

Corporate Responsibility Report
Grupo Catalana Occidente, S.A.

2019



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Introduction 102-14

For the third year running, we are presenting the Grupo Catalana Occidente Corporate Responsibility Report which is designed to share the most important information about our financial, social and environmental performance in 2019. This document has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, using the core option. The information that appears in this report is that for Grupo Catalana Occidente and the companies that comprise it, companies that are leaders in the Spanish insurance sector and the international credit insurance sector.

Our business, insurance, has a clear intrinsic social value since it improves the wellbeing of society by protecting individuals and companies from the risks involved in their lives and activity.

Throughout our hundred-year history we have demonstrated our ability to adapt to the most varied historical, political and social circumstances. You could say that we have always known how to be sustainable over time without moving away from our true nature as an insurance company and with the desire to provide good customer service in all the stages that we have experienced. For decades, Grupo Catalana Occidente has designed its business strategy to include the principles of corporate responsibility, focussed mainly on ethical management which covers our entire value chain.

Today we are living in a world without borders, operating in a global economy and sharing space with public and private institutions that, along with the rest of society, show clear concern about the sustainability of our planet. As a result, we promote initiatives designed to contribute to achieving those Sustainable Development Goals (SDG) that we can influence as a company. We have done this on a voluntary basis and also through supporting the work being carried out by UNESPA and Finresp (Spain's Centre of Sustainable and Responsible Finance).

In 2019 we have renewed our commitment to the principles of the United Nations Global Compact and we have signed up to new initiatives such as the EWI network which aims to promote the presence of women in the management of insurance companies. I would also like to announce that in 2020 Grupo Catalana Occidente has signed up to the United Nations Principles for Sustainable Insurance (PSI) and Principles for Responsible Investment (PRI) and these will be discussed and reported on in next year's Report, reinforcing our commitment to sustainability and transparency.

During 2019 we have continued to make progress in the creation of the internal model for reporting non-financial information, looking in more depth at the standardisation of concepts across the different companies comprising the Group and the traceability of data.

For its part, the Fundación Jesús Serra continues to show strong and sustained growth in its action areas of research, company and education, social action, sport and promotion of the arts.

I encourage you to read this Corporate Responsibility Report which shares our position as a Group in a simple and transparent manner. Lastly, I would like to take this opportunity to express my gratitude for the hard work of our employees and associates over the year, the support received from our shareholders and the trust our customers have shown in us.

José M.^a Serra
Chairman



Corporate Responsibility Report Grupo Catalana Occidente, S.A. 2019

102-1, 102-5

About this Report

102-50,102-52, 102-54

This report has been prepared in accordance with the GRI Standards in its Core option. In line with these principles, this document presents the issues that reflect the significant economic, environmental and social impacts of Grupo Catalana Occidente during the year 2019, from 1 January to 31 December 2019.

The information it contains may be supplemented with that found on www.grupocatalanaoccidente.com.

Scope of information

102-10, 102-45, 102-48, 102-49

The scope of the information within this Report corresponds to Grupo Catalana Occidente and the companies that comprise it.

The financial information it includes comes from the consolidated annual accounts from the year ending 31 December 2019.

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.

01

Grupo Catalana Occidente

1.1 Introduction

102-1, 102-6

Grupo Catalana Occidente is one of the leaders of the Spanish insurance sector and the credit insurance sector worldwide. Over its more than 150 years 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 4 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.

Group brands

102-2

Seguros Catalana Occidente



Plus Ultra Seguros



Seguros Bilbao



NorteHispana Seguros



Atradius



Atradius Reinsurance



Crédito y Caución



2019 in numbers

102-4, 102-6, 102-7, 102-8, 201-1

7,668
employees*

17,327
brokers

1,612
branches

4 million
customers

Turnover

€4,547.7 m +4.7%

Consolidated earnings

€424.5 m +9.9%

Traditional business recurring profit**

€212.1 +8.4%



Credit insurance business recurring profit

€238.2 m +18.6%

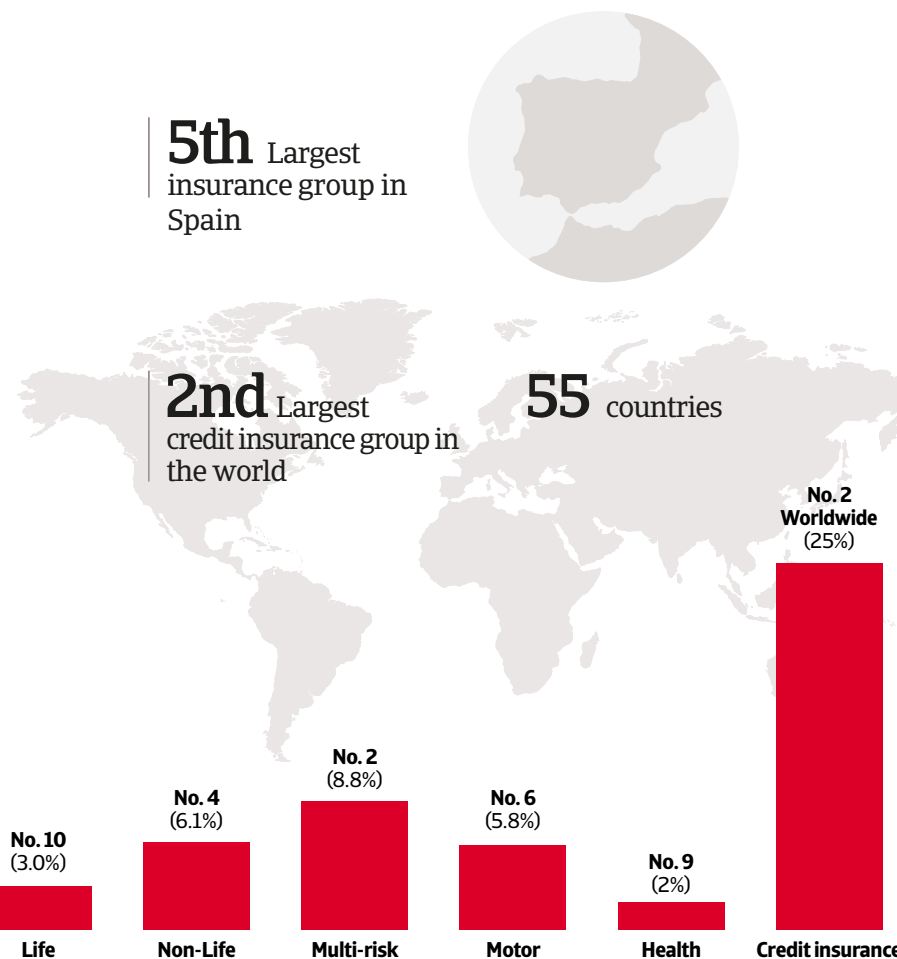


Shareholder payout

€105.9 m +7.3%

* Work contracts in force at 31/12/2019

** In the traditional business



1.2 Business model

102-2, 102-7, 102-9, 201-1

The purpose of the group is based on leadership in the long-term protection and welfare of families and businesses in Spain, through its traditional business, and on the coverage of commercial credit risks at an international level, through the credit insurance business.

Traditional business

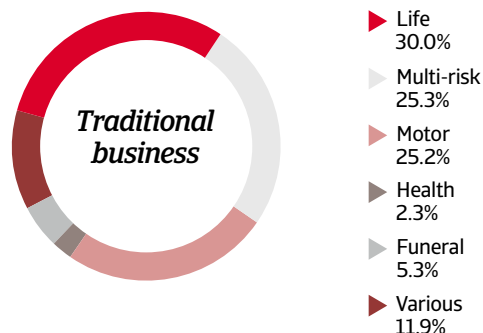
The traditional business provides families and small and medium-sized businesses with a wide range of insurance products to cover any need, at any stage of life. It is covered through the companies Seguros Catalana Occidente, Plus Ultra Seguros, Seguros Bilbao and NorteHispana Seguros, who serve their customers through a network of professional brokers and more than 1,600 offices.

The lines included in the traditional business are as follows:

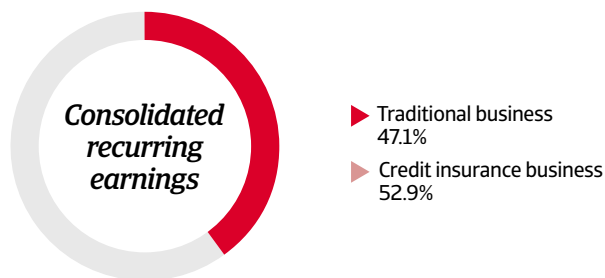
Multi-risk	Motor
Family-home, businesses, communities, offices and SMEs.	Products and services related to automobiles or transport fleets.
Various	Life
Industrial products, engineering, accidents and civil liability.	Products in life insurance, endowment, pension plans and investment funds, as well as funeral and health expenses.

The turnover of the traditional business stood at €2,612.4 million and it accounts for 57.4% of the group's total. It is distributed as indicated below:

Distribution of premiums billed



Distribution by consolidated earnings



Credit insurance business

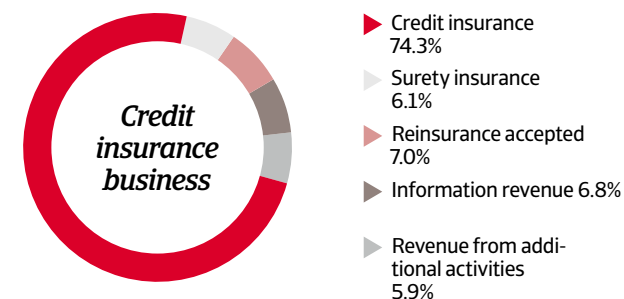
In terms of credit insurance, the company Atradius Crédito y Caución, a member of Grupo Catalana Occidente, offers products and services that contribute to the growth of companies throughout the world, protecting them from the risks of non-payment inherent in the sale of products and services with deferred

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.

Its business lines are:

Credit insurance	Surety insurance	Reinsurance
Protects against financial losses resulting from the inability of a buyer to pay for goods purchased on credit.	Protects the beneficiary if the supplier fails to meet its contractual obligations.	Wide range of reinsurance solutions for the main insurers in the world.

Distribution of premiums obtained in credit insurance



The credit insurance turnover for 2019 represents 42.6% of the total for the Group, standing at €1,935.3 million.

01 Grupo Catalana Occidente
02 Corporate responsibility

03 Commitment to our stakeholders
04 Our environment

Strategy

102-14, 103-1. 103-2. 103-3

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

Strategic pillars	2019 Achievements	2020 Guidelines
Growth Definition of the Group's target markets, development of appropriate products and services and establishment of appropriate distribution channels to reach the customer.	<ul style="list-style-type: none"> 4.7% increase in turnover, reaching €4,547.7 million. Acquisition and integration of Antares, gaining market share in the health insurance area. The insurance offer has been increased and reinforced in different business areas, for example, with innovative cyber-risk products and incorporating new guarantees in home insurance policies. 	<ul style="list-style-type: none"> Development and efficiency of the distribution networks: plan to expand the agencies and increase the number of strategic brokers. Adapting of the offer to new market trends, including a review of the products relating to health and funeral expenses. Prioritising of the customer concept in management and a focus on their satisfaction.
Profitability Recurring and sustained profitability through technical-actuarial rigour, diversification of investments and processes that allow for low cost ratios and a high quality service.	<ul style="list-style-type: none"> 9.9% increase in consolidated profit, reaching €424.5 million. Technical profit grew by 15.2% to stand at €538.2 million thanks to the application of sound underwriting principles and a continued improvement in efficiency. Excellent combined ratio: <ul style="list-style-type: none"> -90.4% in the traditional business (non-life). -73.4% in the credit insurance business. The Group has remained active in terms of diversification and the search for profitability, making various investments in properties. 	<ul style="list-style-type: none"> Increase in technical and financial earnings greater than the increase in turnover. Advances in the simplicity of products, processes and systems. Evolution of the Contact Centre in which new technology will be implemented and the sales management will be reviewed.
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.	<ul style="list-style-type: none"> The estimated solvency ratio at the close of 2019 is 213%. AM Best has maintained the rating of the main operational companies, both traditional insurance and credit insurance, at A excellent with a stable outlook for the credit insurance companies. 	<ul style="list-style-type: none"> Development of new ways in which to interact with customers through the introduction of electronic policies, mobile self-service and e-Customers. Development of talent and management of productivity at the human resources level. Maintenance of financial strength, the ability to manage risk and control systems.

Innovation

103-1, 103-2, 103-3, 203-2

Grupo Catalana Occidente focusses its transformation plan on three different areas: culture, the offer and the customer.

The Group considers that a culture that embraces change and at the same time encourages and motivates its employees to innovate is the fundamental pillar to be able to adapt the offer of products and services to the needs of all types of customer. As a result, since 2016 we have been implementing different initiatives aimed at achieving this objective.

In 2019 we have strengthened innovation with a 41% year-on-year increase in investment in R&D+innovation, to stand at €66.6 million. Through the Group we have been driving various projects aimed at improving the customer experience, process optimisation and risk minimisation thanks to the processing of big data.

In recent months we have worked on the construction of a brand that identifies the main innovation trends and on the basis of which the 2020-2023 plan has been defined.

In 2019 we established a plan for cooperation with universities in order to develop courses linked to the business needs. This project involves such prestigious institutions as Universitat Pompeu Fabra, Universitat de Barcelona and Universidad de Deusto, in topics as diverse as life insurance, third and fourth age, general-risk insurance, cyber-security of individuals and mobility.

Xplora Crowdfunding platform for innovation among the Grupo Catalana Occidente employees.

Aggregate results since the start of the project:



1,661 users

More than
300 ideas

18 challenges

100 ideas
supported

3 in project phase

1 in implementation
phase

Progress with Xplora

One of the key initiatives in this pathway to cultural transformation is an intra-entrepreneurship programme known as Xplora, launched in 2017. This programme brings together training and a platform designed so that the employees can propose ideas that allow Grupo Catalana Occidente to improve its products and services.

