

**Sustainability Report –
Non-Financial Information Statement**
Grupo Catalana Occidente, S.A.

Contents

Sustainability Report – Non-Financial Information Statement

Letter from the Chairman	3	03 Our commitments	28
About this report	5	Employees	29
Scope of information	5	Customers	34
01 Grupo Catalana Occidente	6	Shareholders and investors	37
About the Group	7	Intermediaries: agents and brokers	38
Business model	8	Supply chain	39
Strategy and results	9	Climate change	42
Shareholding structure	10	Environment	45
Corporate Governance	10	Ethics and compliance	48
Risk management	13	Fiscal transparency	51
02 Sustainable business	16	Social impact	52
Sustainability strategy	17	Innovation	56
Sustainability governance	17	04 Appendix I – Additional information	58
Materiality and relationship with the stakeholders	18	05 Appendix II – GRI content index	68
Sustainability plan	21	06 Appendix III – Non-Financial Information Statement (NFIS) content index	75
Responsible investment	22	07 External assurance report	83
Responsible products	24		
International commitments and alliances	27		



Letter from the Chairman

2-22

“Sustainability as an integral part of our business strategy”

In the following Sustainability Report – Non-Financial Information Statement, you will find a summary of all the information about the economic, social and environmental performance of Grupo Catalana Occidente during 2022. As ever, this document has been prepared with reference to the Global Reporting Initiative (GRI) standards and corresponds to Grupo Catalana Occidente and the companies that comprise it, leading companies within the Spanish insurance sector and the international credit insurance sector.

Grupo Catalana Occidente has always focussed not only on generating economic results, but also on creating long-term well-being for society. During 2022, we have continued to make robust progress with our sustainability commitments, successfully meeting our goals and laying the foundations for a

promising 2023 in which we will continue to move forward with our sustainable development strategy.

I would like to highlight some of these initiatives taking place in 2022 which I believe illustrate the key principles for our company.

Toward being a net-zero emissions company

We started 2022 taking strong steps in our commitment to decarbonisation, signing up to the Net-Zero Insurance Alliance (NZIA). Through this initiative we are reaffirming our commitment to reduce to zero the net emissions of our insurance underwriting portfolio by 2050, and to therefore contribute to limiting the increase in global temperatures to 1.5°C above pre-industrial levels. For this, we have set intermediate goals that will gradually allow us to contribute to climate neutrality.

We are also continuing to work on the decarbonisation of our energy consumption. In 2022, much of our electricity consumption came from clean energy sources, and photovoltaic panels have been installed on our main buildings. Our environmental commitment is also clear from the focus on sustainable buildings, with nine buildings having been awarded the Leed or BREEAM certification.

Focussed on our customers’ needs

For Grupo Catalana Occidente, decarbonisation means much more than simply reducing emissions. It offers a unique opportunity to generate sustainable value and allows us to continue offering our customers the protection they need, when they need it.

For example, in 2022 we have added personal mobility insurance to our product range. This helps society use

alternative forms of transport that are better for the environment and it does this by covering the insured parties for their daily journeys, regardless of how they choose to travel: on foot, by scooter, electric bicycle or shared vehicle, among others.

Similarly, we have adapted our range of investment fund products to the Article 8 classification of the SFDR, with approval from the National Securities Market Commission (CNMV) being received in February 2023. As a result, all the investment funds in our financial product range now explicitly incorporate environmental and/or social considerations in their management, along with their financial targets.

Strengthening our sustainability culture

At Grupo Catalana Occidente, we believe that the challenges of accelerating the energy transition in an efficient and sustainable way and guaranteeing growth can only be met through teamwork and a shared effort.

Our employees are, and always have been, essential to our success. Talent management, people development, digitalisation and the new ways of working are the fundamental levers for this.

That is why in 2022 we have run training courses for our employees focussing on the areas of sustainability, equality and those actions that they, as individuals, can perform to contribute to sustainable development and protecting the environment.

We have also run corporate volunteering initiatives through which our employees have helped socially vulnerable groups (Cheers4You and Junior Achievement) and cared for the environment (World Clean-Up Day). We are also very proud of having received the World-class Workplace award, which recognises us as one of the best companies to work for.

Similarly, we have continued to promote the hybrid working model, combining in-person and remote working, as a work organisation mechanism that enhances the motivation and commitment of our employees, improves productivity and efficiency and develops digitalisation.

Committed to sustainability

All of these initiatives demonstrate the breadth and depth of our commitment to sustainability, as an integral part of our business strategy.

The positive ESG rating Grupo Catalana Occidente has received demonstrates the commitment we have been showing and that at the start of 2023 has been reinforced with the Group being awarded the “Industry top rated” badge by Sustainalytics, positioning us as one of the companies in the insurance sector with the best ESG performance.

Finally, I would like to highlight that our social action is channelled mainly through Fundación Jesús Serra, a Foundation which works in the areas of research projects, teaching, cultural initiatives, sports activities and charitable initiatives, in order to have a positive impact on society.

This year has been dominated at the international level by the invasion of Ukraine. Our thoughts have been with those displaced by the war. To help address the humanitarian emergency this has caused, Grupo Catalana Occidente carried out a global fund-raising campaign in collaboration with UNHCR, the United Nations High Commissioner for Refugees.

I would like to end this letter with a well-deserved mention of all the employees, intermediates, associates, shareholders and customers who form part of Grupo Catalana Occidente. Thanks to all of them, we have managed to make progress in our sustainability goals and we hope to continue to have their support and loyalty to carry out all the projects planned for the coming years.

José M.ª Serra
Chairman

Sustainability Report – Non-Financial Information Statement Grupo Catalana Occidente, S. A. 2022

About this report

This report reflects the evolution, results and performance of Grupo Catalana Occidente in relation to sustainability in the 2022 financial year, as well as the approach towards its management and the challenges faced.

The Sustainability Report contains the Non-Financial Information Statement (hereinafter, NFIS), forming part of the Management Report, in accordance with Articles 262 of the Capital Companies Law and 49 of the Code of Commerce, meeting the requirements of Law 11/2018. Similarly, this document has been prepared in accordance with the Global Reporting Initiative (GRI) standards. Appendices II and III (“GRI content index” and “Non-Financial Information Statement (NFIS) content index”, respectively) contain the list of sustainability indicators that are included throughout this report.

This document has been reviewed, with regard to the information in the NFIS and the GRI content, by an independent external verifier (PricewaterhouseCoopers Auditores, S.L.), in accordance with ISAE Standard 3000, revised and in force, and with the Action Guide on verification engagements of the Non-Financial Information Statement issued by the Spanish Institute of Chartered Accountants.

Likewise, the document is subject to the same approval, filing and publication criteria as the Consolidated Management Report. The verification report is available on page 83 of this document.

The 10 principles of the United Nations Global Compact have been considered when preparing this document.

Scope of information

2-2, 3-2

The scope of the information in this report corresponds to Grupo Catalana Occidente and the companies that comprise it*.

The financial information it includes comes from the consolidated annual accounts for the year ending 31 December 2022.

In those cases in which the information reported presents a different scope to that established for this document, this is specified in the corresponding section or table with a footnote.

* In 2022, the information related to the company Graydon Holding NV (credit insurance business company) is not included in that scope, due to its effective divestment by Grupo Catalana Occidente in April of that year and because it is considered immaterial due to the months it has been present and its volume with respect to the consolidated Group.

Grupo Catalana Occidente



About the Group

2-1, 2-6

Grupo Catalana Occidente is one of the leaders of the insurance sector in Spain and the credit insurance sector worldwide. Over its more than 150 year history it has seen a steady growth, thanks to its ability to adapt to changes and to remain faithful to its true character as an insurer.

The Group has a presence in more than 50 countries through a diversified and balanced business portfolio, serving more than three and a half million customers.

Its consolidation as one of the largest Spanish capital insurance groups is largely a result of its acquisition model, which has allowed it to gradually integrate the leading companies in their field or geographical area.

Sound financial structure



Listed on the stock market.
Stable and committed shareholders.
Credit rating: A (AM Best) and A2 (Moody's).
ESG rating: Low Risk (Sustainalytics).

Technical



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

International dimension

4th Largest
insurance group in Spain*

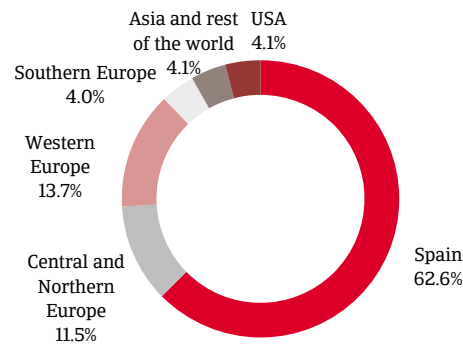


* Ranking of market share ICEA (Spanish insurance sector studies service)

2nd Largest
credit insurance group in the world**

** Ranking of market share ICISA (International Credit Insurance & Surety Association)

Diversification by country***



*** Percentage of total annual premiums

Key figures

Volume and distribution of the business



€5,245.6m +7.4%

57.4% Traditional business
42.6% Credit insurance business

Combined ratio



90.8% +1.9 p.p.
Traditional business

72.3% -8.1 p.p.
Credit insurance business

Consolidated earnings

€542.6m

Shareholder remuneration

€123.4m

Permanent resources at market value

€4,916.3m

Business model





2-6

The purpose of Grupo Catalana Occidente is to be leaders in long-term protection and welfare for the family market and for small and medium-sized companies, through the traditional insurance business, as well as to be international leaders in commercial risk coverage, through the credit insurance business.

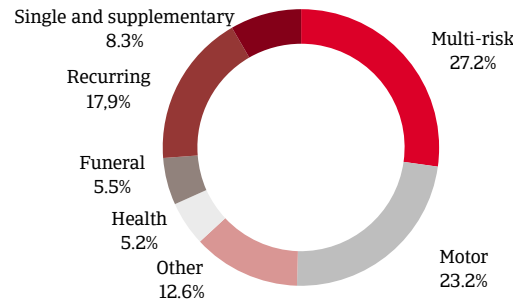
Traditional business

The traditional business provides families and small and medium-sized businesses with a wide range of insurance products to cover any need, at any stage of life, by means of a network of professional intermediaries and more than 1,500 offices.

The lines of business we offer are:

 <p>Multi-risk Family-home, businesses, communities, offices and SMEs.</p>	 <p>Other Industrial products, engineering, accidents and civil liability.</p>
 <p>Life Products in life insurance, endowment, pension plans and investment funds, as well as funeral and health expenses.</p>	 <p>Motor Coverage related to cars or transport fleets.</p>

The turnover of the traditional business stood at €2,842.9 million and it accounts for 57.4% of the Group's total. It is distributed as indicated below:



Within the traditional business, the Group carries out its activity through different commercial brands:



In 2023, the traditional business companies (Seguros Catalana Occidente, Plus Ultra Seguros and Seguros Bilbao) were unified to create an organisation which is simpler and, therefore, more flexible and capable of adapting rapidly to market demands.

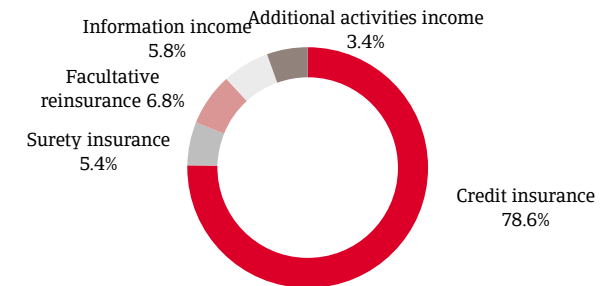
Credit insurance business

Through the credit insurance business the Group offers products and services that contribute to the growth of companies throughout the world, protecting them from the risks of non-payment inherent in the sale of products and services with deferred payment. This business is structurally linked to economic development and, in particular, the evolution of non-payments and the volume of trade at the global level.

The lines of business we offer are:

 <p>Credit insurance Protects against financial losses resulting from the inability of a buyer to pay for goods purchased on credit.</p>	 <p>Surety insurance Protects the beneficiary if the supplier fails to meet its contractual obligations.</p>
 <p>Reinsurance Wide range of reinsurance solutions for insurance companies.</p>	

The credit insurance business turnover for 2022 represents 42.6% of the Group's total, amounting to €2,366.4 million.



The Group's brands used to perform its activity in the credit insurance business are as follows:



Strategy and results

2-6

Grupo Catalana Occidente bases its strategy on three pillars: growth, profitability and solvency, which it implements through the following action areas:



Growth

Define the Group's target markets, develop appropriate products and services and establish appropriate distribution channels to reach the customer.



Profitability

Recurring and sustained profitability through technical-actuarial rigour and diversification of investments and processes that allow for low cost ratios and a high-quality service.



Solvency

Prioritise the generation and continued growth of own resources in order to finance the expansion of the Group, ensuring a comfortable fulfilment of commitments made and an adequate return to shareholders.

In addition, the Group includes the creation of sustainable social value into its strategy, focussing its activity not only on obtaining good financial results but also on improving the well-being of each of its stakeholders, in the economic, environmental and social areas.

Economic, environmental and social results

	2021	2022	Var. 21-22
Economic performance (Amount in millions of euros)			
Turnover	4,882.5	5,245.6	7.4%
Consolidated earnings	468.3	542.6	15.9%
Attributed to the parent company	427.2	486.6	13.9%
Combined ratio traditional business	88.9%	90.8%	1.9 p.p.
Combined ratio credit insurance business (gross)	64.2%	72.3%	8.1 p.p.
Permanent resources at market value	5,191.5	4,916.3	-5.3%
Funds managed	15,712.2	14,991.1	-4.6%
Solvency ratio*	220%	240%	20 p.p.
Environmental performance**			
Paper consumption (T)	360.6	315.6	-12.5%
Energy consumption (GJ)	105,015.1	111,000.7	5.7%
Emissions generated Scope 1, 2 and 3 (T CO ₂)	4,095.9	6,183.8	51.0%
Carbon intensity (T CO ₂ /employees)	0.55	0.86	0.31 p.p.
Social performance			
Employees at close of the financial year	7,498	7,232	-3.5%
Average employees	7,494	7,241	-3.4%
Female managers (% of all managers)	17.7%	17.6%	-0.1 p.p.
Hours of training	166,435	185,820	11.6%
Accidents with sick leave (excl. while commuting)	44	79	44.3%
Social contribution*** (millions of euros)	4.0	2.3	-42.5%

* 2022 is estimated. Includes partial internal model.

**The increase in the figures for 2022 is due to the normalization in the use of facilities after Covid-19.

***In 2021 the extraordinary contribution to fight against Covid-19 is included.

Main key trends

- **Sustainable finance.** The green economy is now mainstream and has left its mark on financial processes. The Green Taxonomy advances are resulting in a new paradigm for large companies and SMEs and are having an influence on an increasing number of investments.
- **Climate action.** The gradual elimination of coal, oil and gas, and their replacement with clean and renewable energy sources will also continue to be a key factor for companies in 2023, culminating with COP28.
- **Sustainability of the supply chain.** The world standstill resulting from Covid-19 and the supply chain crisis caused by the Ukraine war have clearly shown the need to have secure and resistant supply chains. Increasing value is being placed on implementing resilience measures and managing exposure to risks from a triple economic, environmental and social approach.

Shareholding structure

2-1

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

The main shareholder of Grupo Catalana Occidente is INOC, S.A., which controls 61.94% of the Group's share capital.

Similarly, in treasury stock, the Group, by means of Sociedad Gestión Catalana Occidente S.A., has 1,977,283 securities, at a total acquisition cost of €22.38 million, representing 1.65% of the share capital.

The Group's free-float is 33.54% and half is in the hands of institutional investors.

The Group does not possess information relating to the existence of agreements between its shareholders for the concerted exercise of voting rights or which limit the transfer of their shares.

Corporate governance

2-9, 3-3

The Group's corporate governance structure appropriately differentiates the direction and management functions from the supervision, control and strategic definition functions.



* The Sustainability Committee falls within the corporate committees and is chaired by the Chief Executive Officer of Grupo Catalana Occidente.

General Shareholders' Meeting

The General Meeting is the representative body of the shareholders. Its functioning and activities are governed by the articles of association and the Regulations of the General Shareholders' Meeting. One of its main functions is the approval of the financial statements and the distribution of results. There are no restrictions on voting rights in the Company and each share gives the right to one vote.

To facilitate the involvement of all shareholders, Grupo Catalana Occidente places at their disposal an electronic debate forum and electronic means that facilitate remote voting and the delegation of representation. The General Shareholders' Meeting is also streamed through the corporate website.

Board of Directors

2-9, 3-3, 405-1

The Board of Directors is the highest body responsible for the management and supervision of the Group. The guiding principle of its activities is to delegate the day-to-day management to the management team and focus its activity on oversight, which includes, among others, the following responsibilities:

- Strategic responsibility, to guide policies.
- Monitoring responsibility, to control management.
- Communication responsibility, to serve as a link with the shareholders.

Its functioning and activities are governed by the articles of association and the Regulations of the Board of Directors. In 2022, the Board of Directors has met twelve times, during which it has reviewed, been informed and, where appropriate, taken decisions in relation to the financial and non-financial situation and the results, strategic plan, acquisition transactions and risk policies and control, among other issues.

Name of Director	Position	Type of Director	Date of first appointment	Commissions or Committees to which they belong
José M ^a Serra Farré	Chairman	Executive	15/04/1975	
Hugo Serra Calderón	Vice-Chairman – Chief Executive Officer	Executive	27/06/2013	
Jorge Enrich Serra	Member	Nominee	29/04/2021	-Appointments and Remuneration Committee (m)
Juan Ignacio Guerrero Gilabert	Member	Independent	28/04/2011	-Appointments and Remuneration Committee (m) -Audit Committee (c)
Federico Halpern Blasco	Member	Nominee	25/11/1993	
Álvaro Juncadella de Pallejá	Member	Nominee	28/04/2022	-Audit Committee (m)
Beatriz Molins Domingo	Member	Independent	28/04/2022	
Francisco Javier Pérez Farguell	Member	Independent	25/02/2015	-Appointments and Remuneration Committee (c) -Audit Committee (m)
Maria Assumpta Soler Serra	Member	Nominee	24/09/2009	
Francisco José Arregui Laborda*	Secretary director	Executive	29/01/1998	
Joaquín Guallar Pérez	Non-Director Deputy Secretary		25/02/2015	

(c) Chair
(m) Member

(*) Resigned from his position as Director and Board Secretary with effect from 1 January 2023, with Mr Joaquín Guallar Pérez being appointed to the position of Secretary – Non Director from that date. Mr Francisco José Arregui Laborda was also Secretary non-member of the Audit Committee and the Appointments and Remuneration Committee, posts which have also been assumed by Mr Joaquín Guallar Pérez.

Composition of the Board of Directors

Delegate Committees

In order to improve the effectiveness of its exercising of its functions, the Board of Directors has two delegate committees: the Audit Committee and the Appointments and Remuneration Committee.

Audit Committee

The Audit Committee's responsibilities are set out in Article 15 of the Regulations of the Board of Directors. Among other powers, this Committee is responsible for ensuring that the financial statements are prepared in accordance with the regulations and for reporting to the General Shareholders' Meeting on issues raised by the shareholders in matters for which it is responsible, proposing the appointment of external account auditors and overseeing the effectiveness of the internal control system.

Appointments and Remuneration Committee

The Appointments and Remuneration Committee's responsibilities are set out in Article 16 of the Regulations of the Board of Directors. This committee ensures, among other things, that the selection process involving candidates for director does not suffer from implicit bias that hinders the good work and diversity of the Board, raising proposals or informing it, where appropriate, with complete objectivity and respect for the principle of gender equality, as regards their professional conditions, experience and knowledge. It is also in charge of reviewing the Company's remuneration policy and reporting on its execution.

Diversity and experience of the Board 2-10, 2-18, 405-1

The Group has a Policy on Aptitude and Good Reputation that regulates the requirements that must be met by the Group's strategic staff so that the positions are held by the right people. It establishes that, in terms of aptitude, it will be verified that the candidate has the appropriate training and profile to perform the functions entrusted to them, and diversity of knowledge and experience will be favoured. With regard to good reputation, honesty and financial solvency will be assessed based on relevant evidence about their reputation and personal and professional conduct.

The procedure for the appointment and resignation of members of the Board of Directors is set out in the Regulations of the Board of Directors of Grupo Catalana Occidente, available on its corporate website.

Similarly, the Group follows the recommendation included in the Code of Good Corporate Governance, which recommends that an external expert assess the operation of the Board of Directors every three years. As a result, in 2021 there was an external assessment by KPMG, in its role as independent expert, of the operation of the Group's Board of Directors, its delegate committees and the performance of its chairman. The result was positive and the external expert highlighted the appropriateness of the procedures and the operation of these bodies. During 2022, the Board of Directors and its delegate committees have also performed internal processes for the self-assessment of their operation.

In relation to its composition, it should be noted that in 2022 Grupo Catalana Occidente made changes to its Board of Directors, through which it has continued to strengthen both its diversity and the skills, knowledge and experience of its members. With these changes, at the close of 2022 the Group's Board of Directors was formed of ten directors of whom four are nominees, three are independent and three are executive

(in 2021 the Board of Directors was comprised of sixteen members, of whom ten were nominees, two were independent and four were executive). The number of women on the Company's Board of Directors represents 20%** of its total members, 13.7 points higher than the 6.3% figure for the previous year.

% members of the Board of Directors*	2021	2022
< 30 years old	0%	0%
Between 30 and 50 years	19%	30%
> 50 years old	81%	70%

* Including all individual members and representatives of legal entities that are members of the Board of Directors.

** Since 1 January 2023, the percentage of women on the Group's Board of Directors has stood at 22.2%.

Directors' remuneration 2-19, 2-20, 405-2

Directors' remuneration is determined in accordance with the provisions of the regulations applicable to capital companies, the Articles of Association, the Regulations of the Board of Directors and the agreements adopted by the General Shareholders' Meeting.

The General Shareholders' Meeting is responsible for approving the Directors' Remuneration Policy, at least every three years and as a separate item on the agenda. This policy includes the different components of the remuneration package for directors and is governed by the following general principles:

- (i) Creates long-term value.
- (ii) Rewards the achievement of results based on a prudent and responsible assumption of risks.
- (iii) Attracts and retains the best professionals.
- (iv) Rewards levels of responsibility and professional careers.

(v) Strives to ensure internal fairness and external competitiveness.

The Remuneration Policy is aligned with ESG issues, linking variable remuneration to the commitments made in relation to sustainability. The weight of the non-financial criteria cannot be below 25% of the total.

Detailed information on the application of the Directors' Remuneration Policy is contained in the Annual Report on Board Directors' Remuneration, provided to the CNMV and available on the Group's website:

www.grupocatalanaoccidente.com.

The total remuneration of the Company's directors during the 2022 financial year was as follows:

Remuneration for directors* (Figure in thousands of euros)	2021	2022
Average non-executive directors men	230.1	178.5
Average non-executive directors women	240.7	225.7
Total directors*	7,131.6	5,682.2

*This includes the remuneration of executive and non-executive directors of the Company, both in the Company and in the other Group companies.

The average remuneration by gender corresponds exclusively to individuals who act as directors.

Variations with respect to 2021 are due to the fact that in April 2022 Grupo Catalana Occidente undertook changes in its Board of Directors (details of these changes and of the remuneration by concept and person can be found in the Annual report on Board Directors' Remuneration available on the Group's website).

Furthermore, these amounts may reflect insignificant variations with respect to other documents as they include other concepts (contributions to social security plans) and for being expressed in thousands of euros.

Within this concept is fixed remuneration, variable remuneration, contributions to social security plans, allowances, director's fees and others. The average remuneration by gender corresponds solely to individuals who act as directors. Executive directors (exclusively men) have received in 2022 an average of €1,078.3 thousand (€1,098.8 thousand in 2021).

Management Committee

Grupo Catalana Occidente has a Management Committee that governs and coordinates the day-to-day management of the Group, acting through delegation by the Board of Directors.

Grupo Catalana Occidente Management Committee	Position
José M. Serra Farré	Chairman
Hugo Serra Calderón	Vice-Chairman / Chief Executive Officer
Francisco J. Arregui Laborda*	General Managing Director
Juan Closa Cañellas	Managing Director traditional business
David Capdevila	Managing Director credit insurance business
Xavier Fontanet	Managing Director operations

(*) Resigned his position as General Managing Director with effect from 1 January 2023. Since that date, three new members have joined the Group's Management Committee: Clara Gómez Bermúdez (Managing Director Financial-Risks), Joaquín Guallar Pérez (Managing Director Legal-Corporate), and Francisco Sánchez Blanco (Managing Director Strategy and Business Development).

In addition, the main insurance companies forming part of the Group have their own Management Committees. These

committees meet at least once a month, to take actions relating to their operational follow-up.

Risk management

2-6, 2-12, 2-16, 2-23, 3-3

Risk management control system

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

1st Line – Taking and managing risks

Made up by the business units, which are responsible for the assumed risk and its management.

2nd Line – Control and monitoring

Made up by the risk management control function, the regulatory compliance verification function and the actuarial role function. Its aim is to define controls that guarantee compliance with risk management processes and policies.

3rd Line – Internal audit function

The Internal audit function is responsible for performing independent evaluations on the effectiveness of the governance system, the risk management system and internal control.

The risk management control area deals with all significant aspects related to risk management, setting guidelines and reference criteria that are assumed by the entities with the necessary adjustments.

Risk strategy

Grupo Catalana Occidente defines its risk strategy as the level of risks that the companies that form it are willing to take on

and ensures that its integration with the business plan allows it to comply 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 forming the Group plan to accept in order to achieve their objectives.
- **Risk tolerance:** maximum deviation from the appetite that an entity is willing to assume (tolerate).
- **Risk limits:** operating limits established to comply with the risk strategy.
- **Warning indicators:** the Group also has a series of early warning indicators that are used both to monitor risks and to comply with the risk appetite approved by the Board of Directors.

Information and communication

The governing bodies regularly receive, at least quarterly, information regarding the quantification of the main risks to which the Group is exposed and the capital resources available to deal with them, as well as information regarding the meeting of the limits established in the risk appetite.

Since 2016, and annually, the Group and the insurance companies forming it have published a specific solvency and financial situation report (SFCR), which details and quantifies the risks to which it is exposed. This report can be found on the corporate website.

