SOLVENCY AND FINANCIAL CONDITION REPORT 31.12.2023 (SFCR)

Santander Insurance Group for Solvency II purposes (GRO0025)

Index

Introduction

Santander Insurance S.L. (hereinafter, “Santander Insurance”, the “Company” or the “Entity”) must prepare the Report on the Group's Solvency and Financial Condition as the head entity of the Group subject to supervision.

The Group subject to supervision is comprised of Santander Insurance S.L. as a participating entity, and Santander Seguros y Reaseguros, Compañía Aseguradora S.A. (hereinafter “Santander Seguros”), Santander Vida Seguros y Reaseguros S.A. (hereinafter, “Santander Vida”), Santander Generales Seguros y Reaseguros S.A. (hereinafter, “Santander Generales”), Santander Mapfre Seguros y Reaseguros, S. A. (hereinafter, “Santander Mapfre”), Santander Assurance Solutions, S.A.(hereinafter “Santander Assurance”), Santander Mapfre Hipoteca Inversa, E.F.C. S.A. (hereinafter “Santander Mapfre Hipoteca Inversa” o “Platinum Care”), Santander Totta Seguros, Companhia de Seguros de Vida S.A. (hereinafter, “Santander Totta”), Aegon Santander Portugal Vida, Companhia de Seguros de Vida, S.A. (hereinafter, “Aegon Vida”), Aegon Santander Portugal Não Vida, Companhia de Seguros, S.A. (hereinafter, “Aegon No Vida”), Mapfre Santander Portugal, Companhia de Seguros, S.A. (hereinafter, “Mapfre Santander”), CNP Santander Insurance Life DAC (hereinafter, “CNP Vida”), CNP Santander Insurance Europe DAC (hereinafter, “CNP No Vida”), CNP Santander Insurance Services Ireland Limited (hereinafter, “CNP Insurance Services”) y Zurich Santander Insurance America, S.L. (hereinafter, “ZSIA” o “Zurich Santander”), as investee entities.

This report constitutes one of the elements of regular information for the purposes of supervision at the Group level, as described in the following regulatory references:

- Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II): Article 256.

- Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II): Articles 359 to 371.

The key aspects to be developed in the report are:

- Business and performance.

- System of governance.

- Risk profile.

- Valuation for solvency purposes.

- Capital management.

Executive summary

Santander Insurance, as a participating entity of the Group, has prepared the Solvency and Financial Condition Report ("SFCR") for fiscal year 2023, in which the following should be highlighted:

Business and performance

- As per the requirements established in the Solvency II Directive, Santander Insurance is the participating entity of the Group not carrying out accounting consolidation because it is integrated into the Santander Consolidated Group with Banco Santander S.A. as its parent company.

  In accordance with the Article 43 of the Royal Decree of August 22, 1885, which published the Commercial Code, the Entity is exempt from preparing consolidated annual accounts, as it forms part of a higher-level Group's consolidation.

- The Group provides its insurance services through entities established in Spain, Portugal, Ireland, and Latin America (Brazil, Mexico, Chile, Argentina, and Uruguay), being the Irish and Latin American entities integrated by the Equity Method.

- In 2023, the volume of consolidated net written premiums in the Group's scope was 3,237,202 thousand euros, considering the companies that are integrated in Group fully/proportional.

- The Group's activity is focused on Life business, which accounts for 94% of net written premiums, commercializing its products mainly through the distribution network belonging to Banco Santander.

System of governance

- The parent company has adopted a governance system aimed at establishing a series of mechanisms to monitor the Group's activity and risks in an effective manner.

- The Group identifies as key the Risk, Compliance, Finance, Actuarial and Internal Audit functions, ensuring that these functions follow the requirements established by the regulator and are compliant with board-approved policies that regulate them.

Risk profile

The risks at Group level are those inherent to the individual activities of the participated companies. For the risks considered by Solvency II regulations for the purposes of calculating the Solvency Capital Requirement (SCR), their relevance is shown below, based on the capital consumption actually required by the Group.

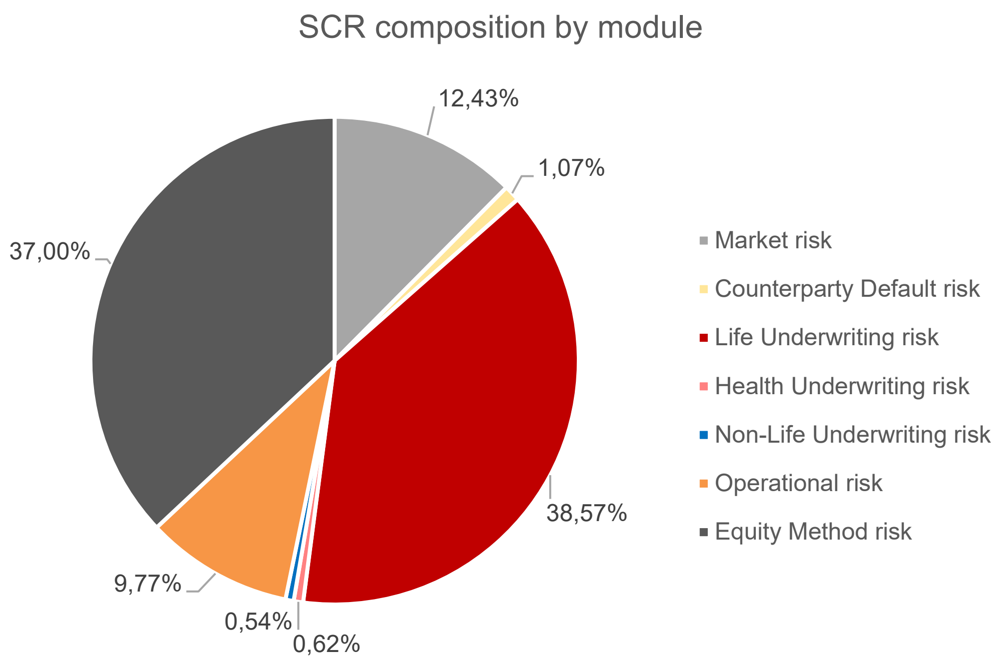
- The main risks affecting the Group are:
  - Market risks, arising from the possibility of incurring losses as a result of movements in market variables that have occurred during the year due to the volatility of the risk-free interest rate curves, mostly derived from Santander Seguros' investments.
  - Actuarial risks due to the type of products underwritten by each of the companies, mainly located in the Life business, whereby the possibility of an unfavorable result arises as a consequence of a higher than expected loss ratio, portfolio declines or an increase in expenses above the budgeted amount.

- Santander Insurance as the parent company has, in addition to specific policies in different areas, a General Risk Policy applicable to all Group entities that establishes the general principles of risk management considering and safeguarding the principles set forth in the General Corporate Risk Framework of the Santander Group. In line with the regulations, the entities that are part of the Group shall ensure the establishment of a risk management process that seeks to align the strategic and operational dimensions of risk management. This process will include a risk management strategy, risk identification, evaluation, mitigation and supervision.