The platform acts as a *crowdfunding* tool, in which employees can suggest ideas that are then validated by their peers in the form of virtual coins. If their ideas reach a minimum level of investment, they are then evaluated by the Innovation Committee, which analyses how they could be implemented and attempts to launch a pilot test.

The core of the strategy: the customer

For Grupo Catalana Occidente, the customer is at the very core of its strategy, being the driving force behind all innovation processes. During 2019 progress has been made with the CX project, defining a new segmentation based on the mathematical model of family units. In the next financial year the focus will be on giving customers the ability to manage their affairs in an autonomous, immediate and digital manner through an omni-channel approach.

As a result, the project for the transformation of the Contact Centre has been consolidated in 2019 with the aim of responding to the new communication needs of our customers.

Ongoing improvement in operations: cyber-security, big data and technology

During 2019, the cyber-security strategy has been reinforced to create a solid layer of protection for the Group's information, guarantee the control and security of its internal networks and minimise its exposure.

Similarly, progress continues to be made on the unification of platforms, a project that allows all of the Group's companies in the traditional business to have a shared technological framework in order to improve the efficiency of processes and exploit technological synergies.

For its part, Atradius makes effective use of business, managing an exposure of €650,000 million and underwriting more than 4.1 million credit limits. With the new data mining, machine learning and neural network technologies, it is constantly improving the process for underwriting risks with solutions for its customers.

1.3 Corporate Governance

In 2019, the Group continued its model of corporate governance aligned with international best practices, with a commitment to transparency, rigour and accountability.

Corporate governance model

102-18, 103-1, 103-2, 103-3

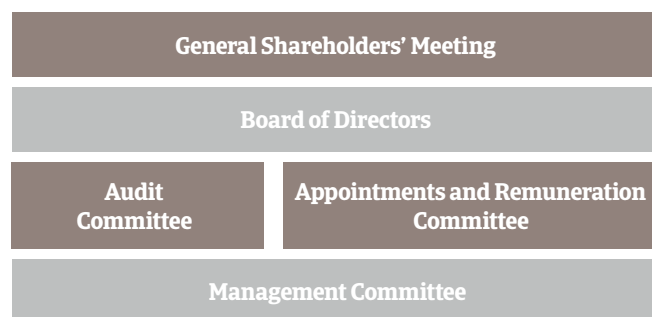
The Grupo Catalana Occidente governing bodies are intended to provide appropriate management structures and measures of control in order to protect the interests of shareholders, monitor the implementation of the strategy and ensure the creation of value and the efficient use of resources in a transparent framework of information.

The Group applies the recommendations of the Code of Good Governance of the National Securities Market Commission (CNMV) for listed companies as well as advanced practices in corporate governance.

Shareholding structure

The main shareholder of Grupo Catalana Occidente is INOC, S.A., which controls approximately 61.42% of the share capital. The Group has treasury stock of 2,095,017 securities, representing 1.75% of own shares, through Sociedad Gestión Catalana Occidente, S.A. (Sogesco). 33.91% is free-float and roughly half of this amount is in the hands of institutional investors.

Governing bodies



General Shareholders' Meeting

The General Meeting is the representative body of the shareholders who make up the share capital of the Group. Its functioning and activities are governed by the articles of association and the Regulations of the General Shareholders' Meeting which can be found on the corporate website.

Board of Directors

405-1

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

- Strategic responsibility, consisting of guiding the Group's policies.
- Oversight responsibility, to control management.
- Communication responsibility, to serve as a link to shareholders.

The way it operates and acts is governed by the company's articles of association and the Regulations of the Board of Directors, both of which are available on the Grupo Catalana Occidente corporate website.

At the end of 2019, the Board of Directors is comprised of 16 directors of whom 10 are nominees, 2 are independent and 4 are executive. The representation of women is 6%.

Name or business name of director (representative)	Position	Category	First appointed	Committees to which they belong
José María Serra Farré	Chairman	Executive	1975	
GESTIÓN DE ACTIVOS Y VALORES, S.L. (Javier Juncadella Salisachs)	Vice-Chairman	Nominee	2017	Member of the Appointments and Remuneration Committee
José Ignacio Álvarez Juste	Chief Executive Officer	Executive	2012	
Francisco José Arregui Laborda	Secretary director	Executive	1998	
Federico Halpern Blasco	Director	Nominee	1993	
Francisco Javier Pérez Farguell	Director	Independent	2015	Chairman of the Appointments and Remuneration Committee Member of the Audit Committee
Juan Ignacio Guerrero Gilabert	Director	Independent	2011	Chairman of the Audit Committee Member of the Appointments and Remuneration Committee
María Assumpta Soler Serra	Director	Nominee	2009	
Hugo Serra Calderón	Director	Executive	2013	
Jorge Enrich Izard	Director	Nominee	1993	
JUSAL, S.L. (José María Juncadella Sala)	Director	Nominee	2010	
COTYP, S.L. (Alberto Thiebaut Estrada)	Director	Nominee	2012	
VILLASA, S.L. (Fernando Villavecchia Obregón)	Director	Nominee	1997	
Enrique Giró Godó	Director	Nominee	2007	
ENSIVEST BROS 2014, S.L. (Jorge Enrich Serra)	Director	Nominee	2015	
LACANUDA CONSELL, S.L. (Carlos Federico Halpern Serra)	Director	Nominee	2010	Member of the Audit Committee

Delegate Committees

The Board of Directors has two delegate committees: the Audit Committee and the Appointments and Remuneration Committee.

Audit Committee

Aside from the responsibilities assigned previously and contained in the Regulations of the Board of Directors, from the year 2016 and in relation to the Corporate Responsibility Policy, the Group has attributed to the Audit Committee responsibility for monitoring the corporate responsibility strategy and practices and assessing its level of compliance. The Audit Committee has met 11 times during the 2019 financial year.

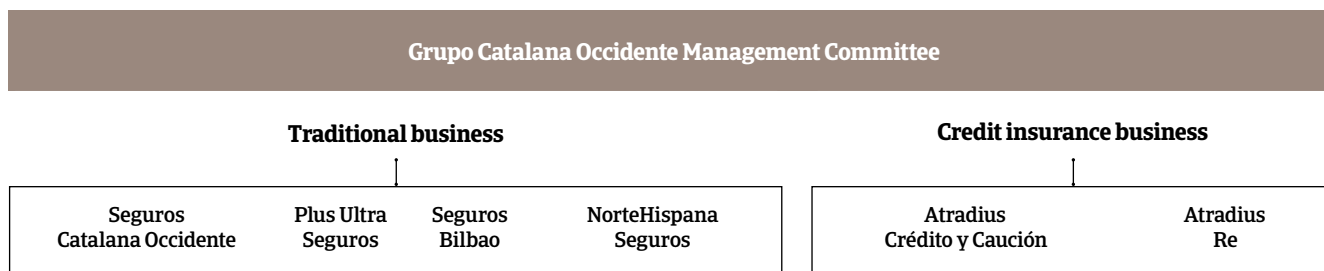
Appointments and Remuneration Committee

The Appointments and Remuneration Committee ensures, among other things, that the candidate selection process does not suffer from implicit bias that hinders the selection of female directors, raising proposals or informing the Board of Directors, where appropriate, with complete objectivity and respect for the principle of equality between men and women, as regards their professional conditions, experience and knowledge.

The information about the remuneration of the members of the Board of Directors can be found in the Annual Report on Remuneration provided to the CNMV which is subject to an advisory vote at the General Shareholders' Meeting and which is available on [the Group's corporate website](#).

Evaluation of the Board and Committees

Following the good governance recommendations of the CNMV to carry out an external evaluation every three years, during the 2018 financial year this work was carried out by KPMG in its role as an independent expert on the functioning of the Board



of Directors, the delegate Committees and the performance of the Chairman. The result was positive, highlighting the appropriateness of the procedures and the operation of these bodies. During 2019 this evaluation was carried out internally through a self-evaluation by the members of those bodies.

More information on corporate governance is available in the 2019 Annual Report (p. 40-43).

Management Committee

Grupo Catalana Occidente has a corporate Management Committee that governs and coordinates the day-to-day management of the Group. In addition, the main insurance companies that are part of the Group have their own Management Committees.

The Group's corporate governance not only encompasses the Board of Directors and other governing bodies, but also extends to all aspects of the organisation and management teams. To ensure that positions are filled by the correct people, the Group has a Remuneration Policy and Policy on Fitness and Good Repute.

Ethical Framework

102-16, 103-1, 103-2, 103-3

The Catalana Occidente Group has a code of ethics that encourages responsible and transparent management, considers people to be its greatest asset, and puts the customer at the centre of its activity.

The Group's Code of Ethics, approved by the Board of Directors, is the document that establishes the guidelines that must govern the ethical behaviour of directors, employees, brokers and associates of Grupo Catalana Occidente in their daily work, with regard to their relationships and interactions with all stakeholders.

The Code incorporates the operating principles of the Group and is available on the corporate website www.grupocatalanaoccidente.com

General Principles

- Integrity and honesty
- Impartiality
- Transparency and confidentiality
- Professionalism
- Corporate social responsibility

Atradius Crédito y Caución, due to the unique nature of its structure and its business, has its own Code of Conduct that is in keeping with the guidelines defined in the Group's Code of Ethics.

In 2019, Grupo Catalana Occidente has continued to disseminate its code of ethics among all employees and it must be read and accepted by everyone working in its companies.

To ensure full employee awareness on this issue, during 2019 the Group has offered the Criminal Responsibility of Legal Entities course to 1,686 employees.

Whistleblower channel 419-1

Employees have a whistleblower channel accessible from the intranet of each company in the Group. Atradius Crédito y Caución has its own whistleblower channel.

Complaints regarding violations of the Code of Ethics are governed by the relevant provisions of the operating procedure relating to irregularities and fraud (whistleblower channel). Once a report has been received, a first analysis of its reasonableness is performed by the Internal Audit team which will in turn send the case to the Human Resources team where appropriate and if it involves employees.

The main principles contained in the Group's Code of Ethics are those of integrity and honesty, which implies that it will avoid any form of corruption, implementing the necessary measures to combat it.

In 2019 only one substantiated complaint was recorded across the entire Group in relation to ethical issues or the violation of human rights and this is currently being resolved through the courts.

Compliance and prevention

103-1, 103-2, 103-3, 205-2, 205-3

Operating in a highly regulated sectors means that there is an essential role for the verification of compliance, which ensures that we are fulfilling the obligations that affect the Group's organisation. This includes both the mandatory regulations and those that are adopted on a voluntary basis, including the legal, regulatory and administrative provisions that affect the Group, as well as its own internal regulations.

Atradius Crédito y Caución has its own structure which includes both the function 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

The Group has a Manual on Prevention of money laundering and terrorist financing, as well as control processes that integrate the computer procedures for the purchase of products that could be used for money laundering. It is applicable to all employees and brokers of the companies in Grupo Catalana Occidente covered by this regulation and based in Spanish territory. The latest version of that document was approved in January 2019.

The measures implemented by the Group are subject to annual analysis by an external expert who prepares a report and rules whether the Group has a satisfactory prevention of money laundering system. The Board of Directors examines this report together with proposals for possible improvements. Similarly, the Group has continued to run training activities on this issue. Each year, all of the Group's companies subject to Law 10/2010 produce a Training Plan and are subject to external independent examination.

They must disclose the results of that examination in an annual report. During 2019, the Group has given the Prevention of Money Laundering and Terrorist Financing course to 2,554 employees.

Fight against fraud and corruption 205-3, 419-1

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 unjust enrichment.

Any employee in Spain can bring to the attention of the internal audit department behaviours that could be tantamount to criminal acts through the whistleblower channel.

During 2019, Corporate Internal Audit has been notified of 51 cases of breaches, irregularities and fraud, 29% fewer than in the previous year.

The distribution of complaints by type was as follows:

Insurance purchase fraud	26
Claims fraud	4
Improper appropriation	8
Other	13

The 51 have been resolved and represented a 29% reduction in cases compared to 2018.

During 2019 the Group has not recorded any corruption-related public legal cases.

Internal supervision

The system is based on a solid culture of supervision, where the fundamental principles are clearly defined and communicated at all levels of the organisation. The internal control system

is subject to an independent supervision process that ensures that it works properly over time. The comprehensive supervision of the system is carried out by internal audit.

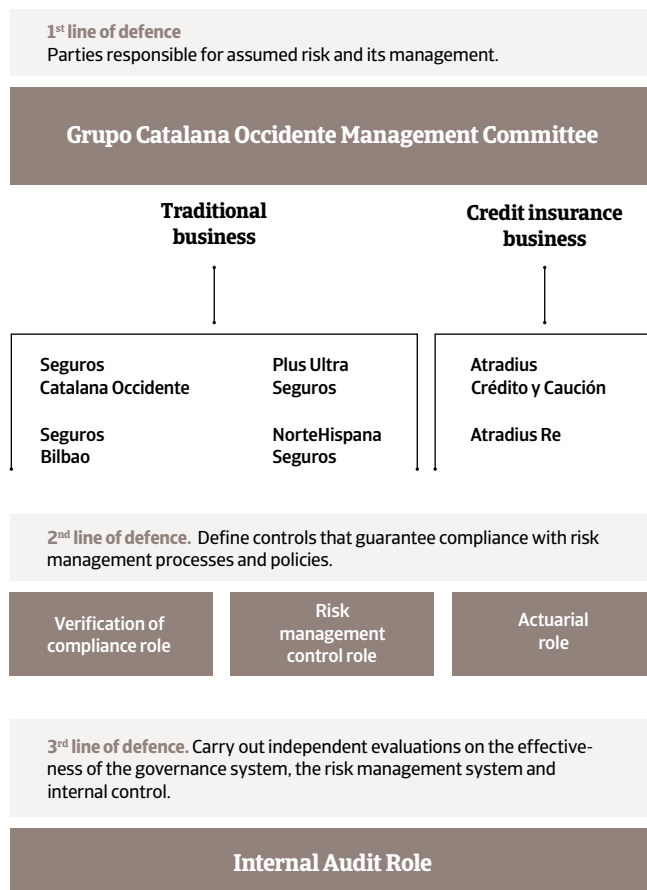
Within the supervisory environment, the Group emphasises controls on financial and property investments. Each month there is supervision of the concentration and spread of fixed income and equity, average rating of the portfolio, exposures by rating (their changes and the reasons for these), evolution of asset optionality according to interest rates and control of underlying assets.