Own Risk and Solvency Assessment

ORSA (Own Risk and Solvency Assessment) is the internal risk and solvency assessment process that is the central axis of the risk management system. Its objective is to identify, assess, monitor, manage and disclose the Group's short and long-term risks.

The ORSA is performed at least once a year and assesses:

- Meeting of the capital requirements.
- Deviation between the risk and solvency profiles.
- Meeting of the capital requirements in stress situations.

The Group conducts a back-testing analysis between the estimates of the capital requirements for the ORSA financial year and its results at the close of the financial year.

Risk management policies

In order to guarantee effective risk management, the Group has a set of risk management policies.

Each of these policies identifies the risks inherent in the area mentioned, establishes measures of risk quantification, determines actions to monitor and control these risks, establishes measures to mitigate their impact and determines the internal information and control systems to manage the risks.

ESG risks

3-3

ESG risks are defined as those environmental, social or governance events or factors that, were they to occur, could affect the organisation or have a negative potential impact on the achievement of its strategic objectives.

These risks can also be an important area of opportunity to the degree that the organisation increases its adaptability to the changes produced by these to counteract their effects.

Grupo Catalana Occidente understands, prevents and endeavours to reduce ESG risks, as well as to manage, to the best of its ability, the opportunities for offering safe, quality protection against these risks to all its stakeholders. That is why the Group has incorporated sustainability into its strategy, making it one of the priorities established in 2022, and has raised it to the highest executive level of the organisation.

In the following page we describe the main ESG risks identified by the Group, classified according to their type, establishing their impact and time horizon.

In addition, given that these risks can directly or indirectly affect the Group as a whole, they play a cross-cutting role in the risk policies.

Their management, measurement and monitoring are defined in the sustainability policy and the climate change and environmental policy, as well as in the rest of the Group's governance policies, according to which:

- The impacts of these risks, to the extent that they are relevant, are analysed in the financial planning in order to adapt the strategic planning, if necessary, taking into account the risks identified.

- It implements the metrics necessary that help to measure and manage risks and opportunities derived from climate change.
- It performs regular reporting, at the highest level, on the identification of these risks and their impact on business.

ESG Risk Map 201-2

Type	ESG risk	Impact	Time horizon*	
Environmental	Physical	Increased accident rate due to the increased frequency and severity of the physical impacts of adverse weather events	High	Long
		Increased mortality due to exposure to areas with extreme weather events (heatwaves, extreme rainfall, etc.)	Medium	Long
		Increased risk of non-payment of reinsurers due to greater exposure for them, derived from the increased accident rate that could be caused by an increase in the frequency and severity of extreme weather events	Medium	Long
	Transition	Increased accident rate in the credit insurance business among buyers with high exposure to the climate transition and/or to climate change	High	Medium
		Decreased credit insurance business among buyers with high exposure to the climate transition and/or to climate change	High	Medium
		Loss of value of shares in sectors with a high exposure to the climate transition	High	Long
		Increased credit spreads in sectors with a high exposure to the climate transition	High	Long
		Increased risk of non-payment by reinsurers due to their exposure to sectors with a higher probability of default caused by the transition towards low-carbon economies	Medium	Medium
		Risk of a fall in the Non-Life portfolio due to exposure to highly polluting sectors that are affected by the transition towards a low-carbon economy	Low	Medium
	Liability	Risk of not having our buildings adapted to the legal requirements of zero consumption properties	Low	Medium
		Risks derived from legal or regulatory breaches in environmental matters	Low	Short
	Social	Social risk derived from a breach of Human Rights (breach of the commitments in relation to diversity, equality, inclusion, etc.)	Low	Short
		Social risk associated with changes in people management in the company	Medium	Medium
		Social risk related to the impact of demographic and social changes derived from an economic loss in the different sections	Low	Medium
Changes in the longevity trends in the population		Low	Medium	
Changes in the health trends of the various groups of population		Low	Long	
Governance	Negative perception of rating agencies with regard to the company's ESG commitment	High	Short	
	Governance risk arising from poor protection of personal data	Medium	Short	
	Governance risk related to the production of responsible products determined by the applicable legislation	Medium	Medium	
	Governance risk related to not adapting to the new trends in innovation and digital transformation	Medium	Medium	
	Cyber-risks and/or not having our computer systems adapted to new labour and market trends: remote working, computer security, digitisation, online customer service	Medium	Short	
	Risk derived from the inefficiency of the governance system in relation to ESG aspects	Low	Short	
	Risk derived from the composition of the Corporate Governance	Low	Short	
	Ethics and integrity risk related to the code of ethics, compliance and corruption	Low	Short	
	Risk related to the tax strategy and transparency	Low	Short	
	Risks derived from legal or regulatory breaches related to ESG factors (breach of the money laundering regulation, breach of the data protection regulation)	Low	Short	
	Reputational risk due to loss of image in the media or on the social media, on not being considered to be an agent contributing to the ESG factors	Low	Medium	
Risk of negative customer perception derived from transparency (products, company information, etc.)	Low	Medium		

* Time horizon of the ESG risks map: less than 5 years (s-t), between 5 and 10 years (m-t), more than 10 years (l-t).

Sustainable business



Sustainability strategy

3-3

For Grupo Catalana Occidente, sustainability is the voluntary commitment to integrate into its strategy the risks and responsible management of economic, social and environment factors, promote ethical behaviour towards its stakeholders, rigorously apply the principles of good governance and contribute to the well-being of society through the creation of sustainable value.

Sustainable value is the result of not only focusing activity on obtaining good financial results, but also promoting the well-being of the stakeholders to which the Group's entities must be accountable. This value becomes sustainable when it is integrated into the business strategy both in the short term and also in the medium and long term.

This commitment is embodied through our Sustainability Policy and the 2021-2023 Sustainability Master Plan.

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 this time.

This document establishes the reference framework so that the Group and the companies comprising it can develop and foster socially responsible behaviour. It includes the general working principles in terms of sustainability, and the specific sustainability targets pursued by the Group.

This Sustainability Policy is intended to respond to an increasingly demanding European and national regulatory framework, including the UN's 2030 Agenda, the Paris Agreement of the UN Framework Convention on Climate Change, the European Green Pact, the European Decarbonisation Strategy for 2050 and Law 7/2021 on Climate Change and Energy Transition.

Externally, it strengthens the commitment to the principles of the United National Global Compact, the United Nations Principles for Responsible Investment (PRI), the Principles for Sustainable Insurance (PSI), the Sustainable Development Goals (SDGs) and the Net-Zero Insurance Alliance (NZIA).

Internally, it is the key tool for strengthening the Group's commitment to sustainability and lays the foundations on which to develop the Sustainability Master Plan.

External sustainability rating

Exposure to and the management of ESG (Environmental, Social and Governance) risk at Grupo Catalana Occidente is assessed by the sustainability rating agency Sustainalytics.

In December 2022, the agency revised its ESG rating for the Group, giving it a rating of 15.0 points, which is 0.5 points higher than last year.

In this way, the agency considers that the organisation has a low risk of experiencing material financial impacts related to ESG factors and ranks the Group among the 15 companies with the best ESG rating in the insurance sector, which is made up of more than 300 companies. In recognition of the above, the sustainability rating agency has granted Grupo Catalana Occidente the "Industry top rated" insignia, as one of the companies with the best ESG rating in the insurance sector.

Sustainability governance

2-9, 2-12, 2-13, 2-14, 2-17

Sustainability is driven from the highest sphere of the group, with the Grupo Catalana Occidente Board of Directors being responsible for establishing and guiding the sustainability strategy, which acts in a cross-cutting manner and involves all business areas.

Additionally, there are three bodies responsible for supervising sustainability within the Group: The Sustainability Committee, the Audit Committee and the Compliance Verification Committee.

The Sustainability report includes the Non-Financial Information Statement and is approved by the Board of Directors. In addition, it is submitted to the General Shareholders' Meeting for review and approval, as required by Law 11/2018, where the shareholders have the opportunity to share their views on the initiatives and performance described.

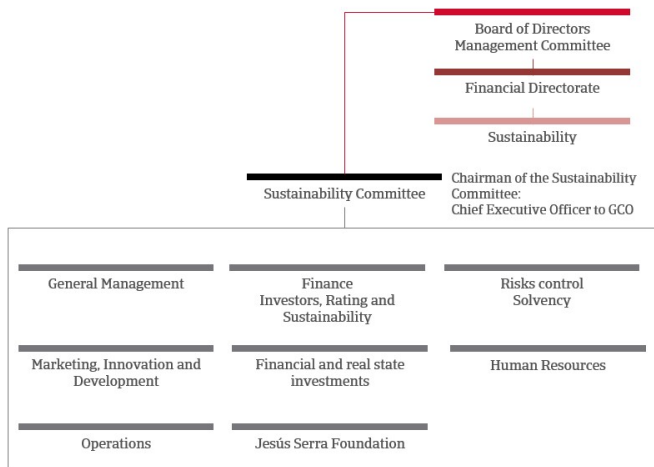
Sustainability Committee

This has the delegated function of deciding on and supervising the Group's performance in relation to sustainability issues, including the Sustainability Master Plan and its corresponding regular updates.

This Committee is chaired by the Chief Executive Officer of Grupo Catalana Occidente and is made up of the heads of the various departments that represent the stakeholders. In 2022, the Sustainability Committee met on two occasions and discussed, among others, the following issues:

- Monitoring and analysis of the progress made in the Sustainability Master Plan during 2022.

- Supervision of non-financial information 2022: Integrated Sustainability Report, including the Non-Financial Information Statement, verified.
- Reports from ESG (Environmental, Social and Governance) rating analysts and agencies
- Progress in the climate change strategy.
- Analysis of the Group's contribution to the SDGs.
- Review of sustainability-related policies.
- Monitoring and analysis of new European and Spanish sustainability regulations (Taxonomy Regulation, Regulation on sustainability related disclosures (SFDR), Law on Climate Change and Energy Transition and the Corporate Sustainability Reporting Directive (CSRD), among others).
- Proposing and approval of the Sustainability Action Plan 2023.



In addition, Atradius has established its own Sustainability Committee, chaired by the CFO of Atradius and formed by the heads of all the areas involved. This Committee meets every 4-6 weeks and acts as a link between Atradius and the Group Sustainability Committee.

His duties include implementing the Group's ESG strategy at Atradius and implementing the sustainability objectives set for the credit insurance business.

For its part, the Sustainability team, forming part of the Group's Financial Department within the Relationships with Investors, Rating Agencies and Sustainability Area, organises and promotes the initiatives and commitments in the Sustainability Master Plan 2021-2023, reporting directly to the Sustainability Committee. Its objective is to maximise the ESG impact of the Group with all its stakeholders and raise awareness about the leadership of the organisation in non-financial questions.

Audit Committee

Aside from the responsibilities assigned and contained in the Regulations of the Board of Directors, the Group has attributed to the Audit Committee responsibility for monitoring the sustainability strategy and practices and assessing its degree of fulfilment.

Compliance Verification Committee

This is responsible for assessing, advising and informing on everything related to verifying compliance with the applicable legal obligations, and others that are adopted on a voluntary basis, as well as the impact of any modification of the legal environment and compliance risk, including those related to sustainability.

Materiality and relationship with stakeholders

Materiality

2-14, 3-1, 3-2, 3-3

In 2020, Grupo Catalana Occidente updated its materiality study with the aim of identifying issues that are relevant to the Group and its stakeholders. The time horizon considered in the analysis was three years, matching the duration of the Sustainability Master Plan 2021-2023, which was updated from the materiality study.

This materiality analysis was focussed on the financially important sustainability issues for the Group. However, the methodology used took into account in a preliminary way the dual approach promoted by the Corporate Sustainability Reporting Directive (CSRD), and considered both the impact of the business on ESG issues and the impact of the different ESG issues on the business.

In 2023, Grupo Catalana Occidente will carry out a new materiality analysis, in line with its desire to continue implementing the latest trends in sustainability and achieve excellence in this area.

The following process was performed by the Group to carry out the materiality analysis:

Identification

Firstly, drawing from various external sources and a sector benchmark, an analysis was performed in relation to the issues that concerned the Group's stakeholders with the aim of determining which issues could be deemed as relevant.



Prioritisation

Once these issues had been identified, they were prioritised by means of a twofold analysis of information sources:

- External relevance, granted by investors, opinion leaders and other companies within the sector: having performed a press analysis and an evaluation of the sector context through the identification of sustainability aspects that were critical for these stakeholders.
- Internal relevance, based on documents and internal stakeholders: interviews were conducted with senior management in the different business areas to detect the main risks and opportunity in terms of sustainability, as well as the Group’s priorities for the future.

Validation

The results obtained were assessed and validated by the Sustainability Committee, linked to the Board of Directors and the Management Committee, which assessed the consistency of the valuations granted in the preceding phase.

Determination of content

Once the previous results had been validated, a materiality matrix was prepared determining the list of aspects that required reporting as material issues due to having acquired sufficient importance.

Below is a list of the issues that were material for the Group. The content of this Sustainability Report has been determined on the basis of this list.

Issues identified as material for the Group 2-29



Customer experience: responding to customers with speed, honesty, sensitivity and transparency at all times and ensuring that the processing of claims is clear and understandable.



Data protection and cyber-security: mechanisms to protect customer data and resources in a business characterised by the growing use of technology in the processes for purchasing products with data on a large scale.



Innovation: innovation in products, services and management systems, based on digital transformation and an internal culture of innovation.



Corporate Governance: strict compliance with legal obligations, transparency in management and in information and monitoring of recommendations from the CNMV’s Code of Good Governance for listed companies.



Ethics, integrity and transparency: ethical behaviour in the management of the organisation and the running of the business.



Management of ESG risks: management of environmental, social and corporate governance risks that could have an impact on fulfilment of the financial obligations and affect the credit rating.



Responsible investment: inclusion of ESG criteria when taking decisions about investments, as well as compliance with the regulations on responsible investment (Taxonomy, SFDR Regulation).



Responsible products: modify and extend the range of insurance products to best meet the needs of society.



Climate change and environmental management: assessment, monitoring and management of the efficient use of energy and the use of materials, as well as the implementation of a corporate strategy to fight climate change that includes the management of these risks in insurance products.



Attraction, development and retention of talent: focus on permanent contracts for staff and the hiring of young employees who can spend their entire professional career in the organisation.



Quality employment: provide stable employment, as well as establish measures to guarantee diversity, equal opportunities and non-discrimination within the organisation.



Health and safety: evolution from a model involving the partial management of health to a concept of holistic health, including physical, mental and social well-being.



Management of service providers: integration of ESG issues into the entire supply chain, and in particular in the repair services and other services related to the claims.



Commitment to society: promote and collaborate with non-profit activities of general interest, such as managing the sustainability commitments made

(Principles for Sustainable Insurance (PSI) and Global Compact)



Development of local communities: using local suppliers and fair payment for their claim repair services.



Human rights: management, monitoring and reporting of Human Rights impacts in the Group's operations and suppliers.

Issues such as circular economy and waste generation, light and noise pollution, food waste, water consumption and biodiversity are not material issues for the Group.

Relationship with the stakeholders

3-3, 2-29

Grupo Catalana Occidente has identified six stakeholders based on the impact that the Group has on them and the relevance of each of them to the Group.

The Group establishes its commitment to each of them, meaning it maintains a continual and transparent dialogue with them to allow them to be understood and integrated into the company's activity. To do this, there are various communication channels through which a smooth, close and transparent relationship is maintained with the stakeholders. Additionally, the various channels allow the Group to identify the needs and expectations of all of them and, in this way, applying the principle of transparency included in the Code of Ethics, be able to respond to them.

Channels for communication, participation and dialogue 2-29

Employees

The Group has channels for communication and dialogue with its employees, both directly and also through their union representatives on the corresponding negotiating boards when dealing with topics of interest and reaching agreements on them.

The main communication channels are the intranet, the bulletin boards and suggestion boxes, the newsletters and the employee satisfaction survey, in-person meetings, events and the whistle-blower channel.

Customers

The Group is in constant dialogue with this stakeholder through its extensive commercial network, the technical support services, the customer services and the network of branches itself.

In addition, there are other communication channels such as the corporate website, the whistle-blower channel, the e-Customer service, the social networks, the customer satisfaction surveys and the corporate magazines.

Shareholders and investors

The group is in constant communication and dialogue with this stakeholder group. The Department for Relationships with Analysts and Investors, Rating Agencies and Sustainability manages and runs investor roadshows, responding to their information requests.

It also has other channels of communication such as the General Shareholders' Meeting, the corporate website, the analysts and investors area, the shareholder service area and the whistleblower channel.

Distributors/Intermediaries

The Group is in constant communication with the insurance agents and brokers through its internal portal. In addition, it has other communication channels such as training workshops, the whistle-blower channel, the corporate app and the social networks.

Associates/Suppliers

The Group has a good relationship with this stakeholder group during the entire management process, from the taking out of contracts to the provision of the service. As a result, the Group makes available to its associates and suppliers various communication channels such as the Intranet, the satisfaction surveys, the Prepersa website and the whistle-blower channel.

Society

This stakeholder group includes the local communities, unions, NGOs, academic sector, civil society and the public in general.

Contact and interaction with this stakeholder group is carried out through various channels such as the Group's corporate website and that of the Foundation (Fundación Jesús Serra), the social programmes this runs, the social networks, the whistle-blower channel and also through the media.

Sustainability plan

2-24, 3-3

The Sustainability Master Plan is the main tool through which Grupo Catalana Occidente develops and implements its sustainability strategy. A new Sustainability Master Plan for the 2021-2023 period has been updated on the basis of a materiality study carried out in 2020.

This Sustainability Master Plan has been structured so as to identify the three main development areas: excellence in service, positive contribution and trust; and a cross-cutting area of transparency common to all these areas: dissemination and reporting. For each of these areas, we have established specific lines of action in which the Group aims to create sustainable value, through actions on their development, scope and indicators for their monitoring.

Each corporate area represented on the Sustainability Committee has established its own leaders for the promotion and monitoring of the specific initiatives established in the Sustainability Master Plan (2021-2023). These leaders, along with the Group's Sustainability team, come together in the Sustainability Committee to coordinate the strategy and analyse the key projects in this area. There are also sustainability officers in both the traditional business and the credit insurance business, which allow it to be better informed by country, as well as to have better coordination in the implementation of initiatives.

Main progress in the SMP in 2022 by line of action

Management of ESG risks (More information on pages 13-15 and 43-44)

In addition to integrating the ESG risks into the insurance activity along with the tradition risks, including them in the Group's risk map, in 2022 we have continued adopting the recommendations of the Task Force on Climate-related

Financial Disclosures (TCFD) to contribute to generating honest and objective information about climate risks.

Sustainable products (More information on pages 24-26)

The range of investment fund products has been adapted to the Article 8 classification of the SFDR Regulation, explicitly incorporating, as of February 2023 by CNMV approval, environmental and/or social considerations in their management, beyond the mere integration of sustainability risks. The requirements established by the EU Taxonomy have continued to be adopted, classifying the Group's activities as eligible or ineligible.

Responsible investment (More information on pages 22-24 and 26)

Compliance with regulatory requirements relating to sustainable investments (Taxonomy and SFDR) has continued. In addition, the current responsible investment strategy has been revised to take effect in 2023 with a new strategy that incorporates the exclusion of new economic sectors with environmental themes, as well as a new positive screening criterion, whereby investments in companies with poorer ESG risk management will be excluded.

Digitisation and omnichannelisation (More information on pages 34 and 35)

WhatsApp has been added as a communication channel for the customers of the companies in the traditional business. In addition, we have continued to focus on the digitalisation of the Group's services through the video expert assessment service, the digital signing for taking out our products and the digital policy.

Innovation (More information on pages 56 and 57)

To drive innovation, knowledge and the analysis of the trends that will determine the future of the insurance sector from within the organisation, we have developed new initiatives in the intrapreneurship programmes of the Group, Xplora y Evolve +, for the traditional business and the credit insurance business respectively. Similarly, we have continued to develop new

application and innovative processes to improve the service we provide to the customer.

Environmental management (More information on pages 42-47)

The commitment to be a Group with zero net emissions by 2050 has been adopted. In addition, in order to contribute to protecting the environment, initiatives and campaigns have been run to minimise the environmental impacts (such as *World Clean-up day*) and work has continued on the implementation of an environmental management system in the Group.

Employee experience (More information on pages 29-34)

Mandatory sustainability training has been given for all the Group's employees. Similarly, the results obtained from the work environment survey run in 2021 on the employees of the traditional business have been analysed, putting into place a series of related initiatives. A survey for the employees of Atradius has been launched.

Ethics and Integrity (More information on pages 48-51)

ESG clauses are continuing to be included in the contracts with the suppliers of the companies in the traditional business, through which the Group ensures that they comply with the same ethical and sustainability principles, with the labour regulations and with their tax obligations.

Communication and relationship with stakeholders (More information on pages 20, 53 and 54)

A sustainability campaign has been run to encourage the general population to become more aware and knowledgeable about ESG issues and to increase the visibility of the SDGs.

Formalising the investment in society and volunteering (More information on pages 52-55)

Participation in various corporate volunteering initiatives has continued, generating among the workforce a culture of cooperation and support for other social groups more in need. In addition, Fundación Jesús Serra has continued to run social actions projects and has signed up to the Foundations for the Climate Pact to boost the fight against the climate emergency.

Responsible investment

3-3, 203-2

As a signatory of the UN Principles of Responsible Investment (PRI), Grupo Catalana Occidente has adhered to the commitment to achieve a global and sustainable financial system through incorporating environmental, social and corporate governance (ESG) factors into its investment decisions and in the active exercise of asset ownership.

In January 2021, the Group's Board of Directors approved the Responsible Investment Policy of Grupo Catalana Occidente. This Policy establishes the ESG principles and criteria to be taken into consideration by the Group in the management of its financial investments and it is complementary to the principles of the Group's investment management, which are based on a principle of prudence in its actions and which are primarily aimed at securing the commitments made to clients over time, with adequate portfolio diversification.

In addition, the Group has an Annual Responsible Investment Plan where it establishes the annual responsible investment objectives to be achieved each year in accordance with the principles set forth in the Responsible Investment Policy.

Both the Policy and the Annual Responsible Investment Plan are published on the Group's corporate website

The SRI (Socially Responsible Investment) Committee, which reports to the Group's Investment Committee, is responsible for assessing and monitoring the application of the Group's Responsible Investment Policy and the Annual Execution Plan. The agreements reached by the SRI Committee, and approved by the Investment Committee, are reported to the Group's Management Committee, subsequently informing the Sustainability Committee of those issues considered to be relevant.

In addition, and in order to comply with the obligations of EU Regulation 2019/2088 on sustainability related disclosures in the financial services sector (SFDR), the Group discloses specific information about how it takes into account the sustainability risks in the process of taking investment decisions and how its investment decisions are affected by the environmental, social and governance factors (main adverse incidents).

All of the above information is available on the Group's corporate website, within the Sustainability section.

Responsible investment strategy

The Group incorporates ESG issues into the investment analysis and decision-making processes, based on the following principles of action:

Exclusion principles:

- Negative screening based on business sector: Investment in those companies in which part of their activity is carried out in certain excluded economic sectors (e.g., production or marketing of anti-personnel mines) is excluded.
- Regulatory screening: Investment in those companies whose performance is considered controversial and, particularly, that could negatively impact on its operations, the environment or society in general, is excluded.



New exclusion criteria and sectors

The Group, in line with its commitment to make progress in the incorporation of ESG issues into the decision-making in investment processes, has reviewed its current Responsible Investment strategy in 2022 so that, in 2023, a new Investment strategy will take effect that adds new economic sectors with an environmental theme in which investment will be excluded (thermal coal, oil and gas exploration in the Arctic and shale energy). This is in addition to a new criterion (positive screening) through which investment is excluded in those companies with poor ESG risk management, measured through a risk rating granted to the companies by an external provider.

Integration principles:

- Sustainable investments: Investment in projects aimed at the transition towards a low-carbon economy, which is more resource-efficient and more sustainable, are progressively increased.
- Investments with impact: investment in projects aimed at achieving the social and environmental objectives, will be gradually increased, all in line with the priorities set out in the Group's Sustainability Master Plan.

For the implementation of these principles, the Group has tools from external suppliers that allow it to establish different criteria for the selection of investments, as well as to track the evolution of the companies in relation to the integration of the ESG criteria in the performance of their activity.

At 31 December 2022, and in accordance with the Group's Responsible Investment Policy, the value of the Group's responsible investments as a percentage of its total investments and funds managed represented 51% (53% in 2021).

EU Taxonomy - Eligibility of the assets

As part of the EU's Sustainable Finance Plan, the European Commission has introduced Regulation 2020/852 known as the Taxonomy Regulation, a dictionary to determine which economic activities are sustainable and contribute to meeting the EU's environmental targets. For that the TEG (Technical Expert Group) has defined some thresholds (selection criteria) based on strictly technical and scientific characteristics, to standardise the definitions of which economic activities may be considered to be sustainable.

Grupo Catalana Occidente, as a company in the financial sector and insurance group, is subject to the obligations of this Regulation and since 1 January 2022 it has been required to report its exposure to activities eligible according to the Taxonomy for the climate change mitigation and adaptation targets.

Below is a description of the eligibility analysis of consolidated asset items of Grupo Catalana Occidente as of 31 December 2022, taking into account its investment policy, which includes ESG criteria as is set out in its Sustainable Investment Policy.

The information on the eligibility of the non-life insurance premiums of the Group is in the "Responsible products" section.

Total assets of the eligible balance sheet

The eligibility of the consolidated asset items of Grupo Catalana Occidente has been calculated using the criteria defined in the delegated act of Article 8 of the Taxonomy. The eligible activities are defined as those economic activities within the Climate Delegated Act (which may make a substantial contribution to the environmental targets for climate change mitigation and/or adaptation).

The scope defined by Grupo Catalana Occidente has been focussed on those assets linked to investment and financing activities, which in turn promote economic activity recognised and included within the delegated acts as eligible due to its substantial contribution to the environmental targets for climate change mitigation and/or adaptation.

The information to analyse the eligibility of the assets of Grupo Catalana Occidente has been obtained from the public information provided by the European Community (eligible activities and NACE codes) and market information about the assets in which Grupo Catalana Occidente has invested (shares, corporate bonds and green bonds, properties, etc.).

