
Diversity and Equality Policy

Grupo Catalana Occidente

Description of the Document

Title	Diversity and Equality Policy
Description of the document	<p>The purpose of this document is to describe the Diversity and Equality Policy of Grupo Catalana Occidente, S.A. and the Entities that comprise it (hereinafter, indistinctly, the "Group" or "GCO").</p> <p>This Policy responds to the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, as well as an increasingly demanding European and national regulatory framework, including the principles of the Global Compact, the UN 2030 Agenda and the UN Sustainable Development Goals (SDGs).</p> <p>This Policy is part of the set of Policies that make up the Group's governance system.</p>
Party responsible	Human Resources Department
Frequency of review	Annual, unless circumstances arise that make it advisable to carry out such review in a shorter period.

Version Control

Version	Carried out by	Validated by	Approved by
1.0	Human Resources Department	Steering Committee	Board of Directors
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Disclaimer

This document is a translation of its original version in Spanish. In case of discrepancy between both versions, the Spanish version will prevail

1. General provisions

The Human Resources Department of Grupo Catalana Occidente, S.A. (hereinafter, indistinctly, the "Group" or "GCO") is responsible for this Policy and for its annual updating and review. This Policy has been approved by the Board of Directors of Grupo Catalana Occidente, S.A., and subsequently, the Group's Individual Entities have adhered to it, by means of the corresponding agreement by each of the corporate bodies

The content of the Policy should be reviewed annually, unless circumstances arise that make it advisable to review it in a shorter period. The aforementioned review shall be carried out by the party responsible for the Policy and shall include any amendments that should be incorporated. For the purposes of this review, the party responsible for the Policy shall prepare a report that shall be submitted to the Board of Directors to validate the amendments suggested therein, approving the amendment of the Policy in the sense established by the Board of Directors.

This document is based on the Human Resources Policy, which develops GCO's commitment to a management model focused on the professional development and loyalty of its employees. In addition, the commitments and responsibilities assumed in this Policy are complemented by GCO's Code of Ethics, GCO's Human Rights Policy, the Protocol for moral or psychological harassment at work, the Protocol for sexual and gender-based harassment and the Equality Plans of the Group's Entities, among others.

In addition, GCO has a Diversity Policy for the composition of the Board of Directors and the selection of Directors, which promotes diversity both in terms of gender and in terms of knowledge and experience necessary for the exercise of their position.

1.1. Key concepts

For the purposes of this Policy, the following terms are defined:

- **Diversity:** is understood as the set of individual characteristics, including both visible and non-visible aspects. In this way, promoting diversity means fostering an inclusive environment that draws on the richness of each employee to drive innovation, performance and personal and organisational growth.
- **Equality:** refers to the fundamental principle of treating everyone in the organisation fairly and equitably, regardless of their individual differences. Equality involves removing barriers and biases to ensure that all employees have access to the same opportunities, resources and support needed to reach their full potential and contribute fully to the company's success.
- **Harassment:** is defined as transgressive verbal or physical behaviour, which has the purpose or effect of violating the dignity of a person or creating an intimidating, hostile, degrading, humiliating or offensive work environment for that person.

1.2. Purpose

The main purpose of the Diversity and Equality Policy is to establish the general principles of GCO's commitment to attracting and developing talent increasing the diversity of the workforce at all levels and providing a fair and respectful work environment, regardless of individual differences, that promotes equal opportunities and combats all forms of discrimination.

1.3. Scope of application

This Policy applies to GCO and to the Entities that are part of it.

Notwithstanding the foregoing, those Group Entities that, due to their speciality or for any other reason, need to adapt this Policy to their specific circumstances, may approve an individual policy with the same purpose as this one, respecting the general framework contained herein.

1.4. Policy Governance

The Board of Directors of GCO, shall be responsible for this Policy, and must approve any changes or substantial reviews. It shall also monitor the effectiveness of this Policy and the commitments contained therein.

In parallel, GCO's Audit Committee is responsible for supervising the Group's performance in relation to Sustainability matters, including this Policy and its corresponding and relevant updates. In addition, GCO's Sustainability Committee shall act as coordinator and supervisor of the different aspects included in the Policy, ensuring its consistency with the Group's General Policies.

GCO's Human Resources Management is responsible for preparing this Policy and for its annual update and review.

Moreover, the contents of the Policy shall be reviewed by the GCO Sustainability Committee with an annual periodicity, when circumstances arise that make such a review advisable in a shorter period.

The Board of Directors of Grupo Catalana Occidente, S.A. will approve the substantial modifications the reviews of this Policy at the proposal of the GCO Sustainability Committee, and the Group's Entities described in the "Scope of application" section must take account of them.

1.5. Communication of the Policy

This Policy shall be communicated internally and externally. The following communication process is defined:

- Once the Board of Directors of GCO has approved the policy or any of its subsequent modifications, the Investor Relations, Rating and Sustainability Unit of GCO shall be in charge of circulating it together with the rest of the Group's Sustainability Policies.

- The Policy shall be published on the Intranet Portals of the Group's Entities so that the entire organisation is aware of it.
- Externally, the Policy shall be published on GCO's corporate website, under the Sustainability section.