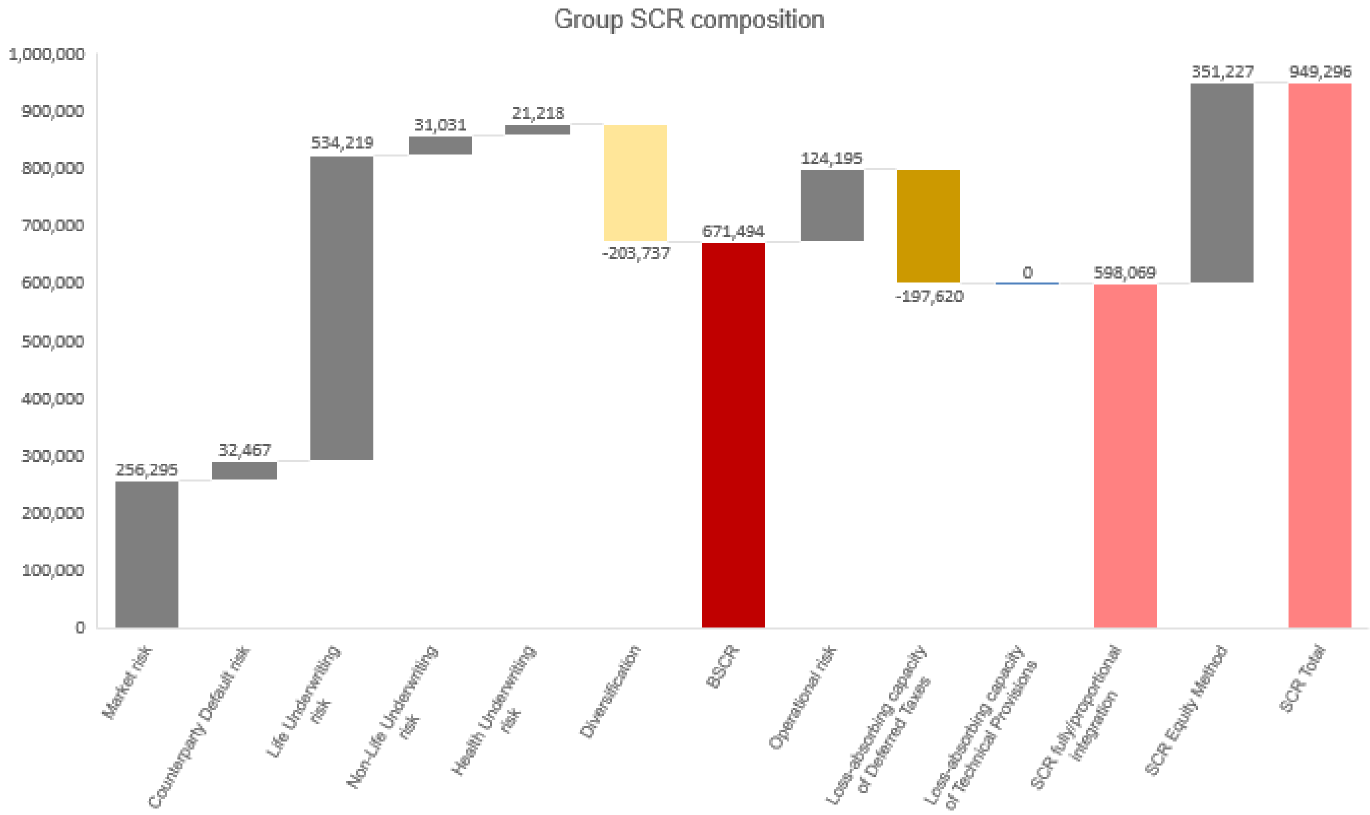
- Based on capital consumption calculated using the Standard Formula, the Group's main risks are Life Underwriting risk, which accounts for 39% of the Group's total SCR, and Market risk, which consumes 12% of capital.

  In addition, the risk arising from the companies that consolidate by the Equity Method accounts for 37% of the total SCR of the Group (this part does not benefit from the diversification effect from which the companies that integrate fully/proportionally do benefit from).

  The composition of the Group's risk profile for the different risk modules is shown below:



The following chart shows the composition of the Group SCR by module, as well as the diversification effect and adjustments applied to obtain the Group Solvency Capital Requirement:



Figures in 000€

Valuation for solvency purposes

- The Group consolidates the Economic Balance Sheet in accordance with method 1 described in Article 335.1 of Delegated Regulation (EU) 2015/35, fully integrating the Economic Balance Sheet of Santander Seguros and Santander Totta, proportionally those corresponding to Santander Vida, Santander Generales, Aegon Vida and Aegon Non Vida and including as participations, using the Equity Method, Santander Mapfre, Mapfre Santander, CNP Vida, CNP No Vida, CNP Insurance Services and ZSIA, and reducing it by the value of existing intragroup transactions.

- The consolidation of the best estimate and risk margin is carried out in accordance with Articles 339 and 340 of Delegated Regulation (EU) 2015/35.

- At the end of 2023, the Group's investment volume at market value was 21,861,529 thousand euros, corresponding to 77% investments not associated with Unit Linked (risks are not mainly borne by the policyholders).

- The volume of Technical provisions of the Group, valued under Solvency II criteria as of December 31, 2023, is 18,278,956 thousand euros, corresponding to 72% Technical provisions of Company risk, while the remaining 28% corresponds to Technical provisions Unit Linked.

Capital management

Santander Insurance has a Capital Planning and Management Policy that includes the criteria and standards to be taken into account to maintain adequate levels of capital to comply with regulatory requirements, as well as to promote an efficient use of capital.

As of December 31, 2023, the Group had a Solvency Ratio of 256%. The solvency ratio is one of the metrics monitored by the Group for Capital Management purposes and monitored in order to verify that it is within the security levels established in terms of Group capitalization.

- The Own Funds, calculated from the Group's Economic Balance Sheet, originated from the market valuation of all assets and liabilities, amount to 2,426,369 thousand euros, being 100% Basic Own Funds. In terms of quality, 100% of the Own Funds are Tier 1 funds (Tier 1).

  An immaterial portion of these Own Funds, approximately 1% of the basic Own Funds correspond to subordinated liabilities, specifically 25,000 thousand euros. They come from two subordinated loans that Santander Seguros maintains with Banco Santander, S.A, which do not have a defined maturity.

- Capital consumption (SCR) at the end of 2023 is 949,296 thousand euros.

- The elimination of the long-term guarantee measures would result in a variation of the Group's solvency ratio, reaching 253% when no volatility adjustment is applied and 219% when no volatility adjustment or matching adjustment is applied (impacts included in template S.22.02 of section F. Quantitative information templates). In both cases the Group's solvency would remain at levels well above those required.

A. Business and performance

A.1 Business

A.1.1 Group Business

The Group comprises Santander Insurance S.L. as a participating entity, and Santander Seguros y Reaseguros, Compañía Aseguradora SA, Santander Vida Seguros y Reaseguros SA, Santander Generales Seguros y Reaseguros SA, Santander Mapfre Seguros y Reaseguros, SA, Santander Assurance Solutions, SA, Santander Mapfre Hipoteca Inversa, EFCSA, Santander Totta Seguros, Companhia de Seguros de Vida SA, Aegon Santander Portugal Vida, Companhia de Seguros de Vida, SA, Aegon Santander Portugal Não Vida, Companhia de Seguros, SA, Mapfre Santander Portugal, Companhia de Seguros , SA, CNP Santander Insurance Life DAC, CNP Santander Insurance Europe DAC, CNP Santander Insurance Services Ireland Limited, and Zurich Santander Insurance America, S.L., as investee entities.

As per the requirements established in the Solvency II Directive, Santander Insurance S.L. is the participating entity of the Group not carrying out accounting consolidation because it is integrated into the Santander Consolidated Group with Banco Santander SA as its parent company. In accordance with the provisions of Article 43 of the Royal Decree of August 22, 1885, which published the Commercial Code, the Entity is exempt from preparing consolidated annual accounts, as it forms part of a higher-level Group's consolidation.

The Group's activities are mainly oriented towards the Life business, with Non-Life and Health lines of business being less significant in relation to the entities consolidated for solvency purposes and the key distribution channel for its product is the office network belonging to Banco Santander.

The Group provides its insurance services through entities established in Spain, Portugal, Ireland, and Latin America (Brazil, Mexico, Chile, Argentina, and Uruguay), either via fully own entities or joint ventures.