In this process of gathering and analysing information, the Group has identified that there is little availability of detailed information in the market to help it determine the contribution to environmental targets.

Given this, the eligibility calculation has been obtained following the process described below:

1. Universe of counterparties: all valid counterparties have been included in the calculation of eligibility, excluding exposures to Central Banks, Central Governments and/or supranational entities; to derivative financial products; to counterparties not subject to NFDR (<500 employees and/or outside the European Union); and, finally, the exclusion of economic activities not eligible under the Taxonomy.

2. Eligibility analysis: from the potentially eligible counterparties, eligibility has been determined through a two-level analysis:

- Counterparty level: identifying the NACE codes of the exposures present in Grupo Catalana Occidente that significantly contribute to at least one of the climate change mitigation or adaptation targets.
- Product level: considering the potentially eligible counterparties, a process has been carried out to check the purpose of the activities of investing in or financing economic activities (Use of Proceeds).

As a result of this analysis, we have identified that the greatest exposure of assets eligible under the EU Taxonomy in Grupo Catalana Occidente is concentrated in corporate bonds and investment in listed shares.

The analysis also allows us to identify that of the total eligible activities, most are accounted for by those that contribute to climate change adaptation, followed by mitigation activities and finally by activities that could potentially contribute to both targets.

3. Results: the following are the results produced through this calculation process:

	Total assets	Exposure to derivatives	Exposure to companies not subject to the NFDR	Exposure to issuers of central governments, central banks and supranational companies
2021	Eligible	12.7%		
	Ineligible	78.4%	0.0%	8.9%
	Exposure as percentage of total assets (%)	75.8%	0.0%	7.4%
2022	Eligible	12,5%		
	Ineligible	77,6%	0,0%	9,9%
	Exposure as percentage of total assets (%)	76,2%	0,0%	8,4%

In this process of adapting to the requirements established in the Taxonomy, the Groups is working to adapt its range of financial products in line with the parameters established and to gradually contribute to their fulfilment, as well as streamlining and implementing training plans in the commercial networks.

Responsible products

3-3

Sustainable growth meets the current needs without compromising the abilities of future generations to meet their needs, ensuring the balance between economic growth, social well-being and the environment. The changes seen in consumer patterns, new energy sources, new technologies and innovation are essential to favour sustainable growth.

Grupo Catalana Occidente considers that developing innovative and sustainable solutions, which are sensitive to the changes affecting consumer patterns, and which favour the implementation of new technologies and new energy sources, represent a competitive advantage and an opportunity to better adapt to the ever-changing needs of our customers. To this end, it continues to work on the design of solutions that incorporate the customers' preferences, thus contributing to foster sustainability.

Financial products that promote environmental and/or social characteristics (Article 8 of SFDR)

Grupo Catalana Occidente has adapted its range of investment fund products to the Article 8 classification of the Disclosure Regulation (SFDR), having received the approval of these from the CNMV in February 2023. In this way, the range of investment funds making up the Group's portfolio explicitly incorporates environmental and/or social considerations in their management, beyond the mere integration of sustainability risks.

Information is given in both the pre-contractual documentation for the product and the regular reports on how these sustainability characteristics are integrated with the aim of making it easier for customers to identify these products. Likewise, the Group continues to make progress in adapting the range of unit linked products and pension funds/EPsVs to the Article 8 classification of the SFDR.

Personal mobility insurance

In recent years, due to the increased concern about the environment and seeking sustainable solutions, the big cities have promoted changes to reduce the use of private vehicles. These changes, along with the population growth, the high population density in the cities and the increase in journeys has led to a paradigm shift in transport and the appearance of a new mobility.

Personal mobility is a comprehensive mobility insurance product that guarantees the user that they will have all their risks covered in their journeys regardless of the means of transport used (such as rental cars and car sharing, scooters, urban bicycles, taxi, cars with driver or public transport). With that, the Group is helping to mitigate the environmental and social problems associated with urban mobility, focussing on sustainable mobility.

Cyber-insurance

The digital transformation poses new problems and needs that affect our customers. Both companies and members of the public are increasingly exposed to a greater risk of cyber-security attacks that could endanger such important aspects as: storage and processing of data in an ethical and secure manner, physical and reputational integrity, bullying on social media, etc. Grupo Catalana Occidente responds to these needs by offering its customers protection against the risks involved in operating in an increasingly digital age. In recent times, a large number of cases of cyber-attacks have been taking place and cyber-crime is one of the criminal areas that has grown the most in Spain.

To this end, the Group has a cyber-insurance for companies that provides, among other aspects, protection against cyber-attacks, preventive services and professional advice. In addition, it has a cyber-insurance policy for individuals that provides a package of coverage options and services to meet the needs of our individual customers. This product for individuals was made available for sale in 2022.

Agricultural insurance

The Agrupación española de entidades aseguradoras de los seguros agrarios combinados, S.A. (Agroseguro), is responsible for managing combined agricultural insurance policies on behalf of the Group's traditional business insurers who are part of the pool, thus contributing to the economic and social development of the agriculture and livestock sector in the following ways:

- It mitigates the losses arising from the climate emergency in the agricultural sector, contributing stability to farming production and increasing its resilience.
- It minimises the risk of endangering an activity that is essential for society, as is the product of food, ensuring its availability.
- It represents significant support to the income of the producers during critical times.
- It is an additional way of increasing the population in rural areas.
- It is an international benchmark. The European Union has assessed the Spanish Agricultural Insurance System as the best in terms of protection against climate risks in Agriculture (according to the European Commission's 2017 report).

Environmental risk insurance

The Group participates in the environmental risk pool, an effective incentive in the prevent of such risks given that, due to the insufficient development of this type of insurance policy on an individual basis within the Spanish market and the high level of specialisation required, in the absence of the pool formula it would be impossible to protect against environmental risks. The coverages given through environmental liability insurances enable to deal with the costs arising from the necessary repair of the environment that has been damaged due to a contamination event. The Group's environmental insurance offer provides these coverages to companies, ships, residential buildings and single-family houses.

Insurance for electric vehicles

The transformation of carbon-based economies for new paradigms of sustainability, where energy efficiency and environmental protection play an essential role, is already one of the world's main priorities. Ensuring access to affordable, safe, sustainable and modern energy is part of UN's agenda. Organisations that gradually adapt their offer to cover this energy transition will open new markets and will be better prepared for the future.

The vehicle insurance range includes a specific insurance policy for electric and plug-in hybrid vehicles, which are committed to sustainability and mitigating our carbon footprint.

Insurance for consumer goods

This insurance allows you to insure material and direct damage that may be suffered by goods such as computers, cameras, electronic devices, sports equipment (diving equipment, skis, etc.), electric scooters, bicycles, musical instruments and, in general, all kinds of consumer goods. The coverage granted facilitates insurance solutions that promote the use of personal mobility equipment that reduces the use of private vehicles.

Credit and caution insurance policies

In various European countries, surety insurance offers guarantees that are allowing the installation of renewable energies, wind and photovoltaic farms, the restoration of the natural environment to the situation prior to the start of exploitation or the sustainable management and transportation of waste and its recycling. Additionally, in Spain a specific type of guarantee has recently been created to ensure compliance with energy efficiency improvement contracts, in the context of the European structural investment funds (ESI).

In credit insurance, the Group is working to improve the segmentation of its portfolio from a sustainable perspective. In Holland, the DSB unit already applies a green taxonomy to its

products and has developed specific conditions and products for activities and industries that promote the energy transition. In Belgium, the ICP unit applies special conditions to projects aimed at improving facilities to promote energy savings, both for companies and for individuals, and provides coverage to contracts that favour electric vehicle recharging facilities and the inclusion of bicycles into corporate vehicle fleets.

Senior well-being

Our ageing population is one of the main challenges which society must face, and the insurance sector has always played an essential role by supplementing public pension systems with a wide range of products that favour long-term savings.

With a continued advancement in specific products that cover the ever-increasing needs of our elderly people, the Group has a health product that covers the needs of people over the age of 65, the senior well-being product, which incorporates exclusive home care services (e.g. tele-assistance device with GPS). In addition, in 2022 the number of free dental acts covered by the policy in each annuity has been extended, at no additional cost to the insured.

As part of the Sustainability Plan, over the coming years the Group will continue to analyse opportunities and develop new products with the aim of expanding its portfolio of ESG products.

Pricing and underwriting processes

Innovating in the pricing and underwriting processes is part of the Group's strategy and it allows us to carry out digital transformation and, thus promote sustainability through processes that encourage savings, productivity and efficiency.

The Group has implemented an underwriting policy that has been approved by the Board of Directors and is applicable to all of its companies and businesses. This action framework is in continuous development to incorporate the strictest and most

innovative subscription mechanisms and processes. To this end, the Group launched the digital policy that not only provides a sustainable solution, but also provides agility in contracting and avoids operating incidents. Similarly, the Group has taken a further step in its customer orientation and service strategy, hand in hand with digitisation and new technologies, with the launch of a new application for smartphones and tablets that incorporates new features and services, including, among others, medical video consultation, a service available 24 hours a day, 365 days a year.

As far as pricing is concerned, the credit insurance business has, through the internal model, sophisticated credit rating systems by sectors, customers and geographical areas; the general insurance business has sophisticated statistical techniques (for example, and among others, the use of generalised linear models or “GLM”) and the life business has monitoring that tracks the value of the business and the product profit test.

In this area we have also made progress in prevention measures against natural disasters, not only through the natural protection provided by our reinsurance programme and the protection against abnormal cyclonic storms that is provided in Spain by the Insurance Compensation Consortium, but also by monitoring cumulus and the implementation of an alert system based on the intensity of the adverse weather events for customers with home insurance.

Grupo Catalana Occidente is aware that the most sophisticated data and models, such as artificial intelligence, are gaining momentum. To this end, the Group has an analytical business unit that is making progress in generating specific models linked, among others, to the customers’ propensity to purchase or abandonment.

EU Taxonomy - Eligibility of premiums

Grupo Catalana Occidente, as a financial sector entity and insurance group, is subject to the obligations of Regulation 2020/852 known as the Taxonomy Regulation, and from 1 January 2022, it has the obligation to report its exposure to eligible activities according to the Taxonomy for the objectives of Mitigation and Adaptation to climate change.

The following is an analysis of the eligibility of the Group’s non-life insurance premiums. The information on the eligibility of the consolidated asset items for Grupo Catalana Occidente is included in the “Responsible investment” section.

Eligible non-life insurance premiums

In accordance with the aforementioned Taxonomy Regulation, insurance companies must report its gross non-life reinsurance premiums, which are found exclusively within the lines of: income protection, civil liability proceedings and other guarantees, maritime and transport, fire and other damage to goods, medical assistance and expenses, which cover risks derived from climate change (eligible non-life insurance premiums).

The eligibility analysis of non-life premiums that cover climate change risks has taken into account all those products that include in their coverage some type of climate risk or damage that is generically related to the temperature, wind, water, floods, storms, snow or other similar events, whether chronic or acute, without identifying and itemising which risks they provide coverage for. Thus, all products that have been considered eligible incorporate coverage that helps to mitigate the adverse effects that climate risks may have on our customers and policyholders, all without forgetting the role played by the Insurance Compensation Consortium in the coverage of extraordinary risks in the Spanish market.

The analysis conducted concludes that the percentage of non-life premiums eligible by the Taxonomy in the 2022 financial year is 37.3% (39.3% in 2021), whereas the non-life premiums not eligible by the Taxonomy amount to 62.7% (60.7% in 2021). It must be taken into account that the regulation leaves highly relevant lines in the Group’s business out of the eligible premiums, such as the credit line, which represents over 50% of the general insurance billing (including health).

The eligible lines with the highest volume include fires and other damages to goods and proceedings, both for civil liability and other guarantees, with the most residual being maritime and transportation. Premiums related to reinsurance activities to third parties have not been considered as they are not material at Group level.

The eligible lines not only provide protection against climate risks to our insured parties, but also a comprehensive coverage for all their needs. Making an estimate of the premiums that the Group allocates exclusively to cover climate risks, these would reach 7.1% (6.7% in 2021) of the total general insurance premiums for the Group’s traditional business (including health and excluding the credit insurance business).

International commitments and alliances

2-28

Grupo Catalana Occidente has adhered to the Global Compact Principles and is committed to the Sustainable Development Goals. Additionally, the Group is a signatory the Principles for Sustainable Insurance (PSI) and the Principles for Responsible Investment (PRI).

In 2022, Grupo Catalana Occidente took another step forward in its sustainability strategy and joined the Net-Zero Insurance Alliance.



Sustainable Development Goals (SDG)

The business of the Group's companies and the projects of the Fundación Jesús Serra intrinsically impact on the SDGs due to the very nature of their core activities. The contribution to these objectives is in chapter 3 regarding the Group's commitments, within the Social Impact section.



Global Compact

Since 2002, the Group has continued to follow the ten principles of the United Nations Global Compact and is committed to aligning its strategies and operations with these universally accepted principles in four areas: human rights, labour standards, environment and corruption.



Principles for Sustainable Insurance

In 2020 the Group signed up to the Principles for Sustainable Insurance (PSI) produced by the United Nations Environment Programme – Finance Initiative, which create a framework of reference for the sector with the aim of addressing social, environmental and governance risks and opportunities.



Principles for Responsible Investment

Since it is aware that the exercising of its corporate responsibility could potentially contribute to a comprehensive and stable global economy that could help to protect the world's assets, in 2020 Grupo Catalana Occidente adhered to the Principles for Responsible Investment (PRI) agreed by the United Nations.



Net-Zero Insurance Alliance

In 2022, Grupo Catalana Occidente joined the Net-Zero Insurance Alliance (NZIA), convened by the UN, adopting the commitment to decarbonise its insurance and reinsurance portfolios to zero net greenhouse gas emissions (GHG) by the year 2050 and thus avoid an increase in global temperature above the Paris target of 1.5°C.

Other sector alliances

In addition to the Group's adhesion to the previous initiatives and benchmark organisations on sustainability, in Spain, the Group's companies are also involved with the main UNESPA sector associations (Association of Insurance Companies, which represents Spanish insurance companies before the public administrations) and ICEA (Spanish insurance sector studies service), which have sustainability working groups and programmes. Through UNESPA, Grupo Catalana Occidente supports the work of Finresp (Spain's Centre of Sustainable and Responsible Finance).

The Group has also joined the EWI (Empower Women in Insurance) network, whose goal is to promote the presence of women in the management of insurance companies.

Finally, internationally through Atradius, the Group participates in ICISA (International Credit Insurance & Surety Association) and Berne Union, also known as the International Union of Credit and Investment Insurers, which provide ideas and information that improve the Group's services.

Our commitments



Employees

2-7, 3-3, 405-1

Significant events 2022

- Launch of sustainability training for 100% of employees.
- Launch of equality training for the employees in the traditional business and webinars on the topics of diversity, equality and inclusion in the credit insurance business.
- Grupo Catalana Occidente is among the 75 best companies to work for in Spain in 2022, according to the Forbes ranking.
- *World-Class Workplace 2022* award that recognises excellence in employment at Grupo Catalana Occidente.
- Launch of well-being and healthy habit sessions for employees, given by experts and focussing on four areas: sleep management, stress management, healthy eating and working from home.

Main challenges 2023

- Establishing objectives and implementing good practices within the equality, diversity and inclusion plan.
- Extending Well-being Program to other areas such as sport and emotional well-being.

The people are the most important asset when it comes to creating value for the customers and shareholders of the Group's companies. The Group's human resources policy contains the commitments acquired regarding the recruitment, development and retention of talent for an effective management of employees.

Profile of the people working in the Group

At the close of 2022, the Group's global workforce stands at 7,232 employees, of which 48% are women (48% in 2021).

	2021	2022
Employees at 31 December*	7,498	7,232
Average employees	7,494	7,241

* Employee data follow the headcount criteria.

* Work contracts in force at 31 December, excluding those for the Management Board of Atradius and commercial contracts in the traditional business.

Diversity, equality and inclusion

2-17, 3-3, 405-1, 406-1

Grupo Catalana Occidente is firmly committed to effective equality of opportunities. This commitment promotes diversity as a key competitive advantage for our businesses and a priority strategy in people management and the generation of an inclusive culture that promotes a balance between professional and personal life in all areas.

In this aspect, the Group is working to produce an equality, diversity and inclusion strategic plan aimed mostly at reducing the pay gap and increasing the representation of women in positions of responsibility. The aim of this plan is to be able to establish realistic targets and implement related best practices.



Equality training

As a new development, 2022 saw the launch of equality training for all employees in the Traditional Business and for the Group's Board of Directors. The aim is to raise awareness about the basic legislative framework in relation to gender equality in the workplace. Similarly, in Atradius several online seminars have been run to raise awareness among employees about various related issues such as unconscious bias, confidence, promotion of psychological safety at work and empathy.

Gender diversity

In Spain, all entities are covered by Equality Plans in accordance with Organic Law 3/2007 for the effective equality of men and women. All Equality Plans are published and are also available to everyone in the Group on the intranet.

In addition, several of the companies have a Protocol for the prevention and treatment of sexual and psychological harassment. The Equal Opportunities Committee is responsible for ensuring compliance with this.

Outside of Spain, Atradius promotes gender equality and diversity through the Declaration of Human Rights, developed in 2021, the Code of Conduct and the human resources policy.

Additionally, the Group belongs to the EWI (Empower Women in Insurance) Network, a sectoral initiative that advocates real and effective gender equality, whose objective is to promote the presence of women in the insurance management field.

Labour inclusion and non-discrimination

The Group's Code of Ethics promotes real equal opportunities, beyond gender diversity, and does not accept, in any case, any type of discrimination in the professional field for reasons of age, race, gender, religion, political opinion, national origin, sexual orientation or disability.

	2021	2022
Cases of discrimination received through the available channels*	4	9
% of resolved cases**	100%	78%
Human Rights complaints***	0	0

* Due to confidentiality reasons, no reporting is provided regarding actions taken after identifying incidents of discrimination within the organisation.

** Resolved cases are understood as those that have been closed.

*** Human rights complaints do not include discrimination.

Similarly, the Group is committed to employing people with different abilities. At the end of the year, 100 people with a disability formed part of the Group's workforce (99 people in 2021).

In this regard, the companies Seguros Catalana Occidente, GCO Tecnología y Servicios, Plus Ultra Seguros and Seguros Bilbao have the exemption certificate granted by the State Public Employment Service, under the provisions of Royal Decree 364/2005, of 8 April, which regulates alternative compliance, exceptionally, with the reserve quota for workers with disabilities. This certificate of achievement allows the aforementioned Group companies to cover the percentage of the workforce with disabilities established by Law through service provision agreements with authorised Special Employment Centres.

In order to guarantee Universal Access for people with disabilities, the Group has offices and work centres where access is facilitated for people with reduced mobility, both for employees, suppliers, customers and visitors.

In addition, all new facilities have ramps, parking spaces and toilets for people with disabilities. Accessibility to information has also been increased, with the Group's website being equipped with the most advanced international accessibility techniques and guidelines, making browsing possible for all types of users.

Flexibility and work-life balance

3-3

In the area of flexibility and reconciliation, the Group is promoting new ways of working that favour self-management of time, focusing on the productivity and efficiency of employees. It also makes these various measures available in order to respond to their personal needs.

Remote working

Remote working was introduced for the Group's employees in 2021. This model establishes different types of remote working based on job type: hybrid mode, which allows remote working to be combined with time in the office with up to 30-40% of the working hours accounted for by remote working; and remote working mode, when these percentages of remote working are exceeded.

	2021	2022
Employees with hybrid mode	4,340	4,364
Employees with remote working mode	864	842

The hybrid mode allows traditional business employees to work 30% of the working day remotely, this figure being 40% for credit insurance business employees.

Work-life balance

The Group is focussing on the balance between people's personal and professional lives as a lever to encourage real

equality and to do this it has specific measures in the different countries in which it operates.

In Spain, some of the main measures available to employees are; flexible start and end times, intensive working days on Fridays and in the summer months, the option of unpaid leave for one year with guaranteed return, as well as service such as the canteen, medical centres, physiotherapy and a sports club, present in some of its offices.

Similarly, these companies offer social benefits such as a parenthood benefit, aid for disabled family members, life insurance in excess of the conditions set forth in the insurance sector collective bargaining agreement and personal loans.

At Atradius, the measures aiming at facilitating and improving people's work-life balance are subject to the regulations in each country. We can highlight, for example, the granting of personal loans in the United Kingdom or a health clinic that allows employees in the Netherlands to consult a doctor when they experience an imbalance between their work and personal life.

In relation to the right to disconnect, in 2019 the Group approved the internal policy on the right to disconnect from work for all employees outside the normal working hours established in the collective bargaining agreement or contract, as well as during periods of holiday, sick leave and unpaid leave. Among other items, this policy includes the right of employees not to answer emails, messages and calls of a professional nature, as well as recommendations to promote the responsible and effective use of digital tools. Throughout the year, the Group's employees receive training and education on the use of electronic devices and digital resources.

Occupational labour, health and safety framework

3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6

Health and safety

The Group's entities in Spain have a health and safety service in accordance with current labour legislation. In addition, there are internal procedures and regulations related to occupational health and safety, including self-protection plans for all buildings, risk assessments and annual action plans.

In turn, there is a joint health and safety service that covers most of the Group's insurance companies, allowing for a more consistent management. Companies that are not covered by this service maintain their own or outsourced service, adhering to the criteria of efficiency and speciality.

The aim is to achieve the following general occupational health and safety objectives:

- a) Compliance with current legislation for the prevention of occupational risks and the working conditions of employees.
- b) Reduction and elimination of workplace accidents and occupational diseases in all work centres.
- c) Development of a health and safety culture based on the consideration of people as its main asset.

In addition, the companies in the Group's traditional business with more than fifty employees and with employee representation have Health and Safety Committees that are entrusted with the task of protecting the health and safety of the employees. The meetings are annual, although extraordinary meetings can be requested to deal with any urgent topics.

There is no general policy for the Atradius countries, as most of these countries have their own policy in accordance with local legislation or collective bargaining agreements.

At a corporate level, while there is no specific generally applicable health and safety policy, the Group's commitment to the health and safety of its employees is implemented through the preparation of disease protocols and the inclusion in collective bargaining agreements of benefits in the event of not being able to do the job for any reason.

Similarly, the Group promotes health through offering its employees medical examinations, with the frequency being established on the basis of the job position. Equally, in different work centres employees have access to services for the care and well-being of the employees (such as social clubs offering healthy eating, gymnasiums, swimming pools, tennis and paddle tennis courts) or agreements with special conditions for employees in work centres that do not provide these services.

In addition to the above measures implemented to protect employees, the Group has collective bargaining agreements that address issues related to employee health and occupational risk prevention.

Employee well-being Program

In 2022, Grupo Catalana Occidente has launched a Well-being plan for the comprehensive care of its employees. This plan is focussed on five areas:



Sleeping well



Mindfulness



Remote working



Stress management



Healthy eating and physical activity

By adding these measures to those already in place in relation to flexibility and work-life balance, the Group is demonstrating its concern for the well-being of its employees and its desire to reduce the levels of employee absenteeism. During 2022, the number of hours missed due to absenteeism fell to 469,679 (470,089 hours in 2021).

Employee coverage 2-30, 407-1

To improve the regulation of the working conditions of its employees, the Group strives to guarantee that the largest possible proportion of its staff throughout the world are covered by collective bargaining agreements.

Grupo Catalana Occidente guarantees freedom of association and collective bargaining in accordance with the provisions of Article 5.8 of the Code of Ethics, encouraging social dialogue to consult and negotiate with staff. In this sense, the companies in the Group promote participation of the workers' representatives in the collective bargaining processes, notifying those issues that may affect the workers, as well as the situation of the company and changes to its employment.

In the traditional business, all companies are governed by some sort of agreement, which only excludes the funeral business area. In the credit insurance business, the percentage of employees covered by an agreement is closely linked to the different national laws.

In 2022, 85% of the Group's employees are covered by a collective bargaining agreement (87% in 2021). Funeral business employees, who are not covered by our collective bargaining agreements, have company agreements which largely determined with reference to the insurance collective agreement and Workers' Statute.

Training and development

2-17, 3-3, 404-1

Grupo Catalana Occidente has always prioritised personal and professional development, investing in ongoing training, giving a preference to internal promotion, strengthening personal motivation, teamwork and an innovative approach.

That is why, in the companies in the traditional business, there is a series of professional development programmes, appropriately structured to accompany the employees through their growth process.

Similarly, the group is focussing on talented young people who are enthusiastic about their professional development, promoting the employment of students and recent graduates through university and school agreements. Internships in the company support the learning and growth of young people, giving them the opportunity to demonstrate their abilities and develop their knowledge and skills. In France, Atradius has received the HappyTrainees label. This recognises companies that have obtained excellence in their systems for the integration, support and training of students.

Professional development programmes

There are different professional development programmes:

- Polaris Programme: designed for new staff joining the company, this is a welcome programme which explains to the employees all the opportunities offered to them by the Group.
- Delta Programme: for people who have recently joined, this programme is designed to give employees a better understanding of the reality of their company and the functions and challenges of each department.
- Insignia Programme: aimed at people who are developing and taking a multi-company approach, it explains about the corporate areas of the Group and encourages the employee to strengthen their personal brand.
- Apolo Programme: designed for employees who are responsible for managing people and teams, to work on developing management skills and use of the Group's management tools.

These programmes are supplemented by many other training courses that the training units are continually updating. In addition, skills-related training and

development for employees is promoted through the Goodhabitiz platform.

In the case of the credit insurance business, the "Atradius Academy" is a learning platform available to all employees where they can find a wide selection of online courses. The platform receives regular updates that include the addition of new courses. The aim is to encourage employees to take an active role in their own training development and take advantage of all these opportunities to keep refreshing their knowledge and improving their professional skills.



Sustainability training

As a new development, in 2022 it has launched mandatory sustainability training for all Group employees, as well as for the Management Committee and Board of Directors of Grupo Catalana Occidente.

This training brings together fundamental concepts about sustainability, climate change and the environment, ESG risks, regulation and trends, sustainability initiatives and the Grupo Catalana Occidente Sustainability strategy. The aim of this training is to involve the entire workforce in the Group's sustainability, raising their awareness of the ESG concepts and giving them guidelines on how to contribute to obtaining the sustainability objectives.

