Ocaso, S.A. Compañía de Seguros y Reaseguros

Financial and solvency situation report 2024

EXECUTIVE SUMMARY

Ocaso, S.A. Compañía de Seguros y Reaseguros (hereinafter the Company) was founded in 1920, has its registered office in Madrid and its scope of action is mainly limited to the national territory, with a small presence in Andorra (operating in the death, accident and assistance branches) and in the United Kingdom, the latter business being in a Run Off situation since July 2021. Within its lines of business, the Company covers virtually all property and personal risks. It is also the parent company of the Ocaso Group.

As of December 31, 2024, the Company's eligible Own Funds amounted to 1,569,424 thousand euros, representing 3.29 times the Solvency Capital Requirement and, when compared to the Minimum Capital Requirement, the Own Funds represent 12.74 times the required requirements.

This scenario reflects the Company's strength, its historical stability, and the Shareholders' policy of providing the Company with sufficient resources to meet all of its commitments and obligations to its policyholders, always through self-generation and without resorting to external financing.

Pre-tax profit for the 2024 financial year was 127,851 thousand euros, with a turnover of 1,109,452 thousand euros. The Company specializes in life insurance products, accounting for 54% of the Company's total.

The Company's solvency, results, and turnover reflect an adequate governance system and a reasonable risk profile adapted to its capitalization levels.

The Company's governance system elects the Board of Directors as the highest governing body, except for the powers reserved for the General Meeting of Shareholders. However, the Board of Directors delegates the ordinary management of the Company to the President and Vice President of the Board of Directors and to the Company's management team, concentrating its activity on the functions of strategy, supervision, monitoring, and control.

The Board of Directors is supported by the Audit Committee as a delegated committee, which oversees the effectiveness of the internal control system and reports its findings to the Board of Directors.

The Board of Directors, as responsible for the Company's risk management system, approves the risk appetite framework and the various policies for managing the different risks, always within a context of appropriate prudence, which constitutes the Company's risk profile framework. The Company classifies its risks into the following categories: actuarial, market, counterparty, operational, compliance, strategic, and reputational.

The Company's internal control system, through a system of identification, evaluation, control, and periodic monitoring of risks, provides reasonable assurance of the efficiency and effectiveness of operations, the reliability of information, adequate risk management, regulatory compliance, and asset protection, all of which is complemented by a review of the system by the internal audit function.

A. ACTIVITY AND RESULTS

A.1. ACTIVITY

Ocaso, S.A. Compañía de Seguros y Reaseguros (hereinafter, the Company) is a public limited company whose corporate purpose is the practice of insurance and reinsurance operations.

The Company was established in 1920 and its registered office is located in Madrid, at calle Princesa, 23.

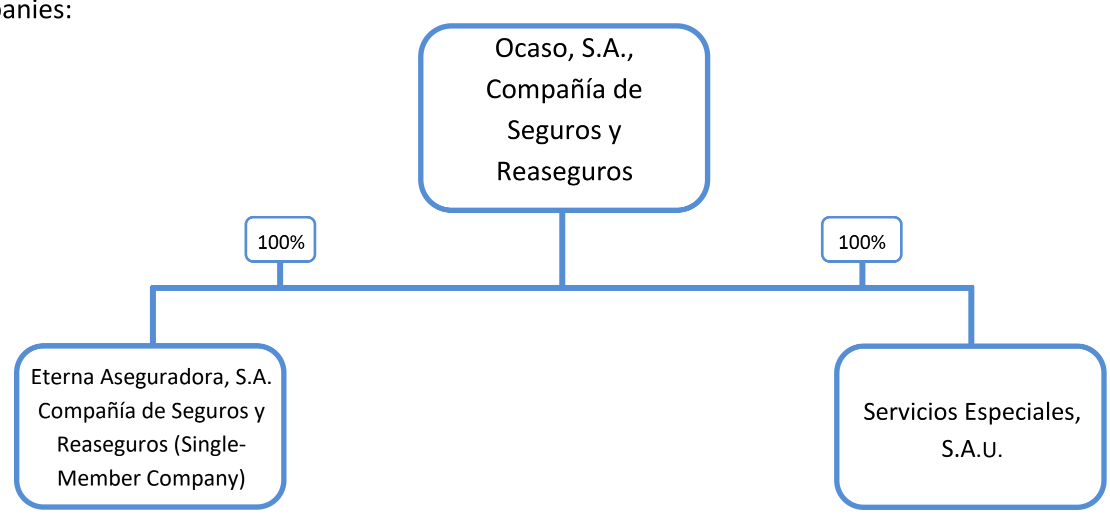
The General Directorate of Insurance and Pension Funds is the authority responsible for the financial supervision of the Company and is located at Paseo de la Castellana, 44, Madrid. Its contact telephone number is +34 952 24 99 82.

KPMG Auditores S.L., with registered office at Torre de Cristal, Paseo de la Castellana, 259 C, Madrid and telephone number +34 91 456 34 00, is the auditing services firm that reviewed the Company's Financial and Solvency Statements.

The main shareholder of the Company is Ms. Isabel Castelo d'Ortega y Cortés, with a stake of approximately 92% of the total.

The Company is the parent company of the Ocaso Group, which is composed of the Company itself, Eterna Aseguradora, S.A. Compañía de Seguros y Reaseguros (Single-Member Company), which is wholly owned, and Servicios Especiales, S.A., which is also wholly owned.

The Company is the parent company of the Ocaso Group, whose perimeter is made up of the following Companies:



The Company's most significant line of business is Other life insurance, with a percentage of premiums of approximately 59% of the total, including death insurance products. The fire and other damage to property insurance line also stands out, with approximately 26% of the total.

A.2. UNDERWRITING RESULTS

The underwriting result obtained by the Company for the financial year 2024 amounts to 112,445 thousand euros, compared to 89,476 thousand euros the previous year, an increase of 22,969 thousand euros.

During the financial year 2024, the volume of premiums earned net of reinsurance amounted to 1,074,978 euros thousand, an increase of 5.03% compared to the financial year 2023, while the loss ratio net of reinsurance incurred, including the change in other technical provisions, totalled 671,407 thousand euros, an increase of 2.57% compared to the previous financial yet.

The underwriting result achieved for the life insurance business line Other life insurance (including death and life insurance, excluding Profit Sharing and Unit Linked modalities) is as follows:

	2024	2023
Allocated premiums (net of reinsurance)	655,207	626,884
Loss ratio plus variation in other technical provisions (net of reinsurance)	453,890	433,723
Underwriting result	**42,910**	**43,441**

(Data in thousands of euros)

The decrease in earnings compared to the previous year is primarily due to the increase in technical provisions for deaths, after updating the cancellation assumption considered in the calculation to align it with the latest available data.

On the other hand, for the non-life business line Fire and other property damage insurance (which mainly includes the multi-risk home and community branches) the details are as follows:

	2024	2023
Allocated premiums (net of reinsurance)	266,023	244,125
Loss ratio plus variation in other technical provisions (net of reinsurance)	131,431	131,482
Underwriting result	**38,228**	**20,022**

(Data in thousands of euros)

The increase in results compared to the previous year is due both to the decrease in the loss ratio (both in frequency and cost) and to the increase in financial results resulting from an increase in money market returns.

In terms of classification by country, the underwriting result corresponds almost 100% to the activity carried out in Spain.

A.3. INVESTMENT RETURNS

The result of financial investments as of December 31, 2024, amounted to 97,661 thousand euros, compared to 89,081 thousand euros for the previous year, distributed as follows:

	2024			2023		
	Income investment result	Expense investment result	Investment result	Income investment result	Expense investment result	Investment result
Fixed income	56,148	-16,224	39,924	52,313	-20,517	31,796
Variable income	5,520	-331	5,189	8,481	-995	7,486
Swap	3,167	0	3,167	3,060	0	3,060
Deposits with Credit Institutions	7	0	7	671	-442	229
Investment funds	17,146	-2,173	14,973	13,921	-5,299	8,622
Short term	24,070	-1,475	22,595	13,108	-868	12,240
Unit Linked	54,176	-43,980	10,196	43,181	-31,823	11,358
Material investments	2,187	-323	1,864	14,611	-273	14,338
Other issues	717	-972	-255	1,744	-1,792	-48
Total	**163,138**	**-65,477**	**97,661**	**151,090**	**-62,009**	**89,081**

(Data in thousands of euros)

Year 2024 was characterized by asymmetric economic growth on both sides of the Atlantic. While the US economy grew 2.8%, driven by a robust labour market, resilient consumer spending, and a growing technology sector, the European economy expanded by only 0.7%. This disparity is attributed to weaker economic activity in the eurozone, particularly in Germany, impacted by rising energy and financing costs, as well as a decline in demand from the Chinese market.

During 2024, inflation in the United States experienced a general downward trend, ending the year at 2.9%. However, this downward trend was marked by sporadic spikes and persistent underlying inflation. Moderation in inflation was mainly attributed to the decline in energy prices and the normalization of goods prices. However, wage pressures and rising rents remain a cause for concern and could drive a price rebound in the future.

In the eurozone, inflation reached 2.4%, approaching the 2% target set by the European Central Bank. However, a rebound was observed in the last quarter of the year, mainly attributed to rising energy prices.

The Federal Reserve (Fed) adopted a change in its monetary policy during 2024, moving from a restrictive stance to a progressive easing. This easing resulted in a gradual decrease in interest rates, accumulating a total of 100 basis points throughout the year. The factors that motivated this initial cutback included easing inflation and mixed economic data. While consumption and the labour market remained strong, industrial production indicators showed less dynamism.

Similarly, the European Central Bank (ECB) implemented an expansionary monetary policy in 2024, making four gradual 25-basis-point interest rate cuts. This strategy was adopted in response to the moderation of inflation in the eurozone and the weak economic growth experienced in the region, particularly in key economies such as Germany and France.

On the stock market side, throughout 2024, a more favourable economic environment than anticipated at the beginning of the year, along with the beginning of interest rate cuts by central banks, has generated a boost in confidence and performance in the main stock markets. This optimism has been maintained despite a complex global geostrategic context and expectations regarding the effects that the economic measures implemented by the new US administration may have on the international economy.

Among the main risks that could affect financial markets in 2025 are the depth and real impact of the Trump administration's measures, the ongoing geopolitical tensions with the war in Russia, the situation in the Middle East, and trade tensions between the United States and China. On the European side, the evolution of economic growth will be taken into account, especially in Germany and France, which are also subject to internal political tensions.

In 2024 the adjustments for changes in value within the net equity has experienced a variation net of taxes deferred, of 61.613 thousand euros with respect to the previous year. Specifically, the valuation difference for financial assets classified as "available for sale" has increased from -15,827 thousand euros in 2023 to 45,786 thousand euros in 2024. These variations correspond to debt securities (50,019 thousand euros), collective investment institutions (30,049 thousand euros), equity instruments (2,083 thousand euros) and deferred taxes (-20,538 thousand euros).
Ocaso's investments in securitizations are entirely Spanish mortgage securitizations in senior tranches with investment-grade credit ratings, representing a minority position relative to the total portfolio (0.28%).

A.4. RESULTS OF OTHER ACTIVITIES

The non-technical income incurred by the Company in fiscal year 2024 amounted to 2,679 thousand euros, compared to 2,328 thousand euros in 2023.

Additionally, non-technical expenses amounted to 7,850 thousand euros in 2024, compared to 5,888 thousand euros in the previous year.

There is no other significant information regarding the activity and results of the insurance or reinsurance company.

B. GOVERNANCE SYSTEM

B.1. GENERAL INFORMATION ON THE GOVERNANCE SYSTEM

The Board of Directors is the highest governing body of the Company, except in matters reserved for the jurisdiction of the General Meeting. However, the Board of Directors delegates the ordinary management of the Company to the President and Vice President of the Board of Directors and to the Company's management team, concentrating its activity on the general functions of strategy, supervision, monitoring, and control.

Its functions include determining and approving the Company's general policies and strategies and preparing the Annual Accounts and submitting them for approval to the General Meeting of Shareholders. It also ensures the effectiveness of the Company's governance system, particularly the proper functioning of the risk management, regulatory compliance, internal and actuarial audit functions, as well as outsourced activities or functions; approves the own risk and solvency assessment (ORSA) reports and the report on the financial and solvency situation; identifies the Company's main risks; and determines the establishment, documentation, and maintenance of internal control procedures.

The Board of Directors is composed of a President and a Vice President, both with executive functions, and six directors, two of whom are independent.

The Board of Directors has an Audit Committee as a delegated committee. It is comprised of three non-executive directors, including the two independent directors, and is responsible for overseeing the effectiveness of the internal control system and, within it, the actuarial, internal audit, risk management, and regulatory compliance functions, and reporting its findings to the Board of Directors.

The actuarial, risk management, and regulatory compliance functions, for their part, carry out ongoing monitoring, based both on information provided by risk managers and on information generated in-house, of the risk indicators established to ensure ongoing compliance with the appetite level approved by the Board of Directors, and with the solvency requirements, both derived from the ORSA process and from the calculation of the Solvency Capital Requirement.

The internal audit function, in operational dependence on the Vice President of the Board of Directors, carries out an independent review of the entire internal control and risk management system, ensuring its adequacy to the risk profile and strategic objectives of the Company.

The members of the Board of Directors receive a fixed annual allowance approved by the General Meeting of Shareholders. The remuneration policy approved by the Board of Directors contributes to strengthening the Company's risk management system and its alignment with its business model. The Company's compensation system is focused on enhancing its objectivity and, to this end, is based on a corporate job map, with an assessment of the compensation scale for each group and level and an annual individual evaluation of each employee's performance and position within said map. In general, there is a clear predominance of fixed remuneration over variable remuneration. In the case of commercial staff, variable remuneration is set on the basis of individual objectives and in no case represents a substantial part of their total remuneration.

B.2. REQUIREMENTS AS TO APTITUDE AND INTEGRITY

The aptitude and integrity policy establishes the individuals to whom it applies, as well as the requirements that must be met to ensure compliance.

This policy affects the Board of Directors, members of the Board of Directors, and individuals who perform actuarial, internal audit, risk management, and regulatory compliance functions.

The requirements established in the policy ensure that the affected individuals have the appropriate professional qualifications, competence, experience, reputation, and integrity to enable the sound and prudent management of the Company.

Regarding professional aptitude or qualifications, it is required, as appropriate, to have higher or continuing education in economics, law, actuarial, financial, business administration or management, and in particular in the specific area of insurance and financial services, as well as experience that demonstrates the necessary skills defined in the various policies relating to the Company's governance system. In the case of the Board of Directors, its members collectively possess the appropriate qualifications, experience, and knowledge.

Regarding the integrity requirement, attention is paid to developing a personal history of respect for commercial laws and other laws that regulate economic activity and business life, as well as good commercial, financial, and insurance practices.

The above requirements are met on an ongoing basis, keeping a record of initial assessments and periodic reviews, as well as associated documentation.

B.3. RISK MANAGEMENT SYSTEM. RISK AND SOLVENCY SELF-ASSESSMENT

The risk management system begins with the definition and establishment of the risk appetite and tolerance level approved by the Board of Directors and involves the entire organization.

