

Sustainability Master Plan

2024-2026



Our roadmap

The **Sustainability Master Plan 2024-2026** sets out GCO's sustainability roadmap for the next three years. It establishes the **strategic lines** in which we want to create value, the ESG (Environmental, Social and Governance) **goals we want** to reach and the **actions we plan to implement** to achieve them. All of this is based on **4 main pillars**:



**Good
governance**



**Sustainable
business**



**Social
commitment**



**Environmental
responsibility**

The Master Plan is based on the new "**double materiality**" **approach** required by the Corporate Sustainability Reporting Directive (CSRD)* and prepares GCO to respond to new European and national regulations on reporting non-financial information and to the needs of stakeholders in the face of today's social and environmental challenges.

*CSRD (Corporate Sustainability Reporting Directive): new European Directive on reporting non-financial information that regulates the requirements for preparing sustainability reports. As of 2024, it replaces the Non-Financial Reporting Directive (NFRD), extending the contents to be disclosed.

What do we focus on?

The actions of the Sustainability Master Plan 2024-2026 relate to the following material environmental, social and governance topics:



Climate change



Contribution to society and local communities



Ethics and business conduct



Employee health and well-being



Quality of service and customer satisfaction



Data protection



Talent management, development and professional training



Responsible management of products and services



Cyber-security



Diversity, equality and inclusion



Sustainable investment



Responsible governance



Working conditions



Relationship management with suppliers and partners

Structure of the Sustainability Master Plan

The Sustainability Master Plan 2024-2026 consists of **4 pillars**. Within these pillars, we have defined **10 strategic lines** to create value. These strategic lines encompass **22 goals** and require **44 actions** for achievement.



*Suppliers, associates and customers



Pillar I: Good governance

We will strengthen sustainability in governance and ESG management throughout the GCO value chain.

| STRATEGIC LINE | GOAL | ACTIONS |
|---|--|---|
| RESPONSIBLE GOVERNANCE | Strengthen sustainability in governance | <ol style="list-style-type: none">1. Comply with European and national regulations regarding the presence of the under-represented sex on the GCO Board of Directors2. Increase the percentage of women on the Atradius Management Board3. Link a percentage of the variable remuneration of senior management exclusively to ESG goals4. Assess the Board of Directors every three years with the support of an independent expert5. Establish ongoing sustainability training for GCO leaders6. Establish a governance framework that integrates sustainability at all levels of the organisation, specifying actions and accountabilities |
| | Pursue ethical excellence and compliance | <ol style="list-style-type: none">7. Develop a GCO Human Rights Policy8. Certify GCO's management of public corporate events as 100% sustainable under ISO 20121 |
| SUSTAINABLE MANAGEMENT OF THE VALUE CHAIN | Improve ESG management of the value chain | <ol style="list-style-type: none">9. Design a Human Rights and Environmental Due Diligence system for the value chain10. Train employees on transparency and sustainability in the marketing of products and services |



Pillar II: Sustainable business

We will continue to integrate sustainability into products and investment.

| STRATEGIC LINE | GOAL | ACTIONS |
|------------------------------|---|--|
| SUSTAINABILITY IN PRODUCTS | Incorporate sustainability criteria in the underwriting policy | 11. Establish environmental commitments in underwriting |
| | Expand the number of sustainable solutions offered to customers | 12. Design or adapt sustainable products and services aligned with the EU Taxonomy in traditional business 13. Offer new sustainable solutions in the credit insurance business |
| | Develop sustainable claims management | 14. “Zero paper” strategy towards customers and associates 15. Implement a sustainable claims management programme |
| | Sustainable management of funeral services | 16. Have sustainable funeral services and facilities (sustainable materials, electric fleet, etc.) |
| SUSTAINABILITY IN INVESTMENT | Continue to promote a sustainability strategy in property management | 17. Manage properties according to sustainability best practices |
| | Increase the percentage of annual sustainable investment | 18. Define a progressive increase in the sustainable investment goal, taking into account criteria such as margins, rating, diversification, etc. included in the investment policy. |



Pillar III: Social commitment

We will focus on people, talent and contribution to society.