2. Action framework

GCO's position on sustainability is aligned with the main national and international standards:

- Sustainable Development Goals (SDGs) and Agenda 2030 of the United Nations. Specifically, the activity carried out by GCO, and the work conducted from Occident and Mémora Foundations are aimed at contributing to the following SDGs on diversity and equality:
 - Goal 4: Quality education
 - Goal 5: Gender equality
 - Goal 8: Decent work and economic growth
 - Goal 10: Reducing inequalities
 - Goal 17: Alliances to achieve the goals.
- Universal Declaration of Human Rights.
- ILO Declaration on Fundamental Principles and Rights at Work.
- United Nations Global Compact Principles.
- United Nations Guiding Principles on Business and Human Rights.
- Organisation for Economic Co-operation and Development (OECD) Sustainability Guidelines for multi-national companies.
- European Convention on Human Rights
- European Strategy for Gender Equality 2020-2025.
- Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards sustainability reporting by companies (CSRD) in accordance with its transposition regulations.
- Directive (EU) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on due diligence by companies in matters of sustainability and amending Directive (EU) 2019/1937 and the Regulation (EU) 2023/2859 (CSDDD Directive), in accordance with its transposition regulations.
- Directive (EU) 2023/970 of the European Parliament and of the Council of 10 May 2023 reinforcing the application of the principle of equal pay for equal work or work of equal value for men and women through pay transparency measures and enforcement mechanisms in accordance with its transposition regulations.
- Organic Law 3/2007, of 22 March, for the effective equality of men and women.
- Royal Decree Law 6/2019, of 1 March, on urgent measures to guarantee equal treatment and opportunities for men and women in employment and occupation.
- Royal Decree 902/2020, of 13 October, on equal pay for men and women.
- Royal Decree 901/2020 of 13 October, which regulates equality plans and their registration.
- Law 15/2022, of 12 July, comprehensive for equal treatment and non-discrimination.

- Organic Law 2/2024, of 1 August, on equal representation and balanced presence of women and men.
- Royal Decree 1026/2024, of 8 October, which develops the planned set of measures for equality and non-discrimination of LGTBI people in companies
- Royal Legislative Decree 2/2015, of 23 October, which approves the consolidated text of the Workers' Statute Law.

The Group is also a member of leading initiatives and organisations that seek solutions aimed at promoting sustainability:

- Principles of the United Nations Global Compact.
- United Nations Principles for Responsible Investment (PRI).
- Principles for Sustainable Insurance (PSI)

3. General action principles

To fulfil its commitment to promote diversity and equality, GCO adopts the following general principles that should guide the development of diverse and inclusive its labour relations:

- Reject any kind of discrimination based on sex, race, colour, language, religion, political or other opinion, national or social origin, association with a national minority, wealth, birth or other status.
- Apply the principle of equal opportunities by basing decisions on hiring, promotion, training and other working conditions on objective criteria such as ability, experience and responsibilities assumed.
- Maintain a zero-tolerance policy towards any form of harassment or inappropriate behaviour in the workplace and provide both mechanisms for reporting incidents and for corrective or disciplinary measures.
- Ensure pay equity and transparency by setting the criteria for determining pay in an objective manner based on gender-neutral job evaluation and classification systems, or on indicators or gender-neutral models, and progressively moving towards pay transparency.
- Promote a flexible work culture through a balance in working hours, allowing for the harmonisation of work, family and personal life, while guaranteeing quality employment that facilitates work-life balance while maintaining an adequate service to our policyholders and business productivity.
- Raise awareness of the principles of equality and respect for the diversity of the employees, in order to improve their attitude and tolerance towards others.
- Extend and communicate the commitment to all employees, involving the entire organisation, making this a collective responsibility.

4. Commitments

4.1. Recruitment and hiring

GCO is committed to promoting a working environment in which all people have equal opportunities to access jobs and develop their professional careers, regardless of any personal or social condition or circumstance

In this respect, the Group ensures that recruitment processes are carried out on the basis of the knowledge, skills and/or abilities required for the job, guaranteeing that all candidates are treated equal and unbiased. For this purpose, recruitment advertisements are published in a neutral, unbiased manner, ensuring that all stakeholders potential candidates have an equal opportunity to apply. In addition, recruitment practices are verified to ensure that there is no bias or discrimination in the recruitment and hiring of staff.

On the other hand, with the aim of ensuring equal opportunities between women and men, policies are established to encourage the equal representation of candidates, as well as action measures that favour equal conditions for Groups or Levels in which women are less represented.

4.2. Job classification

To ensure that there are no bias, objective criteria are established for job and performance appraisal. For this purpose, a culture of equal opportunities is promoted under a career system based on objective criteria such as ability, experience and responsibilities assumed.

In addition, the language of gender is adapted in professional classification, categories and job positions, reviewing and eliminating male or female names and trying to use neutral terms in the designation of job positions.

4.3. Training

GCO prioritises personal and professional development, investing in continuous training for all employees, with the aim of improving their skills, knowledge and competencies. To ensure all employees have access to training that supports their professional development, actions and controls are implemented to guarantee equal opportunities, free from discrimination based on gender, age, or any other personal characteristic.