The Company classifies its risks into the following categories: actuarial, counterparty, market, operational, compliance, strategic, reputational, and sustainability risks.

For all these categories, the general organization and distribution of the main responsibilities in terms of risk management are as follows:

- Board of Directors: Responsible for approving the risk appetite and tolerance framework and the policies related to the management of different risks, as well as ensuring the effectiveness of the entire risk management system.
- Audit Committee: Based on information provided by the actuarial, risk management, and regulatory compliance functions, it is responsible for ensuring the effectiveness of the risk management and internal control systems before the Board of Directors.
- Management: is responsible for the implementation and compliance of both the risk appetite framework and the various risk management policies, as well as reporting to the Board of Directors, based on information provided by the Risk and Compliance Committee, on the degree of compliance with the approved risk appetite and tolerance level.
- Risk Management and Regulatory Compliance Committee: This committee is responsible for analysing and reviewing the information generated in the area of risk management by the

actuarial, risk management, and regulatory compliance functions, prior to its submission to Management. Specifically, it analyses the results of periodic assessments of economic capital needs obtained from the ORSA process and the Solvency Capital Requirement (SCR), the corporate risk map obtained from risk self-assessments, and the various stress tests or scenarios performed. In addition, it reviews the periodic information prepared by the risk management function on the degree of compliance with the approved risk appetite and tolerance level.

- Risk management function: This function is responsible for ensuring, in accordance with the guidelines established by the Board of Directors and current regulations, the comprehensive, homogeneous and coherent management of the risks to which the Company is exposed, coordinating, with those responsible for the different risks, the entire process of identification, evaluation, monitoring, control and mitigation of significant risks, as well as ongoing compliance with the risk appetite level. Specifically, it coordinates the calculation of the Minimum Capital Requirement (MCR) and the Solvency Capital Requirement (SCR) in each of its modules, as well as the own risk and solvency assessment (ORSA) process. It periodically reports to the Board of Directors through the Audit Committee.
- Actuarial and regulatory compliance functions: These are responsible for fulfilling responsibilities related to actuarial and regulatory compliance risks, respectively, in both cases in coordination with the risk management function itself, reporting annually to the Board of Directors through the Audit Committee.
- Risk managers: Business and support units are responsible for managing and controlling the various risks within their areas of responsibility and in accordance with the corresponding policies.

The main objective of the internal risk and solvency assessment (ORSA) process is to obtain the free equity (economic capital) that the Company must have available to meet the losses it may suffer throughout the planning period considered and in accordance with a given confidence interval, and represents an alternative to the capital requirements determined by the Solvency Capital Requirement (regulatory capital). The ORSA process begins with the income statement budgeting process for the periods included in the planning horizon (three years) and involves the participation and involvement of all business units. Coordination is carried out by the Management Control and Solvency area, which ensures its adaptation to the Company's risk profile and established risk appetite, with Management ultimately approving the central planning scenario.

From this, the expected standard deviation of the main variables of the income statement is estimated, so that, based on the mean and standard deviation of the projected variables, scenarios consistent with simulations of the income statement for each of the years of the planning period are established using statistical techniques, incorporating an additional variable that includes elements that are not reflected in said account. Overall Solvency requirements (economic capital) are represented as the amount that causes the potential accumulated losses over the three years to exceed this amount only in very few cases (250 of the 50,000 calculated scenarios), which is equivalent to saying that the amount of these requirements covers 199 cases out of 200 possible ones (99.5% confidence level) in the planning time horizon (three years). As for the own funds available to meet these needs, the amount is obtained by adding, to the equity available after the last fiscal year, the expected profits net of taxes and dividends, plus any planned increases or decreases in equity.

The ORSA exercise is conducted at least once a year and is approved by the Board of Directors based on the report prepared by the risk management function.

B.4. INTERNAL CONTROL SYSTEM

The internal control system is focused on obtaining reasonable assurance regarding the effectiveness and efficiency of operations, the reliability, integrity, and availability of financial and non-financial information, adequate risk management in accordance with the Company's strategic objectives, compliance with applicable laws and internal policies and procedures, and the protection of assets.

The Company's internal control system operates under the ultimate responsibility of the Board of Directors and is based on a separation of functions and responsibilities, both at the operational level between the different business and support areas, and between these and the actuarial, risk management, regulatory compliance, and internal audit functions.

The internal control system in the Company includes at least the following processes and activities:

- Identification, evaluation, control, and monitoring of relevant underwriting, market, counterparty, operational, compliance, strategic, reputational, and sustainability risks, taking into account their potential impact on key management objectives.
- The management and analysis of these risks by each of the business and support areas.
- The establishment of a structure of policies, guidelines, and limits, as well as the corresponding mechanisms for their approval and implementation, that effectively contribute to ensuring that risk management is carried out in accordance with the Company's risk appetite.
- The measurement and control of risks following uniform procedures and standards common to all of them, and in particular, the periodic monitoring and control of balance sheet and equity risks with the aim of ensuring the Company's solvency.
- Information systems that enable regular and transparent communication of the results of risk control and management monitoring, including compliance with policies and limits.
- The review of the system by the internal audit function.

In order to understand the functioning and effectiveness of the internal control system, the Board of Directors receives annually, through the Audit Committee, in addition to the reports from the risk management, actuarial, and regulatory compliance functions, a specific report prepared by the risk management function, which includes the scope, methodologies, effectiveness and deficiencies of the system, the action plans and corrective measures proposed, and the degree of progress in the action plans identified the previous year.

Within the internal control system, the compliance function is responsible for coordinating communications to the Board of Directors through the Audit Committee regarding:

- Compliance with legal, regulatory and administrative provisions of material impact that affect the Company.
- Identification, evaluation, control, and monitoring of regulatory compliance risks.
- Monitoring the degree of implementation and effectiveness of the controls identified during the previous evaluation process by the various risk managers.
- Impact assessment and monitoring of the analysis and implementation process of any substantial modification to the legal environment in the Company's operations.

Compliance risk management, like the risk management system as a whole, is based on a decentralized approach involving compliance risk managers and specialists from different regulatory areas and coordinated through the compliance function.

As part of the process of reporting on the results of the analyses carried out, this function prepares periodic compliance reports, the annual compliance plan, and the annual activity report, which are reviewed and analysed by the Risk and Compliance Committee and submitted to the Audit Committee for submission to the Board of Directors.

B.5. INTERNAL AUDIT FUNCTION

Internal auditing is an independent function within the Company that continuously analyses, evaluates, and controls the procedures, practices, and activities that constitute the internal control systems. The fulfilment of this objective is realized by analysing and verifying that:

- There is an effective system of government capable of ensuring sound and prudent management of the activity.
- The policies and procedures that comprise the internal control system are applied consistently and efficiently, allowing for adequate risk management.
- The processes are adequate and are followed as established by the approved policies and procedures.
- All significant risks are correctly identified, assessed and controlled.

All of this is intended to contribute to safeguarding assets and shareholder interests, supporting the Company by issuing recommendations and monitoring their implementation, while seeking to improve the control environment.

In carrying out its activities, the internal audit function coordinates with other business areas and/or departments and, in particular, with other key functions. Likewise, members of the internal audit function have access to all documents and records considered relevant and to all areas and departments of the Company in the performance of their duties.

The internal audit function reports operationally to the Vice President of the Board of Directors of the Company. In this way, its operational independence and the proper development of its functions are guaranteed.

In order to preserve their independence, members of the internal audit function do not participate in other operational or management functions of the Company, although, exceptionally, by order of the Control Bodies, they may perform sporadic and specific operational functions to control and mitigate economic and financial risks.

Likewise, members of the audit function are responsible for maintaining an attitude that fosters independence and objectivity in the activities being audited, as well as avoiding actions or situations that undermine their professional integrity, generate conflicts of interest, and cause harm.

Regarding the information flows that the internal audit function maintains with the Board of Directors, the fundamental ones are the following:

- Three-year audit plan with the main lines of action, which must be specified in the necessary annual plans.

- Annual report on the function's activities, which will include a summary of the function's activities in its various areas of activity, as well as the main conclusions and recommendations issued.

These documents are submitted for approval to the Board of Directors through the Audit Committee.

B.6. ACTUARIAL FUNCTION

Responsibility for the actuarial function is assumed by the Technical Deputy Director, who reports hierarchically to the Deputy General Manager, supported by the Management and Risk Control Division, the Risk and Regulatory Compliance Committee, and the Business Divisions (Actuarial and Studies, Contracting, Claims and Reinsurance, and International).

In carrying out its activities, the actuarial function coordinates with other units, as it must use the information and documentation generated by them. In this sense, a cooperative working relationship between the actuarial function and the rest of the Group's areas and departments promotes proper management.

In carrying out its activities, the actuarial function is authorized to request any information it deems relevant. If the person responsible for such information considers it to be restricted, express authorization will be required, for which the corresponding authorization mechanisms will be developed. In this regard, the actuarial function may also require permanent access to data and computer systems that are relevant to it. The actuarial function will immediately report any attempt to prevent the performance of its functions.

Since the actuarial function is one of the key functions, this structure is considered appropriate given the size, nature, scale, and complexity of the Group's activities. It also has sufficient human, technological, and financial resources to effectively fulfil its objectives, with access to all information and documentation generated by other units. All members of the actuarial function collectively possess the knowledge, skills, and competencies necessary to fulfil their responsibilities. Additionally, the person responsible for the actuarial function meets the integrity requirements established by the Company.

B.7. OUTSOURCING

The Company currently does not outsource any of its key functions (actuarial, risk management, regulatory compliance, and internal audit) or any operational activities considered critical in accordance with the outsourcing policy approved by the Board of Directors.

The management model for providing services covered by the insurance contracts subscribed by the Company is based on a broad network of collaborators and suppliers throughout the country, whether funeral providers in the case of life insurance or claims technicians and repairers in the case of multi-risk insurance. In all cases, there is a specific area responsible for their selection, control, and monitoring.

In the case of services linked to travel assistance guarantees, legal defence, and legal or medical advice, the requirements, control, and monitoring are reinforced by a detailed analysis of the technical and financial guarantees of the providers, along with the need for both the provider and the Company to have operational contingency plans in case of the impossibility of providing the offered service (including the existence of alternative providers). Models are also available for monitoring and evaluating the quality levels of the services provided.

B.8. CONCLUSION

In accordance with the provisions set out in section B of this report, the existing governance system is considered appropriate to the nature, volume and complexity of the risks assumed and inherent to the Company's activity and therefore provides reasonable assurance regarding the efficiency and effectiveness of operations, the reliability of information, risk management, regulatory compliance and asset protection.

C. RISK PROFILE

The underwriting and reinsurance risk management policy and the investment policy establish the framework for action and limits to be considered in their respective activities by the contracting and investment areas, while the risk appetite framework determines the appetite and tolerance levels and the system, indicators and associated measurement and monitoring thresholds, which must serve as a basis for the risk management system to ensure that these are within the parameters established by the Board of Directors and that, in the event of deviation, the necessary action plans are implemented to correct them.

The three first-level indicators approved by the Board of Directors are the following:

- Solvency ratio: measures the ability to meet unexpected losses with the Company's own funds.
- Overall risk-adjusted profitability ratio: measures the profitability of the business in terms of the risk assumed in that activity.
- Liquidity ratio: measures the Company's ability to meet its obligations with its liquid assets.

C.1 UNDERWRITING RISK

Underwriting risk is understood as the risk of loss or adverse change in the value of insurance liabilities due to the inadequacy of pricing and provisioning assumptions. The risk structure and valuation and management methods vary depending on the type of insurance product or modality (death, life, unit-linked, and non-life, primarily multi-risk). The breakdown of net reinsurance technical provisions as of December 31, 2024, is as follows:

Modality group	Amount of technical provisions (without risk margin)	% of total
Death	1,314,743	58.25%
Life	651,763	28.88%
Unit Linked	167,298	7.41%
Non-life	123,335	5.46%
Total	**2,257,139**	**100.00%**

(Data in thousands of euros)

For the evaluation and monitoring of Underwriting risk, second-level indicators are defined that allow for better monitoring of the degree of compliance with the risk appetite established by the Board of Directors and which, in relation to underwriting risk, are, for each of the product groups mentioned, the following:

- Solvency Capital Requirement ratio for underwriting risk over the value of the corresponding liabilities.
- Ratio of subscription result to the Solvency Capital Requirement for underwriting risk.

To ensure continuous monitoring aligned with the day-to-day management of underwriting risks, third-level indicators are established and collected at least quarterly. In this case, the diversity is greater and depends on the type of product analysed, the main variables analysed being the following:

- Death: average portfolio age, average portfolio holding age, average production and portfolio premiums, number of deaths, ratio of service costs to contracted capital, cancellations, management expenses, and management capabilities.
- Life: technical results and cancellations in life risk, surrenders and management expenses in life savings.
- Other: average premiums, production and portfolio, loss ratio, evolution of claims reserves, and management expenses.

Exposure to the various risks associated with underwriting is logically related to the volume and characteristics of the products marketed. Thus, in the death and life insurance categories, due to the duration of the projected flows, the main risks arise from the possible long-term increase in mortality and cancellation rates, while in the non-life categories, they are related to the possible deterioration, in this case of an immediate nature, of the technical result, mainly due to an unforeseen increase in the number of fire losses and other property damage.

The composition of the Company's product portfolio prevents significant additional losses due to risk concentration, either sector- or geographic-specific, in this case due to the territorial diversification of the main property, home, and community insurance policies. Furthermore, in cases where, due to a material event (fire, storm, etc.), this concentration circumstance could occur, the Company has, in addition to the coverage of the Insurance Compensation Consortium, reinsurance contracts that would significantly reduce the initial impact.

An annual evaluation of the types of reinsurance agreements and risk transfer levels is conducted based on the different coverages of the affected products. Compliance with the minimum credit quality of the counterparties and adequacy of liquidity in the event of an unexpected default by one of the reinsurers are analysed.

Within the Company's product portfolio, those most sensitive to changes in exposure are those with a longer duration (death and life) and therefore are more likely to experience changes in variables over the years, modifications that, in turn, will have a greater cumulative impact. In order to manage or prevent this possibility, reviews are conducted of the methodologies and calculations used to value obligations. Stress tests are also performed through variations in mortality, survival, cancellations, and expenditure assumptions. In the case of non-life insurance, the analysis is carried out through variations in the various parameters that affect the frequency and intensity of claims.

C.2. MARKET RISK

Market risk is understood as the risk of loss or adverse change in financial position as a result of fluctuations in the level and volatility of market prices of assets, liabilities and financial instruments. Market risk includes interest rate, equity, currency, and real estate risks. The Company also includes in this heading the credit risk derived from financial assets (except treasury), which is understood as the risk of loss or adverse modification of the financial situation as a result of fluctuations in the solvency of the issuers of said securities. In this case, the risks of credit spreads and issuer concentration have been included.