For that, in 2022 more than 185,820 hours of training have been given to the Group's employees (166,435 hours in 2021), 11.6% more than in the previous year. This is equivalent to an average of 26 hours per employee (average of 22 hours per employee in 2021).

In addition, the Group has a job standardisation model that is has produced itself. This management tool is considered essential in establishing professional development pathways.

Work has also been done on a managerial skills model, in which nine key skills have been identified that specify the leadership style that best suits the Group's cultural keys. These patterns define the development of managerial training programmes.

In this sense, in 2022, management training sessions have continued to be held for the integration of the Group's cultural values and keys, focusing on two of these: self-criticism and austerity.

Performance assessment

Performance assessment allows us to have a full vision of the internal talent in the Group, and to take decisions and design action plans based on the needs detected.

The Group's performance assessment procedures consists of the following phases:

- Self-assessment: the employees assess their own skills, as well as the meeting of the targets set.
- Manager's assessment; the team managers do the same assessment of the employees.
- Face-to-face interview and personalised improvement plan; the manger and the employee meet, share their conclusions and establish targets for the next year.

In 2022, 61% of the professionals undergoing a performance assessment were assessed through this tool (58% in 2021).

Remuneration and benefits

3-3

The group focusses on a remuneration system based on a meritocracy and rewarding performance, cooperation and teamwork.

The different collective bargaining agreements that apply, depending on the company, establish salary bands to ensure internal equity and attract talent. In these agreements, under no circumstances are there pay gaps on the basis of gender.

The pay model includes, on a general basis, annual fixed and variable pay, as well as a flexible remuneration system which includes, for example, the "Share Options Plan" which is available to the employees on a general and voluntary basis and allows them to receive free shares in the Company in return for some of their fixed remuneration.

During this year, 176 of the Group's employees have opted for the Share Options Plan, which will involve them receiving 41,232 of the Company's shares, valued at €27.63 per share.

In addition, the Group employees have an extensive programme of social benefits including pension plans, company cafeteria, funding for employee training (university, MBAs, languages), help for disabled family members, personal loans, etc.

Since 2016, employees retiring from the Group's different companies have had the opportunity to take part in the Grupo Catalana Occidente Pensioners' Association, the aim of which is to promote and encourage communication and relationships between its members through social and cultural activities that are co-financed by the Group and consist of visits to museums, conferences, thematic tours, attending events and gastronomic gatherings.

In 2022, Grupo Catalana Occidente was the leading company in compensating its employees in Spain due to the increase in the CPI, with the workforce receiving compensation for the increase in inflation in 2021. In addition, the Group agreed to Covid-19 compensation for its employees, in the Group's branches and other operational centres, with the aim to reward its workforce for the effort they made during the pandemic.

With the aim of adapting the organisation of the workforce better in advance of the future corporate unification of the traditional business, Grupo Catalana Occidente has also presented a voluntary redundancy plan that will be implemented over two years and which will apply to those employees who wish to apply for it.

Culture and employee experience

The opinions and ideas of the Group's employees are important so that we can create a better working environment. That is why we regularly work environment surveys, which allow the Group to gain a deeper understanding of the experience of the employees and to work on strengthening our best internal practices.

The commitment and satisfaction of people are the main attributes that the Group aims to maintain with its employees. The latest work environment survey for employees in the traditional business produced the following results:

- 93% of the respondents want to continue working in the Group.
- They have given a score of 8.8 out of 10 for the level of collaboration and comradeship within the teams and departments.

- The employees rated job security and pride of belonging to the organisation at 8.8 out of 10.

A series of initiatives have been launched in response to the results obtained, including the following: launch of a corporate well-being plan, continuing promotion of remote working and increased visibility of the professional opportunities available in the Group.

Similarly, in 2022 a new satisfaction survey was launched for the employees of Atradius and this produced the following results:

- The level of satisfaction with the organisation was 8 out of 10.
- Employees have also given a score of 8 out of 10 for the level of inclusion of the organisation and the degree of collaboration and comradeship within the teams and departments.

These results have allowed us to implement action plans both at a global level and locally in each country, which include, among other things, the launch of workshops, development programmes and training courses to guarantee the ongoing learning and development of the employees. Surveys have also been launched to look in more depth at specific issues to understand the needs of the employees and address specific actions.

Customers

2-6, 3-3

Significant events 2022

- The companies in the Group's traditional business have added WhatsApp as an additional customer service channel.
- Expansion of the features of the app for customers in the traditional business, with access to customer service chat, video calls and medical documentation consultation standing out.
- Development of new pricing systems to provide customer tools in the purchasing process.

Main challenges 2023

- Continuing to offer innovative solutions adapted to the customer.
- Continuing to make progress in the digitalisation process for products and processes.
- Reinforcing the Group's brand, making progress in technical and operational excellence.

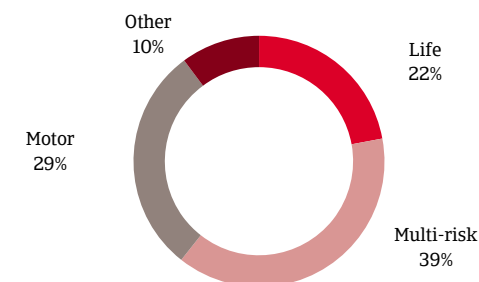
The main objective of the relationship between the Grupo Catalana Occidente companies and their more than 3.5 million customers (policyholders) is to offer them competitive products and quality services, based on personal and accessible advice and agile management.

The Group also undertakes to provide insured customers clear and simple information, as well as resolving any doubts that may arise about the content of their policies and services, or in the event of a claim.

Traditional business

	2021	2022
Customers	3,475,498	3,543,237
Individuals	90%	90%
Companies	10%	10%
Retention rate	87%	87%

Distribution of customers by business line



Managing the customer experience

The Group's traditional business companies adhere to the UNESPA guide to good practices on transparency in the marketing of insurance, which include, among others, the following principles:

- Adopting the necessary measures for ensuring the information provided to the customers is complete, sufficiently simple for the customer to clearly understand certain elements such as the contract coverage, price, declaration of risk and guarantees.
- Ensuring the marketing is carried out bearing in mind the needs conveyed by the customer.
- Ensuring that the insurance marketing and advertising is coherent with the guarantees covered by the policy

and do not lead to any kind of confusion.

In addition, in 2016 the Customer Experience Project was started, a cross-cutting initiative within the traditional business, the main objective of which was to create a customer-focused culture to understand their needs, measuring opinions during all phases of the so-called “customer journey” and ensuring an optimal, consistent and dependable experience regardless of the channel of contact.

In 2022, this project has continued through the personalisation and digitisation of the communications sent to customers. Similarly, various services flows have been redesigned (such as declaring car and sundry claims or authorisations and reimbursements in health insurance) and these allow for a standardised interaction with the customer, regardless of the channel used to contact the company.

Similarly, to guarantee customer satisfaction, both the professionals who provide services to them during a claim and the staff in the Contact Centre have customer experience guidelines. These guidelines establish clear protocols on how they should treat customers and interact with them, therefore standardising the processes in order to offer the highest level of service while performing their activity.

In order to understand the customer experience and degree of satisfaction, the Group conducts satisfaction surveys at different key moments of interaction with them. Based on the results obtained, a series of action plans have been established to improve their perception in terms of satisfaction.

SLP
Net Promoter Score
(Post-claim surveys)

2022 49.1% (+0.6 p.p.)
2021 48.5% (+3.1 p.p.)

SSI
Service Satisfaction
Index
(satisfied - dissatisfied)

2022 73.0% (+1.9 p.p.)
2021 71.1% (+2.6 p.p.)

Credit insurance business

Managing the customer experience

An essential pillar for the credit insurance business is the creation of solid relationships with its customers, given that by knowing them and understanding the Group's commercial objectives we can anticipate and respond to their needs.

	2021	2022
Customers	76,970	80,650
Retention rate		
Spain	90%	94%
Other	94%	94%

Atradius has the Customer Service Charter which demonstrates our commitment towards this stakeholder. This charter is based on the following points:

- Facilitating communications.
- Simplifying policy administration processes.
- Working closely with the customer as regards credit limits.
- Providing efficient services for incidents, collections and recovery.
- Establishing a relationship with the customer.

In addition, in 2022 we have implemented innovation initiatives to enhance the customer experience and their satisfaction.

The digital platform Atrium allows companies from around the world to manage their credit insurance policies and request credit limits in real time. In addition, it provides brokers, agents and account management teams with a quick and efficient way to complete claim requests for Atradius customers. In 2022, the performance of this platform has been improved by adding new features based on new technology, such as the new health check service that allows customers to see themselves as buyers, see how Atradius can help them grow their business and that enables them to find quality buyers in the markets in which they operate.

In 2022 we have continued to make progress with rolling out the Arcade system to those countries where Atradius is used. This new central customer system allows Atradius staff to perform the different tasks related to the sales process more efficiently and therefore enhance the customer service and the ability to respond to them.

With regard to surety insurance, Atradius has launched a new application which offers a single system for all Atradius countries. The intention behind it is to create a latest generation customer experience, including new online tools for customers, agents and brokers.

Complaints and claims

3-3

Good management of customer complaints and claims is a basic element in the quality of service. The first step in resolving them is to offer the customer immediate attention from whoever is directly in contact with them.

The following sets out the Group's process for dealing with complaints and claims.

Complaints and claims in the Group's business in Spain

In Spain, Grupo Catalana Occidente has regulations governing customer protection adapted to the requirements of Order ECO/734/2004, 11 March, regarding the customer service departments and services of financial institutions and the commitments made by the insurance sector through the guide to good practices of internal resolution of claims, as supported by the Spanish Union of Insurers and Reinsurers (UNESPA).

The process for dealing with complaints and claims in the Group in Spain (Traditional Business and Atradius Spain) is detailed below:



Different accessible channels so that customers can send their complaints, claims or queries through letters, CSD (Customer Service Department) mailbox, contact centre, regulator mailbox, telephone, email or in the specific sections of the website to receive complaints, claims or queries.



Appointment of people in charge (processor) to evaluate the causes of the complaints and claims and coordinate their resolution and identify if it is a requirement of the regulator.



Information to customers and users about the status of claims and their resolution and closure through the GCO Customer Protection Mailbox. They may also be informed by certified mail.



Supervision of complaints and claims by the Coordinator in the Unit and inspection by the Director of Customer Protection.



Annual registration and measurement of the number of claims received for statistical purposes and to meet targets.

In accordance with the preceding paragraph, the figures relating to complaints and claims of the Group's business in Spain are as follows:

	2021	2022
Complaints via customer service channels	5,838	4,427
Admitted for processing	4,973	3,607
Resolved	3,802	3,212
Open	1,171	395

The complaints and claims relating to the Group in Spain are those relating to the Traditional business and Atradius Spain.

Complaint: those referring to the functioning of the financial services provided to users by the companies and submitted due to a delay, type of service received or any other unsatisfactory type of action.

Claim: those presented by the users of the financial services that, with the purpose of obtaining the restoration of an interest or right, reveals specific facts relating to the actions or omissions of the Company or that mean, for the party making the claim, damage to its interests or rights due to a breach of the contracts, of the rules of transparency and customer protection or of good financial practices and customs.

Complaints and claims in the Group's business outside Spain

Outside of Spain, Atradius, due to the uniqueness of its business, has its own process for dealing with complaints and claims, which is detailed below:



Different accessible channels so that customers can send their complaints and claims through letters, telephone, email or in person.



The person in charge evaluates the causes of the complaints and claims and coordinates their resolution within 48 hours of receiving them.



Information to customers and users about the status of claims and their resolution within 48 hours if the complaint is resolved, if not, it is resolved and the customer is notified of the solution within 10 working days. The solution is reported by phone or in writing.



Supervision of complaints and claims by the Officer in charge of closing the complaint or claim.



Annual registration and measurement of the number of claims received for statistical purposes and to meet targets.

In line with Atradius' regulation affecting its international business, the complaints and claims responding to internal procedures of Atradius and the regulations in force in each country are as follows:

	2021	2022
Complaints via customer service channels	615	437
Admitted for processing	615	437
Resolved	606	404
Open	9	33

Complaints and claims from Atradius outside of Spain are included.
Complaint or claim: one that involves an expression of dissatisfaction due to an error or delay in the provision of the service or to a service being provided in an unsatisfactory or deficient manner.

Shareholders and investors

Significant events 2022

- During the 2022 financial year, Grupo Catalana Occidente shares out-performed the Eurostoxx Insurance and Ibex 35 indexes.
- Increase in the dividend of 8.7% in 2022.
- Favourable analyst recommendations, with a buy recommendation and suggesting an average target price of €40.4/share.

Main challenges 2023

- Maintaining a strong and transparent relationship with the Group's shareholders through participation in roadshows and the quarterly broadcasting of results.
- Shareholders' remuneration commitment.

In 2022, Grupo Catalana Occidente has continued to perform positively, with growth in invoicing and solid results, increasing its consolidated earnings by more than 15%. In addition, it has maintained a strong, close and transparent relationship with the financial market.

In 2022, the Group increased its dividend by 8.7% and paid out €123.4 million.

Dividends, attractive return on investment



All of the information about the evolution of the Group's shares can be found on the Group's corporate website.

Transparency of information

Shareholder confidence is key to our sustainability over the long term. As such, the relationship between the Group and its shareholders and investors is based on providing as much information, transparency and proximity as possible.

Grupo Catalana Occidente carries out its business in accordance with, among others, the principles of good governance and corporate responsibility, which implies a continuous improvement in accessibility, quality, frequency and clarity in its relationship with its main stakeholders.

The communication policy regarding economic/financial information, non-financial and corporate information, and relating to contacts with shareholders, institutional investors and advisers with voting rights, that are published on the corporate website, describes the various tools and communication channels used to ensure the principles of integrity, transparency, accuracy, immediacy and equality of information provided to shareholders, institutional investors and advisers with voting rights and the markets in general, as well the relationships with these parties.

In this regard, the Group has two specific areas within the organisation to respond to queries from shareholders and institutional investors, their proposals and expectations on the management in a close and individualised way.

Relationships with Shareholders Area: +34 935 825 001
accionistas@catalanaoccidente.com

Relationships with Investors, Rating Agencies and Sustainability Area: +34 915 661 302
analistas@catalanaoccidente.com

The latter unit covers relationships with financial analysts, stock market analysts and ratings agencies, since all of their reports and opinions influence the decision-making process of institutional investors. As such, they have a key role in the liquidity and price formation of the Grupo Catalana Occidente share.

In 2022, the Group put forward its value proposition to the financial markets through the quarterly relay of the published results (on the website in Spanish and English) and through 27 roadshows, 3 more than in the previous year (24 in 2021) and remote conferences in various European countries.

Through this type of events, the Group brings its business reality to institutional investors and small shareholders.

Intermediaries: agents and brokers

2-8

Significant events 2022

- Advances in the training of the sales team and intermediaries in hybrid sales with digital tools to give them the resources and skills that allow them to adapt to the digital reality.
- Establishment of *Gestiona*, a single CRM across companies that standardises the monitoring of the sales activity and includes new features to improve the product on an ongoing basis: video calls and chat with the customer, “light” / “Premium” version available, *Gestiona* app, etc.
- Promotion of initiatives to promote the use of *Gestiona* (CRM) and drive digitalisation.

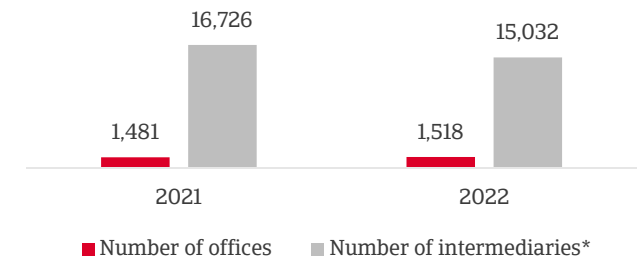
Main challenges 2023

- Consolidating the issuing of 100% digital policies.
- Inclusion in the *Gestiona* CRM of new customer indicators so that they can be viewed and monitored by the intermediary.
- Standardisation of the distribution channels across traditional business companies (unification of the monitoring, training plans, incentives, etc.).

Intermediaries are a key part of the Group’s relationship with its environment. They come into contact with customers, generate confidence in order to understand their particular needs, and provide value through their professionalism and closeness. That is why, good communication and a trusting relationship with

intermediaries are fundamental to providing good customer service.

The commercial networks of companies comprising Grupo Catalana Occidente is made up by 15,032 traditional business intermediaries, who are mainly exclusive agents and insurance brokers, and by 1,518 offices.



*The figures for intermediaries follow the headcount criteria as at 31 December of that year.

The contractual relationship of the intermediaries with the Group’s different insurance companies is governed by a commercial contract.

Professional development and training

Training of agents is a fundamental value, allowing the Group to build its business through quality of service and customer satisfaction and trust.

That is why the various companies comprising the Group make available to the intermediaries a series of training itineraries and the necessary tool for these professionals to perform their tasks in the most professional manner possible, in a way that is close and adapted to customer needs, thus improving their effectiveness.

Training across the distribution network in the traditional business is focussed on developing the sales force and

business growth. A special focus was also given to cross-selling, prevention of cancellations, customer loyalty and the use of new tools and systems.

Trust and security

The Group's companies manifest the values of confidence, peace of mind and security that they wish to provide to their customers through the network of intermediaries. For this, they are provided with support that, in addition to training, includes other tools that have a positive impact on their activity. Among these is the possibility of creating their own website and social network profile within the framework of the brand for which they work and using the corporate material necessary to present their services to the customers in a visual way.

Two-way communication

2020 saw the launch of the Bellesguard Project, which aims to create two-way communication channels with the network of agents. Through this project, meetings were established with the network of Seguros Catalana Occidente agents to listen to their opinions and needs and implement measures aimed at resolving them.

Broker satisfaction

Each year Grupo Catalana Occidente measures the satisfaction indicators for its brokers in its traditional business companies. Through an opinion survey for exclusive agents carried out by ICE, the Group ascertains the level of general workplace satisfaction of its agents.

Supply chain

3-3, 2-6

Significant events 2022

- Strengthening of environmental and respect for labour rights principles in the selection of suppliers.
- Inclusion of clauses in contracts with suppliers of the traditional business companies to ensure compliance with the Group's ethical and sustainability principles, the labour regulations affecting them and their tax obligations.
- Obtaining the Sustainability certification for the Prepersa AutoPresto workshops.

Main challenges 2023

- Promote sustainable mobility as an efficient tool in the Group's operations and an effective way to combat climate change.
- Increase the number of contracts with suppliers that include clauses on compliance with the Group's ethical and sustainability principles, the labour regulations affecting them and their tax obligations.

The companies in Grupo Catalana Occidente work with two types of service providers:

- Suppliers, who supply products and services of a general nature, not directly related to the insurance business: cleaning, maintenance and IT support, among others.
- Associates, whose service is essential for the performance of the insurance activity: claims adjusters, lawyers, workshops and repairers.

Supplier management

2-6

During 2022, Grupo Catalana Occidente has worked with over 7,500 suppliers, which has represented an expense of approximately €368 million (in 2021, it worked with over 6,000 suppliers, which represented an expense of €316 million).

For the traditional business, without including Asistea, the number of suppliers with which it worked in 2022 was 4,419 (3,867 in 2021) and the expenditure for these suppliers was €153 million (€133 million in 2021).

The credit insurance business has collaborated with 3,082 suppliers (2,577 in 2021) and the total expense was €215 million (€182 million in 2021).

Responsible supplier selection

The Group's supplier selection is based on the principles of objectivity, impartiality, transparency, equal treatment and quality. The Group also tries to encourage responsible management by the suppliers, including social and environmental aspects among the criteria for their selection.

In the traditional business, these criteria are set out in the internal regulations and, in particular, in the supplier selection manual.

In the credit insurance business, Atradius has an Outsourcing Policy that governs supplier management.

Associate management

2-6

Prepersa is the Grupo Catalana Occidente company that manages associates specialised in resolving claims for the traditional business companies: claim adjusters, workshops, repairers and, from 2021, the network of lawyers. The workshops are part of a network named AutoPresto and the repairers are from the Technical Repairs Service (TRS).

In 2022, it has collaborated with 2,685 associates (2,588 in 2021) and the total expense was €217.5 million (€204 million in 2021).

Type of associates

682 711



General claim adjusters

829 889



Repairers

238 228



Motor claim adjusters

356 380



AutoPresto workshops

120 125



Medical claim adjusters

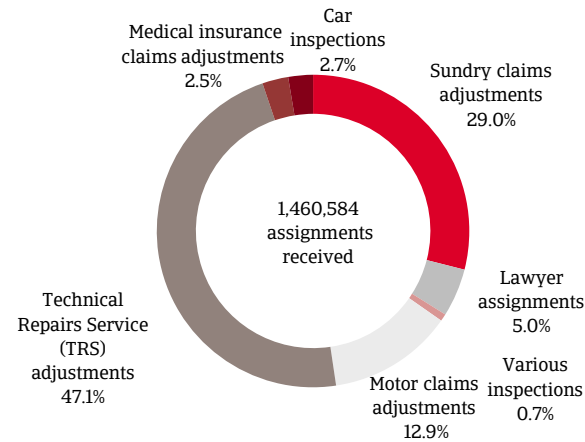
363 352



Lawyers

■ 2021 ■ 2022

Assignments received



The associates are there to ensure the effectiveness and speed of the service provision when resolving the incidents suffered by customers of the Group's insurance companies, as well as to provide those entities with technical information related to risks, claims and other circumstances. For this reason, Prepersa's actions must always be quality oriented. To this end, its activity is governed by the UNE-EN ISO 9001-2015 quality certificate, renewed in 2019, which guarantees that its processes are oriented towards continuous improvement and that it has an efficient organisation for planning, control and analysis of results.

Associate satisfaction survey

For the fifth consecutive year, the "Associate satisfaction survey" has been conducted for 2,691 associates, of which 60% have responded. The main objective of the survey is to understand the Group's relationship with its supply chain through their opinions, assessments and experiences.

Some of the findings from the survey are as follows:

- The associates consider Grupo Catalana Occidente's capacity for self-criticism to be very good, scoring this question an 8.7.
- They say that the organisation helps them to resolve doubts, incidents or any problems that may arise, scoring this question an 8.3.
- They rate the Group's professional competence as very good (8.7).
- In 2022, the associates gave the Prepersa app an average rating of 7.2.

Training for associates

During 2022, Grupo Catalana Occidente's associates have received a total of 5,504 hours of training (5,476 hours in 2021).

The training programmes have been given by Prepersa staff in person and also with video and webinar tools and the associates have given the training sessions a very good rating.

Integration of ESG issues into the supply chain

3-3, 308-1, 407-1, 414-1

The Group extends the reach of its principles to its supply chain as a key to consolidating a network of suppliers and associates consistent with the corporate values.

Throughout 2022, clauses have continued to be added to the contracts with suppliers to the traditional business, through which the Group ensures that they comply with its ethical and sustainability principles, follow the labour regulations that affect them and are up to date with their tax obligations. Over 430 contracts with suppliers have seen the new clauses added during 2022.

With regard to associates, they must all respect the corporate values in order to be able to maintain a relationship with the Group. To do this, they must sign up to Grupo Catalana Occidente’s code of ethics before receiving any assignments.

In addition, from Prepersa, best practices related to efficiency and minimising the use of resources are promoted, including the policies of repair rather than replacement and the use of new non-invasive technologies that allow water damage to be more efficiently located and repaired. With the application of these practices, between 3.4 and 6.8 cubic metres of waste have been saved from the more than 900 cases dealt with. In addition, the extension of repair deadlines has been avoided and the use of extra material has not been necessary.

In 2022, an Associate Coverage Plan has been developed that consists of the relocation of associates and the selection of new ones to cover the places where the repair service was not being offered, with the aim of saving travel time and being more efficient. In addition to improving customer service, this project will make it possible to develop future plans to reduce indirect CO2 emissions derived from those journeys.

In environmental terms, in 2022 the Group launched a new survey of its associates to find out their current situation in terms of sustainability and to assess the environmental impact of their carbon footprint. The results have allowed it to identify potential future lines of action to promote sustainability in the Group’s supply chain. One of the issues in the spotlight has been sustainable mobility. Similarly, a clause has been included in the AutoPresto workshop agreements, which requires workshops to have certain accreditations as waste managers, providing Prepersa with the information required to demonstrate this.

All these agreements are issued in digital format in order to reduce the company’s paper consumption.



Sustainability Certification

The Group’s AutoPresto workshop network has in 2022 obtained the “CZ Sustainable Workshop Network” certification issued by Centro Zaragoza, becoming the first company to have a network of repair workshops with this certificate in Spain.

This seal guarantees the commitment of vehicle repair workshops to sustainability and certifies the development of their activity following environmental protection criteria.

Currently, there are no audits of ESG issues in the supply chain.

Distribution by geographical area

203-2, 204-1

At Grupo Catalana Occidente, working with local suppliers and associates not only has a positive impact on the economic development of the communities in which it operates, but also minimises operational risk by reducing service execution times.

In the traditional business, due to its activity and presence in Spain, the hiring of freelancers or small local businesses as suppliers is favoured. Thus, in 2022 most commissions have been given to suppliers located in Spain, with 99% of spending going to local suppliers (similar figure to 2021). In the credit insurance business, the Group allocates most of its spending to the development of the business sector in the

geographical areas in which it operates, with 97% of spending going to local suppliers (98% in 2021).

With regard to associates, in 2022, 96% of the spending has gone to associates located in Spain (98% in 2021).

Average payment period for suppliers and associates

The average payment period for suppliers to the Group’s companies is 14 days (16 days in 2021), and there is no balance outstanding payment with a deferral period greater than that legally established (30 days unless there is an agreement between the parties).

In the case of associates, the Group’s companies pay the amounts to associates on a daily basis, with the average payment period being 1 day (the same figure in 2021). In addition, associates have at their disposal an application in which they can consult and reconcile payments of assignments and invoices issued to the companies in the Group. This prevents the associate from having to communicate their information requirements to different company departments.