Additionally, in 2019, progress has continued in improving the quality of the risk map. In total, the Group has more than 5,000 internal controls.

Risk Management Model

103-1, 103-2, 103-3, 102-11

The risk management strategy and policies of Grupo Catalana Occidente fall under the responsibility of its Board of Directors.



Risk Management System

The governance of the Grupo Catalana Occidente risk management system is implemented following the “three lines of defence” principle, as shown in the previous image:

Through the application of this principle, the Group’s own organisational structure carries out a clear allocation and segregation of responsibilities with regard to risk management.

A similar governance structure is repeated within each of the Group’s companies, ensuring that decisions relating to risk are taken in a controlled manner and that their management is present throughout the organisation.

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, tolerance and limits approved by the Board of Directors.

Risk management policies

A structure of risk management policies has been established to ensure supervision through the measurement, monitoring and information of these.

For more information on risk management, see p.46-47 of the Annual Report 2019.

Transparency

103-1, 103-2, 103-3

In order to be accountable to its stakeholders, Grupo Catalana Occidente makes available both financial and non-financial information through various documents available on [the corporate website www.grupocatalanaoccidente.com](http://www.grupocatalanaoccidente.com). In addition, the information relating to Corporate Governance is provided each year to the National Securities Market Commission (CNMV) and is available on that regulator's website.

The non-financial information is mostly disclosed in the Corporate Responsibility Report.

Annual Report

Each year Grupo Catalana Occidente publishes its annual report, prepared in accordance with the framework of information of the International Integrated Reporting Council (IIRC) and based on the International Financial Reporting Standards (IFRS).

The report contains the consolidated annual accounts, the corporate governance report and the management report, which for the second year includes the non-financial information report in compliance with Law 11/2018.

Quarterly earnings report

Within the quarterly earnings reports there is an annex with information on corporate responsibility and the activity of the Fundación Jesús Serra.

Fiscal Transparency

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 2020.

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 about the tax-related strategies deployed during the financial year and the degree of compliance with 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.

02

Corporate responsibility in Grupo Catalana Occidente

For Grupo Catalana Occidente, corporate responsibility is the voluntary commitment to integrate into its strategy responsible management with regards to economic, social and environment factors, promote ethical behaviour towards its stakeholders, rigorously apply the principles of good governance, and contribute to the wellbeing of society through the creation of sustainable social value.

Social value is the result of not only focusing the Group's activity on obtaining good financial results, but also promoting the wellbeing of the stakeholders that are part of it and to which the Group's entities must be answerable. This value becomes sustainable when it is integrated not only in the short term, but also in the medium and long term.

The companies in Grupo Catalana Occidente contribute to improving social and economic conditions in the regions in which they operate. The very nature of insurance implies the concept of social responsibility, because it is about accompanying customers at every moment of their professional and personal lives, anticipating risks to protect them.

Corporate responsibility policy

102-16

In February 2018 the Board of Directors approved the Grupo Catalana Occidente Corporate Responsibility Policy. Its essential principles are the same as those set out in the Code of Ethics. Through this policy, the Group wants to contribute to the following objectives:

- Carry out its activities and those of the companies that make up the Group following the principles of responsibility, ethics, transparency and commitment.
- Maximise the creation of sustainable social value for its stakeholders across three dimensions of corporate responsibility: economic, social and environmental.
- Prevent, minimise and mitigate potential negative impacts in social and environmental matters arising from its activities.

In addition, it defines the stakeholders and outlines specific commitments in relation to them.

The Grupo Catalana Occidente, S.A. Board of Directors is responsible for establishing and guiding the corporate social responsibility strategy, which acts in a cross-cutting manner and involves all business areas. There is a Corporate Responsibility Committee that is linked to the Management Committee through the managing director reporting to the Chairman. This Committee is made up of the heads of the different areas that represent the stakeholders.

The function sits within the department for relationships with analysts, investors, rating agencies and corporate responsibility, which in turn reports to the Finance Department.

Atradius Crédito y Caución, in addition to integrating the Group's policy, has also published on its website its own declaration of corporate responsibility outlining its commitments to society.

Since its creation, the Corporate Responsibility Committee has met seven times and, among other matters, it has defined materiality and the Corporate Responsibility Master Plan 2019-2021.

External initiatives

102-12, 102-13

Externally, Grupo Catalana Occidente continues 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.

In addition, through its current activity and social action, it also supports the Sustainable Development Goals (SDGs) promoting aspects such as economic growth and progress, equal opportunities, quality learning, energy efficiency and care of health and wellbeing through the prevention of and protection from risks. It also contributes to creating sustainable communities where the companies operate through responsible production and consumption and the creation of wealth and employment, which helps to reduce inequalities and promotes peace, justice and strong institutions.

In 2020, it has signed up to the United Nations Principles for Sustainable Insurance (PSI) and Principles for Responsible Investment (PRI), which will be implemented in the Group and discussed in next year's Report. This is the way in which Grupo Catalana Occidente implements its commitment to anticipate risks to prevent the impact they could have on society and its responsibility as a financial investor.

In Spain, moreover, the Group's companies are involved in the main sector associations (ICEA and UNESPA), which have corporate responsibility programmes. Finresp (Spanish Centre for Responsible and Sustainable Finance), which brings together the banking and insurance sectors, was also launched in 2019. The Group has also joined the Ewi Network, which aims

to promote the presence of women in the management of insurance companies.

Signing up to the PSI and PRI

Grupo Catalana Occidente has signed up to the Principles for Sustainable Insurance (PSI) produced by the United Nations Environment Programme - Finance Initiative (UNEP FI), which create a frame of reference for the insurance sector in relation to addressing social, environmental and governance risks and opportunities.

- Integrate environmental, social and governance issues (ESG issues) relating to insurance activity into the decision-making process.
- Collaborate in raising awareness about environmental, social and governance issues, manage risk and develop solutions.
- Collaborate with key stakeholders to promote broad action across society on environmental, social and governance issues.
- Be accountable and show transparency by publicly and periodically disclosing progress in the application of the Principles.

In addition, the Group is aware that the exercising of its corporate responsibility can contribute to an integrated and stable global economy that helps protect the world's assets. For this reason, from the perspective of its role as an investor, it has decided to sign up to the Principles for Responsible Investment (PRI) agreed by the UN in 2005

- Incorporate Environmental, Social and Corporate Governance (ESG) issues in investment analysis and decision-making processes.
- Act as active owners by incorporating ESG issues into its investment policies.
- Publish the appropriate information on ESG issues.
- Promote the acceptance and application of the Principles of socially responsible investment within the investment industry.
- Work with other member companies to improve the effectiveness of the application of the Principles.
- Report on progress made in applying the Principles.

2.1 Materiality

102-43, 102-46, 102-47, 102-49

In order to identify the key issues for Grupo Catalana Occidente and its stakeholders, a materiality analysis was performed for the first time in 2017.

The issues relevant to the Group were identified through the analysis of different leading sources of information for the sector.

Once these relevant issues had been identified, there was an internal assessment through interviews with executives and members of the Group's Management Committee and there was also an external assessment through criteria and aspects evaluated in the Dow Jones Sustainability Index questionnaire and the analysis of the maturity of the aspects in eight companies in the sector. In the final phase, the Corporate Responsibility Committee validated the results of the analysis performed, reaching a consensus on 10 material aspects, which were subsequently submitted to and approved by the Grupo Catalana Occidente Management Committee.

A review of the material issues is planned for 2020, paying particular attention to the environmental factor.

Determination of content

102-44, 102-46, 102-47

The definition of the Group's materiality integrates the critical issues and matters of high importance. From this, each of their related GRI standards are identified and the contents to disclose are defined, along with the Sustainable Development Goals associated with each of them.

(See Materiality - GRI - SDG Table on page 41)

Material issues	GRI standards	Coverage*				Related SDG
		Source		Implication**		
		Internal	External	Direct	Indirect	
Economic, profitability and solvency performance	GRI 201: Economic performance 2016	●	●	●	●	SDG 8 Decent work and economic growth
Risk management and regulatory compliance	GRI 102: General disclosures 2016 GRI 307: Environmental compliance 2016 GRI 419: Socio-economic compliance 2016	●	●	●	●	SDG 16 Peace, justice and strong institutions
Corporate Governance	GRI 102: General disclosures 2016	●		●		SDG 16 Peace, justice and strong institutions
Ethics, integrity and transparency	GRI 102: General disclosures 2016 GRI 205: Anti-corruption 2016 GRI 206: Anti-competitive behaviour 2016	●	●	●	●	SDG 8 Decent work and economic growth SDG 12 Responsible production and consumption SDG 16 Peace, justice and strong institutions
Customer experience	N/A	●	●	●		SDG 3 Good health and well being SDG 12 Responsible production and consumption
Data Protection. Cybersecurity	GRI 418: Customer privacy 2016	●	●	●		N/A
Innovation	N/A	●	●	●	●	SDG 9 Industry, innovation and infrastructure
Quality employment	GRI 401: Employment 2016 GRI 402: Labour/Management relations 2016 GRI 405: Diversity and equal opportunities 2016 GRI 406: Non-discrimination 2016 GRI 407: Freedom of association and collective bargaining 2016	●		●		SDG 5 Gender equality SDG 8 Decent work and economic growth SDG 10 Reduced inequalities
Professional development	GRI 404: Training and education 2016	●		●		SDG 16 Peace, justice and strong institutions
Commitment to society	GRI 203: Indirect economic impacts 2016 GRI 413: Local communities 2016	●	●	●	●	SDG 16 Peace, justice and strong institutions

* Coverage: Indicates whether the impact is internal, external or both

** Implication: Indicates the involvement of the organisation in terms of the impact.

Direct: The organisation is directly linked to the impact

Indirect: The organisation is linked to the impact through its business relations

N/A: not applicable

2.2 Sustainable development goals

The approval of the Sustainable Development Goals (SDGs) and the 2030 Agenda in 2015 implies the commitment not only of governments, but also of civil society, educational institutions and companies, to contribute to their achievement.

The business of the Grupo Catalana Occidente companies and the projects of the Fundación Jesús Serra intrinsically impact on the SDGs due to the very nature of their core activities. These organisations are promoting new initiatives that are implemented through actions, programmes and published information. In 2020, there are plans to make progress in defining the priority goals, as well as in the alignment of the SDGs with the social action initiatives run by the Foundation, including the measurement of impacts in both cases.

In terms of reporting, a table showing the correlation between the GRI content, the material issues and the SDGs was included in the 2018 Corporate Responsibility Report and this has been replicated in the 2019 Report, supplementing the information in this chapter with the inclusion of the goals.

* GCO: Grupo Catalana Occidente
FJS: Fundación Jesús Serra



SDG and goals	Company	Best practices
1. No poverty		
1.2. Reduce at least by half the proportion of people living in poverty according to national definitions	FJS	Day centre project in Almería with Aldeas infantiles for at-risk minors. Project with FESBAL food bank and Tenerife food bank. Charity Euro project.
3. Health and well-being		
3.1. Reduce the maternal mortality rate	FJS	Project to improve maternal and child health in the town of Meki, Ethiopia, in collaboration with the Pablo Horstmann Foundation.
3.2. End preventable deaths of newborns and children under 5 years of age	FJS	"Be a mother, be a woman" project in Senegal aimed at training healthcare workers and preventing complications that lead to high maternal and neonatal mortality.
3.7. Ensure universal access to sexual and reproductive health-care services	FJS	Simao Mendes Hospital Project in Guinea-Bissau to reduce infant mortality and improve medical training, in collaboration with Doctors without Borders.
3b. Support the research and development of vaccines and medicines	FJS	Fundación Jesús Serra Research Awards in food and nutrition, with an impact on health.
4. Quality education		
4.1. Ensure that all girls and boys complete free and equitable primary and secondary education.	FJS	Project for the construction and refurbishment of schools in disadvantaged areas to promote access to education. "Becoming Aware" Programme for training in healthy habits.
4.3. Ensure equal access to quality technical, vocational and tertiary education	FJS	Training programme for dentists in Mauritania with Planetary Action (Dentists on wheels).
4.5. Eliminate gender disparities in education and ensure equal access to education	FJS	"África digna" scholarship programme for underprivileged female students in Kenya. "Pushing towards the future" programme for training people with disabilities in new technologies.
4b. Expand the number of scholarships available to developing countries	FJS	"Entrepreneurs classroom" programme and university scholarships programme for people with disabilities in collaboration with the Prevent Foundation.

5. Gender equality

5.5. Ensure equal opportunities at all levels of decision-making in political, economic and public life	GCO	Joining the EWI Network. Code of Ethics of Grupo Catalana Occidente and Atradius. Equality plans.
5a. Reforms for equal rights to economic resources	GCO	Position levelling project. Recognition of the right to disconnect.
5c. Policies and legislation for the promotion of gender equality and the empowerment of women		Flexible working as a form of organisation. Public information on the pay gap in the Annual Report (see page 61).

8. Decent work and economic growth

8.1. Sustain per capita economic growth	GCO	Strategic pillars: growth, profitability and solvency. Ongoing growth which creates wealth where it operates.
8.5. Achieve full employment and decent work among disadvantaged groups	GCO/FJS	92 disabled employees. Hiring in Special Job Centres. Equality plans. "Employability Analysis Service" project for people with disabilities and teaming project with group employees to support the Femarec association.
8.8. Protect labour rights and promote safe and secure working environments (migrant workers, women, etc.)	GCO	Equality plans. Collective bargaining agreements. Protocol for the prevention and treatment of sexual and psychological harassment.
8.a. Increase Aid for Trade support for developing countries	GCO/Atradius	Through the credit insurance business in 55 countries, including developing countries in the Middle East, America, Asia and Africa.