The investment policy approved by the Board of Directors incorporates the principles that must govern the Company's investment and market risk management criteria, especially that of prudence, establishing that for any investment, the Company will evaluate, through analysis of information from both third parties and its own information that it may have available, the capacity for its management, the associated risks, the coherence with the interests of beneficiaries and policyholders and the impact on the quality, security, liquidity, profitability and availability of the entire portfolio, all within the established limits of risk appetite and tolerance. It also defines the other applicable principles (security, profitability, liquidity, consistency in terms, diversification and dispersion, and monetary consistency), the organizational model, the responsibilities and skills to be developed by the areas involved, as well as the quantitative and qualitative limits and risk management instruments to be taken into account in each case.

The market value and composition of the investments, based on the associated risks and differentiating between euros and other currencies, is as of December 31, 2024, as follows:

Assets	2024		2023	
	Amount	% of total	Amount	% of total
Public debt	1,256,837	30.56%	1,096,028	28.72%
Corporate fixed income	1,753,124	42.63%	1,684,410	44.14%
Variable income	142,680	3.47%	159,441	4.18%
Deposits (non-treasury)	0	0.00%	506	0.01%
Shares	180,209	4.38%	162,427	4.26%
Real estate and tangible fixed assets	192,590	4.68%	189,864	4.98%
Unit Linked	167,298	4.07%	164,058	4.30%
Total Euros	**3,692,738**	**89.80%**	**3,456,734**	**90.59%**

(Data in thousands of euros)

Assets	2024		2023	
	Amount	% of total	Amount	% of total
Public debt	50,042	1.22%	41,233	1.08%
Corporate fixed income	249,100	6.06%	203,505	5.33%
Variable income	120,458	2.93%	114,344	3.00%
Deposits (non-treasury)	15	0.00%	1	0.00%
Total currencies	**419,615**	**10.20%**	**359,083**	**9.41%**
Total	**4,112,353**	**100.00%**	**3,815,817**	**100.00%**

(Data in thousands of euros)

The main variations in the structure and composition of the investment portfolio compared to 2023 are the slight increase in the weight of public debt (from 29.80% in 2023 to 31.78% in 2024), mainly to the detriment of corporate fixed income (from 49.48% to 48.69%) and equity (from 7.18% to 6.40%), and to a lesser extent the real estate and fixed assets item (from 4.98% to 4.68%). Furthermore, foreign currency exposure increased from 9.41% to 10.20%, primarily in dollars.

Investment in public debt corresponds mainly to the Spanish State (88.57%) and to a lesser extent to the Italian State (7.53%), compared to 78.72% and 17.65%, respectively, in 2023.

41% of corporate fixed income in euros has an A or higher rating and 57% a BBB rating (36% and 62% in 2023), while in currencies, 48% has an A or higher rating and 48% a BBB rating (compared to 46% and 53% in 2023).

In equities (euros and currencies), only 23% of investments are direct (of this percentage, 96% corresponds to listed equities and in OECD countries) and the remaining 77% (31% in euros and 46% in currencies) is channelled through investment funds, all of which have a highly diversified portfolio of securities, data generally very similar to those of 2023.

Of the total foreign currency investment (419,615 thousand euros), 9,164 thousand euros cover the amount of net technical provisions corresponding to the business subscribed in the United Kingdom and therefore reduce the exposure to this risk by that amount.

Regarding investment in real estate and tangible fixed assets, 72% is for own use, slightly lower than the percentage in 2023 (73%).

For the evaluation and monitoring of these risks and based on the first-level risk appetite indicators established by the Board of Directors, second-level indicators are defined that allow for better monitoring of the degree of compliance with risk appetite, and which, in relation to market risk, are:

- Solvency Capital Requirement ratio for market and counterparty risk over the value of the associated investment portfolio.
- Ratio of the investment portfolio's results to the Solvency Capital Requirement for market and counterparty risk.

Furthermore, to enable continuous monitoring aligned with the day-to-day management of market risks, third-level indicators are established. These indicators are obtained at least quarterly and seek to anticipate any potential breach of the approved risk appetite levels. Depending on the risk analysed, the main variables used are the following:

- Interest rate: differences, by portfolio and globally, between the current value of associated assets and liabilities, sensitivity movements due to variations in the yield curve, asset reinvestment studies.
- Shares: exposure to the total investment portfolio and by country and sector, portfolio volatility and profitability, differentiating in all cases between direct investment and through funds.
- Foreign exchange: exposure, net of liabilities, in foreign currencies relative to the total investment portfolio and exchange rate trends, separately in all cases for each currency.
- Real estate: appraisal values, geographical distribution, and profitability.
- Credit spreads: distribution of public debt by country, corporate fixed income by sector, issuer ratings, and maturity dates.
- Issuer concentration: exposure by issuer on investment portfolio and rating of the main concentrations.

The largest concentrations are in public debt securities issued by the Spanish state (representing 28.15% of the total investment portfolio) and Italy (2.39%), while no corporate fixed-income issuer exceeds 1.5%.

The greatest sensitivity to risk comes from downward movements in the interest rate curve. Therefore, stress tests are periodically performed to assess movements in this curve, and their effect on the affected assets and liabilities is assessed. Regarding investments in equities and currencies, volatility analyses are periodically performed, and the effects of variations in stock prices and exchange rates on the portfolio are assessed. In addition to periodic evaluations, alternative scenarios are analysed whenever events occur that could affect a significant portion or most of the market prices of investments.

C.3. CREDIT RISK

Credit risk arising from treasury and non-financial assets is understood as the risk of loss or adverse change in the financial situation as a result of fluctuations in the solvency of the issuers of such securities.

Credit risk management is covered, depending on the asset affected, in risk management, investment, and reinsurance management policies.

The composition of the assets subject to this risk as of December 31, 2024, is as follows:

Assets	2024		2023	
	Amount	% of total	Amount	% of total
Credits with reinsurers	16,719	19.22%	24,178	18.27%
Credits for insurance operations	16,697	19.20%	19,914	15.05%
Cash and other cash equivalents	57,051	65.59%	97,189	73.45%
Derivatives	-3,491	-4.01%	-8,953	-6.77%
Total	**86,976**	**100.00%**	**132,328**	**100.00%**

(Data in thousands of euros)

To assess and monitor these risks, and based on the first-level risk appetite indicators established by the Board of Directors, second-level indicators have been defined to better monitor the degree of compliance with risk appetite. These indicators, in relation to credit risk, are:

- Contribution of the Solvency Capital Requirement for market and counterparty risk to the overall Solvency Capital Requirement.
- Solvency Capital Requirement ratio for market and counterparty risk over the value of associated assets.

To ensure continuous monitoring aligned with daily credit risk management, third-level indicators have been established. These indicators are obtained at least quarterly and attempt to anticipate any potential breach of the approved risk appetite levels. Depending on the asset analysed, the main variables used are the following:

- Credits to reinsurers: level of exposure per reinsurer and reinsurer ratings.
- Credits from insurance operations: exposure is analysed by category, branch, and age of outstanding receipts.
- Cash and other cash equivalents: exposure level and rating by financial institution.

The main risk in this case comes from exposure to current accounts at financial institutions.

C.4. LIQUIDITY RISK

Liquidity risk is caused by the inability to liquidate investments in order to meet financial obligations without causing a substantial loss.

The investment policy recognizes the principle of liquidity as one of the basic principles of investment and market risk management, and establishes that, to limit it, the treasury will be composed of assets with a maturity of less than three months and money market investment funds.

The liquidity ratio is one of the three primary risk appetite indicators established by the Board of Directors and is defined as the ratio of expected cash inflows (including the current cash balance) to expected cash outflows over the next 12 months.

In addition to monitoring this indicator, and in order to ensure liquidity in exceptional situations (especially unlikely in the Company due to the business model), third-level indicators are established, which are obtained at least quarterly and which the following variables related to the liquidity of the investment portfolio: amount of equities that can be settled overnight, amount in mutual funds according to their size (liquidation value) and amount in fixed income issues according to their total issue value.

The expected benefit amount included in future premiums is, as of December 31, 2024, 149,048 thousand euros for life insurance and 25,306 thousand euros for non-life insurance.

The Company understands that the characteristics of the products, primarily death insurance, the established liquidity ratio, and the current investment policy together provide sufficient guarantees to maintain this risk at appropriate levels.

C.5 OPERATIONAL RISK

Operational risk is understood as the risk of loss arising from the inadequacy or dysfunction of internal processes, personnel, systems, or external events. In addition, the Company incorporates three other categories into its management model for this type of risk: regulatory compliance risk, strategic risk, and reputational risk.

Regulatory compliance risk is understood as the risk of incurring legal or regulatory sanctions, material financial losses, or reputational losses of material impact that the Company may suffer as a result of non-compliance with laws, regulations, internal, and external rules and standards, or administrative requirements in general that are applicable to its activity.

Strategic risks arise primarily from the business model and the decisions made by the Company regarding that model, as well as from changes in the insurance sector and in the market in which other insurance groups and entities compete.

Reputational risks, for their part, arise from the impact on the Company's image that may be suffered for reasons other than those derived from the materialization of other risks, generally of an operational or compliance nature.

The Company's risk management policy establishes the different types of risk considered in each category, the organizational and operational model, and the procedures, methodologies, and instruments for their identification, evaluation, management, control, and communication, as well as for monitoring the degree of compliance with the risk appetite and tolerance levels.

Within the management model for these four types of risks, which is part of the Company's general risk management system, the following characteristics should be noted:

- The Company has a list of risks, identified as a result of various processes carried out over recent years, and which, in all cases, have a person responsible for their management.

- Participation and involvement of all responsible parties, with coordination of risk management and regulatory compliance functions, and independent review of the internal audit function. A risk self-assessment exercise is conducted at least annually, during which those responsible assess the risks in terms of impact and likelihood, identify existing mitigation controls, and evaluate their effectiveness. This is coordinated and reviewed by the risk management and compliance functions and, subsequently, by the internal audit function during its periodic reviews included in its audit plan.
- The risk management function prepares the resulting risk map, which, along with any action plans identified for the most significant risks, is presented to the Risk and Compliance Committee.

According to this map, the most significant risks in terms of inherent risk (before considering controls) to which the Company would be exposed, primarily due to the economic impact they could generate if they materialized, would be related to information security, inadequate technological evolution, and non-compliance with or failure to adapt to the existing regulatory framework.

To mitigate these risks, in addition to the existing general framework based on the governance, risk management, and internal control systems described in this report, the Company has a broad and comprehensive framework of controls, a significant and ongoing financial effort to minimize risks associated with information systems, and a business continuity plan for the Company.

C.6. SUSTAINABILITY RISKS

Climate change and the deterioration of the natural environment pose major global challenges. The transition to a low-carbon, more sustainable, resource-efficient, and circular economy aims to ensure the long-term competitiveness of the European economy in line with the United Nations Sustainable Development Goals.

The European Union is working to mitigate the effects of climate change and reverse environmental degradation, while also focusing on social issues related to inequality, inclusion, human rights, and labour relations.

European supervisory authorities have launched a comprehensive regulatory program related to the transition to a sustainable economy. Much of this new regulation affects insurance companies.

During 2024, with the support of an external consultant, the Company has continued to make progress both in the integration and management of sustainability risks within its operations and in compliance with new applicable legislation. Among the activities carried out, the following stand out:

- The Company has assessed the sustainability risk of the investment portfolio, both associated with technical provisions and equity. For this assessment, the Company used sustainability information provided by specialized suppliers, related to various aspects such as the sustainability ranking, adverse impact indicators, and European taxonomy indicators.
- The Company has assessed the level of climate change risk associated with insurance products and, based on an analysis of policy coverage, the geographic location of the insured assets, certain

complementary demographic considerations, and the claims database, has identified the products that are particularly exposed to climate change risks (physical, transition, and liability).

- This assessment of the sustainability risk of investments and the climate change risk of insurance products, together with the specifications of the corresponding EIOPA guides, has served to work on the development of a model for the Company's climate change risk materiality test, which reaches three levels of study: investments and insurance products (differentiating between Life and Non-Life), physical and transition risks, and a qualitative and quantitative assessment.
- Both the sustainability risk assessment of the investments, the climate change risk assessment of the insurance products, and the findings of the Materiality Test were incorporated into the Own Risk and Solvency Assessment (ORSA) Report approved by the Board of Directors in June 2024.
- In relation to the Taxonomy Regulation, during 2024 the Company has continued working on identifying both eligible activities (which contribute substantially to climate change adaptation) and those aligned (which do not cause significant harm to any of the other environmental objectives) with said Taxonomy, developing the corresponding key investment and subscription indicators.
- The Company, in accordance with its company-level transparency obligations under the Regulation on Sustainability Disclosures in the Financial Services Sector (known as the Disclosure Regulation or SFDR), has published on its website a statement on the key adverse impacts on the sustainability factors of investment decisions.
- The Company has prepared the Non-Financial Information Statement for 2024 due to the failure to transpose the CSRD Directive into the national regulatory framework. However, progress has been made in analysing the dual materiality and identifying and assessing the impacts, risks, and opportunities required by the Directive, with the aim of preparing for its future implementation.

D. VALUATION FOR SOLVENCY PURPOSES

The Company's financial statement as of December 31, 2024, has been prepared in accordance with the principles set forth in Articles 75 to 86 of Directive 2009/138/EC and Commission Delegated Regulations (EU) 2015/35 and 2019/981.

D.1. ASSETS

D.1.1. VALUE OF ASSETS

Below, for each asset class, the value thereof as of December 31, 2024, and a comparison with the previous year, calculated under Solvency II criteria and under the criteria of the financial statements used in the preparation of the Company's annual accounts, are shown.