| STRATEGIC LINE | TARGET AUDIENCE | ACTIONS |
|---|---|--|
| DIVERSITY, EQUALITY AND INCLUSION | Increase diversity and equality in teams | <ul style="list-style-type: none">19. Develop GCO's Diversity and Equality Policy20. Reduce the pay gap for all levels of the organisation21. Comply with the Pay Transparency Directive22. Increase the presence of women in middle management and senior management |
| ATTRACTING AND RETAINING TALENT | Focus on new ways of working | <ul style="list-style-type: none">23. Evolve the teleworking model in traditional businesses24. Improve the dissemination of social benefits for employees25. Extend the annual performance appraisal to all employees26. Offer continuous training that contributes to efficient use of technology and scheduling and for team unity |
| | Create a comprehensive and consistent health programme across countries | <ul style="list-style-type: none">27. Align the promotion of healthy habits among businesses and develop new initiatives to promote health care |
| CONTRIBUTION TO SOCIETY AND LOCAL COMMUNITIES | Increase social contribution | <ul style="list-style-type: none">28. Establish a common programme of social action and contribution to local communities among the different GCO businesses29. Annually increase the budget for social action projects of the Fundación Occident |



Pillar IV: Environmental responsibility

We will establish a plan to contribute to climate neutrality and promote natural capital.

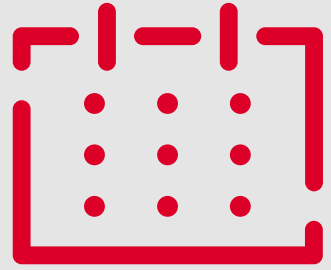
| STRATEGIC LINE | GOAL | ACTIONS |
|---|--|---|
| ENVIRONMENTAL FOOTPRINT AND CLIMATE NEUTRALITY | Expand the reported scope 3 emission categories | <ul style="list-style-type: none"> 30. Calculate emissions associated with employee commuting (<i>commuting</i> - category 7) 31. Calculate the emissions associated with business travel by car (category 6) 32. Calculate emissions associated with GCO's investment portfolio (category 15) 33. Calculate emissions associated with GCO's underwriting portfolio (category 15) |
| | Increase electricity consumption from clean energy | <ul style="list-style-type: none"> 34. Achieve 100% of Spain and Portugal's electricity consumption from clean energy 35. Achieve 50% renewable energy in the remaining major countries |
| | Be more efficient in the energy consumption of the facilities | <ul style="list-style-type: none"> 36. Reduce energy consumption through the installation of solar panels and the use of efficient lighting |
| | Reduce paper consumption | <ul style="list-style-type: none"> 37. Reduce paper consumption linked to printing services |
| | Reduce CO2 emissions | <ul style="list-style-type: none"> 38. Define progressive, science-based decarbonisation goals for the underwriting portfolio to achieve carbon neutrality by 2050 39. Define emission reduction goals for the investment portfolio and operations |
| | Identify GCO's contribution to the goals of the Environmental Taxonomy | <ul style="list-style-type: none"> 40. Analyse GCO's investment and underwriting portfolios to determine the percentage of eligibility and alignment with Taxonomy goals |
| NATURAL CAPITAL (environmental management and biodiversity) | Extend the scope of GCO's environmental management system | <ul style="list-style-type: none"> 41. Develop, implement and review environmental management systems for buildings throughout the GCO structure |
| | Follow the recommendations of the <i>Taskforce on Nature related Financial Disclosures</i> (TNFD) | <ul style="list-style-type: none"> 42. Implement the disclosure framework on biodiversity risks and opportunities (TNFD recommendations) |



Cross-cutting across all four pillars

We will improve our sustainability reporting.

| STRATEGIC LINE | GOAL | ACTIONS |
|---------------------------------------|--|---|
| REPORTING AND TRANSPARENCY | Internal Control of Non-Financial Information | 43. Implement a comprehensive system of internal control for non-financial information, for its collection, analysis, control and reporting |
| | Continuous improvement in the accessibility of sustainability content | 44. Make sustainability content available on GCO's public channels in line with stakeholder needs |



Monitoring of the Sustainability Master Plan

Responsible areas

All the actions and goals of the Master Plan have specific people in charge of promoting and monitoring them.

In addition, there are representatives in each of GCO's businesses (traditional insurance, credit insurance and funeral business) that enable greater coordination in the implementation of the Plan's actions.

Sustainability Committee

The Sustainability Committee monitors the Sustainability Master Plan and periodically assesses compliance with it. For this, it is made up of the heads of the different areas of the Group, who represent the stakeholders, and meets at least twice a year.

Audit Committee

The Audit Committee is responsible, among other aspects, for supervising the Sustainability Master Plan, as well as the effectiveness of the control and risk management systems associated with it.

Board of Directors

The Board of Directors defines the Group's ESG strategy and is ultimately responsible for the Sustainability Master Plan. The Audit Committee reports to it periodically to ensure that the Group's practices in relation to the Master Plan are in line with the strategy approved by the Board of Directors.

Sustainability Function

Located within the Finance - Risk Division, the area is responsible for promoting and guiding compliance with the Sustainability Master Plan and the agreements adopted by the Sustainability Committee, supporting the responsible areas so they can achieve their actions and goals.