10. Reduced inequalities

10.2. Empower and promote the social, economic and political inclusion of all people	GCO	Equality plan. Hiring in Special Job Centres. Femarec Project.
10.3 Ensure equal opportunities, eliminating discriminatory policies and practices and promoting appropriate action	GCO	Code of ethics. Equality plan. Whistleblower channel.

11. Sustainable cities and communities

11.3. Enhance inclusive and sustainable urbanisation and capacity for participatory planning and management	GCO	Portfolio of sustainable properties.
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16. Peace, justice and strong institutions

16.5. Substantially reduce corruption and bribery in all their forms	GCO	Policy to fight corruption and bribery. Protocol for cases of irregularity and fraud. Whistleblower channel.
16.6. Develop effective, accountable and transparent institutions at all levels	GCO	Management report and Annual report. Corporate responsibility report. Corporate website and the websites of the companies.

17. Partnerships to meet the goals

17.10 Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization	GCO/Atradius	Through the credit insurance business in 55 countries, including developing countries in the Middle East, America, Asia and Africa.
17.17. Encourage and promote effective public, public-private and civil society partnerships	GCO	UNESPA, ICEA. United Nations Global Compact. Joining the EWI Network.
17.19. Build on existing initiatives to develop measurements of progress on sustainable development	GCO	The reporting model followed is in keeping with the Global Reporting Initiative in its core option according to the GRI Standards.

2.3. Corporate Responsibility Master Plan

102-16

The Grupo Catalana Occidente Corporate Responsibility Master Plan established for the 2019-2021 period is based on the aim of being a benchmark in good governance and responsible management in the sector, recognised for its values with its stakeholders.

The objectives of the master plan are as follows:

- Offer a common framework in the area of corporate responsibility for the companies that form part of Grupo Catalana Occidente.
- Promote those areas of corporate responsibility that support the Group's strategic objectives and respond to the challenges identified, both those of the insurance sector and those specific to Grupo Catalana Occidente.
- Make progress in the commitments made to stakeholders in the Corporate Responsibility Policy.
- Establish a work programme for the defined period with responsible parties.

It has been structured identifying three key areas: trust, excellence in service and positive impact; and a parallel cross-cutting area of dissemination and reporting. For each area, specific objectives have been established for the 2019-2021 period.

1. Trust: the insurance business of Grupo Catalana Occidente is based on a trust factor that defines our relationship with our stakeholders. Preserving this trust is essential to guarantee the Group's sustainability over time.

2. Excellence in service: the insurance business is based on a desire to serve, offering high quality products tailored to the needs of the customers and fully personalised professional advice through its employees and network of associates.

3. Positive impact: Grupo Catalana Occidente bases its business model on respect for people and maximising the creation of sustainable social value for its stakeholders in the three areas of corporate responsibility: economic, social and environmental.

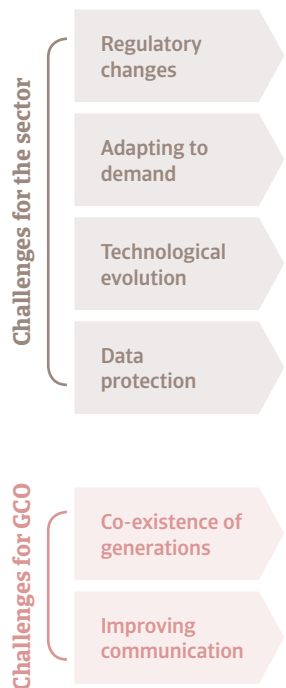
In parallel, a cross-cutting area has been defined, called dissemination and reporting, that aims to improve both internal and external communication. For this plan to be implemented, it needs to be understood and promoted, so its effective internal communication is the key to success.

Likewise, the external reporting of corporate responsibility management and the results obtained with the launch of the different programmes is important in maintaining its reputation and improving its positioning in this area.

Basic principles of the Corporate responsibility plan



Corporate responsibility plan 2019-2021

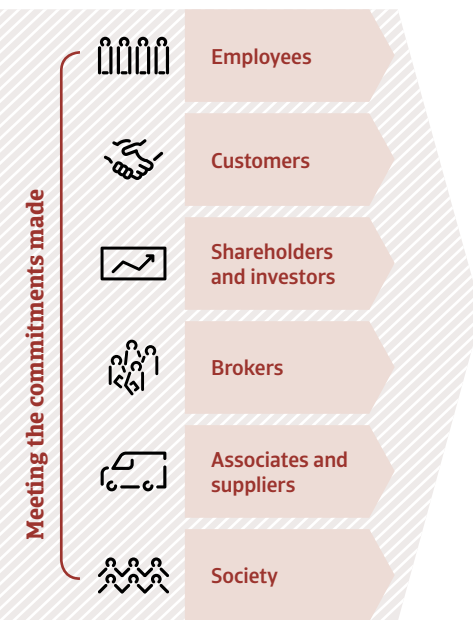


Fundamental areas

1. Trust	2. Excellence in service	3. Positive impact
Ethics and Integrity	Digital transformation	Health and well-being
Cultural keys	New ways of working	Formalise investment in the community and volunteering
		Products that generate added social value
Model for relationship with stakeholders	Socially responsible investment	Environmental awareness

Cross-cutting area

Dissemination and reporting through communication



Supporting Grupo Catalana Occidente's strategic pillars

Driving towards the desired situation:

Grupo Catalana Occidente wants to be a benchmark in good governance and responsible management in the insurance sector, recognised for its values and its commitment to its stakeholders.

03

Commitments to our stakeholders

102-40, 102-42

Grupo Catalana Occidente has a commitment to its stakeholders, meaning it maintains a continual and transparent dialogue with them to allow them to be understood and integrated into the company's activity.

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

These commitments are set out in the Corporate Responsibility Policy and will determine the strategy in this area. Compliance with these is one of the objectives of the Corporate Responsibility Plan.

The various sections in this chapter detail the Group's management in line with these commitments and present the indicators that allow current performance to be measured and the goals for the future to be established.

Stakeholders	Commitments	Chapter in which performance is reported
Employees	<ul style="list-style-type: none"> • Equal opportunities • Fair wages • Ongoing training • Work-life balance 	3.1 Employees: our most important asset
Customers	<ul style="list-style-type: none"> • Development of competitive products • Personal advice • Excellence in service • Preserve confidentiality of personal data 	3.2 Customers: the central link in our activity
Shareholders and investors	<ul style="list-style-type: none"> • Attractive return on investment • Prudent risk management • Transparency of information • Long-term strategy 	3.3 Shareholders: the key to sustainability
Distributors/brokers	<ul style="list-style-type: none"> • Continuous support for professional development and training • Pay equity • Trust and security 	3.4 Intermediaries: agents and brokers
Associates and suppliers	<ul style="list-style-type: none"> • Objectivity and impartiality in selection and recruitment • Transparency in management • Equal treatment 	3.5 Suppliers: service providers
Society	<ul style="list-style-type: none"> • Proactive cooperation with sector organisations • Contribution through Fundación Jesús Serra • Cooperative relationships with tax administrations 	3.6 Society

Channels for communication, participation and dialogue 102-42, 102-43

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

There are various channels for communication, participation and dialogue made available to these stakeholders to ensure adequate attention. These include the Group's website, as well as that of each of their companies and the Fundación Jesús Serra, where we publish the most relevant documents such as the Annual Report, the Foundation's Activity report and this Corporate Responsibility Report.

There are also dedicated helplines and email addresses for responding to customers, analysts and investors, shareholders and journalists. Internal communication is carried out through company intranets.

These are used to maintain a smooth, close and transparent relationship with the stakeholders. In addition, the various channels allow the Group to identify the needs and expectations of all of them and thus be able to respond to them.

Stakeholders	Channels of communication
Employees	<ul style="list-style-type: none"> • Intranet • Bulletin boards and suggestion boxes • Workers' representatives • Whistleblower channel
Customers	<ul style="list-style-type: none"> • Website • Social media • Customer service department • Satisfaction surveys • Offices and brokers • e-client
Shareholders and investors	<ul style="list-style-type: none"> • Corporate website • General Shareholders' Meeting • <i>Roadshows</i> • Analysts and investors area and shareholders' attention area
Distributors/brokers	<ul style="list-style-type: none"> • Internal portal • Training workshops • Whistleblower channel • Corporate app
Associates and suppliers	<ul style="list-style-type: none"> • Intranet • Annual meetings • Whistleblower channel • Prepersa website
Society	<ul style="list-style-type: none"> • Corporate website • Social media • Fundación Jesús Serra Website • Media

3.1 Employees: our most important asset

102-8, 103-1, 103-2, 103-3

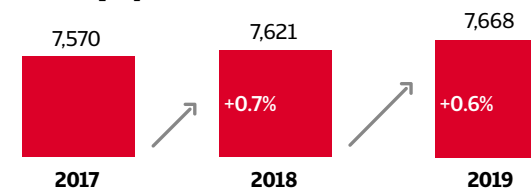
The team is the most important asset when it comes to creating value for the customers and shareholders of the Group's entities. This is why Grupo Catalana Occidente emphasises continuous learning, a good work-life balance, equal opportunities, team spirit and dialogue.

The pillars of the human resources policy are:

- Fair and competitive remuneration.
- Transparency and truthful information.
- Respect for the dignity of persons.
- Sustained cooperation over time.

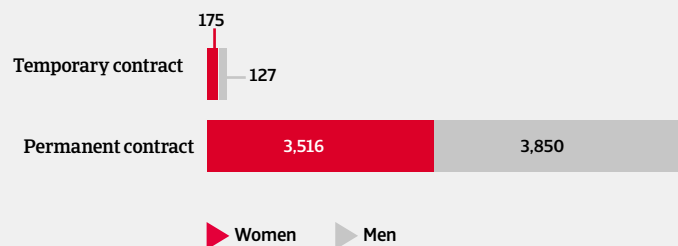
At the end of 2019, the Group had 7,668 employees, a figure that maintains the company's stable growth over the past three years. Of that total, approximately 52% corresponds to employees in the traditional business compared to 48% for the credit business. By gender, 52% of employees are male, compared to 48% female.

Number of employees*

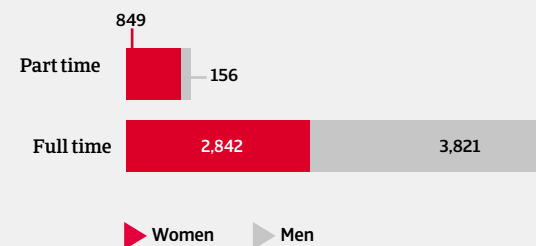


* Work contracts in force at 31/12/2019 excluding those for the Management Board of Atradius and commercial contracts in the traditional business

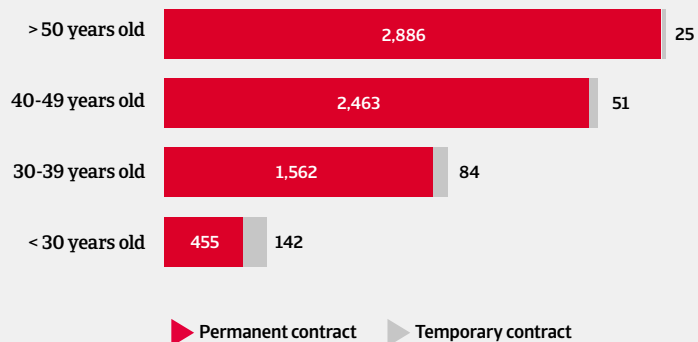
Total staff by type of contract and gender



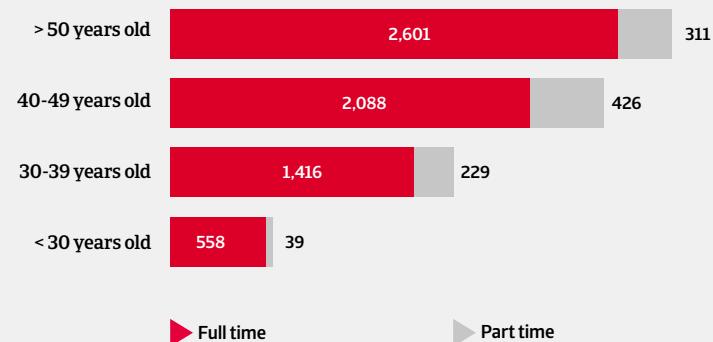
Total staff by type of work schedule and gender



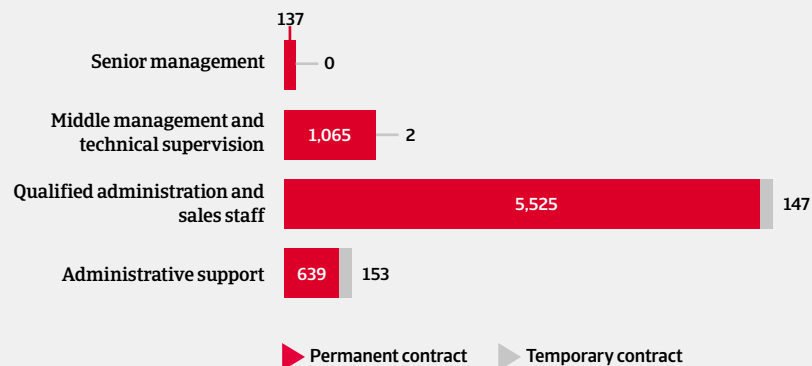
Total staff by type of contract and age



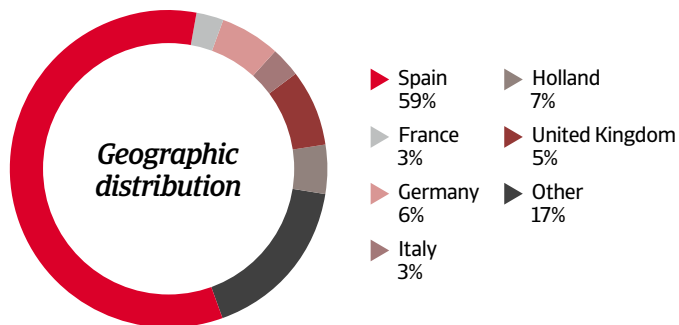
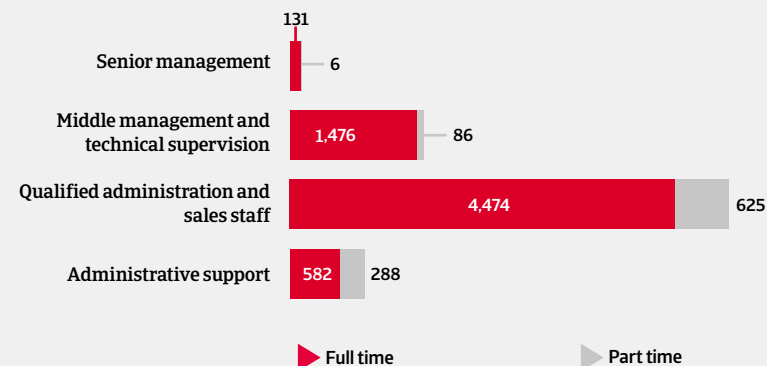
Total staff by type of work schedule and age



Total employees by professional category and contract type



Total by professional category and type of work schedule



There are currently two generations coexisting within the Group's companies: people who have spent more than twenty to thirty years working for the company, who possess valuable knowledge, and another generation of younger professionals, who have joined in recent years and bring new skills to the team. Collaboration between the two is key to the success of the business.

