciones a largo plazo al personal	(83)	-	(12)	(95)
Total impuesto diferido	(83)	-	(12)	(95)
Total impuesto reconocido directamente en el patrimonio neto	(83)	-	(12)	(95)

El detalle de los impuestos reconocidos directamente en el Patrimonio en el ejercicio 2019 es el siguiente:

	Miles de Euros			
	Saldo al inicio del ejercicio	Aumentos	Disminuciones	Saldo al final del ejercicio
Por impuesto diferido:				
Con origen en el ejercicio-				
Reservas por ganancias/(pérdidas) actuariales por retribuciones a largo plazo al personal	(42)	-	(41)	(83)
Total impuesto diferido	(42)	-	(41)	(83)
Total impuesto reconocido directamente en el patrimonio neto	(42)	-	(41)	(83)

11.4) Conciliación entre Resultado contable y gasto por Impuesto sobre sociedades

La conciliación entre el resultado contable y el gasto por Impuesto sobre sociedades del ejercicio 2020 es la siguiente (en Miles de Euros):

	Miles de Euros	
	Ejercicio 2020	Ejercicio 2019
Resultado contable antes de impuestos	497.637	209.786
Impacto diferencias permanentes	(519.498)	(233.436)
Cuota al 25%	(5.465)	(5.913)
Deducciones:	-	-
Donaciones a fundaciones	-	-
Deducción por actividades en I+D	-	-
Diferencias en la liquidación definitiva del IS del ejercicio (*)	(89)	(582)
Gasto por Impuesto Sociedades del ejercicio	(5.554)	(6.495)

La totalidad del Impuesto sobre sociedades del ejercicio 2020 (ingreso) reconocido en la cuenta de pérdidas y ganancias corresponde a operaciones continuadas.

11.5) Activos por impuesto diferido registrados

A 31 de diciembre de 2020, los activos por impuesto diferido ascienden a un total de 743 Miles de Euros, cifra que a 31 de diciembre de 2019 era de 83 Miles de Euros.

11.6) Pasivos por impuesto diferido

A 31 de diciembre de 2020 y 2019, la Sociedad no dispone de pasivos por impuesto diferido.

11.7) Ejercicios pendientes de comprobación, actuaciones inspectoras y otros aspectos

Según establece la legislación vigente en España, los impuestos no pueden considerarse definitivamente liquidados hasta que las declaraciones presentadas hayan sido inspeccionadas por las autoridades fiscales o, en su caso, haya transcurrido el plazo de prescripción (actualmente, y con carácter general, de cuatro años desde el día siguiente a aquel en que finalice el plazo reglamentario establecido para presentar la correspondiente declaración o autoliquidación).

El Grupo de consolidación fiscal, cuya entidad dominante es Grupo Catalana Occidente, S.A., tiene abierto a Inspección el Impuesto sobre Sociedades desde el ejercicio 2012 ya que adoptando un criterio de máxima prudencia, el Grupo procedió a presentar declaración complementaria respecto de los ejercicios no prescritos en julio de 2017 (esto es, los ejercicios 2012 a 2015), considerando que, con base en la sentencia del Tribunal Supremo de fecha 4 de abril de 2017, a la provisión de prestaciones pendientes de liquidación o pago bruta de reaseguro le aplicaba el límite fiscal previsto en la Disposición Adicional 6ª del ROSSEAR.

Lo anterior debe entenderse sin perjuicio del artículo 66.bis de la Ley 58/2003, de 17 de diciembre, General Tributaria, que establece el derecho a favor de la Administración para iniciar el procedimiento de comprobación de: (i) las bases o cuotas compensadas o pendientes de compensación o de deducciones aplicadas o pendientes de aplicación, prescribirá a los diez años a contar desde el día siguiente a aquel en que finalice el plazo reglamentario establecido para presentar la declaración o autoliquidación correspondiente al ejercicio o periodo impositivo en que se generó el derecho a compensar dichas bases o cuotas o a aplicar dichas deducciones; y (ii) investigar los hechos, actos, elementos, actividades, explotaciones, negocios, valores y demás circunstancias determinantes de la obligación tributaria para verificar el correcto cumplimiento de las normas aplicables.

A 31 de diciembre de 2020, Grupo Catalana Occidente tienen abiertos a inspección los siguientes ejercicios:

Impuestos	Ejercicios
Impuesto de Sociedades	2012-2019 (*)
Impuesto sobre el Valor Añadido	Diciembre 2016-Noviembre 2020 (**)
Retenciones a cuenta del Impuesto sobre la Renta de las Personas Físicas y del Impuesto sobre Sociedades	Diciembre 2016-Noviembre 2020 (**)
Otros	2017-2020 (**)
Impuestos Locales	2017-2020 (**)

(*) El Impuesto sobre Sociedades del ejercicio 2020 está pendiente de presentación, siendo la fecha máxima para su presentación el 25 de julio de 2021.