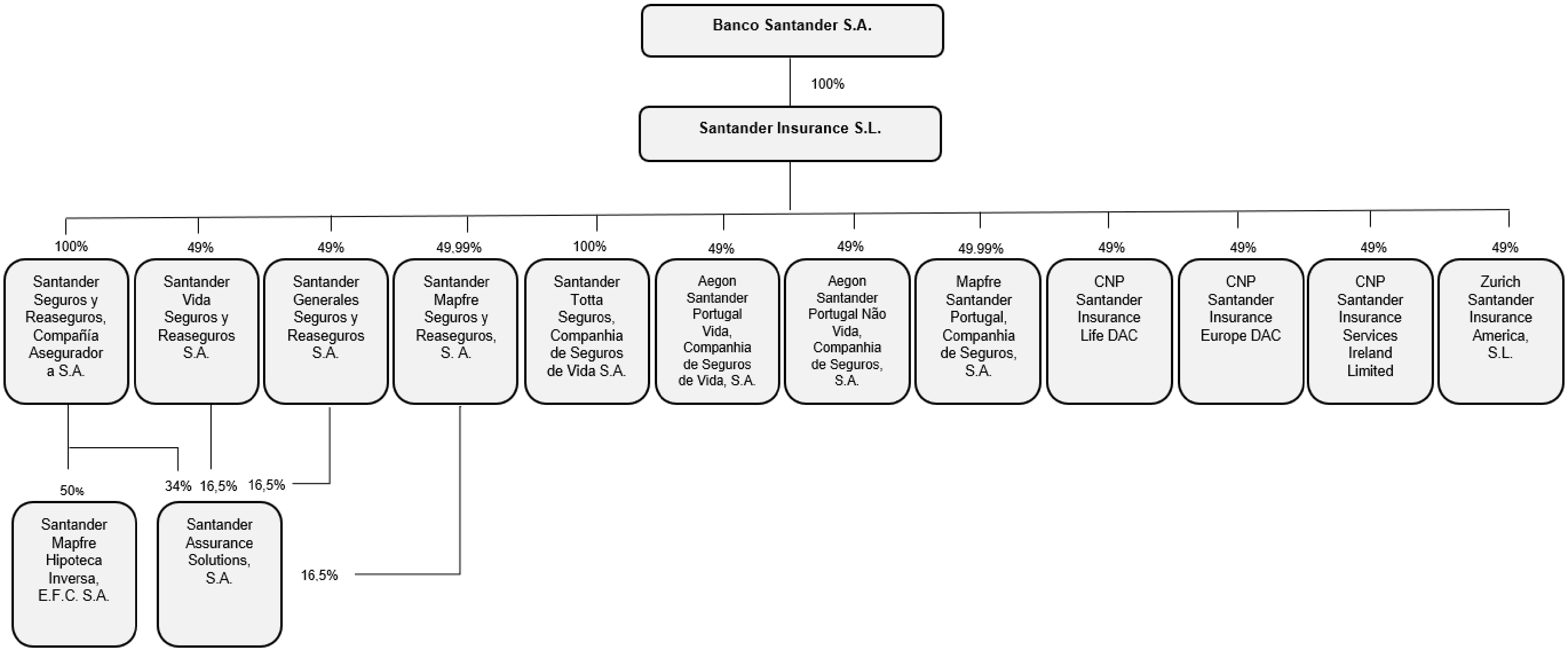
Company Supervision

From a regulatory perspective, the Group supervisor is the Spanish *Dirección General de Seguros y Fondos de Pensiones* (“DGSFP”), an administrative body that operates under the Secretary of State of Economy and Business Support, which is part of the Ministry of Economic Affairs and Digital Transformation of the Government of Spain. This administrative authority is located at *Paseo de la Castellana 44, in Madrid*.

External Audit

For the 2023 fiscal year, the auditing firm is PricewaterhouseCoopers Auditores, S.L., a company headquartered at *Paseo de la Castellana 259, Madrid*.

A.1.2 Corporate structure



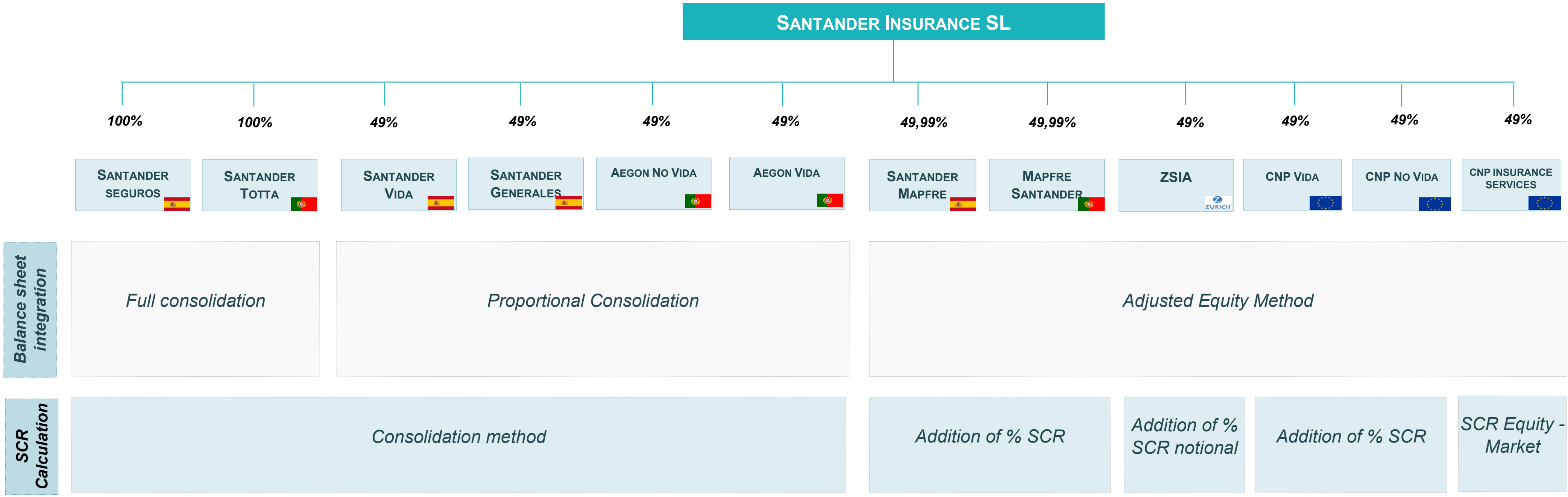
Participated entities as of December 31, 2023

The most significant information related to participated entities, at the end of 2023 fiscal year, is as follows:

Denomination	Activity	Registered office	Participation percentage	Owned shares
Santander Seguros y Reaseguros Compañía Aseguradora S.A.	Insurance company	Spain	100%	1,836,407
Santander Vida, Seguros y Reaseguros S.A.	Insurance company	Spain	49%	6,552,187
Santander Generales, Seguros y Reaseguros S.A.	Insurance company	Spain	49%	6,415,068
Santander Mapfre Seguros y Reaseguros, S.A.	Insurance company	Spain	49,99%	38,789,740
Santander Assurance Solutions, S.A.	External collaborator of insurance mediators	Spain	66,67%	40,000
Santander Mapfre Hipoteca Inversa, E.F.C. S.A.	Credit financial institution	Spain	50%	6,500,000
Santander Totta Seguros, Companhia de Seguros de Vida S.A.	Insurance company	Portugal	100%	47,250,000
Aegon Santander Portugal Vida, Companhia de Seguros de Vida, S.A.	Insurance company	Portugal	49%	3,675,000
Aegon Santander Portugal Não Vida, Companhia de Seguros, S.A.	Insurance company	Portugal	49%	3,675,000
Mapfre Santander Portugal, Companhia de Seguros, S.A.	Insurance company	Portugal	49,99%	749,850
CNP Santander Insurance Life DAC	Insurance company	Ireland	49%	50,764,000
CNP Santander Insurance Europe DAC	Insurance company	Ireland	49%	25,970,000
CNP Santander Insurance Services Ireland Limited	Services	Ireland	49%	49,000
Zurich Santander Insurance America, S.L.	Holding company	Spain	49%	8,673,000

Consolidation method

The following diagram provides information on the methodology used to carry out the consolidation of the Solvency II Economic Balance Sheet and the calculation of the Group SCR, based on articles 335.1 and 336 of Delegated Regulation 35/2015 (EC):



Balance sheet integration:

- **Full Consolidation**: the entirety of the individual entities' assets and liabilities are added to the Group balance sheet line by line, deducting intra-group operations.

- **Proportional consolidation**: the assets and liabilities of the individual companies are added line by line to the Group Balance Sheet based on each one's participation percentage, deducting intra-group operations.