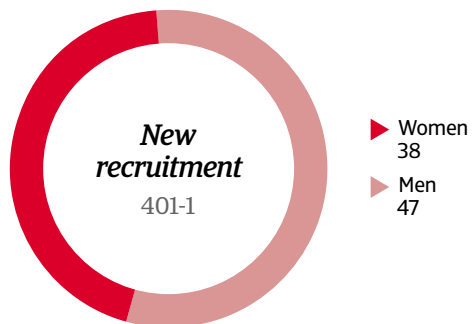
During 2019, Grupo Catalana Occidente decided to terminate the employment relationship with a total of 85 employees.

The Group's staff structure has seen changes due to dismissals

and resignations, and also to new recruitment. To quantify the flow of staff leaving and joining the Group as a proportion of the total workforce, the following staff turnover ratios have been calculated:

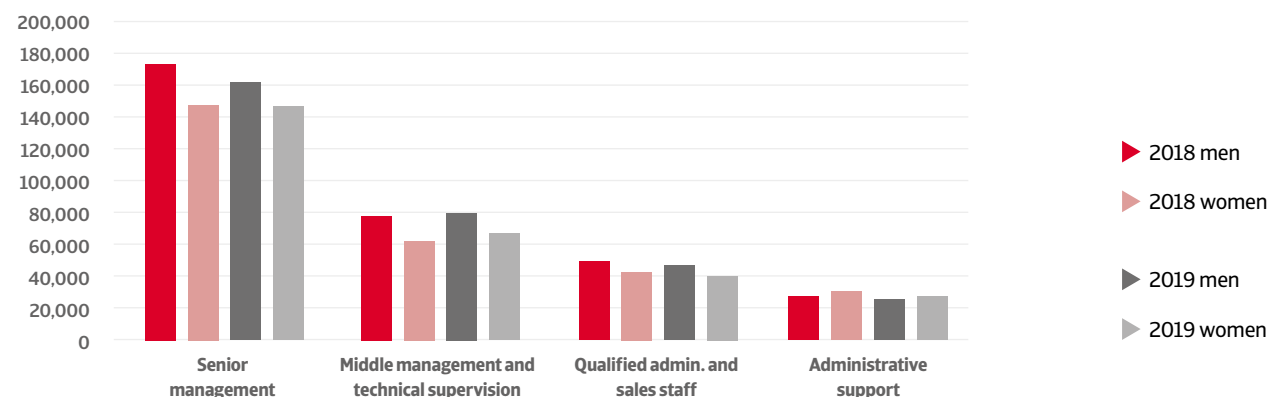
%Turnover 401-1	2019		
	Men	Women	Overall total
< 30 years old	23%	25%	24%
Between 30 and 39 years old	8%	11%	10%
Other	2%	1%	1%
General total	4.6%	5.2%	4.9%

* Turnover has been calculated as resignations/total employees for the year.



In its commitment to the generation of quality employment, Grupo Catalana Occidente offers competitive salaries to those who work for its companies.

Change in average remuneration 405-2



* The data reported in 2019 cover 100% while those for 2018 covered 91%

Culture Project
102-16

2016 saw the start of the Culture Project, where the first objective was to identify the cultural keys of Grupo Catalana Occidente, especially in the traditional business. These keys define the common values that explain the Group's way of being and working and that of its entities.

Cultural keys

- Persons
- Commitment
- Austerity
- Long-term vision
- Self-criticism
- Innovation

In the 2019 financial year, the Group has continued to disseminate the cultural keys across the entire organisation. In particular, there have been workshops involving more than 250 employees with the greatest levels of responsibility. In 2019 these were the persons and self-criticism cultural keys.

As an example of good practice within the Group, Atradius Crédito y Caución is developing the Evolve+ project, the aim of which is to enhance innovation and improve the connection with customers in a personal and significant way. Evolve+ is the continuation of the Evolve initiative, which was launched in 2012 in order to support the company's business strategy, encouraging staff to participate in its continuous improvement, increasing efficiency and raising the quality of customer service.

Labour relations 102-41, 402-1, 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.

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. Within the Group, only the funeral business is not covered by an agreement.

In the credit insurance business the percentage of employees covered by an agreement is closely linked to the different national laws.

Covered by a collective bargaining agreement in the credit insurance business

Country	%
Spain	100%
Holland	97%
Germany	99%
Italy	100%
France	97%
United Kingdom	89%
Benelux	100%
Nordic countries	96%
Other countries	0%

The companies in the credit insurance business are covered by an agreement with the European Works Council. This agreement implies the creation of works councils operating at the local level in the majority of locations where the Group is present. These councils are principally focussed on the promotion and fulfilment of the provisions of the fundamental conventions of the International Labour Organisation (ILO).

Equal opportunities

103-1, 103-2, 103.3, 405-1, 406-1

In line with its Code of Ethics, the Group does not support any kind of discrimination due to birth, sex, religion, opinion or any other personal or social condition or circumstance. It also guarantees respect for human rights.

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

The general objectives of these plans are:

- a) To promote the principle of equal treatment between men and women, ensuring the same professional opportunities in employment, recruitment, remuneration, training, development, promotion and working conditions.
- b) Guarantee the absence of discrimination, direct or indirect, due to gender, and especially related to maternity, paternity, the assumption of family responsibilities, marital status and working conditions.
- c) Prevent all types of harassment, especially sexual harassment and harassment based on gender, introducing a code of conduct to protect the entire staff.
- d) Promote awareness about equal opportunities at all organisational levels through communication initiatives.

- e) Promote a balance in the professional, personal and family lives of the staff.

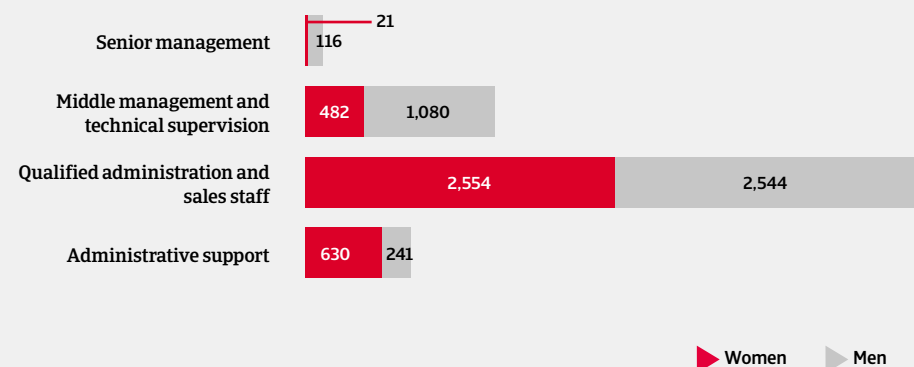
It should be noted that the composition of the workforce is in general balanced in relation to gender. In addition, in recent years we have seen a positive trend towards parity in terms of gender. The Group has recently joined the EWI Network, which promotes the presence of women in the management of insurance companies.

Although the Group's most senior positions are mostly held by men, the intention is for these differences in distribution to be reduced over the coming years as new recruitment takes place.

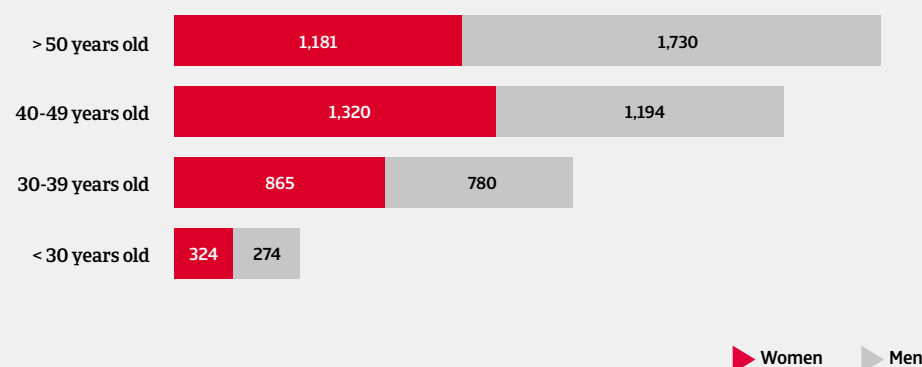
The Group is also committed to employing people with disabilities. At the end of the year, 92 people with different abilities formed part of the Group's workforce (compared to 16 at the end of 2018). Several of the companies that make up the Group have

Distribution of staff by professional category and gender

102-8,405-1



Distribution of staff by age and gender



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.

During 2019, the Group received no cases of discrimination through its relevant channels. 406-1

Professional development

103-1, 103-2, 103-3, 404-1

Grupo Catalana Occidente is committed to the professional development of its employees, strengthening the skills of new generations of professionals who, in the mid to long term, will occupy positions of responsibility. In addition, it focussed on upgrading the skills of the more veteran professionals, to help them be more in line with the new challenges of the business environment. In short, the Group guarantees the provision of continuous training to its professional staff through the most appropriate methods.

During 2019 the Group has maintained its training activities focusing on professional development, in line with the Training Plan. The traditional business' training plan is established annually by means of meetings held with the heads of each unit and is drawn up from three complementary sources:

- The Group's strategic plan.
- The results of the surveys sent to each department and the teams regarding their training needs.
- Specific training needs derived from professional evaluations that began to be implemented in December 2018.

In the case of the credit insurance business, the "Atradius Academy" is a learning platform available to all employees in the credit business where they can find a wide selection of online courses. The platform receives regular updates that include the addition of new courses.

In total, more than 150,000 hours of training have been given, representing a total of 19 and a half hours per employee (8% more than in 2018).

Hours of training 2019

	2017	2018	2019
Senior management	5,886	9,251	5,716
% Women	25.50%	33.20%	19.80%
Middle management	30,521	32,611	38,446
% Women	26.60%	39.10%	31.50%
Technical and administrative	47,664	69,089	86,894
% Women	47.80%	33.60%	52.41%
Support functions	17,002	25,841	18,898
% Women	64.40%	57.20%	70.62%
Total	101,073	136,792	149,954

The Group has a job standardisation model that it has produced itself and that is common to all companies. 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 2019, two management workshops were held in which aspects related to the management of people were addressed in a way that is fully in keeping with the Group's cultural keys.

In 2020, work will continue on improving the Development Plan with the aim to strengthen the professional development and talent management system, prioritising the identification of career potential and improving skills required in the organisation, while also promoting a collaborative culture.

Atradius: Shaping Tomorrow Together

This project is a call to all Atradius employees to involve themselves in the digital transformation of the company, taking responsibility for their own personal development, adapting to the new systems and training in the new technologies.

Professional evaluation

The Group has a professional evaluation system in the traditional business aimed at managers, technicians, personnel with development potential and new recruits.

The process consists of four phases, self-evaluation, evaluation by the manager, face-to-face interview and personalised improvement plan. There is also a model of managerial skills that has been applied to the senior management.

Fair remuneration 201-1

The common remuneration policy in the traditional business is characterised by making a wide range of flexible pay options available to employees, a highlight of which is the annual offer of payment in shares for the workforce in the insurance business. Throughout 2019, a total of 119 Group employees have taken advantage of this opportunity, through which they have received 24,681 shares.

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.

The different collective bargaining agreements that apply, depending on the company, establish salary bands to ensure internal equity and competitive pay in order to attract talent.

Responsible pension fund

The Group's investment policy applies to employee pension funds and includes a socially responsible investment clause.

The Committee controlling the “Grupo Catalana Occidente Employee Pensions, Pension Fund” sees socially responsible investment as a long-term commitment to those investment policies that cause a positive impact on society and the environment. They intend to progressively consolidate a line of action to move forward in this regard.

The Control Committee is considering non-financial criteria for the control, measurement and management of risks in decisions on investment in its portfolio, taking into account its social responsibility as an institutional investor. Since 2018, socially responsible investment clauses have been included in the pension plans for the Basque Country (EPSV) sold by Seguros Catalana Occidente and Seguros Bilbao.

Work-life balance

103-1, 103-2, 103-3, 401-3

Grupo Catalana Occidente, in its commitment to equal opportunities and a balance between personal and professional lives, applies the work-life balance policies as laid out in current collective bargaining agreements, as well as in Spanish and European regulations. In addition, it offers a flexible schedule that allows employees to accumulate hours for their future free use.

The aim of such policies is to facilitate the balance between work, personal and family life for employees, while also enhancing productivity and efficiency.

To achieve this, there are a number of internal protocols that seek to meet criteria for the work-life balance, as well as reasonable hours, ergonomics in the workplace, hygienic and environmentally-friendly working conditions, facilities for employee training, strict adherence to current laws and, all in all, a healthy working environment and levels of comfort that in turn create better management of each of the employee positions of the Group.

At Atradius N.V., measures designed to facilitate and encourage a work-life balance are subject to the regulations of each country.

As a reinforcement of its commitment, the Group recognises, through an internal policy, 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.