(**) De acuerdo con alguna sentencia del Tribunal Supremo, que defiende una tesis en principio ya superada, el ejercicio 2016 prescribiría el 30 de enero de 2021, tras la finalización del plazo para la presentación de los Resúmenes Anuales correspondiente a dicho ejercicio.

12. Operaciones y saldos con partes vinculadas

12.1) Operaciones con vinculadas

Durante el ejercicio 2020 la Sociedad ha percibido dividendos por parte de sus sociedades vinculadas por importe de 519.029 Miles de Euros (232.356 Miles de Euros en el ejercicio 2019) en virtud de las participaciones mantenidas en las mismas (Véase Nota 13.1).

Adicionalmente, la Sociedad ha recibido 2.684 Miles de Euros por servicios de gestión corriente prestados a empresas del Grupo (1.791 Miles de Euros en 2019).

Finalmente, la Sociedad tiene externalizadas a Seguros Catalana Occidente, S.A. de Seguros y Reaseguros dos pólizas referentes a los compromisos por pensiones de prestación definida en virtud de los cuales ha registrado los derechos de reembolso exigibles cuyo importe asciende a 830 Miles de Euros (véanse Notas 6.2 y 9).

12.2) Saldos con vinculadas

Los principales saldos mantenidos por la Sociedad en sociedades pertenecientes al Grupo Catalana Occidente, al cierre del ejercicio 2020, quedan incluidos en la partida 'Deudas con empresas del grupo y asociadas a corto plazo' y representan el importe de las deudas contraídas con empresas del grupo por préstamos recibidos a corto plazo y otras deudas por operaciones corrientes (véase Nota 10).

Adicionalmente, los saldos deudores y acreedores con empresas del Grupo por cuotas del Impuesto de Sociedades quedan registrados bajo los epígrafes 'Deudores comerciales y otras cuentas a cobrar – Empresas del grupo y asociadas' y 'Deudas con empresas del grupo y asociadas a corto plazo'.

El detalle de saldos con vinculadas a 31 de diciembre de 2020 y 2019 es el siguiente:

	Miles de Euros	
	31.12.2020	31.12.2019
Créditos por cuotas del Impuesto de Sociedades e IVA:		
Catalana Occidente Capital, Agencia de Valores, S.A.	111	123
Cosalud Servicios, S.A.	38	44
Tecniseguros, Sociedad de Agencia de Seguros	99	63
Grupo Catalana Occidente Gestión de Activos, S.A., S.G.I.I.C.	196	265
GCO Reaseguros, S.A.	716	992
Nortehispana, de Seguros y Reaseguros, S.A.	4.060	7.014
Seguros Catalana Occidente, S.A. de Seguros y Reaseguros	-	8.412
GCO Gestora de Pensiones, E.G.F.P., S.A.	17	18
Plus Ultra, Seguros Generales y Vida, S.A de Seguros y Reaseguros (*)	-	1.828
Grupo Catalana Occidente Activos Inmobiliarios, S.L.	1.432	441
Créditos Grupo por IVA	3.467	2.014
	10.136	21.214
Créditos por otras operaciones de gestión corriente:		
Seguros Catalana Occidente, S.A. de Seguros y Reaseguros	285	145
Plus Ultra, Seguros Generales y Vida, S.A de Seguros y Reaseguros	374	-
Nortehispana, de Seguros y Reaseguros, S.A.	105	142
Bilbao, Compañía Anónima de Seguros y Reaseguros, S.A.	139	71
Atradius Crédito y Caución, S.A. de Seguros y Reaseguros	65	-
GCO Reaseguros, S.A.	22	19
Atradius Re	14	-
Grupo Catalana Occidente Gestión de Activos, S.A., S.G.I.I.C.	9	-
GCO Previsión, EPSV Individual	8	-
Catalana Occidente Capital, Agencia de Valores, S.A.	1	-
GCO Gestora de Pensiones, E.G.F.P., S.A.	-	3
	1.022	380
Deudas por cuotas del Impuesto de Sociedades e IVA (Nota 10):		
Funeraria Merino Diez, S.L.U.	98	100
Funeraria Nuestra Señora de los Remedios, S.L.	160	186
Sociedad Gestión Catalana Occidente, S.A., Sociedad Unipersonal	501	260
Previsora Bilbaína Agencia de Seguros, S.A.	-	1
Atradius N.V.	2.570	12.748
Plus Ultra, Seguros Generales y Vida, S.A de Seguros y Reaseguros	2.073	-
Seguros Catalana Occidente, S.A. de Seguros y Reaseguros	2.084	-
Deudas Grupo por IVA	247	21
	7.733	13.316
Otras deudas con grupo (Nota 10)		
Grupo Catalana Occidente Tecnología y Servicios, A.I.E.	39	83
Plus Ultra ,Seguros Generales y Vida, S.A. de Seguros y Reaseguros (*)	-	1
Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros	-	7
	39	91
Préstamos a corto plazo empresas del Grupo (Nota 10):		
Seguros Catalana Occidente, S.A, de Seguros y Reaseguros	-	10.658
Bilbao, Compañía Anónima de Seguros y Reaseguros, S.A.	-	67.318
	-	77.976