- **Adjusted Equity Method**: the value of the individual entities' equity is added in its entirety to the "Participations" line of the Group Balance Sheet.

SCR Calculation:

- **Consolidation method**: the calculation is performed with consolidated data, thus the diversification effect is included.

- **Adding % SCR**: applying the ownership percentage of each company to its individual SCR, so diversification benefits are not included.

- **Notional % SCR Addition**: same calculation methodology as the previous one but based on a theoretical SCR calculated to report to the Group (it´s not an SCR calculated to report to the local regulator).

- **SCR Equity Market**: including the value of participation in the Equity SCR (market module), applying a 22% shock.

Information on other participations as of December 31, 2023

Santander Assurance Solutions, S.A. ("SASSA")

- Santander Seguros, a subsidiary of the Group, holds a direct 34% stake in SASSA, which it integrates into its economic balance sheet via the Adjusted Equity Method. Considering its indirect participation through Santander Vida, Santander Generales and Santander Mapfre, the total percentage increases to 66.67%.

Santander Mapfre Hipoteca Inversa (o "Platinum Care")

- Santander Seguros, a subsidiary of the Group, holds a direct 50% stake in Platinum Care, while Mapfre S.A. holds the other 50% of the entity's share capital.

Significant activities or events in 2023

Santander Insurance, S.L. was established on March 28, 2023, its current legal form being a Limited Liability Company.

At the closing date of the fiscal year, the company has its registered office at Ciudad Grupo Santander, Avenida de Cantabria s/n, in Boadilla del Monte (Madrid), its Tax Identification Number is B44941557.

It is classified as a Limited Liability Company and is registered in the Madrid Mercantile Registry, Volume 45,108, Folio 90, Sheet M-793805, Entry 1st, dated April 25, 2023.

According to its statutes, the entity Santander Insurance, S.L., has the following corporate purposes:

1. Manage and administer participations and similar interests in companies and other entities;
2. Provide services to a) such companies and entities; b) companies and entities with which such companies have financial or business relationships; c) funds and similar entities managed by the aforementioned companies and entities;
3. Invest in financial instruments and in movable and immovable property.

The CNAE code for the aforementioned activities of the company is 6420 (Activities of holding companies).

After obtaining the necessary regulatory authorization, on August 2, 2023, the General Meeting of Shareholders approved a capital increase through the creation of new participations amounting to 383,914 thousand euros, with a share premium amounting to 1,151,743 thousand euros. This increase was subscribed by Banco Santander S.A. through the non-monetary contribution of 99.99% of the share capital of the company Santander Seguros y Reaseguros Compañía Aseguradora, S.A. valued at 1,535,657 thousand euros.

After obtaining the necessary regulatory authorization, on December 11, 2023, the General Shareholder's Meeting approved a capital increase through the issuance of new participations amounting to 330,669 thousand euros, with a share premium amounting to 992,006 thousand euros.

The subscription of said participations is detailed as follows:

- Non-monetary contribution consisting in the participation by Banco Santander, S.A., in the Joint Ventures with CNP Assurances, S.A. in Ireland, for an amount of 101,066 thousand euros, along with a share premium of 303,199 thousand euros.
- Non-monetary contribution consisting in the participation held by Banco Santander, S.A., in the holding company of the Joint Ventures with Zurich Insurance Group Ltd, for an amount of 229,602 thousand euros, along with a share premium of 688,807 thousand euros.

After obtaining the necessary regulatory authorization, on December 21, 2023, 47,250,000 shares of Santander Totta Seguros – Companhia de Seguros de Vida, S.A. from Santander Totta – SGPS, S.A. were acquired for an amount of 280,807 thousand euros.

A.2 Underwriting performance

The following is a brief description of the main products or lines of business that each of the insurance entities that make up the Group commercialize:

- **Santander Seguros** mainly sells Life Savings and Life Risk insurance combined with loans.
- **Santander Vida** primarily provides Life Risk products, with single or regular premiums, associated and not associated with loans and health products.
- **Santander Generales** sells Accident, Multi-risk Home, Death, Illness, Dependence and Financial Loss due to unemployment insurance products.
- **Santander Mapfre** has the following business lines: Motor vehicle liability, Other damage to motor vehicle, Fire and other damage to property, General liability and Financial loss.
- **Santander Totta** focuses on savings products intended for retirement and financial insurance, mainly on investment contracts (Unit Linked), although it also maintains Life Risk business not open to new business (run-off business).
- **Aegon Vida** mainly sells Life Risk Products, with single and regular premiums, associated and not associated with loans, and health products.
- **Aegon No Vida** sells Medical Expense, Income Protection, Workplace Accidents, Fire and other property damage.
- **Mapfre Santander** sells Accident and Health, Fire and other property damage and General Liability insurance.
- **CNP Vida** sells products intended to prevent economic losses derived from death, illness, accident, unemployment and disability.
- **CNP No Vida** mainly sells insurance aimed at preventing economic losses generally derived from disability and unemployment, belonging to the business lines of various financial losses and health (techniques similar to life).

At Group level, an Underwriting Policy applicable to all the entities that are part of it has been approved, which aims to manage the Underwriting risk, formalizing the principles and processes necessary to control the risks derived from underwriting operations.

These principles are based on providing periodic information to the Board of Directors of Santander Insurance about underwriting activities, ensuring that risks derived from contracts are understood by the entities that are part of the Group, and ensuring that the underwriting process produces policies with suitable prices to cover expected and unforeseen risks, always ensuring that premiums are sufficient to cover all potential claims and other expenses.

Next, quantitative information regarding the underwriting activity and results during 2023 fiscal year, of the entities which consolidate fully/proportionally, is presented:

Non-Life business (*)	Line of business: non-life insurance and reinsurance obligations (direct insurance and proportional reinsurance accepted)						Total
	Medical expenses insurance	Income protection insurance	Workers' compensation insurance	Fire and other damage to property insurance	General liability insurance	Miscellaneous financial loss	
Premiums written							
Gross - Direct business	37,768	72,253	40	135,531	14	322	245,928
Gross — Proportional reinsurance accepted	0	114	0	0	0	15,246	15,360
Reinsurers' share	3,634	30,274	30	38,200	19	8,745	80,902
Net	34,134	42,093	10	97,331	-5	6,823	180,386
Premiums earned							
Gross - Direct business	37,624	72,669	39	130,437	15	335	241,119
Gross — Proportional reinsurance accepted	0	123	0	0	0	16,896	17,019
Reinsurers' share	3,721	32,825	30	42,302	19	8,309	87,206
Net	33,903	39,967	9	88,135	-4	8,922	170,932
Claims incurred							
Gross - Direct business	15,711	13,684	6	56,376	-1	0	85,776
Gross — Proportional reinsurance accepted	0	0	0	0	0	2,183	2,183
Reinsurers' share	2,324	7,958	2	18,589	0	1,485	30,358
Net	13,387	5,726	4	37,787	-1	698	57,601
Expenses incurred	17,787	17,753	108	29,254	218	2,297	67,417
Other technical expenses/income							-1
Total technical expenses							67,416

Figures in 000€

(*) Figures extracted from Template S.05.01.02

Life business (*)	Life of business: life insurance obligations			Life reinsurance obligations	Total
	Insurance with profit participation	Index-linked and Unit Linked insurance	Other life insurance	Life Reinsurance	
Premiums written					
Gross	252,807	1,006,146	1,952,029	20,359	3,231,341
Reinsurers' share	1,392	247	172,886	0	174,525
Net	251,415	1,005,899	1,779,143	20,359	3,056,816
Premiums earned					
Gross	252,907	1t,006,146	1,950,694	20,485	3,230,232
Reinsurers' share	1,393	247	175,120	0	176,760
Net	251,514	1,005,899	1,775,574	20,485	3,053,472
Claims incurred					
Gross	613,758	364,825	754,769	3,914	1,737,266
Reinsurers' share	862	1	53,611	0	54,474
Net	612,896	364,824	701,158	3,914	1,682,792
Expenses incurred	11,825	29,519	158,025	12,064	211,433
Balance - other technical expenses/income					0
Total technical expenses					211,433
Total amount of surrenders	417,077	70,720	81,160	0	568,957

Figures in 000€
(*) Figures extracted from Template S.05.01.02

The above tables only present the business lines that the Group operates in, with the columns corresponding to the rest of the business lines having been removed.