	Solvency II Value			Book value		
	2024	2023	Difference	2024	2023	Difference
ASSETS						
Goodwill				12,208	14,285	-2,077
Deferred acquisition costs						
Intangible assets				22,566	22,617	-51
Deferred tax assets	94,059	102,951	-8,893	16,520	26,399	-9,879
Surplus of pension benefits						
Tangible fixed assets for own use	138,252	138,503	-251	64,168	64,387	-219
Investments (other than assets held for index-linked and mutual fund contract purposes)	**3,926,808**	**3,641,764**	**284,961**	**3,749,375**	**3,482,492**	**266,882**
Real estate (other than that intended for personal use)	54,338	51,361	2,977	13,902	13,143	759
Shares in related companies	180,209	162,427	17,699	61,843	61,843	
Shares	60,242	61,845	-1,603	58,143	59,870	-1,727
Shares (listed)	57,959	59,702	-1,742	57,959	59,702	-1,742
Shares (unlisted)	2,282	2,143	139	184	169	15
Bonds	2,959,370	2,749,731	209,639	2,961,499	2,745,016	216,483
Public bonds	1,255,427	1,096,015	159,412	1,257,510	1,090,887	166,623
Corporate bonds	1,692,472	1,639,390	53,081	1,692,307	1,639,466	52,841
Structured bonds						
Collateralised securities	11,471	14,325	-2,854	11,682	14,663	-2,981
Collective investment undertakings	559,767	507,979	51,788	553,275	504,361	48,914
Derivatives	112,883	107,916	4,967	100,712	97,752	2,959
Deposits other than cash equivalents		506	-506		506	-506
Other investments						
Assets held for the purposes of index-linked contracts and investment funds	167,298	164,058	3,240	167,298	164,058	3,240
Loans with and without mortgage guarantee	**3,339**	**9,425**	**-6,086**	**3,339**	**3,638**	**-299**
Policy loans	3,107	3,337	-230	3,107	3,337	-230
Loans with and without mortgage guarantee to individuals	232	301	-69	232	301	-69
Other loans with and without mortgage guarantee		5,787	-5,787			
Reinsurance recoverable amounts of:	**14,085**	**18,270**	**-4,185**	**21,161**	**23,021**	**-1,859**
Non-life and illness similar to non-life	13,630	18,166	-4,536	18,779	21,113	-2,334
Non-life, excluding illness	13,674	18,201	-4,527			

Illness similar to non-life	-44	-35	-9			
Life and illness similar to life, excluding illness and index-linked and mutual fund-linked	455	104	351	2,382	1,907	475
Illness similar to life						
Life, excluding illness and index-linked and investment funds	455	104	351			
Index-linked life insurance and investment funds						
Deposits in assignors	1,292	1,170	122	1,292	1,170	122
Accounts receivable from insurance companies and intermediaries	16,697	19,914	-3,217	57,395	56,253	1,143
Reinsurance receivables	1,342	4,738	-3,396	1,342	4,738	-3,396
Accounts receivable (trade, not insurance)	8,491	7,902	588	8,491	7,902	588
Treasury shares (direct holding)						
Amounts due in respect of equity items or the initial mutual fund called but not yet disbursed						
Cash and cash equivalents	46,589	67,173	-20,584	46,589	78,089	-31,500
Other assets, not recorded elsewhere	330	459	-129	1,670	1,603	67
TOTAL ASSETS	**4,418,581**	**4,176,328**	**242,170**	**4,173,412**	**3,950,652**	**222,760**

D.1.2. ASSET VALUATION METHODS FOR SOLVENCY II PURPOSES

Intangible assets: Its value is zero under Article 12 of Delegated Regulation (EU) 2015/35, unless it can be sold separately and identical or similar assets can be demonstrated to have a fair value in active markets.

Deferred tax assets: They are valued under the provisions of Article 15 of Delegated Regulation (EU) 2015/35, based on the difference between the values assigned to the assets and liabilities recognized and valued in accordance with Solvency II criteria and their accounting valuation.

A positive value will be assigned to deferred tax assets when it is probable that future tax benefits will be available, against which deductions for temporary differences can be charged, provided that there are taxable temporary differences in sufficient amount, related to the same taxation authority and referred to the same taxable body, taking into account any legal or regulatory provisions on the time limits for their offset.

Similarly, to register a deferred tax asset, a recoverability test must be performed, the purpose of which is to demonstrate that there are sufficient positive tax bases in the future to cover any tax credits that arise.

Tangible fixed assets for own use: They are valued under the general valuation principles of Solvency II, considering as fair value within this heading:

- Property for personal use, the appraisal value carried out by authorized independent appraisal entities.
- For the remaining items of tangible fixed assets, the replacement cost value.

Financial investments: All assets included in this section are valued using quoted prices on active and regulated markets, this being the default valuation method. In cases where quoted prices are unavailable, valuation will be performed using discounted cash flows or cost prices, as these types of assets represent a small proportion of the total portfolio. Within financial investments, the following assets are distinguished:

- Real estate investments: Includes all properties that are not considered for personal use. Its valuation for Solvency II purposes is the same as that described for properties for own use.
- Shares: It includes those that have an official listing on an official stock exchange in the European Economic Area, including those that are not listed in another section.
- Bonds: It includes the following subcategories depending on their nature:
  - Public bonds: Debt issued by central governments or, where appropriate, organizations that form part of the State structure.
  - Corporate bonds: Debt issued by institutions or companies that cannot be included in the previous category.
  - Collateralised securities: Securities whose value and payments are derived from a portfolio of underlying assets. This section includes investments in securitizations.
- Collective investment schemes: This includes those organisations dedicated to collective investment in securities in accordance with Directive 2009/65/EC established in the European Economic Area.

<u>Derivatives:</u> Includes hedging derivatives.

<u>Shares in related companies:</u> They are valued under the provisions of Article 212 of Directive 2009/138. The investee companies have been valued using the adjusted equity method, taking into account the specific valuation requirements for solvency purposes in each investee or subsidiary.

<u>Assets held for the purposes of index-linked contracts and investment funds:</u> This includes financial investments related to life insurance where the investment risk is assumed by the policyholder.

<u>Loans with and without mortgage guarantee:</u> This category primarily includes advances on policies and loans made by the Company itself.

<u>Reinsurance recoverable amounts:</u> The value of reinsurance recoveries is included in the technical provisions based on the expected value of the reinsurer’s potential defaults based on its credit quality and the time horizon of expected payment patterns.

Both the classification of different reinsurance businesses and the development of the loss ratio are based on the hypotheses and assumptions made for direct insurance and accepted reinsurance with respect to technical provisions.

<u>Accounts receivable from insurance and intermediaries:</u> These include amounts due to be paid by policyholders, insurers, and others linked to insurance activities, which are not included in the cash inflows of technical provisions, not taking into account the timing effect since it is not relevant. For the purposes of economic valuation, it is consistent with the corresponding valuation under annual accounts.

Reinsurance receivables: Included are amounts due from reinsurers and linked to reinsurance business, which are not included in reinsurance recoverables. For the purposes of economic valuation, it is consistent with the corresponding valuation under annual accounts.

Accounts receivable (trade, non-insurance): These include commercial credits that do not correspond to insurance transactions and, therefore, have not been considered in the sections indicated above. For the purposes of economic valuation, it is consistent with the corresponding valuation under annual accounts.

For the purposes of economic valuation, it is consistent with the corresponding valuation under annual accounts. Cash and cash equivalents: All cash balances and current accounts held by the Company with maturities of less than 3 months are included.

For the purposes of economic valuation, it is consistent with the corresponding valuation under annual accounts. Other assets, not recorded elsewhere:

Those assets not included in other previous sections are included. D.1.3.

DIFFERENCES IN ACCOUNTING VALUATION AND SOLVENCY II Intangible assets and goodwill: In the financial statements, this heading mainly includes the amount of software licences and rights to purchase portfolios from brokers.

In the economic balance sheet, the assigned value is zero in accordance with the provisions of Article 12 of Delegated Regulation (EU) 2015/35. Tangible fixed assets and real estate investments: In the financial statements, tangible fixed assets (both investment property and property for own use) are included and are recognized at their acquisition price less accumulated amortization and any recognized impairment.

In the financial statement, the properties, both for personal use and those other than those intended for personal use, have been valued at market value according to the appraisal value. Shares in related companies: In the financial statements, investments in group companies are valued at cost.

However, under Solvency II, the valuation method used is the adjusted equity method, which considers all the valuation specificities for solvency purposes in each company in which the corresponding share is held. Financial investments:

Valuation differences between the financial statements and their economic value are mainly due to those assets for which quoted prices are not available, this type of assets representing an insignificant volume of the total portfolio. Deferred tax assets:

In the financial statements, deferred taxes are recorded for temporary differences that arise as a result of differences between the tax valuation of assets and liabilities and their carrying amounts. Deferred tax assets recorded in the balance sheet are calculated using the non-compensation criterion and meet the requirements to be considered Solvency II taxes.

The following table shows the duration of deferred taxes and their recoverability over the following fiscal years:

Temporality deferred tax assets	Expiration date: Between 1 and 5 years	Between 5 and 10 years	More than 10 years	Total amount
Intangible assets	5,642			5,642
Accounts receivable insurance	10,175			10,175
Investment fixed assets			45	45
Fixed assets for own use			61	61
Investments	8,020	218	11,211	19,448
Other issues	1,114	53		1,167
Provisions	22,561	9,998	23,193	55,752
Reinsurance recoverables	1,267	295	207	1,769
Total	**48,778**	**10,563**	**34,717**	**94,059**

Temporality liabilities deferred taxes	Between 1 and 5 years	Between 5 and 10 years	More than 10 years	Total amount
Insurance accounts payable	-1,574			-1,574
Investment fixed assets	-86	-86	-10,251	-10,424
Fixed assets for own use	-20	-12	-18,596	-18,627
Investments	-6,048	-14,590	-7,963	-28,600
Other issues	-6		-3,135	-3,140
Provisions	-44,863	-13,962	-25,569	-84,395
Reinsurance recoverables				
Total	**-52,596**	**-28,649**	**-65,514**	**-146,760**
Net deferred taxes	**-3,818**	**-18,086**	**-30,797**	**-52,701**

(Data in thousands of euros)

D.2. TECHNICAL PROVISIONS

D.2.1. VALUATION OF TECHNICAL PROVISIONS

D.2.1.1. NON-LIFE BRANCHES

For the most significant business lines within the Non-Life branches, the following breakdown is shown:

	2024: Premiums BE	Claims BE	Risk margin	Technical provisions Total

Fire and other property damage insurance	66,629	43,422	23,822	133,873
General civil liability	8,398	25,978	2,015	36,391

(Data in thousands of euros)

	2023			
	Premiums BE	Claims BE	Risk margin	Technical provisions Total
Fire and other property damage insurance	61,051	44,373	17,965	123,388
General civil liability	7,595	23,722	2,941	34,259

(Data in thousands of euros)

NON-LIFE - BEST ESTIMATE METHODOLOGY:

To calculate the best estimate of Non-Life claims, the Company uses the triangulation method of paid claims using Chain Ladder, making the necessary adjustments to adapt them, as best as possible and maintaining a criterion of prudence, to the current behaviour of the same. Regarding claims expenses, they have been distributed according to the year in which they occurred.

The methodology used for the best estimate of premiums is based on the use of the simplification set out in Technical Annex III of the Guidelines on the valuation of technical provisions, published by EIOPA (EIOPA-BoS-14/166 ES).

For the treatment of future premiums, Article 22 of the Insurance Contract Law and Resolution 4/2016 of the DGSFP (Directorate-General for Public Administrations) were followed, which establishes that for policies with a two-month renewal period, the insurer cannot object to the extension, and therefore, they fall within the limits of the contract.

The calculation of the best estimate, in accordance with Article 33 of the Delegated Regulation, has been calculated in the currency of the obligation. Subsequently, it has been converted to the reporting currency (euro) according to the average exchange rate on the day of the calculation date (if there is no closer one) published by the Bank of Spain.

To calculate the Risk Margin, the simplification based on method 1 for estimating future Solvency Capital Requirements is used.

To consider the time value of money, the risk-free curve published by EIOPA was used, taking into account the volatility adjustment and the effect of inflation.

D.2.1.2. LIFE BRANCH

2024

	Technical provisions calculated as a whole	Life BE	Risk margin	Technical provisions Total
Life with profit sharing	4,109	269,178	2,831	276,118
Index linked and Unit linked	167,298			167,298
Other life insurance	45,690	1,647,985	171,761	1,865,436

(Data in thousands of euros)

	2023			
	Technical provisions calculated as a whole	Life BE	Risk margin	Technical provisions Total
Life with profit sharing	3,188	279,104	2,503	284,795
Index linked and Unit linked	164,058			164,058
Other life insurance	44,999	1,525,009	167,020	1,737,027

(Data in thousands of euros)

LIFE - BEST ESTIMATE METHODOLOGY:

For Life products, technical provisions have been calculated as the present value of probable future monthly flows of benefits and expenses less the premiums of the portfolio of policies in force as of December 31, 2024, projected to the term of the contracts. For the calculation of the Risk margin, the simplification based on the estimate of the future Solvency Capital Requirement based on the projection of the best estimate is used.

The methodology applied by the Company is the following:

- Deterministic interest rate scenario.
- Monthly flow projection.
- Policy-by-policy calculation, without homogeneous grouping.
- The discount rate used is the one communicated by EIOPA, the risk-free spot rate curve with Volatility.

LIFE – HYPOTHESIS:

The most relevant assumptions used for the probabilities of benefits, expenses and receipt premiums are as follows:

- Mortality: PER-2020 survival table and PASEMV or PASEMF 2020 2nd order mortality tables.
- Disability: The PEAIM/F 2007 absolute and permanent disability table.

- Policy cancellation: a portfolio decline law based on extensive experience.
- Contract duration: If there is no predetermined term in the contract (whole life, universal life), a maximum age and/or minimum term has been set.
- Technical interest: In products with a quarterly interest rate guarantee, this will be the financial profitability of the assigned assets. Once the aforementioned duration is reached, the risk-free forward yield curve with volatility (calculated based on the spot yield curve) is applied, provided that the latter is positive. In the case of negative interest rates, the rate is adjusted to zero in order to preserve the technical basis of products that do not allow negative returns.

Financial profitability in profit sharing insurance is applied under the same hypothesis described in the previous point.

The expenses considered and the statistical bases on which they are based are those corresponding to the last closed fiscal year, broken down by line of business.

DEATH - BEST ESTIMATE METHODOLOGY:

With regard to death products and their complementary guarantees related to death included in the heading Other life insurance, the Company's Best Estimate (BE) is calculated as the present value of the probable future monthly flows of benefits and expenses less the premiums of the insured's portfolio in force at the calculation date, projected until the end of the existing contractual obligation, whether due to cancellation or death.

The Best Estimate (BE) calculation methodology applied is as follows:

- Deterministic interest rate scenario.
- The calculation is performed on each of the insured in the portfolio.
- The flow projection has been carried out monthly.
- Complementary death guarantees have been considered those related to death.

The basis used to project these flows is the data defined in the policyholders' contracts:

- Premiums: annual amount, calculated on a monthly basis, with growth according to the adjustment rate and the constant revaluation of the current service cost.
- Benefits: estimated cost of service in the event of death.

To calculate the Risk Margin, the "full approach" method is used, i.e., projecting the future SCRs (Solvency Capital Requirement) of each of the subscription, default, and operational submodules.

DEATH – ASSUMPTIONS:

The assumptions used to calculate the probable flows of benefits, expenses and premiums are as follows:

- Mortality: A table of generational experience, regardless of gender, has been used for the death sector, complying with the requirements of the December 17 Resolution of the DGSFP and its draft development circulars, as well as the mortality and longevity risks associated with them.

The observation period for the table ranges from 2015 to 2019, with 2017 being the central year, the date in which the mortality trend for this generational table began to improve.

– Portfolio decline: The cancellation decline law, like the mortality table, has been constructed based on a double-entry matrix, by age and seniority, based on our own experience over the last three years.
– Premium increase:
    - Post ROSSP portfolio: the annual rebalancing rate predetermined in the technical bases of each product is used.
    - Pre-ROSSP Portfolio: The premium increase is recalculated annually according to the new age reached by the insured, with limits, in each year, and the annual increase in the cost of service follows a trend starting with a readjustment of 2.51% for the first year and 2.25% for the remaining years until the end of the projection.
– Annual service cost update:
    - Post ROSSP portfolio: the annual rebalancing rate predetermined in the technical bases of each product is used.
    - Pre-ROSSP Portfolio: The annual revaluation rate is estimated annually based on national negotiations between our Company and the various entities involved (municipalities, funeral homes, etc.).
– Discount rate: EIOPA (European Insurance and Occupational Pensions Authority) curve with Volatility.
– Management fees: this includes administration fees, acquisition costs, claims and reserves for the last financial year, depending on the product and guarantee.