Likewise, Group employees of both genders have the right to take maternity or paternity leave without this damaging their professional career. During 2019, a total of 222 employees took parental leave.

	Men	Women	Total
Employees with the right to parental leave.	176	221	397
Employees using the right to parental leave.	87	135	222
Employees returning to work in the reporting period after parental leave finishes.	71	110	181
Employees returning to work in the reporting period after parental leave finishes and who are still employed 12 months after returning to work.	74	98	172
Return to work rate.	82%	81%	82%
Retention rate.	85%	73%	77%

Health and safety

Grupo Catalana Occidente companies 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.

At the corporate level, 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 objectives in occupational health and safety:

- a) Compliance with current legislation for the prevention of occupational risks and the working conditions of employees.
- b) The 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.

Given the Group's activity, no employee carries out professional activities with a high risk of contracting certain diseases and only one disease related to the Group's activity was registered during 2019.

Likewise, a total of 74 accidents have been registered during the year covered by the report.

Although 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.

	Men	Women	Total
Theoretical hours worked	6,284,427	5,654,904	11,939,330.12
Hours of absenteeism	150,927	190,175	341,102.6
Absenteeism rate (Number of hours of absenteeism*100)/No. hours worked)	2.4	3.4	2.9
Total number of accidents Excluding during the commute.	46	28	74
No. occupational illness	0	1	1
Frequency index Number of accidents per million hours worked.	7.32	4.95	6.20
Severity index Number of days lost per 1,000 hours worked.	0.14	0.17	0.16

Objective: a healthy company

Grupo Catalana Occidente is concerned about the wellbeing of its employees, promoting sports and healthy living. In 2019, the “Healthy Company” initiative was launched with the notable milestone of the renovation of the Catalana Occidente Sports Club, located in the central office area in Sant Cugat del Vallès. The objective is to extend this type of initiative to the rest of the locations where the Group’s companies operate.

3.2 Customers: the central link in our activity

The Group's commitment to continuous improvement of the customer experience has continued to provide high levels of customer satisfaction and loyalty.

The main objective of the relationship between the Grupo Catalana Occidente companies and their four million customers is to offer them competitive products and quality services, based on personal, transparent and holistic advice.

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 an incident.

This commitment goes hand in hand with the nature of insurance, in which the concept of social responsibility is implicit. The mission is to provide customers with continuous support in both their professional and personal lives, anticipating risks to protect them.

The Group's companies adhere to the UNESPA guide to good practices on transparency in the marketing of insurance.

Customer experience project

103-1, 103-2, 103-3

In 2016 the Customer Experience Project began, a cross-cutting initiative within the traditional business, the main objective of which was to create a customer-focused culture, understanding 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.

As a tool to identify initiatives to be launched, we have a graphic representation of the customer journey, a journey that shows the different phases at which customers interact with the Grupo Catalana Occidente companies, with special attention paid to claims interactions. The purpose is to better understand the customer at each of these stages, in order to meet their different needs.



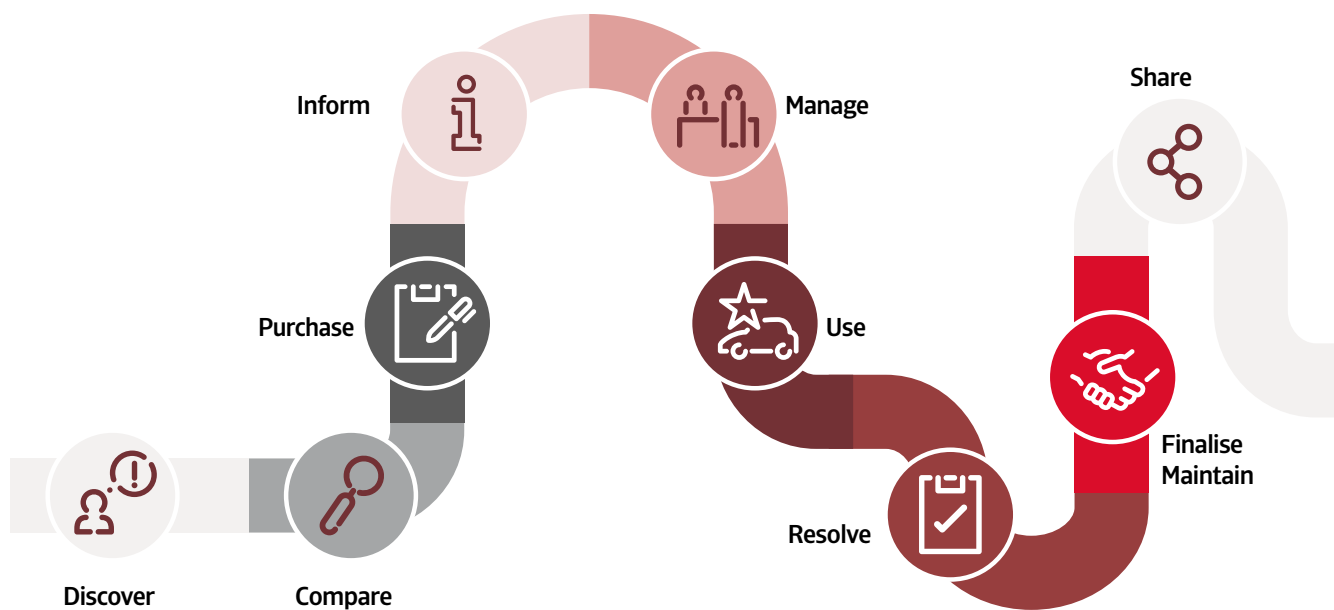
The actions undertaken have been classified into 4 blocks: commercial procedure, claims management, communications and channels, and customer experience.

In recent years, new self-service functionalities have been developed and implemented in the e-Customer tool. Now users can consult the status of their claim live and track its different stages. In 2019, progress has been made in the self-service value proposition with the aim of continuing to provide customers with an autonomous, immediate and digital capacity to manage their affairs.

To guarantee customer satisfaction, the professionals who provide services to them during a claim 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 from its professionals.

To analyse the impact of these initiatives, customer input was recorded through various surveys conducted at key moments in the customer journey.

Customer Journey



Customer experience of the traditional business

SLP
39.6% (+5.5%)
Suggested level of promotion (promoters - critics)

SSI
65.5% (+3.0%)
Service satisfaction index (satisfied - dissatisfied)

Retention rate
89%
Customer retention rate

Customer care

Good management of customer complaints and claims is a basic element in the quality of service. 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 first step in resolving complaints and claims is to offer the customer immediate attention from whoever is directly in contact with them. The staff, as well as all branches and operating centres that provide customer service, must strive to respond to these complaints and claims in a quick and friendly manner, trying to resolve matters in favour of the customer in all cases where this is justified and their level of responsibility so allows. The professional must adopt those measures that minimise the risk of the incident being repeated and strive to provide a

service in keeping with the standards that the customer expects from the company.

In the event of complaints and claims that exceed the powers of the customer service offices and centres, or when they have not been able to provide a solution in a manner satisfactory to the customer, companies have a customer service department and also a customer ombudsman who guarantees their rights.

Complaints received through the different channels in 2019

Step	Year	Admission status/Pending						Result/Current status							
		Started	Δ	Not Admitted for processing/rejected	%	Pending	%	Admitted for processing	%	Fully/partially in favour of the customer	%	With agreement between the parties	%	In favour of the Company	%
Customer Service/ Customer Service Department Complaints	2019	4,636	18%	713	15%	130	3%	3,793	82%	1,269	33%	186	5%	2,338	62%
	2018	3,916		433	11%	206	5%	3,277	84%	1,026	31%	327	10%	1,924	59%
Customer/ Pension Plan Ombudsman Complaints	2019	378	7%	140	37%	16	4%	222	59%	20	9%	33	15%	169	76%
	2018	353		162	46%	12	3%	179	51%	22	12%	22	12%	135	75%
DGSFP/CNMV/ Banco de España Requests	2019	374	-9%	9	2%	300	80%	65	17%	17	26%	30	46%	18	28%
	2018	413		19	5%	240	58%	183	44%	30	16%	7	4%	117	64%

* The increase in the total number of complaints compared to 2018 is due, first, to the incorporation of a new company into the Group (Seguros de Vida y Pensiones Antares, S.A.) and, second, to the fact that in this financial year the figures for Seguros Catalana Occidente, S.A. de Seguros y Reaseguros also include the complaints received through outsourced/third-party services as a supplement to the insurance activity. These were previously split, in relation to their handling and resolution, between the Service Centres and the brokers themselves

Protection of personal data

103-1, 103-2, 103-3, 418-1

Grupo Catalana Occidente believes the information that it collects, processes, stores and transmits to be a strategic asset, one that is essential to ensure the continuity and evolution of the business and safeguard the value it offers to investors, shareholders, customers and associates. It is therefore a priority to preserve the confidentiality and protection of this information, as well as the systems that manage and support it.

The Group's companies have an information security policy approved by the Board of Directors. All employees have to undergo training in this area.

There is a personal data protection committee in the traditional business that coordinates and updates the policies and procedures for regulatory compliance in this area. This committee is made up, among others, of the data protection officers from the Group's main companies.

Potential cyber attacks are considered one of the main risks of the sector. Grupo Catalana Occidente has a Chief information security officer responsible for planning, implementing and managing procedures and actions to handle information security.

During 2019, Grupo Catalana Occidente did not receive any complaints about customer privacy or data loss through its communication channels.

Atradius: Credit business transformation (CIBT)

Among the main projects in the credit business for 2019 is the *Atradius business transformation* programme that aims to improve its range of services and product development to maintain its strong value proposition for its customers. CIBT will replace the current credit insurance management tools at Atradius. This radical change is taking place in two waves. It will first be implemented in the sale, products and pricing areas. The second stage will cover the defining of risk management requirements.

New solutions

On the basis of a thorough knowledge of its customers, the Group works to design and offer new products adapted to their needs to give them confidence. In 2019, the following initiatives have stood out:

The innovation culture being used to serve the customers.

The Group's innovation strategy clearly focuses on new ways to improve or expand its main proposal. We will not outsource innovation to a separate centre or incubator since our ambition is to create a culture of lifelong learning and openness to change across the entire organisation.

The Atradius Business Transformation programme addresses the need for cooperation and collaboration in response to new digital trends (such as big data and blockchain) and offers staff the opportunity to play a role in these new challenges.

In 2019, a mandatory webinar for all staff called "Shaping Tomorrow Together" was introduced, whose purpose is linked to the Group's new open mindset, considered necessary to overcome the challenges of digitisation and technology.

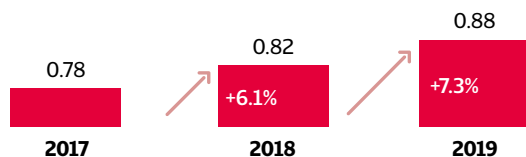
Today, the online availability of products and services is an essential part of any strategy to attract, satisfy and retain clients, brokers and agents.

Atradius' efforts to innovate have begun to bear fruit. The innovations included in its credit management tool "Atrium" and its online platform for customers have been recognised by the media outlet HongKong Business who has named Atradius winner of its Insurance Technology Award.

3.3 Shareholders: the key to sustainability

In 2019, Grupo Catalana Occidente achieved a favourable profit, taking another step forward on the path of profitable growth. 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.

Dividends: attractive return on investment 201-1



The historical behaviour of the distribution of dividends demonstrates the Group's clear commitment to shareholder remuneration. The total remuneration charged to the 2019 financial year was €0.8821 per share. The Group has increased its dividend by 7.3%, which translates into a distribution of €105.85 million.

During the 2018 financial year, Grupo Catalana Occidente shares underperformed the Eurostoxx Insurance and Ibex 35. The average share price of Grupo Catalana Occidente in 2019 was €32.09.

The historical behaviour of the distribution of dividends demonstrates the Group's clear commitment to shareholder remuneration.

ation, maintaining a policy of increasing dividends over the last ten years.

More information about the evolution of the shares is available on the Group's corporate website.

Transparency of information

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 and contact policy with shareholders, institutional investors and voting advisers, published on the corporate website describes the various tools and channels of communication to ensure the principles of integrity, transparency and equality in relations with these groups.

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.

Shareholder service: +34 915 661 302
accionistas@catalanaoccidente.com

Institutional investors and analysts service: +34 935 820 518
analistas@catalanaoccidente.com

The latter 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 play a key role in the liquidity and share price of Grupo Catalana Occidente.

In 2019, 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 other actions:

+750
Calls received

11
Roadshows

5
Forums and conferences

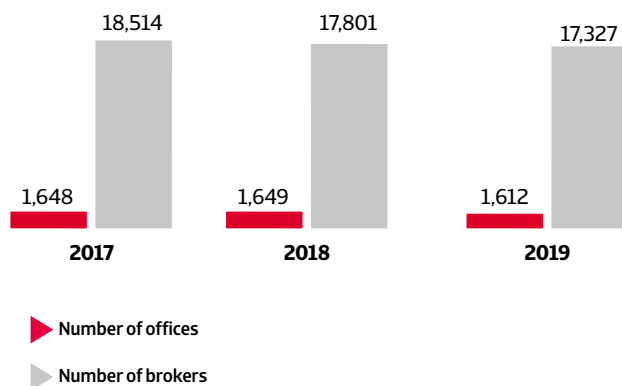
+ 200
Meetings

3.4 Intermediaries: agents and brokers

Brokers 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. Good communication and a trusting relationship with brokers are fundamental to providing good customer service.

Grupo Catalana Occidente's commercial network of companies is made up of 1,612 offices in the traditional business and 17,801 brokers, primarily exclusive agents and insurance brokers.

Distribution network composition



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 retention.

The various companies that make up the Group make available to their brokers training pathways and tools focused on facilitating connectivity and access to services, thereby improving efficiency in their work.

Training across the distribution network in the traditional business is focussed on developing the sales force and business growth. Projects such as management training and entrepreneurship stand out. A special focus was also given to cross-selling, prevention of cancellations, customer loyalty and the use of new tools and systems.