(*) Con fecha 12 de diciembre de 2019 se acordó la fusión por absorción de Seguros de Vida y Pensiones Antares, S.A. por parte de Plus Ultra, Seguros Generales y Vida, S.A. de Seguros y Reaseguros.

Por otro lado, al 31 de diciembre de 2020 en el epígrafe 'Acreedores comerciales y otras cuentas a pagar – Acreedores varios' se incluyen los gastos periodificados en concepto de retribuciones pendientes de pago al Consejo de Administración y a la Alta Dirección por importe de 3.742 Miles de Euros (3.742 Miles de Euros a 31 de diciembre de 2019).

12.3) Retribuciones al Consejo de Administración y a la Alta Dirección

Las retribuciones percibidas durante el ejercicio 2020 y 2019 por los miembros del Consejo de Administración y la Alta Dirección de la Sociedad, clasificadas por conceptos, han sido las siguientes:

Ejercicio 2020

	Miles de Euros					
	Sueldos y salarios	Dietas (*)	Atenciones estatutarias (*)	Primas de seguros y planes de Pensiones	Otras remuneraciones	Total
Consejo de Administración	1.889	375	3.598	409	160	6.431
Alta Dirección	67	-	-	5	16	88

(*) Saldos registrados en el subepígrafe 'Gastos de Personal – Cargas sociales'

La retribución variable diferida no consolidada en el ejercicio 2020 asciende a 111 Miles de Euros para el Consejo de Administración y a 3 Miles de Euros para la Alta Dirección.

El Grupo tiene contratada una póliza de seguro de responsabilidad civil cuyo tomador es la sociedad dominante que engloba, entre otros trabajadores, a los Consejeros y Directivos del Grupo. Dicha póliza ha generado un gasto por prima de seguro en el ejercicio 2020 de 71 Miles de Euros (47 Miles de Euros a cierre del ejercicio 2019).

Ejercicio 2019

	Miles de Euros					
	Sueldos y salarios	Dietas (*)	Atenciones estatutarias (*)	Primas de seguros y planes de Pensiones (1)	Otras remuneraciones	Total
Consejo de Administración	1.173	337	3.526	151	76	5.263
Alta Dirección	83	-	-	5	-	88

(*) Saldos registrados en el subepígrafe 'Gastos de Personal – Cargas sociales'

En la elaboración de estas cuentas anuales se ha considerado 1 persona como personal de Alta Dirección a 31 de diciembre de 2020 (1 persona al 31 de diciembre de 2019).

Los órganos competentes de la Sociedad acordaron que la Sociedad deba satisfacer las "Dietas" y "Atenciones estatutarias" ocasionadas por el desempeño de las funciones propias de los miembros del Consejo de Administración de la Sociedad.

Al 31 de diciembre de 2020 y 2019 no existen anticipos ni se han concedido créditos por la Sociedad a los miembros de su Consejo de Administración ni a la alta dirección, no habiendo asumido la Sociedad obligaciones por cuenta de aquéllos a título de garantía.

Adicionalmente, el Consejo de Administración de la Sociedad y su Alta Dirección han percibido dividendos de la Sociedad por importe de 2.404 Miles de Euros (3.228 Miles de Euros en el ejercicio anterior). Todas las operaciones realizadas entre partes vinculadas se realizan en condiciones de mercado.

Al 31 de diciembre de 2020, el Consejo de Administración de la sociedad está formado por 12 personas físicas, 11 hombres y una mujer; 4 consejeros personas jurídicas, que a la vez se encuentran representadas físicamente por 4 hombres.