Santander Insurance closes the 2023 fiscal year with consolidated net written premiums of 3,237,202 thousand euros. According to the business line classification established by Solvency II, the net written premiums are distributed between Life with 3,056,816 thousand euros and Non-Life with 180,386 thousand euros.

The weight of the Life business lines represents 94% of the total net written premiums of the Group, compared to 6% of the Non-Life business.

The most relevant business line in terms of premiums volume in the Group is Other life insurance accounting to 1,779,143 thousand euros, which corresponds to 58% of the net written Life premiums and 55% of the total.

The following table contains quantitative information regarding the underwriting activity and results of the fully owned companies during the 2023 fiscal year by geographical area:

Non-Life business (*)	SPAIN (home country)	PORTUGAL	Total Top 5 and home country
Premiums written			
Gross - Direct business	190,351	55,577	245,928
Gross — Proportional reinsurance accepted	15,360	0	15,360
Reinsurers' share	73,832	7,070	80,902
Net	131,879	48,507	180,386
Premiums earned			
Gross - Direct business	185,945	55,174	241,119
Gross — Proportional reinsurance accepted	17,018	0	17,018
Reinsurers' share	80,132	7,073	87,205
Net	122,.831	48,101	170,932
Claims incurred			
Gross - Direct business	75,289	10,489	85,778
Gross — Proportional reinsurance accepted	2,183	0	2,183
Reinsurers' share	29,323	1,036	30,359
Net	48,149	9,453	57,602
Expenses incurred	41,071	26,346	67,417
Other technical expenses/income			-1
Total technical expenses			67,416

Figures in 000€
(*) Figures extracted from Template S.05.01.02

Life business (*)	SPAIN (home country)	PORTUGAL	Total Top 5 and home country
Premiums written			
Gross	2,749,378	481,964	3,231,342
Reinsurers' share	110,362	64,164	174,526
Net	2,639,016	417,800	3,056,816
Premiums earned			
Gross	2,748,051	482,182	3,230,233
Reinsurers' share	112,379	64,380	176,759
Net	2,635,672	417,802	3,053,474
Claims incurred			
Gross	1,341,258	396,008	1,737,266
Reinsurers' share	38,883	15,591	54,474
Net	1,302,375	380,417	1,682,792
Expenses incurred	162,733	48,700	211,433
Other technical expenses/income			0
Total technical expenses			211,433

Figures in 000€.
(*) Figures extracted from Template S.05.01.02

Regarding the distribution of premiums by geography, 86% of the Group's total net written premiums come from Spain and 14% from Portugal.

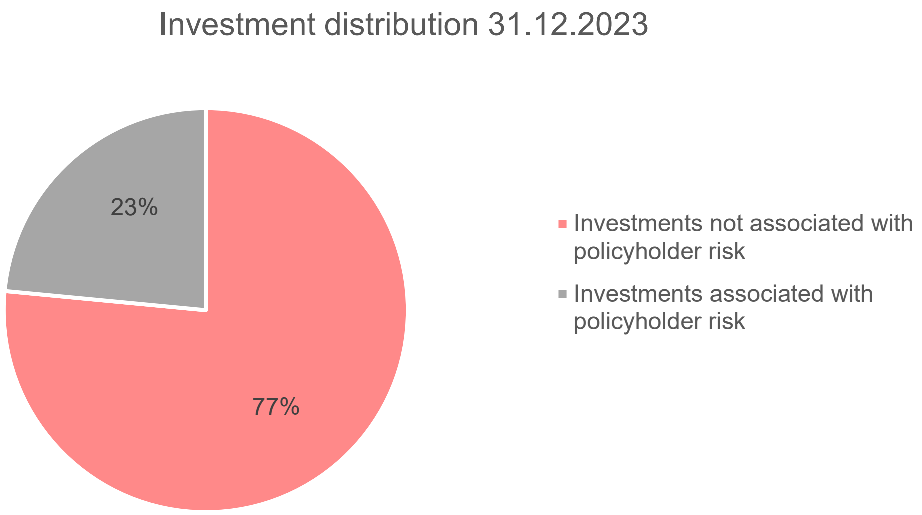
A3. Investment performance

At the Group level, the investment policies of each individual entity are monitored, which is carried out by each entity's second line of defense.

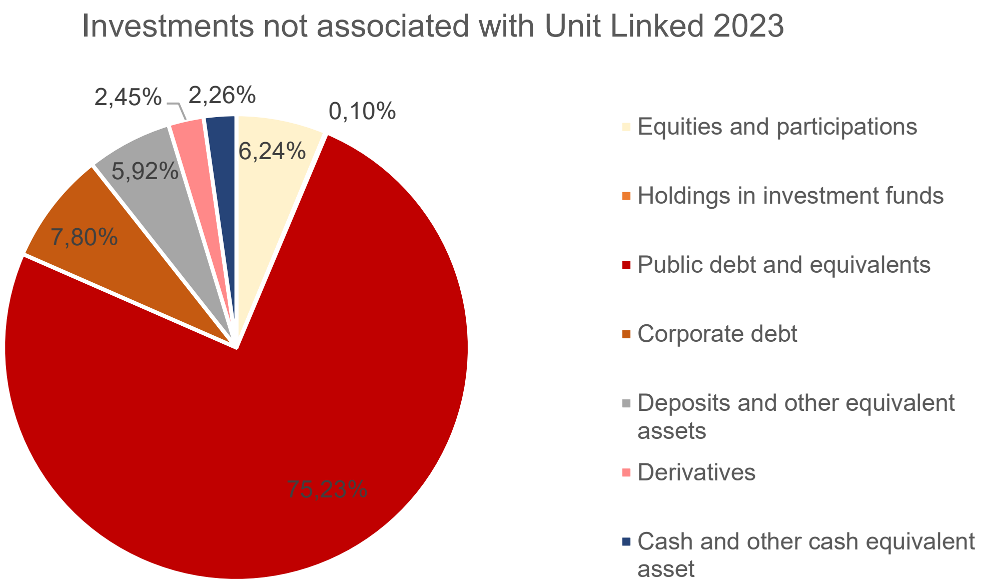
The total amount of investments, consolidated for the purpose of presenting figures in Solvency II quantitative reports, as of December 31, 2023 (includes investments not associated with policyholder risk, including cash, and those associated with policyholder risk), amounts to 21,861,529 thousand euros, with the following distribution:

Investment distribution	**31/12/2023**
Investments not associated with policyholder risk	16,727,207
Investments associated with policyholder risk	5,134,321
TOTAL	**21,861,528**

Figures in 000 €



The detail of investments not associated with policyholder risk is as follows:



A.3.1 Investment income and expenses by asset class

Considering that the Group is formed solely for Solvency II regulation purposes, and not for accounting purposes, an aggregation of the accounting figures of the Group's insurance companies has been carried out based on the participation percentage of each of them in the Group. It should be noted that Santander Mapfre, Mapfre Santander, CNP Vida, and CNP No Vida consolidate by Equity Method.

The following table summarizes the investments income by asset type, as well as total expenses:

Investment Income	31/12/2023
Fixed income	607,218
Equity	77,772
Investment funds	128,983
Cash and deposits	62,398
Derivatives	11,706
Loans and mortgages	121
Total investment income	**888,199**
Investment expenses	**-8,610**

Figures 000 €

The majority of the aggregated Investment Income comes from the two companies that fully belong to the Group, Santander Seguros and Santander Totta, reaching approximately 97% of the total investment income, with Santander Seguros' contribution to the financial income being significantly higher. However, all companies record Investment Income derived from fixed income.

It is observed, that 68% of the Investment Income comes from fixed income assets, in line with the structure of the Group's investment portfolio.

After fixed income, the assets that generate the second most relevant income are investment funds (15%), equity (9%), and deposits (7%), bing resigual the contribution to income from derivatives and loans and mortgages.