The expenses considered and the statistical bases on which they are based are those corresponding to the last closed fiscal year, broken down by complementary guarantee.

OTHER CONSIDERATIONS:

In insurance contracts, there is a level of uncertainty associated with the valuation of technical provisions. For Non-Life, given its short temporality, the fundamental uncertainty is given by the severity and frequency of the claims, which is analysed based on the available history. For life insurance, the main sources of uncertainty are the evolution of mortality and longevity, the evolution of interest rates, and the derivation of decline and expense assumptions.

In this regard, it should be noted that, in all Business Lines, all assumptions have been updated with statistical data as of the end of 2024.

Within Life obligations, the constant adjustment of the valuation model to reflect the technical bases of the products has generated the following variations in the Best Estimate (BE) compared to the previous year:

– EIOPA discount curve update.

In death obligations, a matrix of average cancellations is maintained, varying according to the age and seniority of each insured, and according to the type of product. To state that since 2017, it has been established that the last year weighs significantly compared to previous years.

D.2.2. IMPACT OF REINSURANCE

For the most significant non-life business lines:

	2024		
	Gross BE	Net BE	Impact
Fire and other property damage insurance	110,051	103,665	6,386
General civil liability	34,376	31,349	3,027

(Data in thousands of euros)

	2023		
	Gross BE	Net BE	Impact
Fire and other property damage insurance	105,423	95,136	10,287
General civil liability	31,317	27,487	3,831

(Data in thousands of euros)

For the most significant life business lines:

	2024		
	Gross BE	Net BE	Impact
Life with profit sharing	273,287	273,287	
Other life insurance	1,695,640	1,695,185	455

(Data in thousands of euros)

	2023		
	Gross BE	Net BE	Impact
Life with profit sharing	282,292	282,292	
Other life insurance	1,571,582	1,571,478	104

(Data in thousands of euros)

D.2.3. VALUATION DIFFERENCES BETWEEN ACCOUNTING AND SOLVENCY II

	Solvency II Value	Book value under local regulations
Technical provisions — Non-life	164,802	274,325
Technical provisions — Non-life (excluding sickness)	170,560	
Technical provisions calculated as a whole		
Best estimate	143,884	
Risk margin	26,676	
Technical provisions — Illness (similar to non-life)	-5,758	
Technical provisions calculated as a whole		
Best estimate	-6,918	
Risk margin	1,161	
Technical provisions — Life (excluding index-linked and mutual funds)	2,141,554	2,165,527
Technical provisions — Illness (similar to life)		
Technical provisions calculated as a whole		
Best estimate		
Risk margin		
Technical provisions - Life (excluding sickness and index-linked and investment funds)	2,141,554	
Technical provisions calculated as a whole	49,799	
Best estimate	1,917,163	
Risk margin	174,592	
Technical provisions — Linked to indexes and investment funds	167,298	167,311
Technical provisions calculated as a whole	167,298	
Best estimate		
Risk margin		

(Data in thousands of euros)

The method for valuing technical provisions under Solvency II has been described previously in this report.

Regarding the valuation of technical provisions for accounting purposes, the Company applies the methodology set out in the following points.

D.2.3.1. TECHNICAL PROVISIONS LIFE

The bases used for their valuation are those defined in Royal Decree 1060/2015, of November 20, on the Regulation, Supervision and Solvency of Insurance and Reinsurance Companies (ROSSEAR), which stipulates through Additional Provision Five that the calculation system for technical provisions for accounting purposes will be that established by the previous Regulation (ROSSP), of Royal Decree 2486/1998, of November 20.

At this point, the application of Technical Guide 2/2016 of the General Directorate of Insurance and Pension Funds has been taken into account, regarding the interest rate to be applied in the calculation of technical provisions for accounting purposes.

Following the established standard, the technical interest rate applied to calculate this provision varies depending on whether the portfolio was contracted before or after January 1, 2016. For the portfolio prior to January 2016, the distinction is maintained between the portfolio formalized before or after the entry into force of the ROSSP (Regulation on the Organisation and Supervision of Private Insurance), i.e., January 1, 1999.

For contracts concluded on or after 1 January 2016, and subject to section 1.a).1 of Article 33 of the ROSSP, the maximum interest rate applied is the result of the relevant risk-free interest rate term structure, including the volatility adjustment component.

For commitments entered into between December 31, 1998, and December 31, 2015, the following circumstances were applied:

- Life-savings portfolio with financial returns: Article 33 of the ROSSP section 1.a).2, the interest rate published by the DGS for the calculation of the provision for life insurance relating to the financial year corresponding to the effective date of the policy, provided that the estimated financial duration at the market interest rate of the collections specifically assigned to the contracts is greater than or equal to the financial duration of the payments derived from them taking into account their probable flows and estimated at the market interest rate.

- Life-risk portfolio: Fifth additional provision (ROSSEAR) second paragraph: This portfolio has a 10-year transition period from 2015 to adapt to the relevant risk-free interest rate term structure provided for in Article 54 of the ROSSP, including the volatility adjustment component provided for in Article 57 of the ROSSP. Additional allocations are made annually using a linear calculation method. In this annuity, the resulting interest rate is 2.31%, with one year remaining until December 31, 2024.

The most relevant differences under the Solvency II environment common to all business lines are:

- Recognition of the policyholder's right to modify benefits by creating curves for cancellation and redemption.
- Adaptation of biometric risk factors to reality in the event of a death incident.
- Reflecting current and future actual accounting expenses with a revaluation index.
- Capitalization of flows based on the profitability of the assigned assets and their financial duration.
- Setting limits on the duration of the contract when it is not defined.
- Using the risk-free forward yield curve with volatility (calculated based on the spot yield curve) to capitalize and discount cash flows.

And specific by line of business:

- Profit-sharing insurance: future allocations of profit-sharing are reflected in the cash flows.

- Other Insurance with Options and Guarantees: In the flow of probable future premiums, the policyholder's right to make extraordinary contributions or to liberalize the policy from the payment of future premiums has been recognized.

D.2.3.2. TECHNICAL PROVISIONS FOR DEATH

For contracts concluded up to December 31, 1998, the provision is established in accordance with the Implementation Plan of the Eleventh Transitional Provision (DT11) of the Regulations for the Organization and Supervision of Private Insurance, approved by Royal Decree 681/2014, a plan approved by the Company's Administrative Body.

The aforementioned transitional provision establishes that insurance companies will have a maximum period of twenty years, starting from January 1, 2015, to record in their balance sheets the provision resulting from the corresponding adaptation.

To establish the aforementioned provision, companies will calculate the difference between the amount of the provision they should establish according to the actuarial approach to the operation and the amount established in each year of the transitional period, and will systematically allocate this provision.

For commitments made between 31 December 1998 and 31 December 2015, and subject to section 1.a).1 of article 33 of the ROSSP, additional provision 5 of the ROSSEAR allows the possibility of financing up to 31 December 2025 and at least by annual tenths, the additional provisions of the technical accounting provisions that arise when choosing to transition from 31 December 2015 to a maximum period of 10 years (t=10). At this point, the application of Technical Guide 2/2016 of the General Directorate of Insurance and Pension Funds has been taken into account, regarding the interest rate to be applied in the calculation of technical provisions for accounting purposes.

Finally, for contracts concluded from 1 January 2016 and subject to section 1.a).1 of Article 33 of the ROSSP, the maximum interest rate applied is the result of the relevant risk-free interest rate term structure, including the volatility adjustment component.

D.2.3.3. NON-LIFE TECHNICAL PROVISIONS

The bases used for the valuation of technical provisions for benefits are those defined in Royal Decree 2486/1998, of November 20, which approves the Regulation on the Organization and Supervision of Private Insurance (ROSSP).

For Non-life bonds, the main differences are:

- Regarding provisions to be set aside for future claims, under the ROSSP, only the underwritten business is considered when calculating the Provision for Unearned Premiums and the Provision for Current Risks, ignoring the profit associated with this business, nor future premiums that fall within the limits of the contract.

- For provisions to be set up for claims that have already occurred, the calculation is not performed using statistical methods, since the method included in Article 41 of the ROSSP is followed, and therefore recoveries cannot be considered in the provision pending liquidation.

D.2.4. DESCRIPTION OF THE VOLATILITY AND IMPACT ADJUSTMENT

In both Life, including death, and Non-Life business lines, the volatility adjustment has been applied in the calculation of technical provisions and the risk margin.

If this is not applied, the impact on the non-life branch would translate into a 0.20% increase in the provision.

For life and death benefits, if the volatility adjustment were not applied, the combined impact would be a 6.91% increase.

D.3. OTHER LIABILITIES

Under valuation standards for liabilities other than technical provisions, they are recognized at the amount for which they could be transferred or settled between interested and duly informed parties entering into an arm's length transaction.

This category includes deferred tax liabilities that are valued based on future taxable gains or liabilities and the tax effect arising from increases in assets or decreases in liabilities for solvency purposes. Its value amounts to 146,760 thousand euros, representing an increase of 120,160 thousand euros compared to the accounting valuation. Compared to the previous year, this item amounted to 143,986 thousand euros, an increase of 126,101 thousand euros relative to its book value.

The Company has a much higher amount of deferred tax liabilities on its balance sheet than it can cover these deferred tax assets. Similarly, after conducting a time-related study regarding the offsetting of negative tax bases generated by deferred tax assets, all of them are offset both in amount and time with the subsequent generation of positive tax bases.

E. CAPITAL MANAGEMENT

E.1. OWN FUNDS

E.1.1. OBJECTIVES, POLICIES AND PROCESSES USED IN THE MANAGEMENT OF OWN FUNDS

The capital management policy approved by the Board of Directors establishes the four basic objectives that equity as a whole must meet, along with the elements that constitute them:

- Complying with the regulatory capital requirements to be incorporated as such.
- Being adequately classified in the three levels provided for in the Solvency II regulatory framework, according to their characteristics and loss absorption capacity.
- Compliance with the risk appetite level with respect to the set of risk indicators that take capital elements as a reference.
- Considering dividends to be agreed upon in the quantification of Own Funds.

The Risk and Management Control Division is responsible for ensuring compliance, periodically reporting the results to the Risk and Compliance Committee and, at least annually, to Management and the Board of Directors. In this case, this report includes the annual reports from the risk management function and the own risk and solvency assessment (ORSA) process, which includes a three-year projection of both capital needs and equity.

E.1.2. OWN FUNDS

The Company's own funds has been classified entirely as unrestricted Tier 1 and amounts to 1,569,424 thousand euros. They are made up of the Company's ordinary share capital of 400,000 thousand euros and the conciliation reserve of 1,169,424 thousand euros.

The details of the conciliation reserve are as follows:

Conciliation reserve	2024	2023
Excess of assets over liabilities	1,619,424	1,514,809
Dividends, distributions, and foreseeable costs	-50,000	-50,000
Other elements of basic own funds	-400,000	-400,000
Conciliation reserve	**1,169,424**	**1,064,809**

(Data in thousands of euros)

E.1.3. REQUIRED OWN FUNDS

The amount of Own Funds (Tier 1 in its entirety) is eligible to cover both the Solvency Capital Requirement and the Minimum Capital Requirement by achieving the following ratios:

	2024	2023
Total eligible own funds to cover the SCR	1,569,424	1,464,809
Total eligible own funds to cover the Minimum Capital Requirement (MCR)	1,569,424	1,464,809
SCR	477,262	446,272
MCR	123,208	116,625
Ratio of eligible own funds to SCR	3.29	3.28
Ratio between eligible own funds and MCR	12.74	12.56

(Data in thousands of euros)

E.1.4. DIFFERENCES BETWEEN SHAREHOLDERS' EQUITY CALCULATED UNDER LOCAL REGULATIONS AND SOLVENCY II

The most significant differences between the Shareholders' Equity presented in the financial statements and the Shareholders' Equity under Solvency II calculated as the excess of assets over liabilities are presented in the following breakdown:

Breakdown of the differences	2024	2023
Net worth financial statements	1,373,501	1,264,459
Discharge of unsuitable assets in Solvency II	-27,143	-28,535
Updating assets to Solvency II value	182,399	165,522
Updating liabilities to Solvency II value	90,667	113,363
Predictable dividend	-50,000	-50,000
Total own funds under Solvency II	1,569,424	1,464,809

(Data in thousands of euros)

E.2. SOLVENCY CAPITAL REQUIREMENT AND MINIMUM CAPITAL REQUIREMENT

The Company calculates the Solvency Capital Requirement according to the standard Solvency formula established by EU Delegated Regulation 2015/35. No simplifications have been used in this calculation. The following table shows the Solvency Capital Requirement as of December 31, 2024, as well as the details for each of the risk modules incorporated in the standard formula and their ratio to eligible own funds:

Item	Amount	
	2024	2023
Market risk	323,068	315,742
Counterparty risk	10,004	11,357
Life insurance underwriting risk (death)	250,130	246,861
Health insurance underwriting risk	12,532	12,617
Non-life insurance underwriting risk	290,064	237,628
Diversification	-295,870	-273,397
Basic Solvency Capital Requirement	**589,928**	**550,808**
Absorption capacity of technical provisions	0	0
Absorption capacity for deferred taxes	-151,343	-141,343
Operational risk	38,676	36,806
Solvency Capital Requirement (SCR)	**477,262**	**446,272**
Eligible Own Funds to cover the SCR	**1,569,424**	**1,464,809**
Ratio of eligible equity to SCR	**3.29**	**3.28**

(Data in thousands of euros)

The ratio of Eligible Own Funds to the Solvency Capital Requirement shows that the Company has just over three times its own resources to cover, with a 99.5% probability (199 cases out of every 200 probable) the possible extraordinary losses arising from a multiple event that could occur during the next 12 months.

Compared to fiscal year 2023, the main change in the structure of the Solvency Capital Requirement is the increase in non-life underwriting risk, primarily due to the fire catastrophic risk sub-module.

To calculate the Solvency Capital Requirement, the Company uses the loss-absorbing capacity of deferred taxes for the portion attributable to the business in Spain, with this adjustment amounting to 151,343 thousand euros in 2024. For its justification, the following are used: firstly, and based on the result of the temporality test, the amount of net deferred tax liabilities available in the closing balance sheet, and secondly, the projection of the profits that the Company would be able to generate from new business during the 5 years following the materialization of the loss measured by the Solvency Capital Requirement.

The Minimum Capital Requirement, for its part, is, as of December 31, 2024, 123,208 thousand euros. It has been calculated according to the provisions of EU Delegated Regulation 2015/35 for mixed companies, that is, based on the data of technical provisions and accrued premiums for Non-Life and technical provisions and capital at risk for Life, placing the result obtained between the lower and upper limits established in the aforementioned regulation.

The Company uses the volatility adjustment to calculate technical provisions and the Solvency Capital Requirement. Without taking this adjustment into account, the eligible own funds to cover the Solvency Capital Requirement would increase from 1,569,424 euros to 1,464,482 euros, and the solvency ratio would increase from 3.29 to 3.07, in any case well above the risk appetite level established by the Board of Directors (the Solvency Capital Requirement, for its part, remains virtually unchanged).