Al 31 de diciembre de 2019, el Consejo de Administración de la sociedad estaba formado por 10 personas físicas, 9 hombres y una mujer; 6 consejeros personas jurídicas, que a la vez se encuentran representadas físicamente por 6 hombres.

12.4) Detalle de participaciones, en sociedades con actividades similares y realización por cuenta propia o ajena de actividades similares por parte de los Administradores

El artículo 229 de la Ley de Sociedades de Capital, aprobada por el Real Decreto Legislativo 1/2010 de 2 de julio, modificada por la Ley 31/2014, los administradores y las personas vinculadas a éstos deberán comunicar al Consejo de Administración cualquier situación de conflicto que pudieran tener con el interés de la Sociedad.

Los miembros del Consejo de Administración y las personas vinculadas a éstos, según se define en el art. 231 del Texto Refundido de la Ley de Sociedades de Capital (TRLSC), no se han encontrado inmersos en situaciones de conflicto de interés previstas en el art. 229 del citado texto legal, no habiéndose producido comunicación alguna en el sentido indicado en el apartado 3 del citado artículo al Consejo de Administración ni al resto de los Administradores. Por este motivo, las cuentas anuales no incluyen desglose alguno en este sentido.

13. Otra información

13.1) Cifra de negocios

El detalle de la cifra de negocios, de acuerdo con las especificaciones recogidas en la Nota 2.b, a 31 de diciembre de los ejercicios 2020 y 2019 es el siguiente:

Importe de la cifra de negocios (Miles de Euros)	31.12.2020	31.12.2019
Ingresos de participaciones en instrumentos de patrimonio- dividendos		
Seguros Catalana Occidente, Sociedad Anónima de Seguros y Reaseguros	432.686	156.500
Grupo Compañía Española de Crédito y Caución, S.L.	45.968	41.893
Atradius N.V.	36.790	32.828
GCO Reaseguros, S.A	2.500	-
Grupo Catalana Occidente Gestión de Activos S.A., S.G.I.I.C.	985	985
Cosalud Servicios S.A.	100	150
Total	519.029	232.356

13.2) Personal

El detalle de gastos de personal y cargas sociales de los ejercicios 2020 y 2019 es el siguiente:

	Miles de Euros	
	Ejercicio 2020	Ejercicio 2019
Sueldos y salarios	8.801	7.070
Seguridad Social	1.622	1.300
Dotaciones a los planes de aportación definida (Nota 9)	532	355
Dotación a los planes de prestación definida (Nota 9)	267	86
Otros gastos de personal	4.846	4.706
Total	16.068	13.517

En cumplimiento de lo establecido en el artículo 260 del Texto refundido de la Ley de Sociedades de Capital, el número de empleados medio a tiempo completo (o su equivalente) de la Sociedad al 31 de diciembre de 2020 y 2019, distribuido por categorías profesionales y por sexos, es el siguiente:

	31.12.2020		31.12.2019	
	Hombres	Mujeres	Hombres	Mujeres
Directivos	19	10	8	2
Jefes y titulados	18	30	21	28
Administrativos y comerciales	14	23	10	22
Total	51	63	39	52

En materia de discapacidad, el Grupo cumple la LISMI (Ley de integración social del minusválido) de diferentes maneras, bien cumpliendo con el requisito de integrar un 2% de la plantilla con minusvalía, o bien optando por una fórmula mixta entre esta integración y el apoyo económico a Centros Especiales de Empleo.

Durante el ejercicio 2020, debido a la centralización de funciones realizada por la Sociedad, se ha traspasado personal desde otras sociedades del grupo.

13.3) Honorarios de auditoría

A continuación, se presentan los honorarios relativos a los servicios de auditoría de cuentas y otros servicios prestados por el auditor de las cuentas anuales de la Sociedad, PricewaterhouseCoopers Auditores, S.L., y por empresas pertenecientes a la red PwC:

Descripción	Miles de Euros	
	Servicios prestados por el auditor principal (*)	
	Ejercicio 2020	Ejercicio 2019
Servicios de Auditoría	359	267
Otros servicios de Verificación	309	280
Total servicios de Auditoría y Relacionados	668	547
Servicios de Asesoramiento Fiscal	-	-
Otros Servicios	-	29
Total Servicios Profesionales	-	29

(*) Importes sin IVA y sin gastos.

13.4) Garantías comprometidas con terceros y contingencias

Los Administradores de la Sociedad consideran que no existen al 31 de diciembre de 2020 contingencias significativas no provisionadas que pudieran afectar al patrimonio o a los resultados de la Sociedad.