To ensure balanced training for both men and women, GCO will monitor gender participation during the training period and address any imbalances that may arise. In addition, training to eradicate (unconscious) bias and, more specifically, gender bias will be conducted for all staff.

4.4. Talent management

The principle of equality is present in all the Group's talent management processes such as identification, attraction, loyalty, promotion, professional development, and talent review.

GCO gives preference to internal candidates over external candidates in the filling of vacancies. For professional groups of responsibility and management. For this purpose, vacancies in non-managerial functions are first published internally through a specific section on the intranet where they can consult and apply for available vacancies, so that any of them can find out about the opportunities and requirements necessary to apply, unless it is a specific professional profile that is not found in the organisation.

On the other hand, a gender balance will be sought when identifying high-potential profiles, providing the same professional development opportunities to both women and men. The proportion of women and men in management and middle management will be monitored in order to ensure this balance.

4.5. Remuneration model

GCO's remuneration system guarantees equal pay for equal work for the company's workforce through a remuneration model based on the professional levelling system. In addition, remuneration development is based on the recognition of the contribution and professional experience of each employee.

To this end, job evaluations are conducted to ensure a transparent procedure when establishing the remuneration level for each position.

GCO has implemented various controls and measures to ensure equal pay for work of equal value in accordance with applicable legislation. An annual analysis of the pay gap by job grading is carried out. In addition, the annual pay review is used as an opportunity to balance pay in cases where an imbalance is revealed for no objective reason.

Several measures and controls have been implemented to guarantee equal pay for work of equal value without any discrimination based on gender. Firstly, pay gaps between women and men at the same level are regularly monitored. Secondly, during promotion and salary review processes, the number of proposals and decisions taken are analysed taking into account gender, ensuring alignment with the salary range and equity so that the number of promotions and salary increases for women and men is not lower in relation to the percentage they represent the analysed level.

4.6. Work-life balance and flexibility

In the area of flexibility and work-life balance, the Group is promoting new ways of working that self-management of time, enabling employees to improve the balance between their personal and professional lives, considering the assigned tasks and ensuring productivity and service delivery

The Group is committed to work-life balance and work flexibility and for that purpose it has specific and adequate measures in the different countries where it operates. New organisational models offer different options such as flexitime, teleworking, reduced working hours, as well as support for disconnection from work, among others. Measures have been established to support these commitments, such as greater use of videoconferencing to reduce the need for business trips or other solutions that allow for make it possible to make service delivery to fit in with the employee's personal situations.

In addition, considering the context of each country and assigned functions, there are specific financial aids, such as a financial assistance for childbirth or for family members with mental, physical or sensory disabilities, as well as benefits for work-life balance, such as leave of absence, paid leave or flexible remuneration.

4.7. Raising awareness and communication

GCO promotes awareness-raising as an active means of communication to align all staff with the Group's core values in the field of diversity and equality.

To this end GCO promotes the use of inclusive language, free of discriminatory references to individuals, with the aim of fostering a positive attitude among employees towards diversity and equality. In addition, it is essential to inform all employees of the specific measures implemented through the company's policies and the applicable legislation to ensure the equal treatment of employees in relation to amongst other, equal pay and work-life balance.

Surveys are also carried out periodically on the work environment, including, among other issues, employee appreciation of the promotion and salary review in the company in terms of gender equality, with the aim of measuring employee satisfaction and perception in terms of equality.

5. Monitoring and control mechanisms

Violation of the commitments outlined in this Policy may result in disciplinary proceedings and corrective actions. GCO has a Whistleblower Channel for reporting irregularities and frauds through the internal information system about human rights violations and discriminatory practices, among others, preserving the informant's identity and adequately protecting him/her against possible retaliation.

In addition, GCO is committed to establishing mechanisms capable of remedying any adverse impacts that it may cause or contribute to.

Details of the organisation's disciplinary and grievance policies and procedures can be found on the intranet of each GCO entity.

GCO has a specific procedure for detecting, preventing and dealing with sexual and gender-based harassment and moral or psychological harassment at work. GCO has specific procedures for detection, prevention and action in this type of situation. Moreover, there are specific communication mechanisms to submit complaints or reports of this type, which are channelled through a committee or committee in charge. In addition, the Equality Monitoring Committee will be informed of the complaints received and the outcome of the files.

GCO also has an Equality Plan which reflects its commitment to the establishment and development of policies that integrate equal treatment and opportunities between women and men, without discriminating directly or indirectly on the basis of sex, as well as the promotion and encouragement of measures to achieve real equality within the organisation, establishing equal opportunities between women and men as a strategic principle of the Human Resources

Policy, which also includes monitoring and an evaluation procedure for the Equality Plan, as well as a procedure for resolving discrepancies.

Finally, GCO commits to periodically review its internal processes in order to identify areas for improvement and ensure that the strategies implemented are effective and aligned with the established goals. These goals must be clear and serve as a guide to direct efforts and resources towards specific, measurable results. In addition, the results will be monitored to enable timely adjustments and maintain focus on achieving the proposed goals.