A. ANNEX

A.1. BALANCE

	Solvency II Value	
	2024	2023
ASSETS		
Deferred tax assets	94,059	102,951
Surplus of pension benefits		
Tangible fixed assets for own use	138,252	138,503
Investments (other than assets held for index-linked and mutual fund contract purposes)	**3,926,808**	**3,641,764**
Real estate (other than that intended for personal use)	54,338	51,361
Shares in related companies	180,209	162,427
Shares	60,242	61,845
Shares (listed)	57,959	59,702
Shares (unlisted)	2,282	2,143
Bonds	2,959,370	2,749,731
Public bonds	1,255,427	1,096,015
Corporate bonds	1,692,472	1,639,390
Structured bonds		
Collateralised securities	11,471	14,325
Collective investment undertakings	559,767	507,979
Derivatives	112,883	107,916
Deposits other than cash equivalents		506
Other investments		
Assets held for the purposes of index-linked contracts and investment funds	167,298	164,058
Loans with and without mortgage guarantee	**3,339**	**9,425**
Policy loans	3,107	3,337
Loans with and without mortgage guarantee to individuals	232	301
Other loans with and without mortgage guarantee		5,787
Reinsurance recoverable amounts of:	**14,085**	**18,270**
Non-life and illness similar to non-life	13,630	18,166
Non-life, excluding illness	13,674	18,201
Illness similar to non-life	-44	-35
Life and illness similar to life, excluding illness and index-linked and mutual fund-linked	455	104
Illness similar to life		
Life, excluding illness and index-linked and investment funds	455	104
Index-linked life insurance and investment funds		
Deposits in assignors	1,292	1,170
Accounts receivable from insurance companies and intermediaries	16,697	19,914
Reinsurance receivables	1,342	4,738
Accounts receivable (trade, not insurance)	8,491	7,902
Treasury shares (direct holding)		
Amounts due in respect of equity items or the initial mutual fund called but not yet disbursed		
Cash and cash equivalents	46,589	67,173
Other assets, not recorded elsewhere	330	459
TOTAL ASSETS	**4,418,581**	**4,176,328**

LIABILITIES		
Technical provisions — Non-life	**164,802**	**154,097**
Technical provisions — Non-life (excluding sickness)	**170,560**	**159,399**
Technical provisions calculated as a whole		
Best estimate	143,884	137,786
Risk margin	26,676	21,612
Technical provisions — Illness (similar to non-life)	**-5,758**	**-5,302**
Technical provisions calculated as a whole		
Best estimate	-6,918	-6,388
Risk margin	1,161	1,086
Technical provisions — Life (excluding index-linked and investment funds)	**2,141,554**	**2,021,822**
Technical provisions — Illness (similar to life)		
Technical provisions calculated as a whole		
Best estimate		
Risk margin		
Technical provisions - Life (excluding sickness and index-linked and investment funds)	**2,141,554**	**2,021,822**
Technical provisions calculated as a whole	49,799	48,187
Best estimate	1,917,163	1,804,112
Risk margin	174,592	169,522
Technical provisions — Linked to indexes and investment funds	**167,298**	**164,058**
Technical provisions calculated as a whole	167,298	164,058
Best estimate		
Risk margin		
Contingent liabilities		
Other non-technical provisions	8,865	6,741
Pension benefit obligations	2,755	2,703
Reinsurer deposits	568	541
Deferred tax liabilities	146,760	143,986
Derivatives	116,375	116,869
Debts with credit institutions		
Financial liabilities other than debts with credit institutions		
Accounts payable to insurance companies and intermediaries	11,830	14,687
Reinsurance accounts payable	4,598	4,444
Accounts payable (trade, non-insurance)	33,753	31,569
Subordinated liabilities		
Subordinated liabilities that are not part of basic own funds		
Subordinated liabilities that form part of basic shareholders’ equity		
Other liabilities, not recorded elsewhere		
TOTAL LIABILITIES	**2,799,157**	**2,661,519**
Excess of assets over liabilities	**1,619,424**	**1,514,809**

(Data in thousands of euros)

A.2. PREMIUMS, LOSS RATIO, AND EXPENSES, BY LINE OF BUSINESS

2024	Line of business: Non-life insurance and reinsurance obligations (direct insurance and proportional reinsurance accepted)											
	Medical expenses insurance	Income protection insurance	Workplace accident insurance	Motor vehicle liability insurance	Other motor vehicle insurance	Marine, aviation, and transport insurance	Fire and other property damage insurance	General civil liability insurance	Credit and surety insurance	Legal defence insurance	Assistance insurance	Miscellaneous pecuniary losses
Earned premiums												
Gross amount (direct insurance)	24,388	22,456	271			142	284,800	36,810		24,019	10,167	
Gross amount (proportional reinsurance accepted)	10	56					1,244	122				
Gross amount (non-proportional reinsurance accepted)												
Reinsurers' share	152	71	6			11	7,891	1,081		7,170	792	
Net amount	24,247	22,442	265			131	278,153	35,851		16,849	9,376	
Allocated premiums												
Gross amount (direct insurance)	24,381	22,541	280			145	272,420	35,488		23,449	10,108	
Gross amount (proportional reinsurance accepted)	10	54					1,186	116				
Gross amount (non-proportional reinsurance accepted)												
Reinsurers' share	158	71	6			9	7,583	942		6,367	778	
Net amount	24,233	22,524	274			136	266,023	34,662		17,082	9,330	
Loss ratio												
Gross amount (direct insurance)	653	2,643	106			-7	132,044	26,107		-93	17	
Gross amount (proportional reinsurance accepted)	1	16		10	0		755	215		2		
Gross amount (non-proportional reinsurance accepted)												
Reinsurers' share		53	2			-4	1,368	299		122	17	
Net amount	654	2,606	104	10	0	-3	131,431	26,024		-213	-1	
Expenses incurred												
Balance sheet — Other technical expenses/income												
Total expenses												

	Line of business: Non-life insurance and reinsurance obligations (non-proportional reinsurance accepted)				
	Illness	Civil liability for damages	Maritime, aviation, and transportation	Damage to property	Total
Earned premiums					
Gross amount (direct insurance)					**403,054**
Gross amount (proportional reinsurance accepted)					**1,433**
Gross amount (non-proportional reinsurance accepted)		3		0	**3**
Reinsurers' share					**17,174**
Net amount		3		0	**387,317**
Allocated premiums					
Gross amount (direct insurance)					**388,813**
Gross amount (proportional reinsurance accepted)					**1,367**
Gross amount (non-proportional reinsurance accepted)		3		0	**3**
Reinsurers' share					**15,915**
Net amount		3		0	**374,268**
Loss ratio					
Gross amount (direct insurance)					**161,471**
Gross amount (proportional reinsurance accepted)					**999**
Gross amount (non-proportional reinsurance accepted)		242	-35	-194	**13**
Reinsurers' share					**1,857**
Net amount		242	-35	-194	**160,626**
Expenses incurred					**140,332**
Balance sheet — Other technical expenses/income					**18,093**
Total expenses					**158,425**

(*) This model includes the result of the UK branch, which under commercial accounts has been carried out as discontinued operations.

	Line of business for: life insurance obligations						Life reinsurance obligations		
	Health insurance	Profit-sharing insurance	Index-linked insurance and investment funds	Other life insurance	Income derived from non-life insurance contracts and corresponding to health insurance obligations	Income derived from non-life insurance contracts and corresponding to insurance obligations other than health insurance obligations	Health reinsurance accepted	Life reinsurance accepted	Total
Earned premiums									
Gross amount		8,429	37,072	659,460					**704,961**
Reinsurers' share		1		3,543					**3,543**
Net amount		8,428	37,072	655,917					**701,418**
Allocated premiums									
Gross amount		8,432	37,072	658,694					**704,198**
Reinsurers' share		1		3,486					**3,487**
Net amount		8,431	37,072	655,207					**700,710**
Loss ratio									
Gross amount		28,227	38,654	344,424					**411,305**
Reinsurers' share				963					**963**
Net amount		28,227	38,654	343,461					**410,342**
Expenses incurred		1,337	5,245	177,204					**183,787**
Balance sheet — Other technical expenses/income									**26,509**
Total expenses									**210,296**
Total amount of bailouts		15,530	37,903	55,714					**109,146**

(Data in thousands of euros)

Line of business: Non-life insurance and reinsurance obligations (direct insurance and proportional reinsurance accepted)

2023	Medical expenses insurance	Income protection insurance	Workplace accident insurance	Motor vehicle liability insurance	Other motor vehicle insurance	Marine, aviation, and transport insurance	Fire and other property damage insurance	General civil liability insurance	Credit and surety insurance	Legal defence insurance	Assistance insurance	Miscellaneous pecuniary losses
Earned premiums												
Gross amount (direct insurance)	23,259	23,030	283			147	259,305	34,067		23,259	23,030	283
Gross amount (proportional reinsurance accepted)	9	53					1,145	111		9	53	
Gross amount (non-proportional reinsurance accepted)												
Reinsurers' share	123	70	6			11	9,104	1,646		123	70	6
Net amount	23,145	23,013	277			136	251,346	32,532		23,145	23,013	277
Allocated premiums												
Gross amount (direct insurance)	23,298	23,196	291			153	252,192	33,247		23,298	23,196	291
Gross amount (proportional reinsurance accepted)	9	51					1,113	107		9	51	
Gross amount (non-proportional reinsurance accepted)												
Reinsurers' share	125	70	6			11	9,181	1,641		125	70	6
Net amount	23,181	23,177	285			142	244,125	31,714		23,181	23,177	285
Loss ratio												
Gross amount (direct insurance)	317	2,556	-2			31	138,264	25,844		317	2,556	-2
Gross amount (proportional reinsurance accepted)	-1	-9		-15	11		691	55		-1	-9	
Gross amount (non-proportional reinsurance accepted)												
Reinsurers' share		-121	-4			-1	7,472	1,611			-121	-4
Net amount	316	2,668	2	-15	11	32	131,482	24,289		316	2,668	2
Expenses incurred												
Other expenses												
Total expenses												

	Line of business: Non-life insurance and reinsurance obligations (non-proportional reinsurance accepted)				
	Illness	Civil liability for damages	Maritime, aviation, and transportation	Damage to property	Total
Earned premiums					
Gross amount (direct insurance)					**371,180**
Gross amount (proportional reinsurance accepted)					**1,317**
Gross amount (non-proportional reinsurance accepted)		3		0	**3**
Reinsurers' share					**19,405**
Net amount		3		0	**353,096**
Allocated premiums					
Gross amount (direct insurance)					**363,189**
Gross amount (proportional reinsurance accepted)					**1,279**
Gross amount (non-proportional reinsurance accepted)		3		0	**3**
Reinsurers' share					**18,656**
Net amount		3		0	**345,816**
Loss ratio					
Gross amount (direct insurance)					**166,892**
Gross amount (proportional reinsurance accepted)					**732**
Gross amount (non-proportional reinsurance accepted)		15	-1	-61	**-47**
Reinsurers' share					**8,914**
Net amount		15	-1	-61	**158,662**
Expenses incurred				0	**129,861**
Other expenses					**16,661**
Total expenses					**146,522**

(*) This model includes the result of the UK branch, which under commercial accounts has been carried out as discontinued operations.

	Line of business for: life insurance obligations						Life reinsurance obligations		
	Health insurance	Profit-sharing insurance	Index-linked insurance and investment funds	Other life insurance	Income derived from non-life insurance contracts and corresponding to health insurance obligations	Income derived from non-life insurance contracts and corresponding to insurance obligations other than health insurance obligations	Health reinsurance accepted	Life reinsurance accepted	Total
Earned premiums									
Gross amount		10,351	40,460	630,548					**681,359**
Reinsurers' share		1		3,366					**3,368**
Net amount		10,349	40,460	627,182					**677,991**
Allocated premiums									
Gross amount		10,354	40,460	630,208					**681,021**
Reinsurers' share		1		3,323					**3,325**
Net amount		10,352	40,460	626,884					**677,696**
Loss ratio									
Gross amount		30,865	31,467	349,619					**411,951**
Reinsurers' share		-6		1,092					**1,086**
Net amount		30,870	31,467	348,528					**410,866**
Expenses incurred		776	8,669	172,608					**182,053**
Other expenses									**23,648**
Total expenses									**205,701**

(Data in thousands of euros)

A.3. PREMIUMS, LOSS RATIO, AND EXPENSES, BY COUNTRY

2024	Country of origin	Top five countries (by gross earned premiums) — non-life bonds					Total top five countries and country of origin
		United Kingdom	Andorra				
Written premiums (gross amount)							
Gross written premiums (direct)	402,992	-1	63				**403,054**
Gross written premiums (proportional reinsurance)	1,433						**1,433**
Gross written premiums (non-proportional reinsurance)	3						**3**
Allocated premiums (gross amount)							
Gross imputed premiums (direct)	388,751	-1	63				**388,813**
Gross imputed premiums (non-proportional reinsurance)	1,367						**1,367**
Gross imputed premiums (non-proportional reinsurance)	3						**3**
Loss ratio (gross amount)							
Loss ratio (direct)	160,793	676	2				**161,471**
Loss ratio (proportional reinsurance)	999						**999**
Loss ratio (non-proportional reinsurance)	13						**13**
Expenses incurred (gross amount)							
Gross expenses incurred (direct)	140,142	189					**140,332**
Gross expenses incurred (proportional reinsurance)							**0**
Gross expenses incurred (non-proportional reinsurance)							**0**

	Country of origin	Top five countries (by gross earned premiums) — life bonds					Total top five countries and country of origin
		United Kingdom	Andorra				
Gross written premiums	704,495		466				**704,961**
Gross allocated premiums	703,732		466				**704,198**
Loss ratio	411,196		109				**411,305**
Gross expenses incurred	183,782		4				**183,787**

(Data in thousands of euros)

2023	Country of origin	Top five countries (by gross earned premiums) — non-life bonds					Total top five countries and country of origin
		United Kingdom	Andorra				
Written premiums (gross amount)							
Gross written premiums (direct)	371,123	-2	61				**371,180**
Gross written premiums (proportional reinsurance)	1,316						**1,316**
Gross written premiums (non-proportional reinsurance)	3						**3**
Allocated premiums (gross amount)							
Gross imputed premiums (direct)	363,116	12,447	61				**363,190**
Gross imputed premiums (non-proportional reinsurance)	1,279						**1,279**
Gross imputed premiums (non-proportional reinsurance)	3						**3**
Loss ratio (gross amount)							
Loss ratio (direct)	166,188	700	3				**166,892**
Loss ratio (proportional reinsurance)	732						**732**
Loss ratio (non-proportional reinsurance)	-47						**-47**
Expenses incurred (gross amount)							
Gross expenses incurred (direct)	73,919	881					**74,800**
Gross expenses incurred (proportional reinsurance)							**0**
Gross expenses incurred (non-proportional reinsurance)							**0**

	Country of origin	Top five countries (by gross earned premiums) — life bonds					Total top five countries and country of origin
		United Kingdom	Andorra				
Gross written premiums	680,920		439				**681,359**
Gross allocated premiums	680,583		438				**681,021**
Loss ratio	411,841		111				**411,951**
Gross expenses incurred	117,389		4				**117,393**