14. Hechos posteriores

Adicionalmente al dividendo a cuenta mencionado en la Nota 3, con posterioridad al cierre del ejercicio y hasta la fecha de formulación de estas cuentas anuales no se han producido otros hechos no explicados en las notas anteriores que las afecten de forma significativa.

Grupo Catalana Occidente, S.A.

Informe de auditoría
Cuentas anuales al 31 de diciembre de 2020
Informe de gestión



Informe de auditoría de cuentas anuales emitido por un auditor independiente

A los accionistas de Grupo Catalana Occidente, S.A.:

Informe sobre las cuentas anuales

Opinión

Hemos auditado las cuentas anuales de Grupo Catalana Occidente, S.A. (la Sociedad), que comprenden el balance a 31 de diciembre de 2020, la cuenta de pérdidas y ganancias, el estado de cambios en el patrimonio neto, el estado de flujos de efectivo y la memoria correspondientes al ejercicio terminado en dicha fecha.

En nuestra opinión, las cuentas anuales adjuntas expresan, en todos los aspectos significativos, la imagen fiel del patrimonio y de la situación financiera de la Sociedad a 31 de diciembre de 2020, así como de sus resultados y flujos de efectivo correspondientes al ejercicio terminado en dicha fecha, de conformidad con el marco normativo de información financiera que resulta de aplicación (que se identifica en la nota 2.a de la memoria) y, en particular, con los principios y criterios contables contenidos en el mismo.

Fundamento de la opinión

Hemos llevado a cabo nuestra auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España. Nuestras responsabilidades de acuerdo con dichas normas se describen más adelante en la sección *Responsabilidades del auditor en relación con la auditoría de las cuentas anuales* de nuestro informe.

Somos independientes de la Sociedad de conformidad con los requerimientos de ética, incluidos los de independencia, que son aplicables a nuestra auditoría de las cuentas anuales en España según lo exigido por la normativa reguladora de la actividad de auditoría de cuentas. En este sentido, no hemos prestado servicios distintos a los de la auditoría de cuentas ni han concurrido situaciones o circunstancias que, de acuerdo con lo establecido en la citada normativa reguladora, hayan afectado a la necesaria independencia de modo que se haya visto comprometida.

Consideramos que la evidencia de auditoría que hemos obtenido proporciona una base suficiente y adecuada para nuestra opinión.

Cuestiones clave de la auditoría

Las cuestiones clave de la auditoría son aquellas cuestiones que, según nuestro juicio profesional, han sido de la mayor significatividad en nuestra auditoría de las cuentas anuales del periodo actual. Estas cuestiones han sido tratadas en el contexto de nuestra auditoría de las cuentas anuales en su conjunto, y en la formación de nuestra opinión sobre éstas, y no expresamos una opinión por separado sobre esas cuestiones.

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Cuestiones clave de la auditoría**Modo en el que se han tratado en la auditoría****Valoración y deterioro de las inversiones en empresas del grupo y asociadas**

La Sociedad mantiene inversiones en el capital social de sociedades del grupo y asociadas que no cotizan en mercados regulados.

La valoración de ciertas inversiones requiere aplicar juicios y estimaciones significativas por parte de la Dirección tanto en la determinación del descuento de flujos futuros, como en el método de valoración y en la consideración de las hipótesis claves establecidas para cada método en cuestión, proceso para el cual la Sociedad ha contado con colaboración de expertos externos de la Dirección. La Sociedad realiza al menos anualmente un test de deterioro en relación con estas inversiones.

Los aspectos mencionados, así como la relevancia de las inversiones mantenidas, que ascienden a 1.146 millones de euros al cierre del ejercicio 2020, suponen que consideremos la valoración y deterioro de dichas inversiones en empresas del grupo y asociadas como una cuestión clave de nuestra auditoría.

Al 31 de diciembre de 2020, la Dirección ha considerado en su evaluación el entorno económico, las condiciones del mercado, y la incertidumbre económica existente resultante de la COVID-19.

Ver Nota 6 de las cuentas anuales del ejercicio 2020.

Hemos obtenido un entendimiento de la metodología y proceso de cálculo del test de deterioro realizado por la Sociedad de las inversiones en empresas del grupo y asociadas que ha incluido una evaluación del control interno relacionado con esta estimación.

Nuestros procedimientos se han centrado a efectos de la determinación del deterioro, en revisar el patrimonio neto de las entidades participadas, corregido por las plusvalías tácitas a la fecha de valoración, salvo mejor evidencia.