Seguros Catalana Occidente

The Catalana Occidente Establishment of Professional Agents Programme, which promotes the professional development of its agents, is a pioneer in the insurance sector. Its prestige and excellent quality vocational training for agents has been widely recognised. It is made up of:

- Continued individualised training programmes about products, marketing techniques and management.
- Training and supervision from Day 1. A team of people to support them and help them achieve their goals.
- Financial support over seven years. Designed to consolidate their income level.

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 broker network. 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 end public in a visual way.

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 ICEA, the latest edition of which took place in October 2019, the Group ascertains the level of general workplace satisfaction of its agents.

According to the responses given by the Group's agents this year, the initiatives relating to agent development (IT tools, training, workshops, clubs, etc.), followed by sales campaigns, are what have the greatest impact on commercial activity. Training and information, the portfolio of products and services, IT support, contact personnel and services in the event of a claim are also highly rated. Sales support and customer service have room for improvement.

3.5 Suppliers: service providers

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

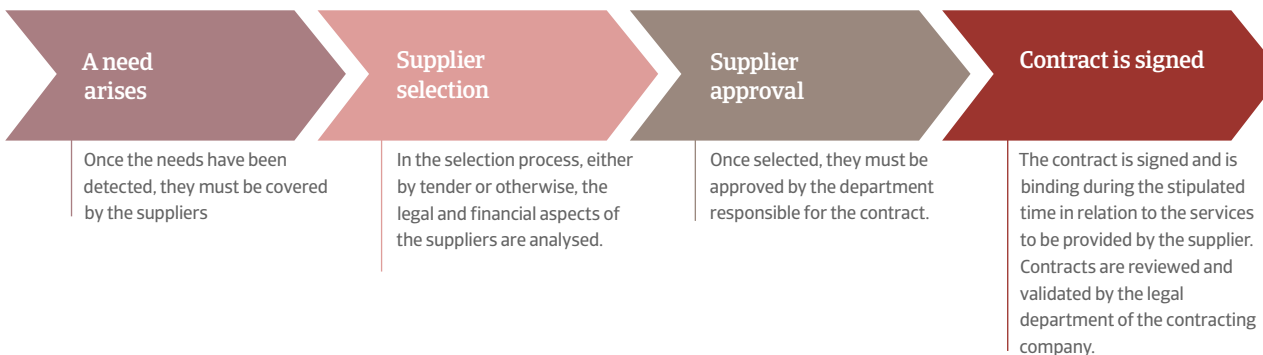
- General, who supply products and services of a general nature, not directly related to the business: cleaning, maintenance and IT support.
- Specialist, whose service is essential for the performance of insurance activity: automobile claims adjusters, general claims adjusters, lawyers, medical claims adjusters, workshops and repairers. The workshops are part of a network named AutoPresto and the repairers are from the Technical Repairs Service (known as STR for its Spanish initials).

The Group adheres to the criteria contained in its internal regulations and, in particular, the supplier selection manual, which regulates the acquisition of goods, services and supplies, as well as the selection of suppliers. These criteria are based on objectivity, impartiality, transparency, equal treatment and quality, and try to avoid any conflict of interest or personal, family or financial ties in the selection of suppliers.

For the selection of claims adjusters, no distinction is made on the basis of gender, race or religion. In figures, in the traditional business during 2018 the percentage of female claims adjusters was 20%, while in 2019 this percentage has risen to 22%. The Group is therefore demonstrating its commitment to equal opportunities.

The Manual establishes a classification of suppliers according to criticality and details the selection procedures based on the different types of suppliers.

Supplier selection procedure



All suppliers explicitly undertake to comply with a series of clauses that in summary cover:

- Compliance with the Grupo Catalana Occidente Code of Ethics.
- Compliance with the European Data Protection Regulation.
- The obligations of the associate with the Treasury and with Social Security.
- Compliance with the Occupational Health and Safety Regulations.
- The confidentiality of the information collected in their work.

Professional development and training

Most of the Group's strategic suppliers - those who supply products or services with special characteristics within the sector - are internalised or are intra-group services within Grupo Catalana Occidente itself, allowing for better management of these.

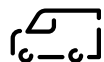
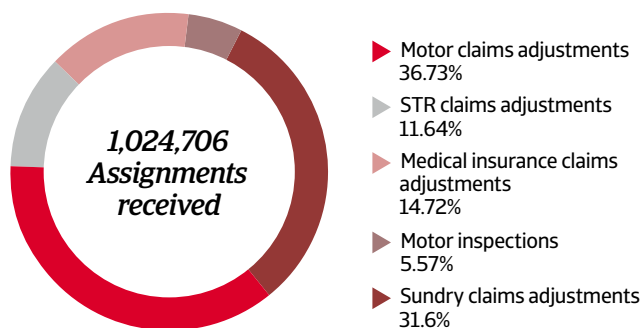
During 2019, Grupo Catalana Occidente suppliers have received a total of 7,994 hours of training. In this way, and by developing supplier skills, the company enhances its commitments to the supply chain.

Management of suppliers in the traditional business 102-9

Prepersa (Peritación de seguros y prevención AIE) is the Grupo Catalana Occidente company that manages specialised suppliers involved in resolving claims, except for lawyers.

Its services are aimed at assessing or repairing claims, as well as providing companies 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, that guarantees that the processes are oriented towards continuous improvement and have efficient organisation for planning, control and analysis of results. Additionally,

the company ensures respect for the corporate responsibility commitments of the Group through its extensive network of associates.



688 (+20)
general claim adjusters

257 (+4)
motor claim adjusters

127 (-5)
medical claim adjusters

811 (+70)
repairers

325 (+34)
AutoPresto workshops

Suppliers are continuously evaluated according to different parameters, such as activity, cost, time management, treatment of customers and good practices. The results are presented in reports received by the suppliers and doctors in each area. Based on the findings, where necessary an action plan is developed, which includes control and supervision actions. In 2019, 10,775 supervisory actions were carried out, 30% more than in 2018.

	2017	2018	2019
STR satisfied customers*	72%	77%	86%
AutoPresto satisfied customers*	89%	90%	94%

* The source of the data has changed since the measurement carried out in 2017. This was based on external surveys but its own measurement model is now used. In addition, the data reported in 2017 was calculated using the satisfied-dissatisfied customers/total customers formula, which does not correspond to the literal definition of satisfied customers, which is satisfied customers/total customers. This is what has been used this year.

With regards to training, it is worth noting the Customer Experience Programme given to general claims adjusters and STR about the values to convey and behaviour to maintain in the interpersonal relationships with customers.

As an innovation, during 2019 the following improvements have been made:

- A new car claims adjustment form for use on the move.
- A new biometric user identification system for the contract signing process.
- Non-invasive STR repair techniques have been developed.
- A new course on the General Data Protection Regulation.
- Publication of the new website.

Supplier satisfaction

Twice a year Prepersa runs a survey to learn associates' opinions about the company's doctors, management, and supervision of the quality of the work of the associate network. The results allow measures to be taken to improve different aspects of this activity.

Boost for local businesses

The business model implemented, which has been followed for decades, favours the use of local freelance workers or small businesses. In this way, the Group contributes to the development of the business sector in the geographical areas where it operates.

Average payment period for suppliers

The Group has no pending payments to suppliers beyond the legal deferral allowed (30 days, unless there is an agreement between parties), with an average period of 17 days.

In the case of Prepersa, companies pay for network associate interventions twice per month, following quick and rigorous payment terms. Suppliers have at their disposal an app 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.

During 2019, total payments made to suppliers amounted to €346 million.

Enhancing corporate responsibility

From Prepersa, best practices related to efficiency and minimising the use of resources are promoted among its suppliers, including the policies of repair rather than replacement and the use of new technologies that allow water damage to be more efficiently located and repaired.

In addition, actions have been carried out to ensure the quality of the services, among which the following stand out:

- Claims review controls.
- Management controls.
- Training controls.
- Career plan controls.
- Knowledge assessment controls.
- Follow-up interviews.

Verification controls for corporate image and first contact with the customer were also carried out in order to guarantee that suppliers are acting in accordance with the quality standards promoted by Grupo Catalana Occidente.

3.6 Society

103-1, 103-2, 103-3, 201-1, 203-1, 203-2, 413-1

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 the Fundación Jesús Serra. In their articles of association they declare and define both their lines of action and their commitment to adhering to and complying with all the policies established at the group level.

In 2019, the Group contributed €4,034 million to society, with customers being the main stakeholders, accounting for 54% of the total.

Economic value generated and distributed 201-1	2017	2018	2019
Economic value generated	4,225	4,345	4,548
Economic value distributed	2,255	3,724	4,034
Payments made to customers	388	2,252	2,462
Public administrations	471	407	465
Brokers	479	489	506
Employees	88	481	500
Shareholders	584	95	101
Economic value retained	584	621	513

Thousands of Euros

It is worth noting the role of credit insurance as a benefit to society, through its support for business activity to ensure commercial operations even in times of instability and, consequently, stimulating economic growth. Around 2% of the value of the world export trade takes place because of the coverage of credit insurance. More than 60,000 companies are able to operate, mobilise and market in close to €800 billion in goods and services around the world thanks to this insuring function.

Commitments of the Group's companies

Grupo Catalana Occidente's social work is coordinated through the Fundación Jesús Serra. However, its companies also invest each year in initiatives related to local communities, with their own historical past and identity. Atradius also helps contribute to society through its employees, such as collecting donations for various causes or charity races.

In the traditional business, also of note is Seguros Catalana Occidente's support of the Symphony Orchestra of Sant Cugat and the auditorium in this town, where its headquarters are located. Plus Ultra Seguros focuses on the promotion of sporting disciplines such as paddle tennis or collaboration with the Spanish Federation of Sports for Persons with Physical Disabilities (FEDDF). Meanwhile, Seguros Bilbao focuses on local cultural sponsorships such as the Guggenheim Museum or the Naval Museum. Atradius Crédito y Caucción invests in projects closely linked to its own business, such as initiatives to support business development. Overall, the amount allocated to these projects in 2019 amounted to €952,000.

At Atradius, employees coordinate campaigns in order to maximise their contribution to society. Among the actions promoted are fund-raising activities for various causes and charity runs as part of the "Atradius cares" initiative. This initiative came about with the purpose of allowing the local staff at to share and earn recognition for local social projects. Some of

this year's initiatives include supporting entrepreneurs in developing countries and donating the amount that would have been spent on Christmas presents to be used for planting trees.

Fundación Jesús Serra

103-1, 103-2, 103-3, 203-1, 203-2, 413-1

The Fundación Jesús Serra is a private non-profit entity created in memory of Jesus Serra Santamans, a renowned businessman and patron and founder of Grupo Catalana Occidente, which aims to support and promote initiatives in research, business and education, social action, sport and promotion of the arts.

The Foundation undertakes projects in order to make a better society for all, always guided by values such as solidarity, effort and team work.

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. In 2019, 84% were direct and only 16% were indirect. Most of these projects and initiatives have participation programmes, impact assessments and development programmes.

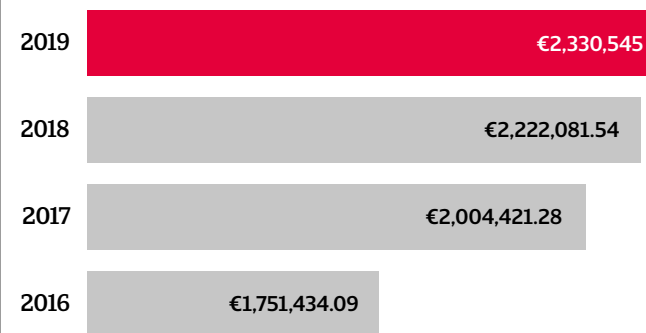
A good example is the Luisa Farré Maternal and Child Health in Developing Countries Project. This initiative arises in response to the obstetric and gynaecological damage inflicted on many women in developing countries each day during pregnancy and deliveries and that often results in death.

The companies which Fundación Jesús Serra supports include the Foundation for Cardiovascular Research, the National Oncology Research Centre (CNIO), the Spanish Federation of Sports for Persons with Physical Disabilities (FEDDF), the Winter Sports Centre for the Disabled (CDIA), Manos Unidas, Doctors without Borders, the Prevent Foundation and Food Banks.

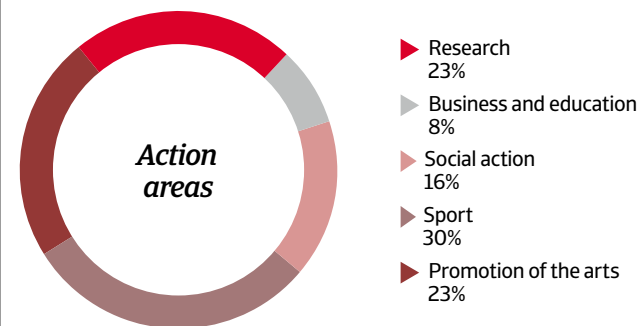
The annual increase in the Foundation's budget is an example of the commitment that Grupo Catalana Occidente has to society and its positive impact on it.

Fundación Jesús Serra's investment in social projects

For more information see the Fundación Jesús Serra website <https://www.fundacionjesusserra.org/>



Distribution of the budget between the different action areas



3rd edition of the Xpress Tennis Cup to promote grassroots tennis

The championship is aimed at boys and girls between the ages of 5 and 12 who are members of a tennis club. The third edition, held in 2019, was divided into different qualifying phases in the under-10 and under-12 categories and the provincial phase of mini-tennis. As a new development this year, the tournament had three different circuits (Catalonia, Community of Madrid and Valencian Community) in which the participants represented formed teams for their respective clubs in an innovative 20-minute match format.

In addition, activities were organised around the tournament with the aim of promoting the values of sport, teamwork and solidarity among the participating children and teenagers, who could also enjoy a wheelchair tennis exhibition given by Quico Tur and Lola Ochoa.

In total, the tournament had 1,500 participants and the winning teams in the provincial phases competed in the Cercle Sabadellès, in Barcelona, in the RACE Sports Complex, in Madrid, and in the Spanish Tennis Club in Valencia.