(Data in thousands of euros)

A.4. TECHNICAL PROVISIONS FOR LIFE AND ILLNESS SLT (HEALTH INSURANCE GOVERNED BY TECHNICAL BASES SIMILAR TO THOSE FOR LIFE INSURANCE)

2024	Profit-sharing insurance	Insurance linked to indexes and investment funds			Other life insurance			Income derived from non-life insurance contracts and corresponding to insurance obligations other than health insurance obligations	Reinsurance accepted	**Total (non-health life insurance, including those linked to investment funds)**
			Contracts without options or guarantees	Contracts with options or guarantees		Contracts without options or guarantees	Contracts with options or guarantees			
Technical provisions calculated as a whole	4,109	167,298			45,690					217,096
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to counterparty default					1,966					1,966
Technical provisions calculated as the addition of the best estimate and the risk margin										
Best estimate										
Best gross estimate	269,178					1,157,501	490,483			1,917,163
Total amounts recoverable from reinsurance/special purpose and finite reinsurance entities after adjustment for expected losses due to counterparty default						-1,510				-1,510
Best estimate minus amounts recoverable from reinsurance/special purpose and finite reinsurance entities	269,178					1,159,012	490,483			1,918,673
Risk margin	2,831				171,761					174,592
Amount of the transitional measure for technical provisions										
Technical provisions calculated as a whole										
Best estimate										
Risk margin										
Technical provisions (total)	276,118	167,298			1,865,436					2,308,851

	Health insurance (direct insurance)			Income derived from non-life insurance contracts and corresponding to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (health insurance similar to life insurance)
		Contracts without options or guarantees	Contracts with options or guarantees			
Technical provisions calculated as a whole						
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to counterparty default						
Technical provisions calculated as the addition of the best estimate and the risk margin						
Best estimate						
Best gross estimate						
Total amounts recoverable from reinsurance/special purpose and finite reinsurance entities after adjustment for expected losses due to counterparty default						
Best estimate minus amounts recoverable from reinsurance/special purpose and finite reinsurance entities						
Risk margin						
Amount of the transitional measure for technical provisions						
Technical provisions calculated as a whole						
Best estimate						
Risk margin						
Technical provisions (total)						

(Data in thousands of euros)

2023	Profit-sharing insurance	Insurance linked to indexes and investment funds			Other life insurance			Income derived from non-life insurance contracts and corresponding to insurance obligations other than health insurance obligations	Reinsurance accepted	**Total (non-health life insurance, including those linked to investment funds)**
			Contracts without options or guarantees	Contracts with options or guarantees		Contracts without options or guarantees	Contracts with options or guarantees			
Technical provisions calculated as a whole	3,188	164,058			44,999					212,245
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to counterparty default					1,574					1,574
Technical provisions calculated as the addition of the best estimate and the risk margin										
Best estimate										
Best gross estimate	279,104					1,045,521	479,488			1,804,112
Total amounts recoverable from reinsurance/special purpose and finite reinsurance entities after adjustment for expected losses due to counterparty default						-1,470				-1,470
Best estimate minus amounts recoverable from reinsurance/special purpose and finite reinsurance entities	279,104					1,046,991	479,488			1,805,582
Risk margin	2,503				167,020					169,522
Amount of the transitional measure for technical provisions										
Technical provisions calculated as a whole										
Best estimate										
Risk margin										
Technical provisions (total)	284,795	164,058			1,737,027					2,185,880

	Health insurance (direct insurance)			Income derived from non-life insurance contracts and corresponding to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (health insurance similar to life insurance)
		Contracts without options or guarantees	Contracts with options or guarantees			
Technical provisions calculated as a whole						
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to counterparty default						
Technical provisions calculated as the addition of the best estimate and the risk margin						
Best estimate						
Best gross estimate						
Total amounts recoverable from reinsurance/special purpose and finite reinsurance entities after adjustment for expected losses due to counterparty default						
Best estimate minus amounts recoverable from reinsurance/special purpose and finite reinsurance entities						
Risk margin						
Amount of the transitional measure for technical provisions						
Technical provisions calculated as a whole						
Best estimate						
Risk margin						
Technical provisions (total)						

(Data in thousands of euros)

A.5. TECHNICAL PROVISIONS FOR NON-LIFE

2024	Direct insurance and proportional reinsurance accepted								
	Medical expenses	Income protection	Workplace accidents	Car insurance civil liability	Other land vehicle insurance	Maritime, aviation, and transport (MAT)	Fire and other property damage insurance	General civil liability	Credit and surety
Technical provisions calculated as a whole									
Total amounts recoverable from reinsurance/special purpose vehicles and limited reinsurance after adjustment for expected losses due to counterparty default associated with technical provisions calculated as a whole									
Technical provisions calculated as the addition of the best estimate and the risk margin									
Best estimate									
Provisions for premiums									
Total gross amount	-6,760	-3,463	-17			21	66,629	8,398	
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to non-payment by counterparty		-15	-1			0	-843	-173	
Best net estimate of premium provisions	-6,760	-3,447	-16			21	67,471	8,571	
Provisions for claims									
Total gross amount	278	2,984	59	8	6	43	43,422	25,978	
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to non-payment by counterparty		-23	-4			15	7,229	3,200	
Best net estimate of provisions for claims	278	3,007	63	8	6	28	36,193	22,778	
Best gross estimate total	-6,482	-478	42	8	6	65	110,051	34,376	
Best net estimate total	-6,482	-440	48	8	6	49	103,665	31,349	
Risk margin	527	625	9	0	0	11	23,822	2,015	
Amount of the transitional measure for technical provisions									
Technical provisions calculated as a whole									
Best estimate									
Risk margin									
Technical provisions (total)									
Technical provisions (total)	-5,955	146	51	8	6	76	133,873	36,391	
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to non-payment by counterparty		-38	-5			15	6,386	3,027	
Technical provisions less recoverable amounts from reinsurance/special purpose vehicles and limited reinsurance (total amount)	-5,955	184	56	8	6	61	127,487	33,365	

	Direct insurance and proportional reinsurance accepted			Non-proportional reinsurance accepted				
	Legal defence	Assistance	Miscellaneous non-life insurance	Non-proportional health reinsurance	Non-proportional civil liability reinsurance for damages	Non-proportional marine, aviation, and transport reinsurance	Non-proportional reinsurance of property damage	Total non-life obligations
Technical provisions calculated as a whole								
Total amounts recoverable from reinsurance/special purpose vehicles and limited reinsurance after adjustment for expected losses due to counterparty default associated with technical provisions calculated as a whole								
Technical provisions calculated as the addition of the best estimate and the risk margin								
Best estimate								
Provisions for premiums								
Total gross amount	-4,253	-3,773						56,784
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to non-payment by counterparty	0							-1,033
Best net estimate of premium provisions	-4,252	-3,773						57,816
Provisions for claims								
Total gross amount	4,256	149			1,679	55	1,265	80,182
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to non-payment by counterparty	4,098	148						14,663
Best net estimate of provisions for claims	158	0			1,679	55	1,265	65,519
Best gross estimate total	3	-3,624			1,679	55	1,265	136,965
Best net estimate total	-4,094	-3,772			1,679	55	1,265	123,335
Risk margin	494	192			79	3	60	27,837
Amount of the transitional measure for technical provisions								
Technical provisions calculated as a whole								
Best estimate								
Risk margin								
Technical provisions (total)								
Technical provisions (total)	497	-3,432			1,758	58	1,325	164,802
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to non-payment by counterparty	4,097	148						13,630
Technical provisions less recoverable amounts from reinsurance/special purpose vehicles and limited reinsurance (total amount)	-3,601	-3,581			1,758	58	1,325	151,172

(Data in thousands of euros)

2023	Direct insurance and proportional reinsurance accepted								
	Medical expenses	Income protection	Workplace accidents	Car insurance civil liability	Other land vehicle insurance	Maritime, aviation, and transport (MAT)	Fire and other property damage insurance	General civil liability	Credit and surety
Technical provisions calculated as a whole									
Total amounts recoverable from reinsurance/special purpose vehicles and limited reinsurance after adjustment for expected losses due to counterparty default associated with technical provisions calculated as a whole									
Technical provisions calculated as the addition of the best estimate and the risk margin									
Best estimate									
Provisions for premiums									
Total gross amount	-6,438	-3,527	-18			30	61,051	7,595	
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to non-payment by counterparty		-14	-1			0	-720	-188	
Best net estimate of premium provisions	-6,438	-3,513	-17			31	61,770	7,783	
Provisions for claims									
Total gross amount	270	3,274	52	20	1	43	44,373	23,722	
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to non-payment by counterparty		-17	-3			11	11,007	4,019	
Best net estimate of provisions for claims	270	3,291	55	20	1	32	33,366	19,704	
Best gross estimate total	-6,169	-253	34	20	1	74	105,423	31,317	
Best net estimate total	-6,169	-222	38	20	1	63	95,136	27,487	
Risk margin	473	605	8	0	0	10	17,965	2,941	
Amount of the transitional measure for technical provisions									
Technical provisions calculated as a whole									
Best estimate									
Risk margin									
Technical provisions (total)									
Technical provisions (total)	-5,696	352	42	20	1	84	123,388	34,259	
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to non-payment by counterparty		-31	-4			11	10,287	3,831	
Technical provisions less recoverable amounts from reinsurance/special purpose vehicles and limited reinsurance (total amount)	-5,696	383	46	20	1	73	113,101	30,428	

	Direct insurance and proportional reinsurance accepted			Non-proportional reinsurance accepted				
	Legal defence	Assistance	Miscellaneous non-life insurance	Non-proportional health reinsurance	Non-proportional civil liability reinsurance for damages	Non-proportional marine, aviation, and transport reinsurance	Non-proportional reinsurance of property damage	Total non-life obligations
Technical provisions calculated as a whole								
Total amounts recoverable from reinsurance/special purpose vehicles and limited reinsurance after adjustment for expected losses due to counterparty default associated with technical provisions calculated as a whole								
Technical provisions calculated as the addition of the best estimate and the risk margin								
Best estimate								
Provisions for premiums								
Total gross amount	-3,329	-3,294						52,070
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to non-payment by counterparty	0							-923
Best net estimate of premium provisions	-3,328	-3,294						52,993
Provisions for claims								
Total gross amount	4,101	139			1,765	95	1,474	79,328
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to non-payment by counterparty	3,934	138						19,089
Best net estimate of provisions for claims	167	0			1,765	95	1,474	60,239
Best gross estimate total	772	-3,155			1,765	95	1,474	131,398
Best net estimate total	-3,162	-3,293			1,765	95	1,474	113,233
Risk margin	392	157			77	4	66	22,699
Amount of the transitional measure for technical provisions								
Technical provisions calculated as a whole								
Best estimate								
Risk margin								
Technical provisions (total)								
Technical provisions (total)	1,163	-2,998			1,842	99	1,539	154,097
Total amounts recoverable from reinsurance/special purpose and finite reinsurance after adjustment for expected losses due to non-payment by counterparty	3,934	138						18,166
Technical provisions less recoverable amounts from reinsurance/special purpose vehicles and limited reinsurance (total amount)	-2,770	-3,136			1,842	99	1,539	135,931

(Data in thousands of euros)

A.6. CLAIMS IN NON-LIFE INSURANCE

2024

Total non-life activities

Year of accident/ Year of underwriting	Z0020	accident

Gross paid claims (not accumulated)

(absolute amount)

	Year of development												
Year	0	1	2	3	4	5	6	7	8	9	10 y +	In the year in progress	Number of years (accumulated)
Previous											269	269	269
N-9	105,136	29,272	5,116	1,716	1,242	525	419	425	267	89		89	144,207
N-8	103,529	39,380	5,548	2,366	1,068	358	92	359	356			356	153,055
N-7	121,905	35,622	5,976	5,661	1,123	699	82	216				216	171,283
N-6	127,802	42,149	5,318	3,113	1,261	716	358					358	180,717
N-5	118,452	40,868	6,284	2,209	1,216	591						591	169,618
N-4	120,682	41,436	8,147	2,798	1,638							1,638	174,701
N-3	132,251	47,355	7,749	3,443								3,443	190,796
N-2	113,096	36,543	4,646									4,646	154,285
N-1	118,785	37,619										37,619	156,404
N	123,744											123,744	123,744
											Total	172,968	1,619,080

(Data in thousands of euros)

Best gross estimate without discounting provisions for claims

(absolute amount)

Year	Year of development											End of the year (discounted data)
	0	1	2	3	4	5	6	7	8	9	10 y +	
Previous											3,105	3,102
N-9										86		83
N-8									8			3
N-7								138				131
N-6							346					333
N-5						1,219						1,188
N-4					3,027							2,915
N-3				7,551								7,182
N-2			6,551									6,230
N-1		12,496										12,180
N	47,724											46,834
											Total	80,182

(Data in thousands of euros)

Total non-life activities

Year of accident/ Year of underwriting	Z0020	accident

Gross paid claims (not accumulated)

(absolute amount)

	Year of development											In the year	Number of years
Year	0	1	2	3	4	5	6	7	7	8	9	10 y +	in progress
(accumulated)											165	165	165
N-9	102,916	30,439	4,656	2,039	1,071	315	243	37	218	-807		-807	141,126
N-8	105,136	29,272	5,116	1,716	1,242	525	419	425	267			267	144,118
N-7	103,529	39,380	5,548	2,366	1,068	358	92	359				359	152,699
N-6	121,905	35,622	5,976	5,661	1,123	699	82					82	171,067
N-5	127,802	42,149	5,318	3,113	1,261	716						716	180,359
N-4	118,452	40,868	6,284	2,209	1,216							1,216	169,028
N-3	120,682	41,436	8,147	2,798								2,798	173,064
N-2	132,251	47,355	7,749									7,749	187,354
N-1	113,096	36,543										36,543	149,640
N	118,785											118,785	118,785
											Total	167,873	1,587,403

(Data in thousands of euros)

Best gross estimate without discounting provisions for claims

(absolute amount)

	Year of development											
Year	0	1	2	3	4	5	6	7	8	9	10 y +	End of the year (discounted data)
Previous											3,493	3,487
N-9										133		127
N-8									59			52
N-7								186				174
N-6							439					418
N-5						785						747
N-4					1,789							1,727
N-3				3,834								3,693
N-2			8,534									8,158
N-1		12,257										11,787
N	50,044											48,958
											Total	79,328

(Data in thousands of euros)

A.7. IMPACT OF LONG-TERM GUARANTEE MEASURES AND TRANSITIONAL MEASURES

2024	Amount with long-term guarantee measures and transitional measures	Impact of the transitional measure on technical provisions	Impact of the transitional measure on the interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
Technical provisions	2,473,654			136,182	
Basic own funds	1,569,424			-104,942	
Eligible own funds to cover the solvency capital requirement	1,569,424			-104,942	
Solvency Capital Requirement	477,262			-40	
Eligible own funds to cover the minimum capital requirement	1,569,424			-104,942	
Minimum Capital Requirement	123,208			2,953	

(Data in thousands of euros)