Climate change

3-3

Significant events 2022

- Adherence to the Net Zero Emissions Insurance Alliance (NZIA)
- 37% of non-life premiums were eligible for the Taxonomy in 2022 for the Adaptation to climate change target.
- Atradius led the “Clean energy transition” virtual event, which involved experts in the field and more than 1,000 attendees.

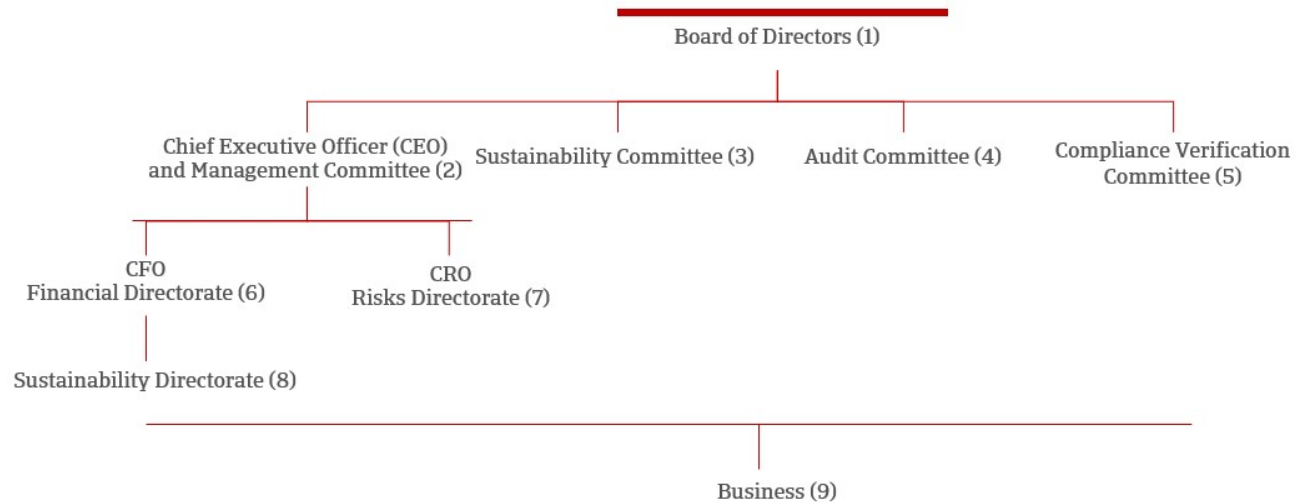
Challenges 2023

- Adopting the requirements established by the EU Taxonomy, through technical criteria for adapting to climate change, in order to publish the corresponding indicators (aligned activities).
- Calculation of emissions associated with the underwriting portfolio.
- Publishing intermediate targets in accordance with the NZIA commitment.

In order to form an active part of the transformation towards a low carbon economy, Grupo Catalana Occidente has committed to being a net-zero emissions organisation by 2050, which is why it has joined the Net-Zero Insurance Alliance (NZIA). The Group also follows the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) on the reporting of financial risks related to the climate and integrates into its reports the information relating to the risks of climate change and its performance in relation to them.

Climate change governance

2-9, 2-13



- (1) Approves the climate change strategy and policy.
- (2) Proposes the climate change strategy and objectives. Monitors the execution of the strategy and regularly reviews its evolution.
- (3) Supervises and regularly monitors the climate change strategy and compliance with the actions and objectives associated with it.
- (4) Supervises the Group’s risk management control system.
- (5) Evaluates, advises and reports on everything related to the verification of compliance with the applicable legal obligations regarding climate change.
- (6) Regularly monitors compliance with the climate change objectives.
- (7) Responsible for governing and coordinating the process for identifying and assessing risks associated with climate change in the Group.
- (8) Coordinates and develops, with all the businesses, the climate change strategy, the proposal of objectives and the monitoring of the actions to take.
- (9) Responsible for implementing the climate change strategy.

Climate change strategy

Grupo Catalana Occidente supports the Paris Agreement and is working to be an active part of the climate change solution.

To do this, it focuses its strategy on gradually reducing its greenhouse gas emissions.

The Group's climate change and environmental policy constitutes its action framework and defines the commitments assumed in this area. In this regard, it should be noted that in 2022, the Group has joined the Net-Zero Insurance Alliance (NZIA) to achieve zero net emissions by 2050.

Identified below are the Group's risks and opportunities related to climate change and we describe the organisation's resilience to them, taking into account different climate-related scenarios.

Risks and opportunities of climate change

2-6, 2-12, 2-23, 3-3, 201-2

Within the framework of the risk management system, the Group is committed to identify the risks and opportunities related to climate change, including them in its risk map, and to analyse their impact on financial planning. Among the risks included in the risk map, the following have been identified as the main categories:

- **Physical risks:** these derive from climate change and which arise from a series of specific meteorological events. They may entail financial implications for the organisations, both relating to direct damage caused to assets and indirect impacts arising from an interruption that affects the supply chain.
- **Transition risks:** these arise as society adapts to a low-carbon economy. There are a series of factors that influence the adjustment to a sustainable economy such as, for example, the evolution of the different policies, the

regulations, new technologies or business models, change of sensitivities and social preferences or the evolution of the framework and legal interpretations.

- **Liability risks:** these arise from claims either for civil liability or directly against insurers due to not managing climate risks in a suitable manner.

The disclosure of information on how these climate risks have been incorporated into the Group's risk map, as well as their strategic impact and time horizon, is explained in Chapter 1, within the "Risk Management" section.

In addition to the existing risks described above, there are also a series of associated opportunities that the Group takes into account in order to take advantage of them and position itself correctly:

- **Market opportunities:** access to new markets that have undergone changes due to climate change and therefore need new insurance coverage.
- **Opportunities in the use of resources:** cost reduction and savings thanks to more efficient management of resources and the use of more efficient and sustainable buildings.
- **Resilience opportunities:** participation in renewable energy programmes and adoption of energy efficiency measures.
- **Product and service opportunities:** development of new low-emission products and services in accordance with new customer preferences.
- **Energy source opportunities:** reduced exposure to future increases in the price of fossil fuels and reputational benefits of using less carbon-intensive energy.

Analysis of scenarios

During 2022, Grupo Catalana Occidente has again carried out an assessment of the impact that the risks of climate change could have on its activity. To do this, the Group's risk profile has been used as the starting point and the effect that two different climate scenarios could have on it has been estimated: one with an increase in the planet's global temperature of no more than 2°C, and another with an increase of more than 2°C.

To simulate these two scenarios, an analysis has been carried out of the scenarios proposed by the Intergovernmental Panel on Climate Change (IPCC) in its latest report dated August 2021, where potential impacts are defined, considering the environmental and socio-economic factors intrinsically linked to climate change. Based on this information, the scenarios analysed are:

- Scenario with an increase in the planet's global temperature of no more than 2°C: The SSP2-RCP4.5 scenario has been selected in line with the upper limit of achieving the goals of the Paris Agreement and the contributions determined at a national level updated in the COP26.
- Scenario with an increase in the planet's global temperature exceeding 2°C: The information from the SSP5-RCP8.5 scenario has been used, which represents a no-climate-policy scenario that allows it to study the most unfavourable conditions for the climate.

The results of the analysis of these scenarios projected over a 5-year time horizon show the following possible impacts on the business:

- First, an increased accident rate in the traditional business of around 1% in the least unfavourable scenario and less than 5% in the worst case scenario.

- Second, a possible negative impact on the valuation of equity, standing at around 5% and 10% for each scenario, respectively.

Climate change management

2-23

As part of its general risk management and control model, the Group performs regular risk identification and assessment processes that allow it, among other things, to identify material risks that could have a negative impact on its risk profile and carry out their active and early management. These processes are updated at least once a year with the aim of identifying the Group’s main vulnerabilities and opportunities using a forward-looking approach and covering all types of risks faced by the Group in its daily operations, including climate change risks. The Group’s risk appetite level, approved by the Board of Directors, determines the levels of risk that the Group is willing to assume to achieve its objectives.

Taking into account that these risks may directly or indirectly affect the Group as a whole and, therefore, must be integrated in a cross-cutting way into the GCO risk policies, the objectives of the Sustainability Committee are to:

- Design a Sustainability Master Plan to include, in an annual action plan, the actions needed to be performed by the areas so that the Group and all its companies adopt the ESG-related principles, criteria and commitments.
- Incorporate the ESG risks into the risk management strategy through the Group’s governance policies and, in particular, through the climate change and environmental policy, so that they serve as a reference framework for the different action plans in this area.

- Define the criteria for the content, methodology and presentation of the information to be disclosed on ESG matters, including that related to climate change.

Manage, measure and monitor these risks defined in the climate change and environmental policy, as well as in the rest of the Group’s governance policies, according to which:

- The impacts of these risks, to the extent that they are relevant, are analysed in the financial planning in order to adapt the strategic planning, if necessary, taking into account the risks identified.
- It implements the metrics necessary that help to measure and manage risks and opportunities derived from climate change.
- Regular reporting is carried out to the highest level on the quantification of the main risks to which the Group is exposed and the capital resources available to deal with them, as well as information regarding the fulfilment of the limits established in the risk appetite.

In order to have better risk management, internal controls on ESG risks were implemented in 2022. These include the annual updating of the Group’s ESG risk map and the Policies related to Sustainability, including the Climate change and environmental Policy.

Metrics and goals

305-1, 305-2, 305-3

Grupo Catalana Occidente calculates Scope 1 and 2 emissions and some categories of Scope 3.

The conversion factors used for the calculation are those indicated by:

- Department for Environment, Food and Rural Affairs (DEFRA).
- International Energy Agency (IEA).

Emissions*	2021	2022
Scope 1 (T CO ₂)	616.38	491.72
Scope 2 (T CO ₂)	1,980.68	2,394.04
Scope 3 (T CO ₂)	1,498.86	3,298.02
-Goods and services acquired (paper)	329.90	285.73
-Activities related to fuel and electricity (not included in Scope 1 and 2)	811.92	985.69
-Business trips (by train and by plane)	357.05	2,026.60
Total	4,095.93	6,183.78

* Emissions calculated from the reported energy consumption. Natural gas emission factor 0.20227 kgCO₂/kWh (Source: DEFRA 2022). Electricity emission factors sourced from CO₂ emissions from Fuel Combustion IEA 2020. Source of emission factors used to calculate the different categories of Scope 3 Department for Environment, Food & Rural Affairs (DEFRA 2022). The Group’s emissions from its insurance activity are included, thus excluding non-core activities (such as the funeral business). Emission information for 2021 has been restated. The increase in the figures for 2022 is due to the normalization in the use of facilities after Covid-19.

Since 31 December 2022, the Group has also calculated its exposure to eligible activities according to the Taxonomy for the objectives of Mitigation and Adaptation to climate change. The eligibility indicators, for both Assets and for non-life insurance premiums, are included in Chapter 2, in the “Responsible Investment” and “Responsible Products” sections, respectively.

Objectives for the transition

In 2022, the Group joined the Net-Zero Insurance Alliance (NZIA), which aims to achieve neutral greenhouse gas emissions by 2050 and thus contribute to limiting the global temperature increase to 1.5°C above pre-industrial levels, in the year 2100.

To achieve this commitment, Grupo Catalana Occidente will establish gradual, science-based intermediate targets that will allow it to contribute to climate neutrality and balance scientific ambition, risk profiles and the world economy's decarbonisation trends as well as possible. It will also report annually on the progress achieved in relation to the targets adopted.

Additionally, the Group is working on the development and implementation of an environmental management system in its main buildings, in order to achieve and maintain an operation in accordance with the goals established by the Group in terms of climate change and the environment. In addition, in order to involve the entire organisation in the transition, content regarding climate change and the environment has been included in the sustainability training that all employees have completed, along with the Group's Management Committee and Board of Directors.



NACTIVA Project

Grupo Catalana Occidente is one of the partners of Nactiva Capital Natural S.L., an entity established in 2023 to promote social, economic, cultural and ecological transformation through the design, financing and implementation of Natural Capital development projects in the Mediterranean.

Environment

3-3

Significant events 2022

- Promotion of World Clean-up Day, in which Atradius volunteers from different countries participated in clean-up drives both on land and in the sea.
- Grupo Catalana Occidente has taken part in Earth Hour, the Electric Vehicle Show and European Sustainable Mobility Week.
- Promotion of sustainable mobility, installing 69 new recharging points for electric vehicles in the car parks of the buildings.
- Installation of photovoltaic panels on the Group's main buildings to increase energy self-sufficiency.

Main challenges 2023

- Introduction of a Building Management System (BMS) in several of the Group's free-standing buildings, which will allow for very thorough control of consumption.
- Integration of the Printing activity into the environmental management system.
- Continuing with the installation of photovoltaic panels for self-consumption.
- Launch of the Management Project for energy efficiency in the offices and branches of the sales network.

The environmental impact of the day-to-day activity of Grupo Catalana Occidente is limited. Even so, the Group recognises the effects of its activity, mainly derived from the consumption of raw materials and energy consumption. Given the type of business it performs, water consumption is considered to be insignificant, as is the figure relating to waste management, but the Group does encourage an efficient use of these.

The Climate change and environmental policy was approved in January 2021, whereby the Group undertakes to continuously improve its environmental performance and the prevention of pollution. In this, the Group aims to address the impact of its operations on the environment by adopting the following lines of action:

- Developing an environmental management system.
- Actively promoting a culture that encourages the efficient and responsible use of resources, as well as behaviour that supports this responsible use, involving all its stakeholders.
- Making the Group's employees aware of environmental issues through training and awareness campaigns and encouraging suppliers and contractors to adopt policies consistent with those of the Group on this matter.

In addition, the companies in the credit insurance business have demonstrated their commitment by preparing their own environmental policy, which sets out their commitment to continuous improvement in relation to environmental performance and pollution prevention.

The Group is working on the implementation of an environmental management system in accordance with the ISO 14001:2015 standard that covers all property asset management processes.

In an initial phase of the implementation, an analysis of the internal and external context of the property management activity of Grupo Catalana Occidente has been carried out, also looking at the needs and expectations of stakeholders in relation to the Group’s environmental performance. From this initial analysis, a series of environmental risks and opportunities were identified that will serve as the basis for the development of specific action plans. The analysis and monitoring of environmental aspects is essential for decision-making in the different areas of asset management.

In relation to the introduction of ISO 14001, actions are being performed to protect the environment, among which the following stand out:

- Installation of three photovoltaic centres to increase self-supply of energy, in addition to the six already installed.
- Purchasing of electricity with Guarantee of Origin for all our locations in Spain.
- Regular monitoring of energy consumption to detect issues and optimise efficiency.
- Continuous monitoring of water consumption, checking for possible leaks and raising awareness among staff.

In 2022, the Asistea funeral group, a subsidiary of Grupo Catalana Occidente, has renewed the quality and environmental certifications:

- ISO 14001:2015 (Environmental Management Systems)
- ISO 15017:2020 (Quality in Funeral Services)
- ISO 9001:2015 (Quality Management Systems)

In relation to ISO 14001, actions are being performed to protect the environment, among which the following stand out:

- Ecological and biodegradable funeral products.
- Elimination of any polluting material before incineration and its subsequent recycling, as well as the reuse of these materials in developing countries.
- Promotion of tree planting.
- Prioritisation of local suppliers, which allows for reduced emissions.
- Approval of the project for the installation of photovoltaic panels in the Bilbao Funeral Home to be carried out during 2023.
- Replacement of all the lights in the Grupo Asistea buildings with LED.
- Management of crematorium furnaces during cremations to optimise energy consumption.
- Management of the maintenance and elements of crematorium furnaces to optimise energy consumption.
- Use of natural flowers, rather than plastic options.
- Purchase during 2022 of an electric vehicle, specifically a van for the removal of the deceased.

The following initiatives are also being launched:

- Study on the possible use of energy from the cremation furnaces and its use as an energy source for climate control systems.
- Study on the possible installation of solar panels in the centre with the highest energy consumption.
- Construction of a new facility with LEED certification.
- Study of the fleet from a sustainability perspective.

Lastly, the Group does not have any liabilities, expenses, assets, provisions nor contingencies of an environmental nature that may be of any significance in relation to its assets, financial position and results.

Sustainable use of resources

Below are the main indicators on the sustainable use of resources of the Group’s main companies, excluding the funeral business (Asistea).

Materials 301-1, 301-2

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 involving the customer. Remote working has accelerated this process.

Consumption of materials	2021	2022
Paper consumption (kg)*	360,554	315,623
% recycled paper	2%	8%

* Consumption of paper within the credit insurance business has been calculated by extrapolating on the basis of the consumption recorded until November, extrapolating to December.

Similarly, in 2022 a project for the qualitative improvement of vinyls in the sales offices was carried out. The new vinyls are free of PVC and printing is done by aqueous dispersion polymerisation, a technique that involves no ozone emissions or dangerous volatile pollutants. The project has been carried out in 376 branches in Spain, with the aim of reaching the entire network in the near future.

Energy 302-1

Grupo Catalana Occidente promotes good energy practices among its companies, encouraging the consumption of renewable energies. So, for example, 75% of electricity consumption in 2022 came from renewable sources (79% in 2021).

The maintenance and refitting of Group buildings are governed by principles of energy efficiency, with the aim of reducing their consumption and CO2 emissions. At present, a total of nine of the buildings owned by companies in the traditional business have sustainable building certificates (Leed or BREEAM) and the process of certifying seventeen of the Group's free-standing Buildings began in 2022. With this, more than 50% of the Group's large buildings will be certified in high efficiency standards.

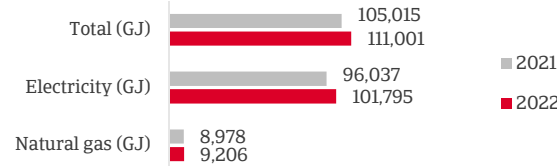
Also in 2022, the Smart Meters Project has been launched in three locations across the territorial network, which will allow real-time telematic monitoring of sectorised energy consumption in air conditioning, lighting and air extraction through an app.

The new works and renovations include motion detectors, automatic light intensity control and replacement of air conditioning facilities with other more energy-efficient units.

In the credit insurance business, the DC Tower, where Atradius has its offices in Austria, has Leed Platinum certification and has obtained the BREEAM certification in 2022. The Atradius buildings in Namur (Belgium), Levallois-Perret (France) and Poland also have the BREEAM certification.

These actions have helped to reduce energy consumption in the Group's buildings.

Energy consumption*



* The consumption of natural gas and electricity within the credit insurance business and traditional business has been calculated by extrapolating the consumption recorded until November, extrapolating to December. Gas Natural's 2021 figure has been restated. The increase in the figures for 2022 is due to the normalization in the use of facilities after Covid-19.

The commitment to the environment is also linked to the daily activities of the employees in the Group's companies. For this reason, charging stations for electric vehicles and parking areas for scooters and bicycles have continued to be installed in some of its most emblematic buildings.

Key reduction measures* 3-3

With the aim of contributing to reducing consumption, the Group has launched different initiatives, among which the following stand out:

- In Spain, it has continued with the installation of photovoltaic panels for self-consumption. There are currently nine locations in operation in the self-consumption and sale mode. Turn-off times have also been established for our signage and outdoor lighting in free-standing buildings and sales offices to reduce energy consumption.
- In Austria, replacement of conventional bulbs with LED bulbs and installation of motion detectors to turn lights

on and off. Free-Cooling is used as the air conditioning and refrigeration system.

- In Belgium, the Zero Waste initiative launched in 2019 continues, focusing actions on the dimensions with the greatest impact (waste, mobility, energy and consumables).
- In France, work has been done locally to promote participation in initiatives focused on energy saving, sustainable mobility and reduced paper consumption.
- In Norway, the energy for heating is produced through a reprocessing energy source that comes from heat from the fjord. Waste management and recycling are also promoted.
- In the United States, new reflective blinds have been fitted to reduce the heat from the sun and therefore use less energy for cooling.
- In Mexico, traditional light bulbs are being replaced with low consumption bulbs and motion sensors are being installed that turn lights on and off. In addition, the electronic signing of policies has been introduced to reduce the use of paper and ink.
- In the UK, all lights have been replaced with LED bulbs and electric blinds have been fitted to control heat from the sun and therefore reduce cooling needs in summer. In addition, the vehicle fleet is being updated to include hybrids and fully electric vehicles.

*Aspects such as light and noise pollution are not considered significant for the Group due to its activity.

Ethics and compliance

2-23, 2-25, 2-26, 3-3

Significant events 2022

- Implementation of initiatives aimed at strengthening the Group's cultural values and keys, especially in matters of anti-corruption and business ethics.
- Launch of training courses on equality for Traditional Business employees and the Board of Directors.

Main challenges 2023

- Continuing to reinforce the Group's cultural values and keys to foster a culture of compliance in the organisation.

Grupo Catalana Occidente has procedures and an action framework aimed at ensuring the suitability and observance of its obligations, both internal and external. The verification of compliance role has contributed to strengthening the compliance culture and to improving the identification and monitoring of ethics and compliance risks, particularly in matters of anti-corruption, the prevention of money laundering and the financing of terrorism, personal data protection and cyber-security.

Code of Ethics

The Group's Code of Ethics, drawn up and approved by the Board of Directors, is the document that establishes the action guidelines that must govern the ethical behaviour of the directors, employees, agents and associates of Grupo Catalana

Occidente in their daily work, with regard to their relationships and interactions with all stakeholders.

The code of ethics is communicated to the entire workforce and to the agents and associates through the intranet of each of the Group's companies, and it must be read and accepted by everyone working at the Group. This code can be found on the Group's corporate website: www.grupocatalanaoccidente.com.

In January 2021, the Code of Ethics was revised to adapt it to the new realities affecting the Group and it includes the commitments assumed as regards human rights, sustainability, good governance, professional development, regulatory compliance and equal opportunities, among other improvements. It has subsequently been renewed on several occasions, the last version being from November 2022.

Both Atradius and Asistea, due to the unique nature of their structure and its business, have their own code of conduct in keeping with the guidelines defined in the Group's Code of Ethics.

Respect for human rights 3-3, 408-1, 409-1

As established in the code of ethics and the Human Resources Policy approved by the Board of Directors, the Group supports, respects and contributes to protecting the fundamental human rights recognised internationally. The Group makes every effort not to be an accomplice in any form of abuse or violation of human rights among its stakeholders and undertakes to defend their compliance in all its activities and in the geographical areas where it operates.

Respecting human rights is the responsibility of all the people and companies to which the Group's code of ethics is applicable. Among other basic behavioural guidelines, the Group observes the Universal Declaration of Human Rights, as well as the United

Nations Guiding Principles on Business and Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization and the OECD Guidelines for Multinational Enterprises.

In this regard, all of the Group's traditional and funeral business is carried out in Spain and the Principality of Andorra, where child labour and forced labour are subject to intense scrutiny by the labour authorities. The Group's insurance, reinsurance, management and funeral companies comply with current legislation and it has not been necessary to include special mechanisms for preventing these violations. Similarly, in the value chain of the insurance companies, practically all of its suppliers are from the same country or from jurisdictions in which the same standards are applied, so it has not been necessary to apply additional measures.

With regard to the credit insurance business, Atradius also has its own Declaration of Human Rights with the aim of adapting it to the provisions of the United Nations' Universal Declaration of Human Rights and in accordance with the principles and values of the Group's code of ethics.

During 2022, as in the previous year, there has not been a single substantiated complaint recorded within the Group for issues relating to the infringement of human rights. Complaints involving discrimination are included in the subsection "Diversity, equality and inclusion" in the "Employees" section.

Whistleblower channel**2-25, 205-3, 406-1**

The Group has a confidential whistleblower channel, accessible through the Group's website 24 hours a day, 7 days a week. This allows employees and any interested third parties to confidentially and anonymously communicate queries and/or possible breaches of the code of ethics, of any other of the Group's internal regulations or policies, as well as actions or omissions that result in a criminally punishable offence or the manipulation and/or falsification of financial data.

Once the notification has been received, it is managed by Corporate Internal Auditing in accordance with that established in the Whistleblower Channel for irregularities and fraud.

During 2022, the Group has received 69 notifications through the existing whistleblower channels, 42 of which have been resolved throughout 2022, 21 were ungrounded cases and of the remainder, 5 were resolved in 2023 and 1 is still pending resolution (in 2021, 48 notifications were received through the existing whistleblower channels). Additionally, the Group has received two more notifications through the Human Resources department, of which, at the end of 2022, only one remains pending resolution.

Verification of compliance**3-3**

Operating in a highly regulated sector makes the verification of compliance role essential. This fundamental and second line of defence role is responsible for ensuring compliance with the obligations affecting the organisation, including both those rules of mandatory application and those assumed voluntarily, assessing the possible repercussions of any change to the legal environment for the Group's operations and determining and evaluating the compliance risk. It also includes advising the

Group's Board of Directors and all other individual companies forming it about compliance with the legal, regulatory and administrative provisions affecting the Group, as well as compliance with internal regulations.

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

It is also responsible for ensuring compliance with the internal regulations developed in relation to the system for the prevention and detection of crimes which could be committed by the Group's legal entities. Atradius has its own structure which includes both the function of verification of compliance at the company level and those of local compliance and support for the Company in its compliance with the applicable laws, rules and regulations.

Prevention of money laundering and terrorist financing**2-16**

The Group has a manual for the prevention of money laundering and financing of terrorism which develops, among other issues, all the internal control measures introduced by the Group companies that are subject to the regulations on the Prevention of Money Laundering and Terrorist Financing. These measures are subject to annual analysis by an external expert who prepares a report and who in 2022 has concluded that the Group has a satisfactory prevention of money laundering and terrorist financing system. The Board of Directors examines this report together with proposals for necessary measures to resolve the deficiencies identified and introduce improvements. In 2022, no complaints have been received in relation to money laundering.

As part of the prevention system, and with the aim of promoting a compliance culture in the organisation, the Group has implemented a training plan in the prevention of money laundering and terrorist financing.

The Group also has a corporate governance framework on the prevention of money laundering and terrorist financing to promote transparency and contribute to the trust of its stakeholders, enabling them to interact with the Group without fear that a misuse of the financial system or other sectors of economic activity poses a risk of money laundering or terrorist financing. This Framework is available on the Group's website.