04

Our environment

Environment

103-1, 103-2, 103-3, 307-1

The environmental impact of the day-to-day activity of Grupo Catalana Occidente is limited. Even so, the Group's companies are committed to reducing waste generation, promoting the use of biodegradable materials and recycled paper, the optimisation of energy consumption, rational water consumption and, as far as possible, the reuse of computers through donations.

The Group carries out its activities in compliance with current legislation on the environment as well as voluntary commitments to promote good environmental practices, as well as energy- and eco-efficiency. As a sign of this commitment, over the last three years the Group has received no environmental complaints.

The companies in the credit insurance business have demonstrated their commitment by preparing their own environmental policy, which sets out the principles of the continuous improvement process they are undergoing in relation to environmental performance and pollution prevention.

The environmental impact of the supply chain in the business is low. However, the Group's companies take environmental considerations into account in their relations with suppliers:

- In the traditional business, AutoPresto workshops are required to comply with certain environmental compliance provisions related to the recycling of plastics and the disposal of oil.
- Atradius has incorporated into its dialogue with its suppliers aspects such as the minimisation of waste or the search for eco-efficient solutions. The company also has an environmental policy that establishes its management approach to the main challenges of the business.

Materials

301-1, 301-2

In an effort to achieve effective document management and reduce paper consumption, the implementation of electronic documentation has been promoted in business processes, including those involving the customer.

In an effort to achieve efficient document management and reduce paper consumption, Grupo Catalana Occidente has promoted the use of recycled paper. Over the last year, almost 25% of the paper consumed came from recycled sources, which is 5.3% more than in 2018.

Consumption of materials*	2017	2018	2019
Paper consumption (kg)	1,504,458	1,616,209	1,413,535
% recycled paper	24.5%	19.4%	24%

* Includes information from Seguros Catalana Occidente, PlusUltra Seguros, NorteHispana Seguros, Seguros Bilbao and Atradius Crédito y Caución, excluding Graydon, Gestifatura, Informes and Iberinform Portugal.

* Paper consumption of Atradius Crédito y Caución has been estimated from the number of sheets, assuming 70g per sheet.

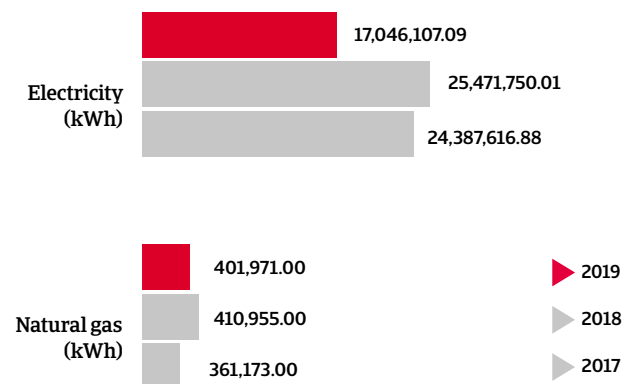
Energy

301-1, 301-2, 302-4

Grupo Catalana Occidente promotes good energy practices among its companies, promoting the consumption of renewable energies. For example, 29% of electricity consumption in the credit insurance business came from renewable sources in 2019.

The maintenance and refitting of Group buildings are governed by principles of energy efficiency, with the aim of reducing their consumption and CO2 emissions. As of today, a total of six Group buildings have sustainable building certificates. The new works and reforms include motion detectors, automatic light intensity control and replacement of air conditioning facilities with other more energy-efficient units. These actions have helped to reduce energy consumption in the main buildings used by the Group in the traditional business.

Energy consumption



The commitment to the environment is also linked to the daily activities of the employees in the Group's companies. For this reason, electric vehicle charging stations have been installed in some of its most emblematic buildings.

Emissions

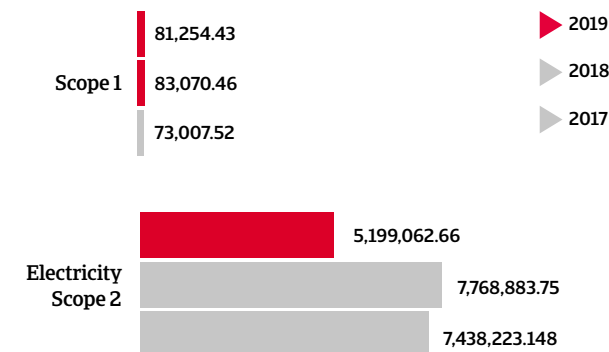
305-1, 305-2, 305-3

Grupo Catalana Occidente calculates direct (*Scope 1, associated with the combustion of natural gas*) and indirect (*Scope 2, associated with the generation of the electricity purchased*) greenhouse gas emissions according to the international guidelines of the World Resources Institute (*GHG Protocol, 2004*). In addition, it promotes good energy practices among its companies to promote its reduction.

Total emissions

During 2019, the Group managed to reduce its CO2 emissions into the atmosphere by 33% compared to the previous year.

Emissions (kgCO2e)



* Emissions calculated from the reported energy consumption (See note 1). Source of emission factors used for the electricity purchased: World Resource Institute (2017). GHG Protocol tool for purchased electricity V.4.9, Spain; for purchased natural gas: World Resource Institute (2015). GHG Protocol tool for stationary combustion. V.4.1.

The environmental policy drawn up by Atradius N.V. includes a commitment to reduce the impact on the environment of the transport used by its employees. As a result, it promotes alternatives that reduce fuel consumption, such as *car-sharing initiatives and the use of electric cars*.

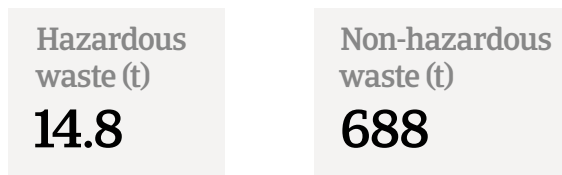
Waste

306-2

The Group has general practices for recycling office materials across its different buildings and branches. Furthermore, the environmental policy of the credit insurance business includes the minimisation of waste generated as a key principle for improving its environmental performance.

In the Group, an ongoing effort is made to improve performance in waste management. For example, during 2019, the credit insurance business generated 51% less than in the previous year. In the traditional business, the potential generation of some electronic waste is minimised with the donation of computers to schools and social centres. In 2019, 585 units were given away.

Waste generated in the Group in 2019



Best practices in the fight against climate change

- Controlling building temperature throughout the year according to best practice standards
- 100% of the property investments made in recent years for office use have been made by adding buildings with an LEED energy rating. The investment managed amounts to €216m.
- A product has been developed to reduce the use of plastics at the Group level and this is under study
- In the networks of claims adjusters and collaborating workshops, proximity is promoted to reduce contamination due to travel. Rapid car repairs are also promoted to reduce the time spent in the drying cabins and, consequently, to consume less energy.

GRI disclosure index 102-55



For the Content Index Service, GRI Services has confirmed that the GRI disclosure index in the report is clear, and that the references for each disclosure included correspond to the indicated sections of the report.

GRI standard	Disclosure	Page number or URL	Omissions
General Disclosures			
GRI 101: Foundations 2016			
GRI 102: General Disclosures 2016	Organisational profile		
	102-1 Name of the organisation	4, 5 Grupo Catalana Occidente, S.A.	
	102-2 Activities, brands, products and services	5, 7	
	102-3 Location of headquarters	Paseo de la Castellana nº4 28046 (Madrid)	
	102-4 Location of operations	6	
	102-5 Ownership and legal form	4	
	102-6 Markets served	5.6	
	102-7 Scale of the organisation	6.7	
	102-8 Information on employees and other workers	6, 23	
	102-9 Supply chain	7, 37	
	102-10 Significant changes to the organisation and its supply chain	4	
	102-11 Precautionary Principle or approach	13	
	102-12 External initiatives	16	
	102-13 Membership of associations	16	
	Strategy		
	102-14 Statement from senior decision-maker	3.8	
	Ethics and Integrity		
	102-16 Values, principles, standards and norms of behaviour	11, 15, 20, 26	
	Governance		
	102-18 Governance structure	9	

GRI standard	Disclosure	Page number or URL	Omissions	
General Disclosures				
GRI 102: General Disclosures 2016	Stakeholder engagement			
	102-40	List of stakeholder groups	22	
	Organisational profile			
	102-41	Collective bargaining agreements	26	
	102-42	Identifying and selecting stakeholders	22.23	
	102-43	Approach to stakeholder engagement	17, 23	
	102-44	Key topics and concerns raised	17	
	Reporting practice			
	102-45	Entities included in the consolidated financial statements	4	
	102-46	Defining report content and topic boundaries	16.17	
	102-47	List of material topics	16.17	
	102-48	Restatements of information	4	
	102-49	Changes in reporting	4	
	102-50	Reporting period	From 1/1/2019 to 31/12/2019	
	102-51	Date of most recent report	2018	
	102-52	Reporting Cycle	Annual	
	102-53	Contact point for questions regarding the report	Grupo Catalana Occidente comunicacion@catalanaoccidente.com	
102-54	Claims of reporting in accordance with the GRI Standards	4		
102-55	Index of GRI disclosures	45		
102-56	External assurance	The Grupo Catalana Occidente Corporate Responsibility Report is not currently verified by an independent third party		

01 Grupo Catalana Occidente
02 Corporate responsibility

03 Commitment to our stakeholders
04 Our environment

GRI standard	Disclosure	Page number or URL	Omissions
Material issues			
Economic performance, profitability and solvency (GRI 201 Economic performance 2016)			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	8
	103-2	The management approach and its components	8
	103-3	Evaluation of the management approach	8
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	6,7,29,35,39
Risk management and regulatory compliance (GRI 307 Environmental compliance 2016, GRI 419 Socio-economic compliance 2016)			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	12.13
	103-2	The management approach and its components	12.13
	103-3	Evaluation of the management approach	12.13
GRI 307: Environmental compliance 2016	307-1	Non-compliance with environmental laws and regulations	42
GRI 419: Socio-economic compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	12.13
Corporate governance (GRI 405 Diversity and equal opportunities 2016)			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	9
	103-2	The management approach and its components	9
	103-3	Evaluation of the management approach	9
GRI 405: Diversity and equal opportunities 2016	405-1	Diversity of governance bodies and employees	10.27
Ethics, integrity and transparency, GRI 205 Anti-corruption 2016, GRI 203 Indirect economic impacts 2016			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11,12,14,31
	103-2	The management approach and its components	11,12,14,31
	103-3	Evaluation of the management approach	11,12,14,31

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GRI standard	Disclosure	Page number or URL	Omissions
Material issues			
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	12
	205-3	Confirmed incidents of corruption and actions taken	12
GRI 203: Indirect economic impacts 2016	203-2	Significant indirect economic impacts	8
Protection of data cyber-security (GRI 418 Customer Privacy 2016)			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	34
	103-2	The management approach and its components	34
	103-3	Evaluation of the management approach	34
GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	34
Innovation			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	8
	103-2	The management approach and its components	8
	103-3	Evaluation of the management approach	8
















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GRI standard	Disclosure	Page number or URL	Omissions
Material issues			
Quality employment (GRI 401: Employment 2016, GRI 402: Labour/management relations 2016, GRI 405: Diversity and equal opportunities 2016, GRI 406: Non-discrimination 2016, GRI 407: Freedom of association and collective bargaining 2016)			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	23.27
	103-2	The management approach and its components	23.27
	103-3	Evaluation of the management approach	23.27
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	25
	401-3	Parental leave	30
GRI 402: Labour/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	26
GRI 405: Diversity and equal opportunities 2016	405-1	Diversity of governance bodies and employees	10.27
	405-2	Ratio of basic salary and remuneration of women to men	26
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	27
GRI 407: Freedom of association and collective bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	26

GRI standard	Disclosure	Page number or URL	Omissions
Material issues			
Professional development (GRI 404: Training and education 2016)			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	28
	103-2	The management approach and its components	28
	103-3	Evaluation of the management approach	28
GRI 404: Training and education 2016	404-1	Average annual number of hours of training per employee	28
Commitment to society (GRI 203: Indirect economic impacts 2016, GRI 413: Local communities 2016)			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	39, 40
	103-2	The management approach and its components	39, 40
	103-3	Evaluation of the management approach	39, 40
GRI 203: Indirect economic impacts 2016	203-1	Infrastructure investments and services supported	39, 40
	203-2	Significant indirect economic impacts	39
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	39, 40

Materiality - GRI - SDG Table

Material issues	GRI standards		Related SDG		
Economic, profitability and solvency performance	GRI 201	Economic performance 2016	SDG 8	Decent work and economic growth	
Risk management and regulatory compliance	GRI 102 GRI 307 GRI 419	General Disclosures 2016 Environmental compliance 2016 Socio-economic compliance 2016	SDG 16	Peace, justice and strong institutions	
Corporate Governance	GRI 102 GRI 405	General Disclosures 2016 Diversity and equal opportunities 2016	SDG 16	Peace, justice and strong institutions	
Ethics, integrity and transparency	GRI 102 GRI 205 GRI 206	GRI 102: General disclosures 2016 GRI 205: Anti-corruption 2016 GRI 206: Anti-competitive behaviour 2016	SDG 8 SDG 12 SDG 16	Decent work and economic growth Responsible production and consumption Peace, justice and strong institutions	  
Customer experience	N/A		SDG 3 SDG 12	Health and well-being Responsible production and consumption	 
Data Protection. Cybersecurity	GRI 418	Customer privacy 2016	N/A		
Innovation	N/A		SDG 9	Industry, innovation and infrastructure	
Quality employment	GRI 401 GRI 402 GRI 405 GRI 406 GRI 407	Employment 2016 Labour/Management relations 2016 Diversity and equal opportunities 2016 Non-discrimination 2016 Freedom of association and collective bargaining 2016	SDG 5 SDG 8 SDG 10	Gender equality Decent work and economic growth Reduced inequalities	  
Professional development	GRI 404	Training and education 2016	SDG 4	Quality education	
Commitment to society	GRI 203 GRI 203 GRI 413	No poverty Indirect economic impacts 2016 Local communities 2016	SDG 1 SDG 3 SDG 11	No poverty Health and well-being Sustainable cities and communities	  

17 goals to transform the world



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