Adicionalmente, hemos considerado la involucración de nuestros expertos en valoración para aquellas inversiones cuyo valor recuperable se ha estimado como un valor en uso. En los procedimientos realizados se ha considerado el contexto económico derivado de la COVID-19, centrándose en aspectos como:

- Contraste de las metodologías aplicadas para la estimación del valor recuperable y su consistencia con el ejercicio anterior.
- Evaluación de las asunciones empleadas en la determinación del valor recuperable en relación con el plan de negocio, ratios de solvencia, las tasas de descuento utilizadas y factores de crecimiento a largo plazo empleados.
- Análisis de sensibilidades de las principales asunciones consideradas por la Sociedad, teniendo en cuenta diferentes escenarios.
- Comprobación de la exactitud de los cálculos en la determinación del valor recuperable.

En relación con las estimaciones del valor recuperable de las inversiones en empresas del grupo y asociadas realizadas por expertos externos de la Dirección, hemos evaluado su competencia, capacidad y la objetividad de su trabajo.

Cuestiones clave de la auditoría**Modo en el que se han tratado en la auditoría**

Por último, hemos evaluado que los desgloses de información incluidos en las cuentas anuales adjuntas en relación con esta cuestión y en el contexto de las circunstancias en las que se elaboran estas cuentas anuales resultan adecuados a los requeridos por la normativa contable aplicable.

Como resultado de los procedimientos arriba descritos, consideramos que las diferencias que hemos obtenido en las estimaciones efectuadas en relación con la recuperabilidad del valor de las inversiones en empresas del grupo y asociadas no se encuentran fuera de un rango razonable.

Otra información: Informe de gestión

La otra información comprende exclusivamente el informe de gestión del ejercicio 2020 cuya formulación es responsabilidad de los administradores de la Sociedad, y no forma parte integrante de las cuentas anuales.

Nuestra opinión de auditoría sobre las cuentas anuales no cubre el informe de gestión. Nuestra responsabilidad sobre el informe de gestión, de conformidad con lo exigido por la normativa reguladora de la actividad de auditoría de cuentas, consiste en:

- a) Comprobar únicamente que el estado de información no financiera y determinada información incluida en el Informe Anual de Gobierno Corporativo, a los que se refiere la Ley de Auditoría de Cuentas, se ha facilitado en la forma prevista en la normativa aplicable, y en caso contrario, a informar sobre ello.
- b) Evaluar e informar sobre la concordancia del resto de la información incluida en el informe de gestión con las cuentas anuales, a partir del conocimiento de la entidad obtenido en la realización de la auditoría de las citadas cuentas, así como evaluar e informar de si el contenido y presentación de esta parte del informe de gestión son conformes a la normativa que resulta de aplicación. Si, basándonos en el trabajo que hemos realizado, concluimos que existen incorrecciones materiales, estamos obligados a informar de ello.

Sobre la base del trabajo realizado, según lo descrito anteriormente, hemos comprobado que la información mencionada en el apartado a) anterior se facilita en la forma prevista en la normativa aplicable y que el resto de la información que contiene el informe de gestión concuerda con la de las cuentas anuales del ejercicio 2020 y su contenido y presentación son conformes a la normativa que resulta de aplicación.

Responsabilidad de los administradores y del comité de auditoría en relación con las cuentas anuales

Los administradores son responsables de formular las cuentas anuales adjuntas, de forma que expresen la imagen fiel del patrimonio, de la situación financiera y de los resultados de la Sociedad, de conformidad con el marco normativo de información financiera aplicable a la entidad en España, y del control interno que consideren necesario para permitir la preparación de cuentas anuales libres de incorrección material, debida a fraude o error.

En la preparación de las cuentas anuales, los administradores son responsables de la valoración de la capacidad de la Sociedad para continuar como empresa en funcionamiento, revelando, según corresponda, las cuestiones relacionadas con empresa en funcionamiento y utilizando el principio contable de empresa en funcionamiento excepto si los administradores tienen intención de liquidar la Sociedad o de cesar sus operaciones, o bien no exista otra alternativa realista.

El comité de auditoría es responsable de la supervisión del proceso de elaboración y presentación de las cuentas anuales.

Responsabilidades del auditor en relación con la auditoría de las cuentas anuales

Nuestros objetivos son obtener una seguridad razonable de que las cuentas anuales en su conjunto están libres de incorrección material, debida a fraude o error, y emitir un informe de auditoría que contiene nuestra opinión.