Personal data protection and cyber-security**3-3, 418-1**

The Group is committed to guaranteeing the confidence of its stakeholders with regard to the protection, processing and privacy of personal data. In this regard, the Privacy and Personal Data Protection Policies and the use of ICT resources aim to establish the Group's objectives in terms of personal data protection and define a framework that allows this protection to be guaranteed and improved, respecting the principles and rights established by the applicable regulations.

In addition, the Group has a Corporate governance framework on the protection of personal data and information security which details the commitments and principles promoted in this area and specifies the organisational structure and policies available in relation to the protection of personal data and information security. This Framework is available on the Group's website.

As a result of the foregoing, Grupo Catalana Occidente has undertaken to process the personal data of the individuals that relate to the Group in accordance with the following principles:

- **Lawfulness, loyalty and transparency** in the processing of the personal data of concerned parties, obtaining such data by lawful and transparent means, clearly informing them of its subsequent processing, and with explicit consent of the concerned party when necessary.
- **Limitation of the purpose:** the personal data will be collected and processed for specific, explicit and legitimate purposes, in accordance with the purpose informed to the data subject when obtaining them.
- **Data minimisation:** the processing of the personal data will be appropriate, pertinent and limited to what is strictly necessary in relation to the purposes for which such data was gathered.
- **Accuracy:** the personal data subject to processing must be accurate and kept up to date, suppressing or correcting any inaccurate data.
- **Limitation of the retention period:** the personal data subject to processing will be retained for the time required for the purposes for which they were collected.
- **Integrity and confidentiality:** the personal data will be processed guaranteeing their appropriate security and protecting them against any unauthorised or illegal processing, and from their loss or destruction.
- **Proactive liability and accountability:** not only should compliance with the above principles relating to the processing of their personal data be ensured, but this must also be susceptible to being proven.

To guarantee the security and reliability of the information, the Group has internal control procedures for the information systems and the Corporate Information Security Policy, which is aligned with the security guidelines for information systems defined according to the ISO/IEC 27001 and NIST standards that

establish an internationally recognised and supported security reference framework.

Similarly, with the aim of ensuring compliance with the applicable regulations on personal data protection, the Group has appointed a data protection officer (certified in accordance with the DPO Certification Scheme of the Spanish Data Protection Agency – AEPD). The Group also has a Personal Data Protection Committee, as the executive body responsible for the application of the regulations concerning the protection of personal data and the use of the resources of the information and communications technologies.

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

In addition, given that potential cyber-attacks are considered one of the main risks of the sector, the Group also has a Chief Information Security Officer, with the functions of coordinating and controlling the technical and organisational security measures of the Group's information systems required by the General Data Protection Regulation. Similarly, the Group companies operating within the credit insurance business have their own Technological Security Manager.

During 2022, the Group has not received any substantiated complaints for violations of customer privacy from third parties (0 complaints in 2021) and it has received four substantiated complaints regarding violations of customer privacy from regulatory authorities (0 complaints in 2021) of which two have been rejected by the AEPD, one was admitted but finally archived and one is in the process of being resolved. There have

also been no identified cases of breaches, theft or loss of customer data.

Similarly, there was only one cyber-security incident in 2022 (one incident in 2021) and no security breaches affecting personal data (no breaches in 2021) at Grupo Catalana Occidente.

During 2021, a voluntary external audit of the technological environment in Grupo Catalana Occidente was carried out on Data Governance related to the classification and governance of information, the retention and destruction of information and the security of personal data. The aim was to adopt the corresponding preventive measures that allow for a reduction in compliance risks in the area of information security, having addressed, during 2022, the implementation of the recommendations included in the external audit report issued by KPMG Asesores, S.L. on 13 December 2021. In addition, work is being done on the implementation of the Guidelines of the European Insurance and Occupational Pensions Authority (EIOPA) on governance and security of information and communication technologies (ICT), based on the recommendations included in the audit report on which Ernst & Young Transforma Servicios de Consultoría S.L. collaborated, and in the implementation of the EIOPA Guidelines on outsourcing to cloud service providers (Cloud).

Fight against fraud, corruption and bribery

205-2, 205-3

In order to prevent corruption and bribery, the Group undertakes to perform all its activities in accordance with the legislation in force in all scopes of action and in all countries in which it operates. To do this, it has a Crime Prevention Model that includes the measures taken to prevent corruption and bribery. As part of this model, the Group has a map of criminal risks and with controls to reduce compliance risks. This map includes all current criminal risks and the incidental consequences for legal entities at each of the Group's companies.

In addition, as regulations to implement the Code of Ethics, the Group has the Protocol for the Criminal Compliance Manager, the Channel for reporting irregularities and fraud, the Protocol for detecting conflicts of interest with Public Sector Bodies, the Protocol for action before the receipt of judicial documentation, the Action protocol on receipt of legal documentation, as well as a Supplier Selection Procedures Manual, used to structure the Prevention Model and the mechanisms for any breaches of the Code of Ethics or on data or indications of the possible commission of crimes subject to the Group's Criminal Prevention Model.

To improve the understanding of the criminal risks and the actions and conduct expected from employees, the Group has a training plan on anti-corruption policies and procedures, which in 2022 included online training courses on the prevention of criminal liability of legal entities and on market abuse and insider information (course on the Group's code of conduct), and 3,308 employees have received training on these matters (2,979 employees in 2021). In this way, the Group uses training as a lever for communicating issues related to corruption. Associates receive anti-corruption training through the Prepersa platform and must pass it in order to be able to collaborate with the Group.

During 2022, as in the previous financial year, no cases of corruption have been detected in the Group. Similarly, no public legal cases related to corruption have been recorded.

The Group has procedures to combat fraud that contribute to identifying potential malicious actions or omissions in taking out insurance, in the statement of claims or the accreditation of damages and losses, with the aim of obtaining improper benefits, money laundering or the financing of terrorism or unjust enrichment.

In this regard, 48 incidents of internal fraud have been detected in 2022, with an operational cost* of €352,343 in terms of taking out policies, claims and others, representing 0.007% of billing (in 2021, 46 internal fraud incidents were detected for a value of €130,224).

*Operational Cost is understood as the real financial damage that fraudulent practices constituting internal fraud have caused to the organisation.

Fiscal transparency

3-3

In November 2015, the Group's Corporate Tax Policy was approved. The objective of this policy is to describe the strategy to meet its fiscal obligations in all the countries and territories in which it operates, as well as maintaining an appropriate relationship with the tax administrations concerned.

This policy is reviewed each year by the Company's Board of Directors and its last update took place in January 2023.

Prior to the drawing up of the annual accounts and the filing of the corporation tax return, the person responsible for tax matters in the Group informs the Board of Directors on the tax strategies applied during the financial period and the degree of fulfilment of the policy.

The Group promotes transparent, clear and responsible communication of its main financial figures, by providing its different stakeholders with information concerning the payment of all taxes that are applicable in each of the jurisdictions in which it is present.

In 2022, the amount accrued for corporation tax is €154.6 million (€139.1 million in 2021).

Social impact

3-3, 203-2, 413-1

Significant events 2022

- Grupo Catalana Occidente has been awarded with the Family Business Award in recognition of its business trajectory, value creation and family continuity.
- The Group has strengthened its social action against the war in Ukraine in collaboration with UNHCR, raising €388,578 for the refugee aid fund managed by that organisation.
- Fundación Jesús Serra has joined the Foundations for the Climate Pact, to promote the fight against the climate emergency and for social justice in Spain.
- Corporate volunteering initiatives have been carried out by Group employees.

Main challenges 2023

- Continuing to strengthen social action through the involvement of employees in corporate volunteering activities and the collaboration of Fundación Jesús Serra in social and environmental projects.

Grupo Catalana Occidente bases its business model on respect for people and contributing positively to the environment and its stakeholders. The commitment made to the societies in which it operates has been linked to economic development, well-being and quality employment for more than a century.

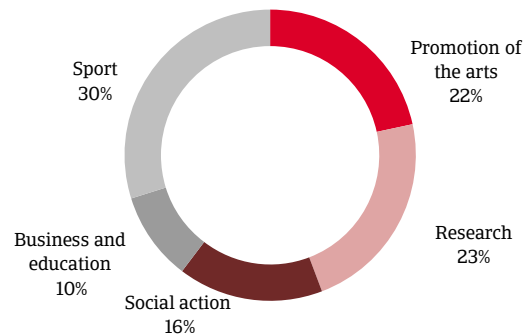
In parallel, its social action is coordinated through its foundation, Fundación Jesús Serra. The Foundation's articles of association contain a declaration and definition of both its lines of action and its commitment to adhering to and complying with all the policies established at Group level.

Fundación Jesús Serra

Fundación Jesús Serra is a private non-profit organisation created in memory of Jesús Serra Santamans, founder of Grupo Catalana Occidente, whose purpose is to run projects to create a better society for all, always guided by values such as solidarity, effort and teamwork.

Currently, the Foundation provides support and promotes initiatives for research, business and teaching, social action, sports and the promotion of the arts.

Distribution of the contribution made by the Fundación Jesús Serra to the various action lines 2022:



Fundación Jesús Serra approves its action plan on an annual basis, detailing the set of activities it intends to undertake, their potential beneficiaries and the necessary human and

material resources. In order to ensure objectivity, there is a formal protocol which specifies the selection criteria for the proposed programmes and initiatives. The project valuation committee is the responsible body. Through bi-monthly meetings, they select the set of new projects and assess the status of ongoing projects, among other duties.

In addition, Fundación Jesús Serra is involved in initiatives for the benefit of certain groups and conducts impact assessments and specific development programmes. Most of these projects and initiatives have participation programmes, impact assessments and development programmes.

A good example is the Foundation's work with UNHCR, the UN agency for refugees, with which it has collaborated since 2021 in different aid programmes for displaced young people. In 2022, in view of the humanitarian emergency experienced in Ukraine and the large number of displaced women and children, Fundación Jesús Serra has strengthened its collaboration with UNHCR to create a humanitarian emergency aid fund. It has also created opportunities for all Grupo Catalana Occidente employees and intermediaries to become involved, setting the challenge of raising €50,000 per month, which was successfully completed.

There has also been collaboration with the Exit Foundation (Fundación Exit) to enhance the corporate volunteering program through mentors for young people at risk of exclusion who support and encourage them to continue with their academic or professional training; as well as with the Prevent Foundation (Fundación Prevent) to support people with disabilities or at risk of social exclusion who want to enter the world of work as freelancers.

Another initiative worth noting is the collaboration with the Raising Awareness in Schools (Tomando conciencia schools) project, a programme to promote healthy habits in public schools. This programme consists of various lessons and challenges that are run at different schools, in order to promote healthy habits in children aged 10 to 12. Activities are carried out through interactive digital content that covers various topics such as healthy eating, respect for the environment, daily activity and the communication and expressing of emotions.

Similarly, through Fundación Jesús Serra scholarships and agreements with the different business schools, universities and bodies dedicated to such purposes, the possibility of taking higher education courses is offered to students with a good academic record and aptitude for education but who come from families without sufficient income to fund this type of study. These scholarships protect the principle of equal opportunities. The initiative is run in Spain and also through international cooperation in Kenya or refugee camps for displaced persons, channelling this aid through the United Nations Refugee Agency (UNHCR).

Fundación Jesús Serra also collaborates with other entities such as the Spanish Oncology Research Centre (Centro Nacional de Investigaciones Oncológicas – CNIO), Spanish National Centre for Cardiovascular Research (Centro Nacional de Investigaciones Cardiovasculares – CNIC), the Canary Islands Astrophysics Research Institute (Instituto de Astrofísica de Canarias – IAC), the Spanish National Research Council (Consejo Superior de Investigaciones Científicas – CSIC), the Spanish Interhospital Foundation for Cardiovascular Research (Fundación Interhospitalaria de Investigación Cardiovascular – FIC), the Spanish Foundation for Science and Technology (Fundación Española para la Ciencia y la Tecnología – FECYT), Save the Children, Doctors

Without Borders, Manos Unidas and Save the Med Foundation.

In 2022, Fundación Jesús Serra joined the Foundations for the Climate Pact, which promotes an active fight to combat the climate crisis, with the aim of being able to lead a working group for the insurance sector. It also promotes the Changemakers at Sea project in collaboration with the Save the Med Foundation, which advocates a reduction in the use of single-use plastic through solutions based on the three most important Rs (Reject, Reduce and Reuse).

Grupo Catalana Occidente, through Fundación Jesús Serra, has carried out a total of 35 social projects in 2022 (44 projects in 2021).

Fundación Jesús Serra’s contribution to social projects:



Commitments of the Group’s companies

2-28

Grupo Catalana Occidente is committed to a sponsorship strategy that promotes sport, social integration and sustainability in general. Thus, in 2022, the Group’s companies have carried out different collaboration agreements in this regard, among which the following stand out:

- For the fifth consecutive year, Seguros Bilbao has sponsored the “Stories to Make You Think” initiative, a short story competition promoted by the Fair Saturday

Foundation whose objective is to awaken critical thinking in children. This year, the central theme is to propose personal and collective reflections to break the stigmas surrounding mental health. More than 600 children from the 16 schools in the province of Vizcaya have participated in this edition of the contest. The previous ones focused on racism, male chauvinism, bullying and climate change.

- Plus Ultra Seguros, in support of adapted sport, has sponsored the King’s Cup for wheelchair basketball and the European Championship for wheelchair basketball, organised by the Spanish Sports Federation for People with Physical Disabilities (Federación Española de Deportes con Discapacidad Física – FEDDF).
- For the tenth consecutive edition, Seguros Catalana Occidente has sponsored Expoelectric, an event related to electric vehicles and renewable energy, in its commitment to the environment and sustainable mobility.
- Seguros Bilbao has sponsored the Bilbao-Bilbao Cycling Tour (Marcha Cicloturista Bilbao-Bilbao) to promote sport and healthy living.
- Seguros Bilbao sponsored the 9th Getxo Charity Family Race. By supporting this initiative, the Grupo Catalana Occidente company reaffirms its commitment to promoting a healthy lifestyle and the values that sport represents, such as commitment, self-improvement and teamwork.
- In 2022, Plus Ultra Seguros has sponsored the Sports Days without Adjectives (Jornadas de Deporte sin Adjetivos), designed to allow young people with functional diversity from various high schools in the Community of Madrid to enjoy all the benefits that come from playing sport.
- Lastly, since 2018 Atradius has sponsored two bee hives in Vexin (France) for the sustainable production of honey. The funds raised from the sale of jars of honey

this year have gone to the "ti-clown" association to offer moments of laughter, distraction, intimacy and poetry to children, adolescents and adults in hospital.

The Group has also continued to commit to sponsorship agreements linked to music and culture to strengthen its position in the Spanish market and has renewed its collaboration agreements with the Starlite festival. Music makes it possible to connect with a wide range of audiences of all ages and increase the bond between people and the brand in moments that are experienced with enthusiasm. Under the "music, like confidence, makes your life better" slogan, the Group is committed to music as another way to give people confidence.

In total, the amount destined to sponsorship projects in 2022 amounted to €3.53 million (€4.4 million in 2021).

The Group also participates in partnership actions with UNESPA, ICEA and the Valle de Arán Ski School. In 2022, the amount for these partnership actions was €1.23 million (€1.29 million in 2021).

The Group also participates in the consultation processes of industry and business associations in order to create a more comprehensive vision to overcome common challenges and jointly progress in the sustainability of the insurance industry. The spending for lobbying activities in 2022 was €287,431 (€322,025 in 2021), the most important contribution being that corresponding to UNESPA, responsible for representing the insurance industry in Spain on issues that currently concern society.

Social action and corporate volunteering

Through corporate volunteering, Grupo Catalana Occidente channels the desire of its employees to become involved in charitable work and generates among its workforce a culture of collaboration and support to other needy social groups. In 2022, it has continued to implement corporate volunteering initiatives in the Group's companies and we can highlight the following initiatives:

- CHEERS4U: fun training in which Group employees participated with the aim of learning to relate and teach new skills to people with intellectual disabilities.
- Junior Achievement: working with UNESPA, the Group participated in this initiative by giving training sessions in schools to promote the financial education of pupils.
- World Clean-up Day: volunteers from Atradius in different countries participated in clean-up drives collecting rubbish both on land and in the sea.
- Fundación Prevent: mentoring for entrepreneurs with disabilities who are studying at ESADE to evaluate and improve their business plan, or scholarships for higher education for students with disabilities for their inclusion in the workplace.

Also in 2022, the credit insurance business has developed a total of 22 initiatives to contribute to social action locally (16 initiatives in 2021), with a contribution of over €108,721 (€45,000 in 2021).

In addition, Atradius' employees coordinate various campaigns throughout the year in order to maximise their social contribution. Among the actions promoted are the collection of donations for various causes, such as the participation of Atradius France in "Les foulées de l'assurance" to raise funds for the prevention of cardiovascular diseases, the participation of Atradius NL in

the Amsterdam City Swim where funds were raised for Amyotrophic Lateral Sclerosis, and the participation of Atradius Belgium in different activities forming part of the Relay for life Namur 2022 initiative in collaboration with the Cancer Foundation.

Atradius has also supported non-profit organisations such as Oxfam Novib to support the training of entrepreneurs in third world countries and Youth Off the Streets which, through its services and programmes, provides young people with security, support and opportunities to build a positive future.

Contribution to the SDGs

3-3

The approval by the UN’s General Assembly of the 2030 Agenda for Sustainable Development and with this the Sustainable Development Goals (SDG) entails the commitment of governments as well as civil society and companies to contribute to their achievement. The activity of Grupo Catalana Occidente and that of Fundación Jesús Serra allows us to contribute to several of the United Nations Sustainable Development Goals.

 <p>Over €55,400 donated to educational accompaniment, emotional support and nutrition programmes with Save the Children and Fundación Balía</p> <p>€22,594 donated to food banks</p>	 <p>2,168 days lost No professional illnesses</p> <p>€80,000 donated for training and maternal intervention in international cooperation</p> <p>Training 1,408 pupils in healthy habits with the <i>Tomando Conciencia Schools</i> programme</p> <p>Employee well-being program: workshops on sleep and healthy eating</p> <p>Over €477,000 destined to R&D+i projects related to oncological, cardiovascular and nutritional diseases.</p> <p>Accompaniment of children with difficult diagnoses in hospitals</p>	 <p>26 hours of training per employee</p> <p>10% of the Fundación Jesús Serra's contributions are earmarked for teaching projects</p> <p>Over €135,000 for scholarships for young people with a low family income at leading secondary and higher education centres</p> <p>Funding of the <i>Educa en red</i> Programme that develops a guide of good practices and provides resources to educational centres to adapt educational maturity to students with rare diseases</p>
 <p>52% of employees are male and 48% female</p> <p>Member of the EWI Network, which promotes the presence of women in the management of insurance companies</p>	 <p>More than 7,000 employees 100 disabled employees 5,206 employees with remote working</p> <p>97% permanent contracts 566 people hired Turnover rate of 10%</p> <p>€154.6 million paid in corporate tax</p>	 <p>Scholarships for job training and entrepreneurship programmes for people at risk of exclusion (disability and/or high vulnerability). Over 375 hours of corporate volunteering to mentor these students</p> <p>Adapted sports programmes in skiing and sailing for young people with disabilities: 362 participants took part</p> <p>219 scholarships in musical and piano training for children in situations of exclusion</p>
 <p>Range of products and services with environmental coverage</p> <p>Offices with LEED energy rating</p> <p>Photovoltaic plate installation project at the main buildings</p>	 <p>No confirmed case of corruption</p> <p>€2.3 million allocated to contributions and non-profit organisations</p>	 <p>Principles for Sustainable Insurance (PSI)</p> <p>Principles for Responsible Investment (PRI)</p> <p>United Nations Global Compact</p> <p>Net-Zero Insurance Alliance (NZIA)</p>

Innovation

3-3

Significant events 2022

- Ongoing development of innovative applications and systems that have improved the Group's processes and the quality of customer service (WhatsApp channel for customers, new features in e-customer, among others).
- Development of new innovative solutions in cyber-security, urban mobility and for the third and fourth age.

Main challenges 2023

- Increase investment in innovation aligned with projects related to sustainability.
- Reduce business trips by promoting the use of digital tools that allow these to be replaced.
- Continue developing innovative and more sustainable products, which meet the needs of the Group's customers.

The Group considers that a culture that embraces change and at the same time encourages and motivates its employees to innovate is a fundamental pillar to be able to adapt the offer of products and services to the needs of all types of customers. In 2022 the Group has invested €81.5 million in innovation (€86.1 million in 2021) and in 47 R&D&i projects (43 projects in 2021).

Xplora Programme

Xplora is the intrapreneurship programme for the Group's traditional business companies, which helps the organisation to understand, adopt and enthusiastically promote an innovative corporate culture.

This programme brings together training on innovation and has a platform designed so that the employees can propose ideas that allow Grupo Catalana Occidente to improve its products and services.

Xplora Space Platform

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

In 2022, a sustainability challenge has been launched within the Xplora platform, with the aim of creating new products and services that promote sustainability in Grupo Catalana Occidente. This promotes collaborative work and allows employees to become involved in designing sustainable solutions for the Group, contributing ten ideas in total, of which four have been supported.

Similarly, in the last year a new challenge promoted by Prepersa has been launched. The aim is to find solutions that promote the repair and maintenance of the parts of insured goods and therefore lengthen their useful life, in this way supporting the circular economy, educating customers in climate-friendly behaviours and reducing the environmental impact by avoiding them being replaced with new parts.

In the last year, employees have contributed more than twenty ideas to the three challenges proposed in the programme. Of these, fifteen ideas have been supported and four are in the project phase.

Training in innovation with Xplora Academy and Xplora Inspira

Xplora Academy is the Group's training programme in innovation and digital transformation. Through it, workshops are held for employees and advanced training is provided on Agile and innovation methodologies. In 2022, twelve workshops have been held (with more than 200 participants) and two new programmes on innovation methodologies have been created, one with The Valley school and another with The Crew consultancy (59 participants in total).

In addition, as part of Xplora Inspira, the Group has organised a Cybersecurity event (308 participants) that included a practical demonstration on the most common cyberattacks. The level of satisfaction among participants was 9 out of 10.

Xplora Stars for the development of new products

Xplora Stars was created in 2020 and is designed to develop new products and services in the areas of cyber-security, urban mobility and the elderly, counting on the collaboration and ideas of the Group's employees and insurance agents for its development. Three new products have been launched in 2022 through this initiative:

- 1) Xplora Stars Cyber-Security: cyber-security insurance focused on families for the prevention, detection and resolution of incidents related to digital risks.
- 2) Xplora Stars Mobility: comprehensive mobility insurance that insures a person regardless of the means of transport they use (excluding any cars or motorcycles they own).
- 3) Xplora Stars 3rd and 4th age: personalised customer helpline for the elderly offering them a special service and the option to purchase many different services they may need. In 2022, four new service pilots have been launched.

Similarly, in 2022 a new challenge on the collaborative economy was launched leading to an idea that is now in the process of customer testing.

Xplora Ingenia

In 2021, the new Xplora Ingenia programme was launched, through which Prepersa's technical repair service (TRS) contributes ideas to challenges set by the organisation.

During 2022, this involved 90 motor claims adjusters and others who have contributed 116 ideas for the three proposed challenges. Of these, nine ideas have been supported.

According to the satisfaction survey, the TRS is satisfied with the programme and highly values the chance to contribute innovative ideas that can improve the Group's services.

Xplora Network

Program launched in 2022 in which 70 Plus Ultra Seguros agents have participated, contributing more than 65 ideas, of which 45 have been supported and will be worked on in 2023.

Atradius Business Transformation Programme

In 2019, the credit insurance business started the "Shaping Tomorrow Together" initiative in order to promote a culture of growth and development in the employees, as well as the adoption of new technologies, which would turn them into engines of change and transformation.

Similarly, with the Evolve+ programme, the innovative culture at Atradius has been enhanced through the organisation of webinars in which many employees have participated, including Atradius' senior management, and meetings have been held in collaboration with other managers from the sector.

In parallel, Atradius Academy has represented essential support for employee development through digital media such as e-learning platforms, newsletters and social media. By addressing issues such as vitality, working from home and well-being in complicated times, we have fostered the creation of an environment in which learning and development are part of our everyday work dynamics. Well-being improvement programmes have also been launched, with practical webinars and sessions where ways of managing stress in the new work dynamics have been analysed.

Innovation for the customer

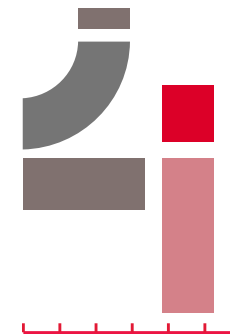
In 2022, innovation initiatives have continued to be developed to offer excellent customer service. Of these, we can highlight the following:

- Rolling out of Arcade, Atradius' main application, to different countries, which has made it possible to carry out administrative tasks more efficiently.
- Improvements have continued to be made to the risks and underwriting platform in Atradius, creating a single underwriting solution with harmonised and efficient processes.
- Redesign of the Atrium service through a new and comprehensive system with additional functionalities and a new more intuitive look. All of this is supported by new technology that has increased performance and maintenance capacity. In 2022, the performance of this platform has been improved by adding new features based on new technology.
- Development of Eagle Eye in Atradius, a data analysis solution to detect potentially fraudulent buyers.
- Atradius Agora, the e-commerce platform launched by Atradius in 2018 and operating in 16 countries, continued to develop new features: clearer communication around

the next steps after presenting a case and the redesign of the "collection cases upload function".

- Integration of the Atradius Flow credit insurance plugin into the Microsoft Dynamics ERP system. This innovative tool, the first and only one on the market, allows customers to manage their credit insurance processes from their own ERP systems in an automated way. In 2022, new features have been launched that will further reduce the credit insurance workload for customers.
- Development of improvements to the app for traditional business customers, allowing them to access the e-customer area, consult policies and bills, track claims, report car claims, access the chat to resolve queries at any time, manage savings and medical acts and find the nearest vehicle garage, among others.
- Incorporation of the WhatsApp channel for traditional business customers, run by the Contact Centre.