A.3.2 Gains and losses recognized in equity

The following table shows the losses and gains derived from investments directly recognized in equity during the 2023 fiscal year at the Group level:

	31/12/2023	
	Gains recognized in equity	**Losses recognized in equity**
Financial investments	64,231	943

Figures in 000€

Almost all of the losses recognized in equity on an aggregated level come from Santander Seguros, who, in accordance with Spanish accounting regulations, records unrealized gains and losses from financial investments accounted for in the "Financial Assets Available for Sale" section directly through the "Value adjustments" equity line, without previously passing through the income statement.

The gains recognized in the net equity mainly come from fixed income assets.

A.3.3 Investment in securitizations

None of the companies within the Group's perimeter holds positions in securitizations.

A4. Performance of other activities

Results from other activities, as previously mentioned, given that the Group is formed solely for Solvency II regulations purposes and not for accounting purposes, an aggregation of the results from other activities different from the insurance and investment activity of each insurance company included in the Group has been carried out based on the participation percentage of each of them in the Group, resulting in -12,357 thousand euros.

Most of this result comes from CNP Vida and CNP No Vida as a result of the administration expenses charged from the service company CNP Santander Insurance Service Ireland Limited and directly attributable costs. The allocation basis for expenses is the result of the insurance activity of the Society and its subsidiaries CNP Santander Insurance Europe DAC and CNP Santander Insurance Life DAC.

A5. Any other information

No additional relevant information was produced in 2023 other than the information previously mentioned.

B. System of governance

B1. General information on the System of governance

The designed governance model establishes a transparent organizational structure, with a clear distribution and appropriate separation of functions, as well as an effective system to ensure the transmission of information, with the goal of ensuring sound and prudent management of the activity. As Santander Insurance S.L. is part of the Santander Group, the following principles are established to ensure the coherence of this model with the internal governance system of the Group:

- **Governance Principles:** The Board of Directors of Santander Insurance S.L. is the highest governing body of Santander Insurance S.L. and the Santander Insurance Group, being ultimately responsible for making decisions related to the structure of Santander Insurance S.L. and the Insurance Group. The Board of Santander Insurance S.L. will act in coordination with the Wealth Management & Insurance division (hereinafter, "WM&I"), Santander's global division that offers products and services to private banking individuals, retail customers, SMEs, and businesses.

- **Relationship with WM&I:** Insurance is one of the four main businesses of the WM&I division. Therefore, the Governance Model of Santander Insurance must consider the Governance Model of Santander Wealth Management & Insurance, as well as the Group-Subsidiaries Governance Model and good governance practices for subsidiaries, the Investees and factories governance policy, and the Corporate Frameworks of the Group, to the extent applicable, in order to ensure that the businesses of WMI are governed and managed in accordance with applicable regulations and in line with the expectations of the Group and regulators.

- **Control and Supervision by the Santander Group**: Santander Insurance S.L. must contribute and ensure that the Santander Group's ability to comply with its legal and regulatory obligations on a consolidated basis is not impaired; and effectively manage risk exposures and associated impacts for him and the Group's subsidiaries. Santander Insurance, S.L. is subject to the elements of government and control and supervision mechanisms established by Grupo Santander. Based on this**:**

    - Santander Insurance S.L. is subject to the Group's policies and procedures that will be controlled and supervised by the control functions of Santander Insurance S.L. and WM&I, as they may establish.

    - Adequate control of all local insurance entities must be achieved, the respective supervision, where applicable, of insurance equipment in the local banks of Santander and Joint Ventures - regardless of geography.

- **Supervision and Control of Relevant Insurance Teams within Local Santander Banks, Joint Ventures, and Local Insurance Entities of Santander:** Governance should achieve adequate control over all Local Insurance Entities, the respective supervision, as applicable, the teams under direct responsibility of insurance teams in local Santander banks and Joint Ventures - regardless of their geography - as well as a streamlined customer treatment and experience that delivers fair outcomes for the customer.

- **Adequacy and Simplicity of Governance Structure**: Effective, straightforward governance structures are implemented, designed to optimize management time, effort, and effective decision-making, while ensuring that all resources are managed efficiently. Governance structures are proportional to the size, nature, and complexity of the risks managed and consider the structures of participated entities. In this way, they keep management close to the business, prevent inconsistencies in various committees, fora, and meetings, and continuously improve control, documentation, and monitoring of actions and decisions taken. Where possible, duplication of governance structures and staffing is avoided. In any event, the roles and responsibilities are always be clearly defined, with a transparent allocation and, where appropriate, delegation of functions. The number of fora and meetings are streamlined.

- **Group Culture**: This model establishes effective governance for Santander Insurance S.L. based on the culture of the Santander Group and the "*Simple, Personal, and Fair*" approach, as well as alignment with good governance practices and the expectations of the Group and regulators.

- **Proportionality:** The development of the content of this Model applies the principle of proportionality, considering the risk assumed, the size, nature, and complexity of risks, activities, or services of the unit, as well as the necessary adaptation and compliance with any local requirements regarding insurance business.

To ensure effective control and supervision of insurance activities, Santander Insurance S.L. and the Insurance Group relies on a strengthened governance model through three levels: Santander Insurance S.L. itself, the WM&I Division, and the Santander Group.

Santander Insurance S.L. is obliged to comply with the requirements of the Governing Bodies of WM&I and/or those of the Group, participating, when necessary, in the Committees and Fora to ensure proper management and control of the activities of Santander Insurance, S.L throughout the Group.

Three Lines of Defense Model

Santander Insurance S.L., as part of the Group, is subject to the Group's three lines of defense model, policies and procedures that are controlled and supervised by the control functions of Santander Insurance S.L. and WM&I.

- **First Line of Defense: Business and Support Functions**

  All businesses and support functions are responsible for promoting sound risk origination, in line with the risk appetite and approved lower-level limits in their local governance bodies. The Risk Appetite is defined as the maximum level and type of risk that the entity is willing to assume, within its risk-bearing capacity, to achieve its strategic objectives and in the development of its business plan.

  The first line of defense must support and promote the organization's risk culture.

  The CEO of Santander Insurance S.L., along with the relevant global officers of Santander Insurance S.L., and the Directors of the Local Insurance Entities, have primary responsibility for the business they generate as the first line of defense.

- **Second Line of Defense: Risks and Compliance**

  The second line of defense functions (Risk and Compliance) provide independent challenge and oversight of risk management activities carried out by the first line of defense, ensuring that risks are managed in accordance with the risk appetite approved by the Boards of Directors of the Local Insurance Entities and promoting a strong risk culture.

- **<u>Third Line of Defense: Internal Audit</u>**

  Internal Audit provides independent and objective assurance regarding the effectiveness of risk management throughout the business.

  The Internal Audit function of Santander Insurance S.L. is outsourced to the Internal Audit division of the Santander Group. Additionally, to ensure effective oversight of this activity, the Board of Directors of Santander Insurance S.L. has appointed a responsible party for this outsourced Internal Audit function, who will have direct, autonomous, and unrestricted access to the Board of Directors of Santander Insurance, S.L.

Positions

Santander Insurance S.L., as part of the Santander Group, must comply with its governance standards and specifically with policies related to personnel management. In this section, positions, hierarchical lines, and processes related to workforce management (appointment, goal setting, performance evaluation, compensation, and succession) are determined. In the event of conflicts of interest in employee's management, they will be escalated to the Global Head of WM&I for resolution.

Key positions

The key positions for the insurance business are as follows:

- **President of Santander Insurance S.L.:** Reports to the Global Head of WM&I. His main responsibilities include leading the Board, ensuring its effectiveness, and that of the entity's top executives, before, during, and after Board meetings. The President contributes to the strategic definition of the insurance business within the Santander Group, in coordination with the Global Head of WM&I and the CEO of Santander Insurance. Additionally, he is responsible for managing institutional relationships with strategic partners in the business, national or supranational regulatory bodies, and industry associations related to Santander Insurance activities. To the extent possible, he will represent Santander on the Boards of different alliances to protect the Group's interests and ensure the proper performance of the management teams. He will proactively identify and propose initiatives and growth opportunities in the insurance sector, promote a sound control environment, the implementation of the best governance standards, and robust compliance with the legal and regulatory framework.