Seguridad razonable es un alto grado de seguridad pero no garantiza que una auditoría realizada de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España siempre detecte una incorrección material cuando existe. Las incorrecciones pueden deberse a fraude o error y se consideran materiales si, individualmente o de forma agregada, puede preverse razonablemente que influyan en las decisiones económicas que los usuarios toman basándose en las cuentas anuales.

Como parte de una auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España, aplicamos nuestro juicio profesional y mantenemos una actitud de escepticismo profesional durante toda la auditoría. También:

- Identificamos y valoramos los riesgos de incorrección material en las cuentas anuales, debida a fraude o error, diseñamos y aplicamos procedimientos de auditoría para responder a dichos riesgos y obtenemos evidencia de auditoría suficiente y adecuada para proporcionar una base para nuestra opinión. El riesgo de no detectar una incorrección material debida a fraude es más elevado que en el caso de una incorrección material debida a error, ya que el fraude puede implicar colusión, falsificación, omisiones deliberadas, manifestaciones intencionadamente erróneas, o la elusión del control interno.
- Obtenemos conocimiento del control interno relevante para la auditoría con el fin de diseñar procedimientos de auditoría que sean adecuados en función de las circunstancias, y no con la finalidad de expresar una opinión sobre la eficacia del control interno de la entidad.
- Evaluamos si las políticas contables aplicadas son adecuadas y la razonabilidad de las estimaciones contables y la correspondiente información revelada por los administradores.
- Concluimos sobre si es adecuada la utilización, por los administradores, del principio contable de empresa en funcionamiento y, basándonos en la evidencia de auditoría obtenida, concluimos sobre si existe o no una incertidumbre material relacionada con hechos o con condiciones que pueden generar dudas significativas sobre la capacidad de la Sociedad para continuar como empresa en funcionamiento. Si concluimos que existe una incertidumbre material, se requiere que llamemos la atención en nuestro informe de auditoría sobre la correspondiente información revelada en las cuentas anuales o, si dichas revelaciones no son adecuadas, que expresemos una opinión modificada. Nuestras conclusiones se basan en la evidencia de auditoría obtenida hasta la fecha de nuestro informe de auditoría. Sin embargo, los hechos o condiciones futuros pueden ser la causa de que la Sociedad deje de ser una empresa en funcionamiento.
- Evaluamos la presentación global, la estructura y el contenido de las cuentas anuales, incluida la información revelada, y si las cuentas anuales representan las transacciones y hechos subyacentes de un modo que logran expresar la imagen fiel.

Nos comunicamos con el comité de auditoría de la entidad en relación con, entre otras cuestiones, el alcance y el momento de realización de la auditoría planificados y los hallazgos significativos de la auditoría, así como cualquier deficiencia significativa del control interno que identificamos en el transcurso de la auditoría.

También proporcionamos al comité de auditoría de la entidad una declaración de que hemos cumplido los requerimientos de ética aplicables, incluidos los de independencia, y nos hemos comunicado con la misma para informar de aquellas cuestiones que razonablemente puedan suponer una amenaza para nuestra independencia y, en su caso, de las correspondientes salvaguardas.

Entre las cuestiones que han sido objeto de comunicación al comité de auditoría de la entidad, determinamos las que han sido de la mayor significatividad en la auditoría de las cuentas anuales del periodo actual y que son, en consecuencia, las cuestiones clave de la auditoría.

Describimos esas cuestiones en nuestro informe de auditoría salvo que las disposiciones legales o reglamentarias prohíban revelar públicamente la cuestión.

Informe sobre otros requerimientos legales y reglamentarios

Informe adicional para el comité de auditoría

La opinión expresada en este informe es coherente con lo manifestado en nuestro informe adicional para el comité de auditoría de la Sociedad de fecha 25 de febrero de 2021.

Periodo de contratación

La Junta General de Accionistas en su reunión celebrada el 26 de abril de 2018 nombró a PricewaterhouseCoopers Auditores, S.L. como auditores de la Sociedad por un período de tres años, contados a partir del ejercicio finalizado el 31 de diciembre de 2018.

Servicios prestados

Los servicios, distintos de la auditoría de cuentas, que han sido prestados a la entidad auditada se desglosan en la nota 13.3 de la memoria de las cuentas anuales.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Ana Isabel Peláez Morón (20499)

25 de febrero de 2021



PricewaterhouseCoopers
Auditores, S.L.