Appendix I – Additional information



Employees

Profile of the people working in the Group

2-7, 405-1

Employees by age and gender

	2021	2022
Over 50	3,004	3,008
% Women	42.5%	42.7%
From 40 to 49	2,430	2,289
% Women	52.8%	53.4%
From 30 to 39	1,501	1,369
% Women	51.8%	51.5%
Under 30	563	566
% Women	51.5%	50.2%
Total	7,498	7,232

Employees by professional category and gender

	2021	2022
Senior management	141	131
% Women	17.7%	17.6%
Middle management and technical supervision	1,590	1,535
% Women	33.4%	33.8%
Qualified admin. and sales staff	4,861	4,602
% Women	50.0%	50.1%
Administrative support	906	964
% Women	70.6%	67.1%
Total	7,498	7,232

Employees by country and gender

	2021			2022		
	Men	Women	Total	Men	Women	Total
Spain	2,266	2,078	4,344	2,251	2,053	4,304
Netherlands	360	199	559	285	154	439
Germany	213	257	470	217	254	471
United Kingdom	211	165	376	185	144	329
Belgium	114	177	291	86	133	219
France	106	122	228	106	119	225
Italy	94	106	200	96	107	203
United States	64	59	123	66	60	126
Portugal	36	58	94	36	58	94
Mexico	62	55	117	63	58	121
Denmark	42	32	74	41	33	74
Australia	28	34	62	29	34	63
Poland	24	26	50	22	26	48
Hong Kong	24	22	46	21	22	43
Ireland	25	14	39	26	12	38
Singapore	15	23	38	15	26	41
China	11	24	35	12	27	39
Rest of the world	178	174	352	179	176	355
Total employees	3,873	3,625	7,498	3,736	3,496	7,232

Employees by work schedule and country

	2021			2022		
	Full time	Part time	Total	Full time	Part time	Total
Spain	Not reported	Not reported	Not reported	3,943	361	4,304
Netherlands	Not reported	Not reported	Not reported	307	132	439
Germany	Not reported	Not reported	Not reported	342	129	471
United Kingdom	Not reported	Not reported	Not reported	290	39	329
Belgium	Not reported	Not reported	Not reported	174	45	219
France	Not reported	Not reported	Not reported	210	15	225
Italy	Not reported	Not reported	Not reported	180	23	203
United States	Not reported	Not reported	Not reported	124	2	126
Portugal	Not reported	Not reported	Not reported	94	0	94
Mexico	Not reported	Not reported	Not reported	121	0	121
Denmark	Not reported	Not reported	Not reported	68	6	74
Australia	Not reported	Not reported	Not reported	56	7	63
Poland	Not reported	Not reported	Not reported	46	2	48
Hong Kong	Not reported	Not reported	Not reported	43	0	43
Ireland	Not reported	Not reported	Not reported	36	2	38
Singapore	Not reported	Not reported	Not reported	41	0	41
China	Not reported	Not reported	Not reported	39	0	39
Rest of the world	Not reported	Not reported	Not reported	339	16	355
Total employees	Not reported	Not reported	Not reported	6,453	779	7,232

Letter from the Chairman
About this report01 Grupo Catalana Occidente
02 Sustainable business

03 Our commitments

04 Appendix I - Additional information

05 Appendix II – GRI content index

06 Appendix III – NFIS content index

07 External assurance report

Employees by type of contract, work schedule and age*

	2021				2022			
	< 30 years old	30-39 years old	40-49 years old	> 50 years old	< 30 years old	30-39 years old	40-49 years old	> 50 years old
Permanent Full time	437	1,260	2,019	2,670	431	1,193	1,947	2,690
Permanent Part time	19	164	369	311	18	117	322	301
Temporary Full time	99	67	33	18	109	51	17	14
Temporary Part time	8	10	9	5	8	8	3	3
Total	563	1,501	2,430	3,004	566	1,369	2,289	3,008

Employees by type of contract, work schedule and job category*

	2021				2022			
	Admin. support	Qualified admin. and sales staff	Middle management and technical supervision	Senior management	Admin. support	Qualified admin. and sales staff	Middle management and technical supervision	Senior management
Permanent Full time	561	4,175	1,512	138	621	4,036	1,476	128
Permanent Part time	239	546	75	3	248	452	55	3
Temporary Full time	87	127	3	0	83	105	4	0
Temporary Part time	19	13	0	0	12	9	0	0
Total	906	4,861	1,590	141	964	4,602	1,535	131

Employees by type of contract and gender*

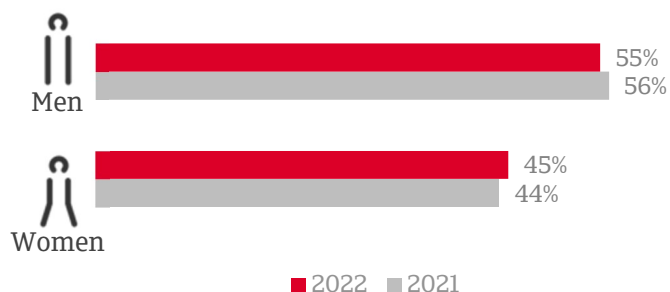
		2021	2022
		Permanent contract	Men
	Women	3,495	3,391
Temporary contract	Men	119	108
	Women	130	105
Total		7,498	7,232

Employees by type of work schedule and gender*

		2021	2022
		Full time	Men
	Women	2,873	2,835
Part time	Men	143	118
	Women	752	661
Total		7,498	7,232

* Given the low turnover in the Group, since the headcount at year-end (7,232) remains practically unchanged compared to the average headcount (7,241), it is not applicable to calculate the average annual number of contracts since the figures obtained would be practically identical.

New recruitment 401-1



New recruitment by age and gender

Age	2021			2022		
	Men	Women	Total	Men	Women	Total
<30	80	70	150	98	68	166
30-39	84	60	144	91	82	173
40-49	49	48	97	68	64	132
>50	34	16	50	54	41	95
Total	247	194	441	311	255	566

Redundancies by age and gender

Age	2021			2022		
	Men	Women	Total	Men	Women	Total
<30	4	0	4	3	3	6
30-39	15	13	28	15	11	26
40-49	14	12	26	12	13	25
>50	16	9	25	9	6	15
Total	49	34	83	39	33	72

Redundancies by professional category and gender

	2021			2022		
	Men	Women	Total	Men	Women	Total
Admin. support	0	2	2	5	6	11
Qualified admin. and sales staff	42	30	72	32	27	59
Middle management and technical supervision	7	2	9	2	0	2
Senior management	0	0	0	0	0	0
Total	49	34	83	39	33	72

Turnover percentage by age and gender

% Turnover	2021			2022		
	Men	Women	Total	Men	Women	Total
< 30 years old	22%	22%	22%	26%	22%	24%
30-39 years old	11%	11%	11%	16%	14%	15%
40-49 years old	4%	5%	4%	7%	8%	7%
> 50 years old	10%	8%	9%	7%	8%	7%
Total	9%	9%	9%	10%	10%	10%

*The turnover is calculated as total leavers as a percentage of total employees (excluding movements among Group companies).

Total leavers by age and gender

	2021			2022		
	Men	Women	Total	Men	Women	Total
< 30 years old	59	64	123	74	63	137
30-39 years old	83	83	166	103	101	204
40-49 years old	44	59	103	70	94	164
> 50 years old	165	105	270	122	101	223
Total	351	311	662	369	359	728

Framework for working, health and safety conditions in the workplace

Accident rate indicators 403-9, 403-10

	2021		2022	
	Men	Women	Men	Women
No. of accidents with leave (excl. commuting)	24	20	37	42
No. of days lost due to accident with leave (excl. commuting)	840	229	1,301	867
No. hours worked according to the collective agreement*	6,323,149	5,970,637	6,242,655	5,845,500
Frequency index**	3.80	3.35	5.93	7.19
Severity index***	0.13	0.04	0.21	0.15
No. of deaths (as a result of a work accident)	0	0	0	0
Death rate****	0.00	0.00	0.00	0.00
No. of professional illnesses detected	0	0	0	0

* The hours worked have been reported according to the collective agreement to standardise the criteria between the traditional business and the credit insurance business.

** Frequency index = (No. of accidents with leave excl. commuting/No. of hours worked according to the collective agreement)*1,000,000

*** Severity index = (No. days lost due to accidents with leave/No. of hours worked according to the collective agreement)*1,000

**** Death index = (No. deaths due to occupational accidents/No. of hours worked according to the collective agreement)*1,000,000

Covered by collective bargaining 2-30, 407-1

Country	2021	2022
Spain	97%	93%
Netherlands	95%	97%
Germany	100%	100%
United Kingdom	96%	92%
Belgium	100%	100%
France	100%	100%
Italy	100%	98%
United States	0%	0%
Denmark	100%	97%
Mexico	7%	45%
Australia	0%	0%
Portugal	83%	65%
Poland	0%	0%
Hong Kong	0%	0%
China	0%	0%
Singapore	0%	0%
Ireland	28%	29%
Rest of the world	27%	28%
Total	87%	85%

Compensation and benefits

Group total 405-2

Average remuneration by professional category and gender and wage gap

		2021	2022
Administrative support	Men	24,435	24,624
	Women	28,840	28,655
	<i>Average remuneration ratio women/men</i>	118%	116%
Qualified administration and sales staff	Men	48,556	48,404
	Women	42,578	43,160
	<i>Average remuneration ratio women/men</i>	88%	89%
Middle management and technical supervision	Men	80,762	77,629
	Women	67,085	66,067
	<i>Average remuneration ratio women/men</i>	83%	85%
Senior management	Men	169,474	163,220
	Women	153,284	146,685
	<i>Average remuneration ratio women/men</i>	90%	90%

Average remuneration by age and gender and wage gap

		2021	2022
Under 30	Men	30,972	31,077
	Women	29,304	29,718
	<i>Average remuneration ratio women/men</i>	95%	96%
From 30 to 39	Men	43,565	43,653
	Women	36,948	38,488
	<i>Average remuneration ratio women/men</i>	85%	88%
From 40 to 49	Men	58,890	56,694
	Women	45,411	44,738
	<i>Average remuneration ratio women/men</i>	77%	79%
Over 50	Men	70,626	67,992
	Women	51,705	50,996
	<i>Average remuneration ratio women/men</i>	73%	75%

Traditional business (Spain) 405-2

Average remuneration by professional category and gender and wage gap

		2021	2022
Administrative support	Men	18,547	19,156
	Women	18,478	18,777
	<i>Average remuneration ratio women/men</i>	100%	98%
Qualified administration and sales staff	Men	36,584	37,096
	Women	32,899	33,509
	<i>Average remuneration ratio women/men</i>	90%	90%
Middle management and technical supervision	Men	61,194	61,766
	Women	53,391	54,512
	<i>Average remuneration ratio women/men</i>	87%	88%
Senior management	Men	149,744	158,208
	Women	138,005	140,711
	<i>Average remuneration ratio women/men</i>	92%	89%

Average remuneration by age and gender and wage gap

		2021	2022
Under 30	Men	23,515	22,715
	Women	21,876	22,455
	<i>Average remuneration ratio women/men</i>	93%	99%
From 30 to 39	Men	33,000	33,320
	Women	29,646	30,556
	<i>Average remuneration ratio women/men</i>	90%	92%
From 40 to 49	Men	43,926	44,430
	Women	34,464	35,231
	<i>Average remuneration ratio women/men</i>	78%	79%
Over 50	Men	54,692	55,004
	Women	38,759	38,749
	<i>Average remuneration ratio women/men</i>	71%	70%

Grupo Catalana Occidente has analysed the wage gap based on age and professional category and has reached the conclusion that it is insignificant. The wage gap based on age originates from the larger number of men who in previous years were appointed to management jobs. This difference is gradually being eliminated since there is currently greater balance between the number of women and men who access these types of positions.

Training and development

Hours of training 404-1

	2021			2022		
	Men	Women	Total	Men	Women	Total
Administrative support	5,341	10,093	15,435	6,516	12,838	19,354
Qualified administration and sales staff	50,830	45,738	96,568	53,157	55,440	108,597
Middle management and technical supervision	30,370	18,362	48,732	31,754	20,811	52,564
Senior management	4,795	906	5,700	4,250	1,055	5,305

For most training hours in the credit insurance business, the distribution by professional category has been estimated. The training hours of Graydon (credit insurance business company) have not been considered since they are not considered material (the number of employees of this company is not significant compared to the total for the Group).

Average hours of training 404-1

	2021		2022	
	Men	Women	Men	Women
Administrative support	20.1	15.8	20.6	19.8
Qualified administration and sales staff	20.9	18.8	23.2	24.0
Middle management and technical supervision	28.7	34.6	31.3	40.1
Senior management	41.3	36.2	39.4	45.9

Percentage of employees receiving regular evaluations on their performance and professional development 404-3

	2021			2022		
	Men	Women	Total	Men	Women	Total
Administrative support	32%	39%	37%	29%	38%	35%
Qualified administration and sales staff	55%	56%	55%	59%	59%	59%
Middle management and technical supervision	76%	72%	74%	84%	79%	82%
Senior management	82%	88%	83%	71%	83%	73%

Ethics and compliance

The Group's compliance policies 3-3

Indicated below are the Group's main policies, whose description and results are set out throughout this Report.

Group policies

	Location
Code of Ethics	Corporate website
Responsible Investment Policy	Corporate website
Climate Change and Environmental Policy	Corporate website
Human Resources Policy	Corporate website
Corporate Tax Policy	Corporate website
Sustainability Policy	Corporate website
Business Continuity Policy	Internal
Risk Management System Policy	Internal
Investment Policy	Internal
Reinsurance Policy	Internal
Underwriting Risk, Provisioning Risk and Claims Management Policy	Internal
Policy Concerning the Partial Internal Model For Underwriting Credit	Internal
Insurance Risk	Internal
Policy on the disclosure of economic-financial, non-financial and corporate information and contact with shareholders, investors and voting advisers	Corporate website
Reputational Risk Management Protocol	Internal
ORSA Policy	Internal
Capital Management Policy	Internal
Policy on Fitness and Good Repute	Internal
Internal Supervision Policy	Internal
Risk Management System Policy	Internal
Internal Auditing Policy	Internal
Verification of Compliance Policy	Internal
Remuneration policy	Internal
Right to Disconnect From Work Policy	Corporate website

Fight against fraud, corruption and bribery

205-2

Anti-corruption training by professional category

	2021		2022	
	No. employees	%	No. employees	%
Administrative support	344	38%	426	44%
Qualified administration and sales staff	1,840	38%	2,463	54%
Middle management and technical supervision	709	45%	651	42%
Senior management	86	61%	42	32%
Total	2,979	40%	3,582	50%

Anti-corruption training by country

	2021		2022	
	No. employees	%	No. employees	%
Spain	2,945	68%	728	17%
Netherlands	1	0%	434	99%
Germany	2	0%	469	100%
United Kingdom	1	0%	328	100%
Belgium	2	1%	219	100%
France	0	0%	225	100%
Italy	0	0%	203	100%
United States	0	0%	126	100%
Denmark	0	0%	74	100%
Mexico	0	0%	71	59%
Australia	0	0%	63	100%
Portugal	17	18%	91	97%
Poland	0	0%	48	100%
Hong Kong	0	0%	29	67%
China	0	0%	39	100%
Singapore	0	0%	41	100%
Ireland	2	5%	38	100%
Rest of the world	9	3%	356	100%
Total	2,979	40%	3,582	50%

Fiscal transparency

Tax information. Profit and taxes obtained by geographical area 3-3

(amount in millions of euros)	2021			2022		
	Profit	Tax accrued	Tax paid	Profit	Tax accrued	Tax paid
Spain	347.8	74.8	66.2	364.1	70.4	105.4
Belgium	16.9	4.8	4.8	23.9	7.1	9.2
Denmark	7.3	1.6	1.6	4.2	0.9	1.8
France	16.0	4.1	4.1	23.0	5.8	2.7
Germany	18.6	6.0	6.0	72.0	23.7	4.7
Greece	4.7	1.0	-1.1	5.0	1.1	1.4
Ireland	79.4	10.0	0.3	107.0	13.4	1.2
Italy	8.6	2.6	0.9	35.2	11.0	2.0
Norway	3.5	0.9	0.8	5.2	1.3	0.8
Russia	9.9	2.0	2.2	-21.8	0.0	2.6
Switzerland	5.0	1.0	0.7	11.3	2.2	2.3
United Kingdom	21.2	10.4	0.2	36.9	7.7	5.5
Netherlands	-8.2	-1.6	2.4	-68.5	-12.5	0.2
Rest of Europe	23.6	4.9	1.0	20.7	5.3	4.6
Australia	19.4	5.9	4.1	14.1	4.3	9.8
United States	21.8	4.8	4.9	27.4	6.0	7.0
Rest of OECD	17.2	5.2	0.8	19.5	5.8	4.6
Hong Kong	-9.9	0.3	-0.2	12.9	-0.3	1.0
Rest of the world	4.5	0.4	0.8	5.1	1.4	1.7
Total	607.3	139.1	100.5	697.2	154.6	168.5
Consolidation adjustments	0.0	0.0	0.0	0.0	0.0	0.0
foreign business						
Total	607.3	139.1	100.5	697.2	154.6	168.5

Paid tax corresponds to the amounts actually paid or received in concept of corporation tax during the financial period and includes payments on account and withholdings on the current year, as well as final settlements and returns from previous periods. For its part, accrued tax corresponds to the tax expenses recorded at the close of the financial period in relation to the profit obtained for that period. Lastly, Profit corresponds to pre-tax profit. Adjustments for foreign business have been recorded under their corresponding country.

Social impact

Economic performance

Economic value generated and distributed 201-1

(amount in millions of euros)	2021	2022
Economic value distributed	3,883.3	4,110.6
Customers	2,183.8	2,306.9
Public administrations	541.1	582.8
Intermediaries	542.0	588.9
Employees	504.8	513.1
Shareholders	107.8	116.6
Foundations and non-profit organisations	4.0	2.3
Economic value retained	22.2	65.2
Direct economic value generated	3,905.5	4,175.8

The direct economic value generated by the Group responds to the sum of the distributed value and the value retained. In 2021, contributions to foundations include both contributions from Group entities to the Jesús Serra Foundation and donations to various associations and research centres (CSIC, Unicef, Caritas, Red Cross, among others) for the fight against Covid-19.

Appendix II – GRI content index



GRI content index

GRI standard	Content	Page or direct response	Omission
Foundation 2021			
GRI 1: Foundation	Claims of reporting in accordance with the GRI Standards GRI content index	Pages 5 and 68	
General Disclosures 2021			
GRI 2: General Disclosures	THE ORGANIZATION AND ITS REPORTING PRACTICES		
	2-1 Organisational details	Grupo Catalana Occidente, S.A. Paseo de la Castellana n°4, 28046 (Madrid) Pages 7 and 10	
	2-2 Entities included in the organisation's sustainability reporting	Page 5 Also see Appendix I and Appendix II of the Grupo Catalana Occidente Annual Report 2022 (Consolidated financial statements section) and note 2.f) "Consolidation principles" (Consolidated financial statements report section).	
	2-3 Reporting period, frequency and contact point	Reporting period: Financial year 2022 Frequency: Annual Publication date: 24 February 2023 Contact point: analistas@catalanaoccidente.com	
	2-4 Restatements of information	No material restatements in the period. Indicated on the document in the event of restatements of information.	
	2-5 External assurance	Page 83	
	ACTIVITIES AND WORKERS		
	2-6 Activities, value chain and other business relationships	Pages 7-9, 34, 39 and 40	
	2-7 Employees	Pages 29, and 59-65 The group does not have employees with non-guaranteed hours	
	2-8 Workers who are not employees	Pages 38 y 39	
	GOVERNANCE		
	2-9 Governance structure and composition	Pages 10-13, 17, 18 and 42	
	2-10 Nomination and selection of the highest governance body	Page 12	
	2-11 Chair of the highest governance body	Jose Mª Serra Farré. The Chair of the Board of Directors does not perform any senior management functions in the organisation	
2-12 Role of the highest governance body in overseeing the management of impacts	Pages 17 and 18		

GRI standard	Content	Page or direct response	Omission
	2-13 Delegation of responsibility for managing impacts	Pages 17, 18 and 42	
	2-14 Role of the highest governance body in sustainability reporting	Pages 17, 18, 29, 32 and 33	
	2-15 Conflicts of interest	2022 Annual Corporate Governance Report (Section D6)	
	2-16 Communication of critical concerns	Pages 13, 14 and 49	
	2-17 Collective knowledge of the highest governance body	Pages 17, 29 and 32	
	2-18 Evaluation of the performance of the highest governance body	Pages 12 and 13 2022 Annual Corporate Governance Report (Section C1.17)	
	2-19 Remuneration policies	Pages 12 and 13 2022 Annual Remuneration Report (Section A)	
	2-20 Process to determine remuneration	Page 12 2022 Annual Remuneration Report (Section A)	
	2-21 Annual total compensation ratio		The information on this indicator is not published for reasons of confidentiality.
	STRATEGY, POLICIES AND PRACTICES		
	2-22 Statement on sustainable development strategy	Pages 3 and 4	
	2-23 Policy commitments	Pages 13, 14, 43, 44 and 48-51	
	2-24 Embedding policy commitments	Page 21	
	2-25 Processes to remediate negative impacts	Pages 48-50	
	2-26 Mechanisms for seeking advice and raising concerns	Pages 48-51	
	2-27 Compliance with laws and regulations	During 2022, a total of 3 fines have been received, amounting to €150,000 (1 fine amounting to €36,001 in 2021). Accounting provisions are reported for claims of any nature and above a threshold of €30,000. No fines or sanctions have been received due to a breach of environmental laws or regulations in 2021 or 2022.	
	2-28 Membership of associations	Pages 27, 53 and 54	
	2-29 Approach to stakeholder engagement	Pages 19 and 20	
	2-30 Collective bargaining agreements	Pages 31, 32 and 66	
Material topics 2021			
GRI 3: Material topics	3-1 Process to determine material topics	Page 18	
	3-2 List of material topics	Pages 5 and 18-20	
RESPONSIBLE INVESTMENT			
GRI 3 (2021): Material topics	3-3 Management of responsible investment	Pages 22-24	
GRI 203 (2016): Indirect economic impacts	203-2 Significant indirect economic impacts	Pages 22-24	

Letter from the Chairman
About this report01 Grupo Catalana Occidente
02 Sustainable business03 Our commitments
04 Appendix I – Additional information**05 Appendix II – GRI content index**
06 Appendix III – NFIS content index

07 External assurance report

GRI standard	Content	Page or direct response	Omission
RESPONSIBLE PRODUCTS			
GRI 3 (2021): Material topics	3-3 Management of responsible products	Pages 24-26	
GRI 417 (2016): Marketing and labelling	417-2 Incidents of non-compliance concerning product and service information and labelling	No cases of non-compliance with regulations or voluntary codes regarding information and labelling of products or services have been recorded in 2021 or 2022.	
MANAGEMENT OF ESG RISKS			
GRI 3 (2021): Material topics	3-3 Management of ESG risk management	Pages 13-15	
GRI 201 (2016): Economic performance	201-2 Financial implications and other risks and opportunities due to climate change	Pages 15 and 43	
CORPORATE GOVERNANCE			
GRI 3 (2021): Material topics	3-3 Management of corporate governance	Pages 10-13	
GRI 405 (2016): Diversity and equal opportunities	405-1 Diversity of governance bodies and employees	Pages 10-12 and 59-62	The percentage of employees broken down by professional category and age group is not reported (only absolute figures are reported).
ETHICS, INTEGRITY AND TRANSPARENCY			
GRI 3 (2021): Material topics	3-3 Management of ethics, integrity and transparency	Pages 48-51	
GRI 201 (2016): Economic performance	201-4 Financial assistance received from government	In 2022, as a public subsidy, Grupo Catalana Occidente S.A. has only received €200,000 for the Catalana Occidente Actuarial Tool project (€107,000 in 2021 for the same project).	
GRI 205 (2016): Anti-corruption	205-2 Communication and training about anti-corruption policies and procedures	Pages 51 and 66	
	205-3 Number of cases involving corruption and bribery	Pages 49 and 51	
GRI 206 (2016): Anti-competitive behaviour	206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	During 2021 and 2022, no cases have been recorded concerning any legal actions relating to anti-competitive behaviour or infringements regarding anti-trust or monopoly practices.	
GRI 415 (2016): Public policy	415-1 Contribution to political parties and/or representatives	As in 2021, no contributions to political parties have been made during 2022.	
CUSTOMER EXPERIENCE			
GRI 3 (2021): Material topics	3-3 Management of customer experience	Pages 34-37	
DATA PROTECTION AND CYBER-SECURITY			
GRI 3 (2021): Material topics	3-3 Management of data protection and cyber-security	Pages 49-51	
GRI 418 (2016): Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Pages 49-51	

Letter from the Chairman
About this report01 Grupo Catalana Occidente
02 Sustainable business03 Our commitments
04 Appendix I – Additional information**05 Appendix II – GRI content index**
06 Appendix III – NFIS content index

07 External assurance report

GRI standard	Content	Page or direct response	Omission
INNOVATION			
GRI 3 (2021): Material topics	3-3 Management of innovation management	Pages 56 and 57	
MANAGEMENT OF SERVICE PROVIDERS			
GRI 3 (2021): Material topics	3-3 Management of service provider management	Pages 39-41	
GRI 204 (2016): Procurement practices	204-1 Proportion of spending on local suppliers	Page 41	
GRI 308 (2016): Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	Pages 40 and 41	
GRI 414 (2016): Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	Pages 40 and 41	
CLIMATE CHANGE AND ENVIRONMENTAL MANAGEMENT			
GRI 3 (2021): Material topics	3-3 Management of climate change and environmental management	Pages 42-47	
GRI 301 (2016): Materials	301-1 Materials used by weight or volume	Pages 46 y 47	
	301-2 Recycled input materials used	Pages 46 y 47	
GRI 302 (2016): Energy	302-1 Energy consumption within the organisation	Page 47	
GRI 305 (2016): Emissions	305-1 Direct (Scope 1) GHG emissions	Page 44	
	305-2 Energy indirect (Scope 2) GHG emissions	Page 44	
	305-3 Other indirect (Scope 3) GHG emissions	Page 44	
QUALITY EMPLOYMENT			
GRI 3 (2021): Material topics	3-3 Management of quality management	Pages 29-34	
GRI 401 (2016): Employment	401-1 New employee hires and employee turnover	Page 62	No figures are reported in relation to the total number of new employee hires broken down by region, nor new recruitment by age range, gender and region. No figures are reported in relation to the total leavers nor the turnover by region.
GRI 402 (2016): Labour/Management Relations	402-1 Minimum notice periods regarding operational changes	The minimum notice periods are established in the different collective agreements of the organisation's employees. In countries that do not have a collective bargaining agreement, the applicable local laws are applied.	
GRI 405 (2016): Diversity and equal opportunities	405-1 Diversity of governance bodies and employees	Pages 29,30 and 59-62	The percentage of employees broken down by professional category and age group is not reported.
	405-2 Ratio of basic salary and remuneration of women compared to men	Pages 12, 13 and 64	
GRI 406 (2016): Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	Pages 29, 30 and 49	

GRI standard	Content	Page or direct response	Omission	
GRI 407 (2016): Freedom of association and collective bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pages 31, 32, 40, 41 and 63 No operations or suppliers with significant risk of cases of freedom of association and collective bargaining have been identified.		
RECRUITMENT, DEVELOPMENT AND RETENTION OF TALENT				
GRI 3 (2021): Material topics	3-3 Management of recruitment, development and retention of talent	Pages 32 and 33		
GRI 404: (2016) Training and education	404-1 Average annual number of hours of training per employee	Pages 32, 33 and 65		
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 65		
HEALTH AND SAFETY				
GRI 3 (2021): Material topics	3-3 Management of health and safety	Pages 31 and 32		
GRI 403 (2016): Occupational health and safety	403-1 Occupational health and safety management system	Pages 31 and 32		
	403-2 Hazard identification, risk assessment, and incident investigation	Pages 31 and 32		
	403-3 Health services at work	Pages 31 and 32		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Pages 31 and 32		
	403-5 Worker training on occupational health and safety	Pages 31 and 32		
	403-6 Promotion of worker health	Pages 31 and 32		
	403-9 Work-related injuries	Page 63	There is no information available on the number of injuries due to work accidents with serious consequences (not including deaths), nor the rate of injuries due to work accidents with serious consequences (not including deaths), or the rate of recordable work-related injuries. No information is available regarding workers who are not employees, but whose jobs or workplaces are controlled by the organisation (intermediaries, associates, etc.)	
	403-10 Work-related ill health	Page 63	No information is available regarding the main types of occupational ailments and illnesses. There is no information about the number of deaths arising from work-related ill health. No information is available regarding workers who are not employees, but whose jobs or workplaces are controlled by the organisation (intermediaries, associates, etc.)	