2023	Amount with long-term guarantee measures and transitional measures	Impact of the transitional measure on technical provisions	Impact of the transitional measure on the interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
Technical provisions	2,339,977			108,712	
Basic own funds	1,464,809			-84,050	
Eligible own funds to cover the solvency capital requirement	1,464,809			-84,050	
Solvency Capital Requirement	446,272			397	
Eligible own funds to cover the minimum capital requirement	1,464,809			-84,050	
Minimum Capital Requirement	116,625			2,371	

(Data in thousands of euros)

A.8. OWN FUNDS

2024	Total	Tier 1 (unrestricted)	Tier 1 (restricted)	Tier 2	Tier 3
Basic own funds before deduction for participations in another financial sector pursuant to Article 68 of Delegated Regulation (EU) 2015/35					
Ordinary share capital (excluding treasury shares)	400,000	400,000			
Share premiums corresponding to ordinary share capital					
Initial mutual fund, members' contributions or equivalent element of own funds for mutual and mutual-type undertakings					
Subordinated mutual accounts					
Surplus funds					
Preferred shares					
Issue premiums corresponding to preferred shares					
Conciliation reserve	1,169,424	1,169,424			
Subordinated liabilities					
Amount equal to the value of net deferred tax assets					
Other elements of own funds approved by the supervisory authority as basic own funds not specified above					
Own funds in the financial statements that should not be represented by the conciliation reserve and do not meet the requirements to be classified as Solvency II own funds					
Own funds in the financial statements that should not be represented by the conciliation reserve and do not meet the requirements to be classified as Solvency II own funds					
Deductions					
Deductions for holdings in credit and financial institutions					
Total basic own funds after deductions	1,569,424	1,569,424			
Complementary own funds					
Uncalled and unpaid ordinary share capital payable on demand					
Initial mutual fund, member contributions, or equivalent element of basic own funds for mutual and similar companies, not called and not paid up and payable on demand					
Uncalled and unpaid preferred shares payable on demand					
Legally binding commitment to underwrite and pay subordinated liabilities on demand					
Letters of credit and guarantees provided for in Article 96(2) of Directive 2009/138/EC					
Letters of credit and guarantees other than those provided for in Article 96(2) of Directive 2009/138/EC					
Additional contributions required from members provided for in Article 96(3), first subparagraph, of Directive 2009/138/EC					
Additional contributions from members required of members other than those provided for in the first subparagraph of Article 96(3) of Directive 2009/138/EC					
Other complementary own funds					
Total complementary own funds					
Available and eligible own funds					

Total own funds available to cover the SCR	1,569,424	1,569,424				
Total own funds available to cover the MCR	1,569,424	1,569,424				
Total eligible own funds to cover the SCR	1,569,424	1,569,424				
Total eligible own funds to cover the MCR	1,569,424	1,569,424				
SCR	477,262					
MCR	123,208					
Ratio of eligible own funds to SCR	3.29					
Ratio between eligible own funds and MCR	12.74					

Conciliation reserve		
Excess of assets over liabilities	1,619,424	
Treasury shares (direct and indirect holdings)		
Dividends, distributions, and foreseeable costs	50,000	
Other elements of basic own funds	400,000	
Other elements of basic own funds (other issues)		
Adjustment for restricted own funds elements in the case of portfolios subject to matching adjustment and funds with limited availability		
Conciliation reserve	1,169,424	
Expected benefits		
Expected benefits included in future premiums (life activity)	149,048	
Expected benefits included in future premiums (non-life activity)	25,306	
Total expected benefits included in future premiums	174,355	

(Data in thousands of euros)

2023	Total	Tier 1 (unrestricted)	Tier 1 (restricted)	Tier 2	Tier 3
Basic own funds before deduction for participations in another financial sector pursuant to Article 68 of Delegated Regulation (EU) 2015/35					
Ordinary share capital (excluding treasury shares)	400,000	400,000			
Share premiums corresponding to ordinary share capital					
Initial mutual fund, members' contributions or equivalent element of own funds for mutual and mutual-type undertakings					
Subordinated mutual accounts					
Surplus funds					
Preferred shares					
Issue premiums corresponding to preferred shares					
Conciliation reserve	1,064,809	1,064,809			
Subordinated liabilities					
Amount equal to the value of net deferred tax assets					
Other elements of own funds approved by the supervisory authority as basic own funds not specified above					
Own funds in the financial statements that should not be represented by the conciliation reserve and do not meet the requirements to be classified as Solvency II own funds					
Own funds in the financial statements that should not be represented by the conciliation reserve and do not meet the requirements to be classified as Solvency II own funds					
Deductions					
Deductions for holdings in credit and financial institutions					
Total basic own funds after deductions	1,464,809	1,464,809			
Complementary own funds					
Uncalled and unpaid ordinary share capital payable on demand					
Initial mutual fund, member contributions, or equivalent element of basic own funds for mutual and similar companies, not called and not paid up and payable on demand					
Uncalled and unpaid preferred shares payable on demand					
Legally binding commitment to underwrite and pay subordinated liabilities on demand					
Letters of credit and guarantees provided for in Article 96(2) of Directive 2009/138/EC					
Letters of credit and guarantees other than those provided for in Article 96(2) of Directive 2009/138/EC					
Additional contributions required from members provided for in Article 96(3), first subparagraph, of Directive 2009/138/EC					
Additional contributions from members required of members other than those provided for in the first subparagraph of Article 96(3) of Directive 2009/138/EC					
Other complementary own funds					
Total complementary own funds					

Available and eligible own funds					
Total own funds available to cover the SCR	1,464,809	1,464,809			
Total own funds available to cover the MCR	1,464,809	1,464,809			
Total eligible own funds to cover the SCR	1,464,809	1,464,809			
Total eligible own funds to cover the MCR	1,464,809	1,464,809			
SCR	446,272				
MCR	116,625				
Ratio of eligible own funds to SCR	3.28				
Ratio between eligible own funds and MCR	12.56				
Conciliation reserve					
Excess of assets over liabilities	1,514,809				
Treasury shares (direct and indirect holdings)					
Dividends, distributions, and foreseeable costs	50,000				
Other elements of basic own funds	400,000				
Other elements of basic own funds (other issues)					
Adjustment for restricted own funds elements in the case of portfolios subject to matching adjustment and funds with limited availability					
Conciliation reserve	1,064,809				
Expected benefits					
Expected benefits included in future premiums (life activity)	152,529				
Expected benefits included in future premiums (non-life activity)	23,312				
Total expected benefits included in future premiums	175,842				

(Data in thousands of euros)

A.9. SOLVENCY CAPITAL REQUIREMENT – FOR COMPANIES USING THE STANDARD FORMULA

2024	Gross solvency capital requirement	Company-specific parameters	Simplifications
Market risk	323,068		
Counterparty default risk	10,004		
Life underwriting risk	250,130		
Illness underwriting risk	12,532		
Non-life underwriting risk	290,064		
Diversification	-295,870		
Intangible asset risk			
Basic solvency capital requirement	589,928		
Calculation of the solvency capital requirement			
Operational risk	38,676		
Loss-absorbing capacity of technical provisions			
Loss-absorbing capacity of deferred taxes	-151,343		
Capital requirement for activities carried out in accordance with Article 4 of Directive 2003/41/EC			
Solvency capital requirement, excluding capital addition	477,262		
Capital addition already fixed			
Solvency capital requirement	477,262		
Other information about the SCR			
Capital requirement for the duration-based equity risk sub-module			
Total amount of the notional solvency capital requirement for the remaining part			
Total amount of notional Solvency Capital Requirement for funds of limited availability			
Total amount of notional Solvency Capital Requirement for matched portfolios			
Diversification effects due to aggregation of the notional SCR for limited availability funds for the purpose of Article 304			

(Data in thousands of euros)

2023	Gross solvency capital requirement	Company-specific parameters	Simplificati
Market risk	315,742		
Counterparty default risk	11,357		
Life underwriting risk	246,861		
Illness underwriting risk	12,617		
Non-life underwriting risk	237,628		
Diversification	-273,397		
Intangible asset risk			
Basic solvency capital requirement	550,808		
Calculation of the solvency capital requirement			
Operational risk	36,806		
Loss-absorbing capacity of technical provisions			
Loss-absorbing capacity of deferred taxes	-141,343		
Capital requirement for activities carried out in accordance with Article 4 of Directive 2003/41/EC			
Solvency capital requirement, excluding capital addition	446,272		
Capital addition already fixed			
Solvency capital requirement	446,272		
Other information about the SCR			
Capital requirement for the duration-based equity risk sub-module			
Total amount of the notional solvency capital requirement for the remaining part			
Total amount of notional Solvency Capital Requirement for funds of limited availability			
Total amount of notional Solvency Capital Requirement for matched portfolios			
Diversification effects due to the aggregation of notional SCR for ring-fenced funds for the purposes of Section 304			

(Data in thousands of euros)

A.10. MINIMUM CAPITAL REQUIREMENT (BOTH LIFE AND NON-LIFE INSURANCE ACTIVITY)

2024	Non-life activities	Life activities
	MCR Result(NL,NL)	MCR Result(NL,L)
Component of the linear formula corresponding to non-life insurance and reinsurance obligations	44,095	

MCR Non-life calculation	Non-life activities: Best net estimate (reinsurance/special purpose vehicles) and technical provisions calculated as a whole	Non-life activities: Net earned premiums (reinsurance) in the last 12 months	Life activities: Best net estimate (reinsurance/special purpose vehicles) and technical provisions calculated as a whole	Life activities: Net earned premiums (reinsurance) in the last 12 months
Proportional insurance and reinsurance of medical expenses		24,247		
Proportional income protection insurance and reinsurance		22,442		
Proportional insurance and reinsurance of occupational accidents	48	265		
Proportional motor vehicle liability insurance and reinsurance	8			
Other motor vehicle insurance and proportional reinsurance	6			
Proportional marine, aviation, and transport insurance and reinsurance	49	131		
Fire and other property damage insurance and proportional reinsurance	103,665	278,153		
General liability insurance and proportional reinsurance	31,349	35,851		
Proportional credit and surety insurance and reinsurance				
Proportional legal defence insurance and reinsurance		16,849		
Assistance insurance and proportional reinsurance		9,376		
Proportional insurance and reinsurance of miscellaneous pecuniary losses				
Non-proportional health reinsurance				
Non-proportional civil liability reinsurance for damages	1,679	3		
Non-proportional marine, aviation, and transport reinsurance	55			
Non-proportional reinsurance of property damage	1,265			

(Data in thousands of euros)

	Non-life activities	Life activities
	MCR Result(L,NL)	MCR Result(L,L)
Component of the linear formula corresponding to life insurance and reinsurance obligations	55,793	23,320

MCR life calculation	Non-life activities: Best net estimate (reinsurance/special purpose vehicles) and technical provisions calculated as a whole	Non-life activities: Total net capital at risk (reinsurance/special purpose vehicles)	Life activities: Best net estimate (reinsurance/special purpose vehicles) and technical provisions calculated as a whole	Life activities: Total net capital at risk (reinsurance/special purpose vehicles)
Profit-sharing bonds (guaranteed benefits)			273,287	
Profit-sharing obligations (future discretionary benefits)			3,287	
Index-linked insurance and investment fund obligations			167,298	
Other life and health (re)insurance obligations	1,314,743		378,476	
Total capital at risk for life (re)insurance obligations		40,262,240		6,085,619

(data in thousands of euros)

Calculation of global MCR	
Linear MCR	123,208
SCR	477,262
MCR maximum level	214,768
MCR minimum level	119,315
Combined MCR	123,208
MCR absolute minimum	8,000
Minimum Capital Requirement	123,208

(Data in thousands of euros)

Calculation of notional non-life and life MCR	Non-life activities	Life activities
Notional linear MCR	99,889	23,320
Notional SCR, excluding capital addition (annual or final calculation)	386,930	90,332
Maximum level of notional MCR	174,119	40,649
Minimum level of notional MCR	96,733	22,583
Notional combined MCR	99,889	23,320
Absolute minimum of notional MCR	4,000	4,000
Notional MCR	99,889	23,320

(Data in thousands of euros)

2023	Non-life activities	Life activities		
	MCR result(NL,NL)	MCR result(NL,L)		
Component of the linear formula corresponding to non-life insurance and reinsurance obligations	40,259			
	Non-life activities		Life activities	
MCR non-life calculation	Best net estimate (reinsurance/special purpose vehicles) and technical provisions calculated as a whole	Net earned premiums (reinsurance) in the last 12 months	Best net estimate (reinsurance/special purpose vehicles) and technical provisions calculated as a whole	Net earned premiums (reinsurance) in the last 12 months
Proportional insurance and reinsurance of medical expenses		23,145		
Proportional income protection insurance and reinsurance		23,013		
Proportional insurance and reinsurance of occupational accidents	38	277		
Proportional motor vehicle liability insurance and reinsurance	20			
Other motor vehicle insurance and proportional reinsurance	1			
Proportional marine, aviation, and transport insurance and reinsurance	63	136		
Fire and other property damage insurance and proportional reinsurance	95,136	251,346		
General liability insurance and proportional reinsurance	27,487	32,532		
Proportional credit and surety insurance and reinsurance				
Proportional legal defence insurance and reinsurance		14,144		
Assistance insurance and proportional reinsurance		8,499		
Proportional insurance and reinsurance of miscellaneous pecuniary losses				
Non-proportional health reinsurance				
Non-proportional civil liability reinsurance for damages	1,765	3		
Non-proportional marine, aviation, and transport reinsurance	95			
Non-proportional reinsurance of property damage	1,474	0		

(Data in thousands of euros)

	Non-life activities	Life activities
	MCR Result$_{(L,NL)}$	MCR Result$_{(L,L)}$
Component of the linear formula corresponding to life insurance and reinsurance obligations	53,021	23,345

MCR Life calculation	Non-life activities		Life activities	
	Best net estimate (reinsurance/special purpose vehicles) and technical provisions calculated as a whole	Total net capital at risk (reinsurance/special purpose vehicles)	Best net estimate (reinsurance/special purpose vehicles) and technical provisions calculated as a whole	Total net capital at risk (reinsurance/special purpose vehicles)
Profit-sharing bonds (guaranteed benefits)			282,292	
Profit-sharing obligations (future discretionary benefits)			2,761	
Index-linked insurance and investment fund obligations			164,058	
Other life and health (re)insurance obligations	1,208,286		361,617	
Total capital at risk for life (re)insurance obligations		39,495,027		6,145,583

(data in thousands of euros)

Calculating the global MCR	
Linear MCR	116,625
SCR	446,272
Maximum MCR tier	200,822
Minimum MCR tier	111,568
Combined MCR	116,625
Absolute minimum of the MCR	8,000
Minimum Capital Requirement	116,625

(Data in thousands of euros)

Calculation of notional non-life and life CMR	Non-life activities	Life activities
Notional linear CMR	93,280	23,345
Notional SCR, excluding capital addition (annual or final calculation)	356,939	89,333
Maximum level of notional MCR	160,623	40,200
Minimum level of notional MCR	89,235	22,333
Notional Combined MCR	93,280	23,345
Absolute minimum of the notional MCR	4,000	4,000
Notional MCR	93,280	23,345

(Data in thousands of euros)