- **CEO of Santander Insurance S.L.:** Reports to the Global Head of WM&I[1] and is primarily responsible for setting the strategy for the Insurance Business and managing personnel, budget, goals, and the management of incentives and bonuses, all in line with the established Group processes. As the CEO of Santander Insurance, he reports to its Board of Directors who will approve their appointment and set their objectives.

- **Local Insurance Directors** in each geography report to the CEO of Santander Insurance S.L., who may delegate to the Directors of Santander Insurance S.L., and they also report to the Local Director of WM&I (50% each).

Relevant Global Positions at Santander Insurance S.L.

[1] Global Head of Insurance in the WM&I Governance Model

Santander Insurance S.L., due to the nature of its business and in compliance with insurance regulations, needs to have the following positions that provide a clear overview of relevant global matters:

- **Chief Risk and Compliance Officer** of Santander Insurance S.L. ("CRO"): Reports hierarchically to the CEO of Santander Insurance S.L. (50% of their objectives) and functionally to the Chief Risk and Compliance Officer of WM&I (50%), with direct, autonomous, and unrestricted access to the Board of Santander Insurance, S.L.

- **Chief Compliance Officer** of Santander Insurance S.L. ("CCO"): Reports hierarchically to the Chief Risk Officer (CRO) of Santander Insurance S.L. (50% of their objectives) and functionally to the Chief Compliance Officer of WM&I (50%), with direct, autonomous, and unrestricted access to the Board of Santander Insurance, S.L.

- **Chief Financial and Chief Actuary** of Santander Insurance S.L. ("CFO" and "CA" : Reports hierarchically to the CEO of Santander Insurance S.L. (50% of their objectives) and functionally to the Chief Financial Officer of WM&I (50%), with direct, autonomous, and unrestricted access to the Board of Santander Insurance, S.L.

- **Actuarial Director** of Santander Insurance S.L.: Head of the actuarial function of the Insurance Group. Reports to the Chief Financial and Actuarial Officer of Santander Insurance S.L. (100%), with direct, autonomous, and unrestricted access to the Board of Santander Insurance, S.L.

The appointment, renewal, and approval of Relevant Global Positions are made by the Board of Directors of Santander Insurance S.L. Regarding their compensation, it is proposed and approved by the CEO of WM&I and the CEO of Santander Insurance S.L., with the support of HR from WM&I.

Relevant Global Positions of the Local Insurance Entities

- **CEO of Local Insurance Entities:** Reports hierarchically to the Local Insurance Director and functionally to the CEO of Santander Insurance S.L. (50% to each).

- **Risk Director of Local Insurance Entities:** Reports to the CEO of the Local Insurance Entity and functionally to the CRO of the Holding (50% to each).

- **Chief Financial Officer of Local Insurance Entities:** Reports to the CEO of the Local Insurance Entity and functionally to the CFO of the Holding (50% to each).

The selection process for local relevant positions will be overseen by the CEO of the Local Insurance Entity.

In accordance with the criteria of the regulator, as well as the practice of the insurance market, this model may provide for the incorporation of other relevant positions (such as those responsible for actuarial or compliance functions of local insurance entities) or of processes for its selection whenever it is essential to guarantee a good governance of the Insurance Group.

Governance bodies

To ensure effective control and supervision of insurance activities, Santander Insurance S.L. and the Insurance Group will rely on a strengthened governance model through three levels: Santander Insurance S.L. itself, the WM&I Division, and the Santander Group.

Santander Insurance S.L. is obliged to comply with the requirements of the Governing Bodies of WM&I and/or those of the Group, participating when necessary, in the Committees and Forums to ensure proper management and control of the activities of Santander Insurance, S.L throughout the Group.

Board of Directors

The Board of Directors of Santander Insurance S.L. is the management body and main decision-making body of the holding company and acts as the highest authority for representation, supervision, and decision-making.

The main function of the board is to supervise and control the activities, businesses, and operations of Santander Insurance S.L., to provide strategic guidance and direction and to promote the effective implementation of Santander Group policies and procedures and the principles and good practises of Government.

The Board of Santander Insurance S.L. guarantees an adequate governance of Santander Insurance S.L., also extended to all local insurance entities, when required by regulation, or when deemed appropriate applying the principle of proportionality as appropriate. The members of the Board of Directors of Santander Insurance S.L. (who will be between a minimum of 3 and a maximum of 12 directors) must be appointed taking into account their commercial and professional honesty, knowledge, qualification and experience, the willingness to exercise good governance and carry out sound and prudent management in accordance with the applicable insurance regulations, as well as their ability to devote sufficient time to the position and to the performance of the responsibilities assigned to it. The board of Santander Insurance S.L. will ensure that its size and qualitative composition support general effectiveness, trying to encourage constructive debate, independent opinion, and critical judgement.

The Board shall have members who, taken as a whole, possess sufficient knowledge and professional experience in at least the following areas:

- Insurance and Financial markets.
- Business strategies and models.
- Governance system.
- Financial and actuarial analysis.
- Regulatory framework.

Any appointment to the Board of Santander Insurance S.L. is subject to prior approval by the Santander Group, in accordance with the procedure for appointment to key positions and assessment of suitability.

Santander Insurance S.L. has an Executive Forum ("ExFo"), established by and under the mandate of its CEO, whose purpose is to assist the CEO in the performance of their functions within the limits of their authority and management capacity. Its main function is to support the CEO by coordinating the different areas of Santander Insurance to drive its operations and ensure the achievement of its objectives. The Executive Forum is responsible for monitoring the business and strategic planning, as well as serving as a link between the Board and the different Santander Insurance areas. In the performance of its functions, it will propose the elevation of the most critical matters to the Board.

Other governance bodies

Santander Insurance S.L. may establish specific business, organizational, and governance bodies (Forums, Meetings, etc.) at the executive level when deemed necessary to ensure senior executives have a comprehensive view of activities and to meet internal or external requirements.

These bodies will primarily consist of senior management from Santander Insurance S.L. or local organizations, with the purpose of overseeing the functioning and operations of the companies. They will periodically report or escalate matters to the Governance Bodies, or the Board of Directors of their respective entities as needed. These bodies must have clear, properly documented purposes and responsibilities and take notes if deemed necessary, in which case such documentation will be recorded and made available for regulatory and/or audit purposes. Unnecessary meetings will be always avoided.

On the other hand, the Executive Forum on Insurance will be established between Santander Insurance, S.L and the Digital Consumer Bank division. This forum will be responsible for the coordination of matters related to the joint ventures that Santander Insurance, S.L participates and whose products are distributed by entities within the perimeter of the Digital Consumer Bank division.

B2. Fit and proper requirements

Santander Insurance has a Fit and Proper Policy whose purpose is to establish the requirements, processes and procedures applicable to the entities included in the Group's perimeter in order to ensure that the persons who manage them, as well as the holders of key functions, have at all times the necessary reputation, professional qualifications and experience to enable the sound and prudent management of the same or of the Group.

This policy, together with the General Code of Conduct and the mission, vision and values that define the culture of each entity and the Group, constitute the main guidelines for the governance and management of the Group and its member entities.

Assessment of fit and proper requirements

In the evaluation of the aptitude of the subject personnel, both academic training and previous experience in functions like those to be performed in the Entity will be considered.

The selection of the members of the management bodies should ensure that they collectively have the appropriate qualifications, experience and knowledge in at least the following areas:

- Insurance and Financial markets.
- Business strategies and models.
- Governance system.
- Financial and actuarial analysis.
- Regulatory framework.

The personnel subject must have commercial and professional reputation, meeting such attributes those who have been maintaining a personal, commercial and professional conduct that does not generate doubts about their ability to enable a sound and prudent management of the Entity.