2021 Núm. 20/21/05507

SELLO CORPORATIVO: 96,00 EUR

Informe de auditoría de cuentas sujeto
a la normativa de auditoría de cuentas
española o internacional



CLASE 8.^a



001162574

Las Cuentas Anuales individuales (balance, cuenta de pérdidas y ganancias, estado de cambios en el patrimonio neto, estado de flujos de efectivo y memoria) junto con el Informe de Gestión de GRUPO CATALANA OCCIDENTE, S.A., correspondientes al ejercicio anual cerrado el 31 de diciembre de 2020, formulados por el Consejo de Administración de la Sociedad celebrado el día de hoy 25 de febrero de 2021, constan extendidos en los folios del Timbre, clase 8.^a, serie 00, números 1162165 al 1162186, documentos que fueron firmados por todos los Consejeros, en el folio del Timbre, clase 8.^a, serie 00, número 1162574.

Madrid, a 25 de febrero de 2021

D. José M^a Serra Farré

D. Hugo Serra Calderón

D. Francisco J. Arregui Laborda

Gestión de Activos y Valores, S.L.
D. Álvaro Juncadella de Pallejá

D. Jorge Enrich Izard

Ensivest Bros 2014, S.L.
D. Jorge Enrich Serra

D. José Ignacio Álvarez Juste

D. Federico Halpern Blasco

Lacanuda Consell, S.L.
D. Carlos Halpern Serra

Jusal, S.L.
D. José M^a Juncadella Sala

D^a. M^a Assumpta Soler Serra

D. Enrique Giró Godó

D. Fernando Villavecchia Obregón

D. Alberto Thiebaut Estrada

D. Juan Ignacio Guerrero Gilabert

D. Francisco J. Pérez Farguell

**MODELO DE DOCUMENTO NORMAL DE
INFORMACIÓN MEDIOAMBIENTAL**

IM

SOCIEDAD GRUPO CATALANA OCCIDENTE, S.A.		NIF A08168064
DOMICILIO SOCIAL PASEO DE LA CASTELLANA, 4		
MUNICIPIO MADRID	PROVINCIA MADRID	EJERCICIO 2020

Los abajo firmantes, como Administradores de la Sociedad citada, manifiestan que en la contabilidad correspondiente a las presentes cuentas anuales **NO existe ninguna partida de naturaleza medioambiental que deba ser incluida en la Memoria de acuerdo a las indicaciones de la tercera parte del Plan General de Contabilidad (Real Decreto 1514/2007, de 16 de Noviembre).**



Los abajo firmantes, como Administradores de la Sociedad citada, manifiestan que en la contabilidad correspondiente a las presentes cuentas anuales **SÍ existen partidas de naturaleza medioambiental, y han sido incluidas en el Apartado 15 de la Memoria de acuerdo a las indicaciones de la tercera parte del Plan General de Contabilidad (Real Decreto 1514/2007, de 16 de Noviembre).**



Madrid, a 25 de febrero de 2021

FIRMAS y NOMBRES DE LOS ADMINISTRADORES

D. José M^a Serra Farré

D. Hugo Serra Calderón

D. Francisco José Arregui Laborda

Gestión de Activos y Valores, S.L.
D. Álvaro Juncadella de Pallejá

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D. Juan Ignacio Guerrero Gilabert

D. Francisco J. Pérez Farguell

DECLARACION DE RESPONSABILIDAD DEL INFORME FINANCIERO ANUAL

Los miembros del Consejo de Administración de **GRUPO CATALANA OCCIDENTE, S.A.**, declaran que, hasta donde alcanza su conocimiento, las cuentas anuales, individuales y consolidadas, correspondientes al ejercicio cerrado el 31 de diciembre de 2020, formuladas en la reunión de 25 de febrero de 2021, elaboradas con arreglo a los principios de contabilidad aplicables, ofrecen la imagen fiel del patrimonio, de la situación financiera y de los resultados de Grupo Catalana Occidente, S.A. y de las empresas comprendidas en la consolidación tomadas en su conjunto, y que los informes de gestión, individuales y consolidados, incluyen un análisis fiel de la evolución y los resultados empresariales y de la posición de Grupo Catalana Occidente, S.A. y de las empresas comprendidas en la consolidación tomadas en su conjunto, junto con la descripción de los principales riesgos e incertidumbres a que se enfrentan.

Madrid, a 25 de febrero de 2021

D. José M^a Serra Farré

D. José Ignacio Álvarez Juste

Gestión de Activos y Valores, S.L.
D. Alvaro Juncadella de Pallejá

D. Francisco José Arregui Laborda

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D. Hugo Serra Calderón

D^a María Assumpta Soler Serra

D. Enrique Giró Godó

D. Francisco Javier Perez Farguell

Jusal S.L.
D. José María Juncadella Sala

Lacanuda Consell, S.L.
D. Carlos Halpern Serra

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