GRI standard	Content	Page or direct response	Omission
COMMITMENT TO SOCIETY			
GRI 3 (2021): Material topics	3-3 Management of commitment to society	Pages 52-55	
GRI 201 (2016): Economic performance	201-1 Direct economic value generated and distributed, in particular relating to the creation of economic value	Page 67	
GRI 203 (2016): Indirect economic impacts	203-2: Significant indirect economic impacts	Pages 52-55	
DEVELOPMENT OF LOCAL COMMUNITIES			
GRI 3 (2021): Material topics	3-3 Management of development of local communities	Pages 52-55	
GRI 413 (2016): Local communities	413-1 Operations with local community engagement, impact assessments, and development programmes	Pages 52-55	
HUMAN RIGHTS			
GRI 3 (2021): Material topics	3-3 Management of human rights	Page 48	
GRI 408 (2016): Child labour	408-1 Operations and suppliers at significant risk for incidents of child labour	Page 48 No operations or suppliers with significant risk of being involved in child labour have been identified.	
GRI 409 (2016): Forced or compulsory labour	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Page 48 No operations or suppliers with significant risk of being involved in forced or compulsory labour have been identified.	
GRI 412 (2016): Human rights evaluation	412-1 Operations that have been subject to human rights reviews or impact assessments	No operations have been identified that should be subject to human rights reviews or impact assessments.	
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	There are no significant investment agreements in place, these being understood as investment management mandates, since Grupo Catalana Occidente directly manages nearly all of its investments.	

Appendix III – Non-financial information statement (NFIS)



Non-financial information statement (NFIS) Contents Index

The following table contains the pages of this Report in which the information required by Spanish Law 11/2018, of 28 December, on non-financial information and diversity, can be found.

Information requested by Law 11/2018	Related GRI standards*	Page or direct response
General information		
Business model	Brief description of the group's business model (business environment and organisation)	2-6 Activities, value chain and other business relationships Pages 7-9, 34, 39 and 40
	Geographical presence	2-1 Organisational details Grupo Catalana Occidente, S.A. Paseo de la Castellana nº4, 28046 (Madrid) Pages 7 and 10
		2-6 Activities, value chain and other business relationships Page 7
	Objectives and strategies of the organisation	2-22 Statement on sustainable development strategy Pages 3 and 4
Main factors and trends that could affect its future performance	2-6 Activities, value chain and other business relationships Pages 9, 13-15, 43 and 44	
Policies	Description of the policies applied by the group regarding these issues, which will include the due diligence procedures applied to identify, assess, prevent and mitigate significant risks and impacts and for verification and control, including the measures that have been taken.	3-3 Management of material topics Pages 10, 13, 14, 17, 18, 20-25, 29-34, 37, 39-45, 47-49, 51, 52, 55, 56 and 66
Results of the policies	The results of those policies, which must include key indicators of relevant non-financial results that allow the monitoring and evaluation of any progress and that help create comparability between companies and sectors, in accordance with the national, European or international reference frameworks used.	3-3 Management of material topics Pages 10, 13, 14, 17, 18, 20-25, 29-34, 37, 39-45, 47-49, 51, 52, 55, 56 and 66
Risks	The main risks related to those issues linked to the group's activities, including, where relevant and proportionate, its business relationships, products or services that may have negative effects in these fields and how the group manages these risks, explaining the procedures used to detect and evaluate them in accordance with the national, European or international reference frameworks for each area. Information must be included on the impacts that have been detected, offering a breakdown of these, particularly on the main risks in the short, medium and long-term.	2-12 Role of the highest governance body in overseeing the management of impacts Pages 13-15, 17, 18, 43 and 44
Reporting framework	Mention in the report of the national, European or international reporting framework used for the selection of key indicators of non-financial results included in each section	1 Foundation Pages 5 and 68
Information on environmental matters		

*2021 unless otherwise specified

Information requested by Law 11/2018		Related GRI standards*	Page or direct response	
Environmental management	Current and forecast effects of the company's activities on the environment and, where appropriate, health and safety	3-3 Management of material topics	Pages 13, 14, 43 and 44	
		2-27 Compliance with laws and regulations	Grupo Catalana Occidente has not received any fines or sanctions due to non-compliance with environmental laws or regulations in 2021 or 2022.	
	Environmental assessment or certification procedures	3-3 Management of material topics	Pages 45 and 46	
	Resources assigned to the prevention of environmental risks	3-3 Management of material topics	Pages 45 and 46	
	Precautionary Principle or approach	2-23 Policy commitments	Pages 43 and 44	
Pollution	Measures to prevent, reduce or repair emissions that seriously affect the environment; taking into account any form of atmospheric pollution specific to an activity, including noise and light pollution	3-3 Management of material topics	Page 47	
				Amount of provisions and guarantees for environmental risks
	The circular economy and waste prevention and management	Circular Economy and measures for the prevention, recycling, reuse, other forms of recovery and disposal of waste	Immaterial	
		Actions to combat food waste	Immaterial	
	Sustainable use of resources	Consumption and supply of water according to local restrictions	Immaterial	
Consumption of raw materials and measures taken to improve the efficiency of their use		301-1 (2016) Materials used by weight or volume	Pages 46 and 47	
		301-2 (2016) Recycled input materials used	Pages 46 and 47	
Direct and indirect energy consumption		302-1 (2016) Energy consumption within the organisation	Page 47	
Measures taken to improve energy efficiency		3-3 Management of material topics	Pages 46 and 47	
Climate Change	Significant elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	302-1 (2016) Energy consumption within the organisation	Page 47	
		305-1 (2016) Direct (Scope 1) GHG emissions	Page 44	
		305-2 (2016) Indirect (Scope 2) GHG emissions	Page 44	
	Measures adopted to adapt to the consequences of climate change	305-3 (2016) Other indirect (Scope 3) GHG emissions	Page 44	
		3-3 Management of material topics	Pages 14, 15, 43 and 44	
Reduction targets voluntarily established in the medium and long-term to reduce greenhouse gas emissions and the measures implemented for this purpose	201-2 (2016) Financial implications and other risks and opportunities due to climate change	Pages 43 and 44		
Protection of Biodiversity	Measures taken to preserve or restore biodiversity	3-3 Management of material topics	Pages 45 and 46	
	Impacts caused by activities or operations in protected areas	Immaterial		
Information on social and staff-related matters				
Employment	Total number and distribution of employees by gender, age, country and professional classification	2-7 Employees	Pages 29 and 59-65	
		405-1 (2016) Diversity of governance bodies and employees	Pages 29, 30 and 59-62	
	Total number and distribution of employment contract types, annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and professional classification	2-7 Employees	Pages 59-62	

*2021 unless otherwise specified

Information requested by Law 11/2018		Related GRI standards*	Page or direct response
	No. of dismissals by gender, age and professional classification	401-1 (2016) New employee hires and employee turnover	Page 62
	Average remuneration and its evolution broken down by gender, age and professional classification or equal value	405-2 (2016) Ratio of basic salary and remuneration of women compared to men	Page 64
	Pay gap, the remuneration of equal or average jobs in the company.		
	Average remuneration of directors and executives, including variable remuneration, allowances, compensation and payment into long-term savings benefit systems and any other payment broken down by gender		
	Implementation of policies on the right to disconnect	3-3 Management of material topics	Page 30
	Employees with a disability	405-1 (2016) Diversity of governance bodies and employees	Page 30
Organisation of the work	Organisation of the working time	3-3 Management of material topics	Page 30
	Number of hours of absenteeism	3-3 Management of material topics	Page 31
	Measures aimed at promoting a work-life balance and encouraging shared responsibility by both parents.	3-3 Management of material topics	Page 30
Health and safety	Health and safety conditions in the workplace	3-3 Management of material topics	Page 31
		403-1 (2016) Occupational health and safety management system	Page 31
		403-2 (2016) Hazard identification, risk assessment, and incident investigation	Page 31
		403-3 (2016) Health services at work	Page 31
		403-4 (2016) Worker participation, consultation, and communication on occupational health and safety	Page 31
		403-5 (2016) Worker training on occupational health and safety	Page 31
	403-6 (2016) Promotion of worker health	Page 31	
	Occupational accidents, in particular their frequency and severity, as well as work-related ill health; broken down by gender.	403-9 (2016) Work-related injuries	Page 63
	403-10 (2016) Work-related ill health	Page 63	
Social relations.	Organisation of the social dialogue, including procedures for informing and consulting staff and negotiating with them;	3-3 Management of material topics	Page 20
	Percentage of employees covered by collective agreements by country	2-30 Collective bargaining agreements	Pages 31, 32 and 63
	Position in collective bargaining agreements, particularly in the field of occupational health and safety.	3-3 Management of material topics	Pages 31, 32 and 63
	Mechanisms and procedures the company has to promote the involvement of workers in the company's management, in terms of information, consultation and participation.	3-3 Management of material topics	Pages 20, 31 and 32
Training	Policies implemented in the field of training	3-3 Management of material topics	Pages 32, 33, 65 y 66
	Total number of training hours by professional classification	404-1 (2016) Average annual number of hours of training per employee	Pages 32, 33 and 65

*2021 unless otherwise specified

Information requested by Law 11/2018		Related GRI standards*	Page or direct response	
Universal access for disabled people	Universal access for disabled people	3-3 Management of material topics	Pages 30	
Equality	Measures adopted to promote equal treatment and opportunities for men and women	3-3 Management of material topics	Pages 29-31	
	Equality plans (Chapter III of Organic Law 3/2007, of 22 March, for effective gender equality), measures taken to promote employment, protocols against sexual and gender-based harassment, integration and universal accessibility for people with disabilities			
	Policy against any type of discrimination and, where necessary, management of diversity			
Information on respecting human rights				
Application of due diligence procedures	Application of due diligence procedures in the area of human rights; prevention of the risks of violating human rights and, where appropriate, measures to mitigate, manage and repair possible abuses committed	2-23 Policy commitments	Pages 48-51	
		2-26 Mechanisms for seeking advice and raising concerns	Pages 48-51	
		407-1 (2016) Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pages 31, 32, 40, 41 and 63 No operations or suppliers with significant risk of cases of freedom of association and collective bargaining have been identified.	
		408-1 (2016) Operations and suppliers at significant risk for incidents of child labour	Page 48 No operations or suppliers with significant risk of being involved in child labour have been identified.	
		409-1 (2016) Operations and suppliers at significant risk for incidents of forced or compulsory labour	Page 48 No operations or suppliers with significant risk of being involved in forced or compulsory labour have been identified.	
		412-1 (2016) Operations that have been subject to human rights reviews or impact assessments	No operations have been identified that should be subject to human rights reviews or impact assessments.	
		412-3 (2016) Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	There are no significant investment agreements in place, these being understood as investment management mandates, since Grupo Catalana Occidente directly manages nearly all of its investments.	
		Complaints relating to cases of human rights violations	406-1 (2016) Incidents of discrimination and corrective actions taken	Pages 30 and 49
			419-1 (2016) Non-compliance with laws and regulations in the social and economic area	During 2022 3 fines have been received for the value of €158,000 (during 2021, 1 fine were received for the value of €36,001). Accounting provisions are reported for fines above a threshold of €30,000.
		Promotion and compliance with the provisions of the fundamental agreements of the International Labor Organization related to respect for freedom of association and the right to collective bargaining; the	3-3 Management of material topics	Page 51
406-1 (2016) Incidents of discrimination and corrective actions taken	Pages 30 and 49			

*2021 unless otherwise specified

Information requested by Law 11/2018		Related GRI standards*	Page or direct response
	elimination of discrimination in employment and occupation; the elimination of forced or compulsory labour; the effective abolition of child labour.	407-1 (2016) Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pages 40 and 41 No operations or suppliers with significant risk of cases of freedom of association and collective bargaining have been identified.
		408-1 (2016) Operations and suppliers at significant risk for incidents of child labour	Page 48 No operations or suppliers with significant risk of being involved in child labour have been identified.
		409-1 (2016) Operations and suppliers at significant risk for incidents of forced or compulsory labour	Page 48 No operations or suppliers with significant risk of being involved in forced or compulsory labour have been identified.
Information on the fight against corruption and bribery			
Information on the fight against corruption and bribery	Measures adopted to prevent corruption and bribery	3-3 Management of material topics	Pages 48-51
		2-23 Policy commitments	Pages 48-51
		2-26 Mechanisms for seeking advice and raising concerns	Pages 48-51
		205-3 (2016) Confirmed incidents of corruption and actions taken	Pages 49 and 51
	Measures to combat money laundering	3-3 Management of material topics	Page 48 and 49
		2-23 Policy commitments	Pages 48-51
		2-26 Mechanisms for seeking advice and raising concerns	Pages 48-51
		205-2 (2016) Communication and training about anti-corruption policies and procedures	Pages 51, 52 and 66
	Contributions made to foundations and non-profit organisations	201-1 (2016) Direct economic value generated and distributed	Page 67
		413-1 (2016) Operations with local community engagement, impact assessments, and development programmes	Pages 52-55
Company information			
Company's commitments to sustainable development	The impact of the company's activity on local employment and development	3-3 Management of material topics	Pages 21, 39-41 and 51-55
		203-2: (2016) Significant indirect economic impacts	Pages 22-24, 41 and 52-54
		204-1 (2016) Proportion of spending on local suppliers	Page 41
	The impact of the company's activity on local populations and the region.	3-3 Management of material topics	Pages 52-55
		413-1 (2016) Operations with local community engagement, impact assessments, and development programmes	Pages 52-55
	Relationships with members of the local communities and the types of dialogue with them	2-29 Approach to stakeholder engagement	Pages 19 and 20
		2-28 Membership of associations	Pages 27, 53 and 54
Subcontracting and suppliers	Inclusion of social, gender equality and environmental matters in procurement policies	3-3 Management of material topics	Pages 39-41
		3-3 Management of material topics	Pages 39-41
	Consideration of their social and environmental responsibility in relationships with suppliers and subcontractors	2-6 Activities, value chain and other business relationships	Pages 39-41

*2021 unless otherwise specified

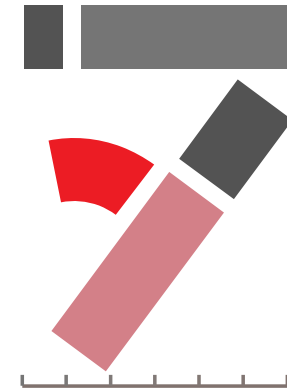
Information requested by Law 11/2018		Related GRI standards*	Page or direct response
		308-1 (2016) New suppliers who have passed the selection process in accordance with environmental criteria	Pages 40 and 41
		414-1 (2016) New suppliers who have passed the selection process in accordance with social criteria	Pages 40 and 41
	Supervision and audit systems, and their results	3-3 Management of material topics	Pages 40 and 41
		2-6 Activities, value chain and other business relationships	Pages 39-41
Consumers	Measures for the health and safety of consumers	3-3 Management of material topics	Pages 48-51
	Systems for claims, complaints received and their resolution	3-3 Management of material topics	Pages 36 y 37
		418-1 (2016) Substantiated complaints concerning breaches of customer privacy and losses of customer data	Pages 49-51
Tax information	Profits obtained country by country	3-3 Management of material topics	Page 67
	Corporation tax paid		
	Information on public subsidies received	201-4 (2016) Financial assistance received from government	In 2022, as a public subsidy, Grupo Catalana Occidente S.A. has only received €200,000 for the Catalana Occidente Actuarial Tool project (€107,000 in 2021 for the same project).
Other material information			
Other information about the Company's profile		2-1 Organisational details	Grupo Catalana Occidente, S.A. Paseo de la Castellana nº4, 28046 (Madrid) Pages 7 and 10
		2-6 Activities, value chain and other business relationships	Pages 7-9, 34, 39 and 40
Information on Corporate Governance		2-9 Governance structure and composition	Pages 10-13, 17, 18 and 42
		2-13 Delegation of responsibility for managing impacts	Pages 17, 18 and 42
Information on the involvement of stakeholders		2-29 Approach to stakeholder engagement	Pages 19 and 20
Other useful information		2-2 Entities included in the organisation's sustainability reporting	Page 5 Also see Appendix I and Appendix II of the Grupo Catalana Occidente Annual Report 2022 (Consolidated financial statements section) and note 2.f) "Consolidation principles" (Consolidated financial statements report section).
		3-1 Process to determine material topics	Pages 18 and 19
		3-2 List of material topics	Pages 19 and 20
		2-4 Restatements of information	No material restatements in the period. Indicated on the document in the event of restatements of information.
		2-3 Reporting period, frequency and contact point	Reporting period: Financial year 2022 Frequency: Annual Publication date: 24 February 2023 Contact point: analistas@catalanaoccidente.com
		1 Foundation	Pages 5 and 68

*2021 unless otherwise specified

Information requested by Law 11/2018		Related GRI standards*	Page or direct response
		2-5 External assurance	Page 83
		206-1 (2016) Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	During 2021 and 2022, no cases have been recorded concerning any legal actions relating to anti-competitive behaviour or infringements regarding anti-trust or monopoly practices.
		402-1 (2016) Minimum notice periods regarding operational changes	The minimum notice periods are established in the different collective agreements of the Organisation's employees. In countries that do not have a collective bargaining agreement, the applicable local laws are applied.
		404-3 (2016) Percentage of employees receiving regular performance and career development reviews	Page 65
		415-1 (2016) Contributions to political parties and/or representatives	As in 2021, no contributions to political parties have been made during 2022.
		417-2 (2016) Cases and non-compliances related to information and labelling of products and services	No cases of non-compliance with regulations or voluntary codes regarding information and labelling of products or services have been recorded in 2021 or 2022.
Information requested by (EU) Regulation 2020/852, on Taxonomy		References use	Page
Asset indicators	Proportion of total assets on the balance sheet accounted for by financial activities considered ineligible or eligible under the Taxonomy.	Regulation (EU) 2020/852, on Taxonomy Delegated Regulation (EU) 2021/2178, of the Commission, supplementing Regulation (EU) 2020/852, on Taxonomy	Page 23
	Proportion of total assets accounted for by central governments, central banks and supranational issuers.		Page 23
	Proportion of total assets accounted for by derivatives.		Page 23
	Proportion of total assets accounted for by companies not obliged to publish non-financial information in accordance with articles 19 bis or 29 bis of Directive 2013/34/EU.		Page 23
Indicators for non-life insurance premiums	Exposure of non-life insurance premiums to economic activities considered ineligible or eligible under the Taxonomy		Page 26
Qualitative information	Qualitative information for the understanding by the markets of the asset and non-life insurance premium indicators.	Delegated Regulation (EU) 2021/2178, of the Commission, supplementing Regulation (EU) 2020/852, on Taxonomy - APPENDIX XI	Page 22, 23 and 26

*2021 unless otherwise specified

External assurance report 2-5



**Grupo Catalana Occidente, S.A.
and subsidiaries**

Independent verification report,
Consolidated Non-Financial Information Statement
31st December 2022



A free translation from the original in Spanish

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent verification report

To the shareholders of Grupo Catalana Occidente, S.A.:

Pursuant to article 49 of the Code of Commerce, we have verified, with the scope of a limited assurance engagement, the accompanying Consolidated Non-Financial Information Statement ("NFIS") for the year ended 31 December 2022 of Grupo Catalana Occidente, S.A. (Parent company) and subsidiaries (hereinafter "Grupo Catalana Occidente") included in the "Sustainability report - Non-Financial Information Statement", which forms part of the Grupo Catalana Occidente's consolidated management report.

The content of the NFIS includes additional information to that required by current mercantile legislation in relation to non-financial information, which has not been covered by our verification work. In this respect, our work was limited solely to verifying the information identified in tables "Appendix III - Non-Financial information Statement (NFIS) content index" and "Appendix II - GRI content index" included in the NFIS.

Responsibility the Board of Directors of the Parent company

The preparation of the NFIS included in Grupo Catalana Occidente's consolidated management report and the content thereof, are the responsibility of the Board of Directors of Grupo Catalana Occidente, S.A. The NFIS has been drawn up in accordance with the provisions of current mercantile legislation and using as a reference the criteria of the *Sustainability Reporting Standards* of the *Global Reporting Initiative* ("GRI Standards") as per the details provided for each matter identified in the tables "Appendix III - Non-Financial Information Statement (NFIS) content index" and "Appendix II - GRI content index" included in the NFIS.

This responsibility also includes the design, implementation and maintenance of the internal control considered necessary to allow the NFIS to be free of material misstatement due to fraud or error.

The Board of Directors of Grupo Catalana Occidente, S.A. are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the NFIS is obtained.

Our independence and quality management

We have complied with the independence requirements and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code") which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies current international quality standards and maintains, consequently, a quality system that includes policies and procedures related to compliance with ethical requirements, professional standards and applicable legal and regulatory provisions.

The engagement team consisted of professionals specialising in Non-financial Information reviews, specifically in information on economic, social and environmental performance.

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Our responsibility

Our responsibility is to express our conclusions in a limited assurance independent report based on the work we have performed. We carried out our work in accordance with the requirements laid down in the current International Standard on Assurance Engagements 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and in the Guidelines for verification engagements of the Non-Financial Information Statement issued by the Spanish Institute of Auditors (“Instituto de Censores Jurados de Cuentas de España”).

In a limited assurance engagement, the procedures performed vary in nature and timing of execution, and are less extensive, than those carried out in a reasonable assurance engagement and accordingly, the assurance provided is also lower.

Our work consisted of posing questions to management as well as to the various units of Grupo Catalana Occidente that were involved in the preparation of the NFIS, of the review of the processes for compiling and validating the information presented in the NFIS, and in the application of certain analytical procedures and review procedures on a sample basis, as described below:

- Meetings with the Grupo Catalana Occidente personnel to understand the business model, policies and management approaches applied, principal risks relating to these matters and to obtain the information required for the external review.
- Analysis of the scope, relevance and integrity of the content of the NFIS for the year 2022, based on the materiality analysis carried out by Grupo Catalana Occidente and described in section “Materiality and relationship with stakeholders”, taking into account the content required by current mercantile legislation.
- Analysis of the procedures used to compile and validate the information presented in the NFIS for the year 2022.
- Review of information relating to risks, policies and management approaches applied in relation to material matters presented in the NFIS for the year 2022.
- Verification, by means of sample testing, of the information relating to the content of the NFIS for the year 2022 and that it was adequately compiled using data provided by the sources of the information.
- Obtaining a management representation letter from the Directors and management of the Parent company.



Conclusion

Based on the procedures performed in our verification and the evidence obtained, nothing has come to our attention that causes us to believe that the NFIS of Grupo Catalana Occidente, for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the provisions of current mercantile legislation and using as a reference the criteria of GRI as per the details provided for each matter in the tables "Appendix III - Non-Financial Information Statement (NFIS) content index" and "Appendix II - GRI content index" included of the aforementioned NFIS.

Emphasis of matter

The Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 relating to the establishment of a framework to facilitate sustainable investments establishes the obligation to disclose information on the manner and extent to which the company's investments are associated with eligible economic activities according to the Taxonomy. For such purposes, Grupo Catalana Occidente's Board of Directors have incorporated information on the criteria that, in their opinion, best allow compliance with the aforementioned obligation and that are defined in note "Responsible investment - Eligibility of the asset according to the EU Taxonomy" and "Responsible products - Eligibility of premiums according to the EU Taxonomy" included in the NFIS. Our conclusion has not been modified in relation to this matter.

Use and distribution

This report has been drawn up in response to the requirement established in current Spanish mercantile legislation and therefore may not be suitable for other purposes and jurisdictions.

PricewaterhouseCoopers Auditores, S.L.

PRICEWATERHOUSECOOPERS AUDITORES, S.L.

Original in Spanish signed by
Margarita de Rosselló

24 February 2023

Letter from the Chairman
About this report

01 Grupo Catalana Occidente
02 Sustainable business

03 Our commitments
04 Appendix I – Additional information

05 Appendix II – GRI content index
06 Appendix III – NFIS content index

07 External assurance report

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