In order to assess the fit and proper requirements, all available information must be considered, including:

- The person's career in relation to regulatory and supervisory authorities; the reasons for his or her dismissal from previous positions; his or her personal solvency and service history or if he or she had been disabled.
- Past or ongoing judicial decisions or proceedings, especially in criminal and commercial matters, and the existence of administrative sanctions for non-compliance with rules governing insurance activities, financial or commercial -except those cancelled or prescribed- and taking into account in all cases the intentional or unintentional nature, degree of participation, nature and relevance of the facts, existence of mitigating circumstances and subsequent conduct.
- Existing or potential conflicts of interest.

Subject personnel shall report any significant change in the circumstances that led to the assessment of their suitability. In this event, as well as when there are indications that the sound and prudent management of the Entity may be jeopardized by the unsuitability of any member of the Subject Personnel, the relevant governing bodies shall conduct a reassessment of the fit and proper requirements.

In the event of outsourcing a key function, all necessary measures shall be taken to ensure that the responsible persons performing the outsourced function comply with the applicable fit and proper requirements.

Finally, when so established by law, the appointment of the persons referred to in the scope of application shall be notified by each entity to its supervisor, a posteriori or previously, as required in each case by regulation, as well as any replacements that may occur. This communication shall be accompanied by the information required by the supervisor for such purpose.

All such notifications shall be made in accordance with the requirements and deadlines established by each supervisory authority and the regulations in force.

B3. Risk management system including the own risk and solvency assessment (ORSA)

B.3.1 Risk management system

Risk management must contemplate and safeguard the principles established in the Santander Group's General Corporate Risk Framework. In addition, the Group's General Risk Policy is governed by the following general principles:

- Facilitate a consolidated view of risks.
- Monitor the risk factors that have the greatest material impact on the Group, both in terms of solvency and capital or profit or loss.
- Identify and monitor other risk factors that may represent a threat to the group in the future, alerting the relevant collegiate bodies about them.
- Each of the entities that make up the Group, with respect to its business and activity, will identify the type and level of risks that they may incur.
- Limitation of risks. All risks incurred by each entity must be subject to objective limits, verifiable and consistent with the Group's Risk Appetite, both in terms of the types of risk admissible or not, as well as their quantitative levels. The limits shall be assigned to the various types of risk, establishing a tolerance level consistent with their nature.

These principles apply to both financial, actuarial and non-financial risks, including operational risks (including Technology and Cyber Risk and third-party risk), compliance and conduct risks and ESG risks.

In line with the regulations, institutions shall ensure that a risk management process is established that seeks to align the strategic and operational dimensions of risk management. This process shall include the following steps where appropriate:

- Risk Management Strategy:

  A fundamental aspect of risk management is the formulation of risk appetite, through which entities determine the amount and type of risk they consider reasonable to undertake in the execution of their business strategy. That is the reason why the risk management strategy must be aligned with the overall strategy of the company.

- Risk identification:

  Adequate and timely identification of risks is a fundamental element in the execution of the Group's risks. Such risk identification will be carried out by all the Group's organizational units and individuals.

- Evaluation:

  The assessment of the identified risks has an eminently anticipatory vocation, in order to estimate the evolution of risks in the different scenarios and time horizons. Therefore, and where possible, the risk assessment should include its quantification or measurement.

  On the other hand, resistance tests and calculations will be carried out under certain scenarios for those most relevant risks, which may have a greater impact on the solvency ratio of the Entity.

  These exercises will be carried out in the ORSA process. In addition, the Group may propose the execution of ad hoc tests that it deems appropriate for the business.

- Mitigation:

  Once the risks have been properly identified and evaluated, actions and measures will be defined to prevent or correct any failures detected. The prioritization of these measures is determined by the characterization of the risks, that is, the more harmful or the greater the risk, the more quickly the situation must be corrected.

  The actions and measures that can be carried out by the entity in question may be corrective and/or preventive considering the risk event.

- Supervision:

  Risk monitoring ensures that the persons who effectively manage the Entity or perform other essential functions consider the risk management strategy in their performance. Supervision shall also ensure that all potential risks are controlled and maintained at a level that does not significantly affect the Group's solvency and financial position.

  In addition, and in accordance with applicable regulations, the entities will rely on the preparation of reporting that will provide adequate, timely and consistent information to support the risk management process and internal and external decision making.

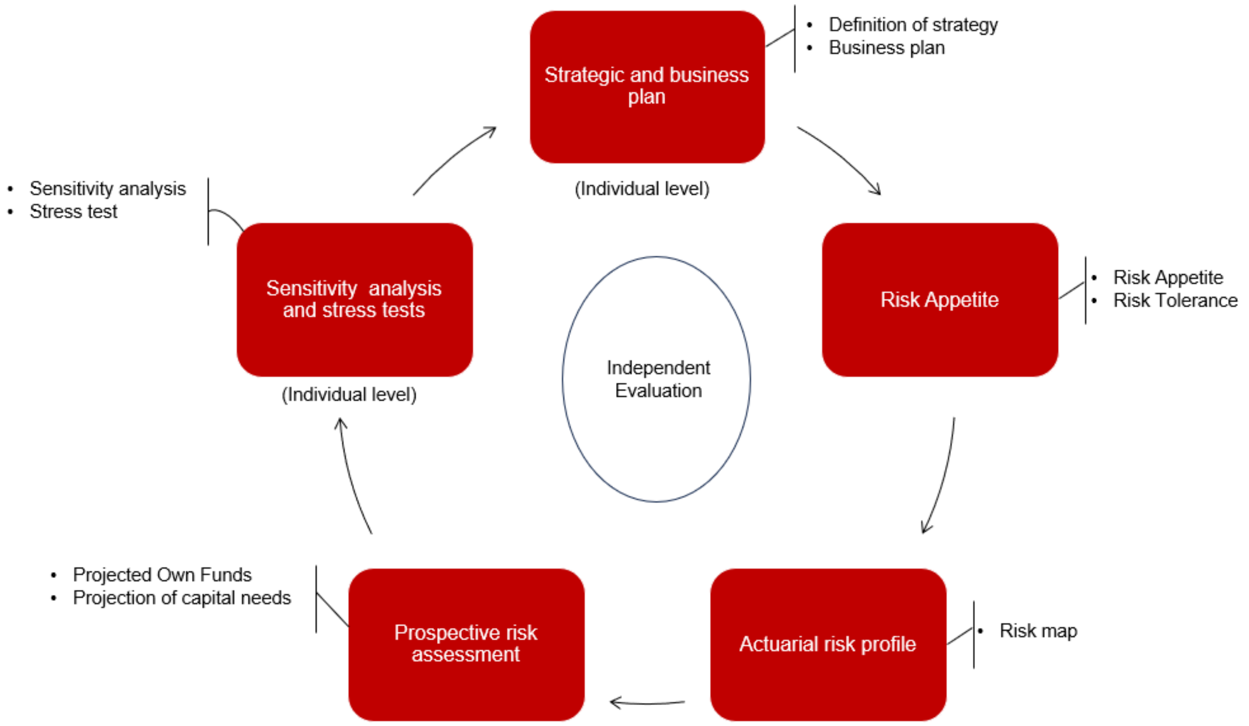
B.3.2 Own Risk and Solvency Assessment (ORSA)

The ORSA is the main element of the risk assessment system referred to in Solvency II regulations. This assessment is an internal tool, which includes the processes to identify, evaluate, monitor and report the risk and capital position in the medium to long term.

In this sense, it requires to be linked to the main strategic-commercial processes and implies, therefore, the necessary combination of the business plan and the Policy on Risk Management of the company - both elements have to be fed back to each other.

The practical usefulness of ORSA is to enable insurers to integrate the assessment of the risks to which they are exposed in their strategic decisions, their trade policies and their governance systems, constituting itself as a solid tool to ensure global understanding, on the part of the management and government bodies, of their risks.

The ORSA process constitutes a prospective exercise of the future viability of companies in relation to the following aspects:



The main purposes of this process are therefore:

- Promote a better understanding of the evolution and management of the risks to which the Group is exposed, as well as the way in which the Solvency Capital Requirement figures reflect the behaviour of these risks.
- Enhance a risk culture and provide a prospective view of future risks.
- Reinforce the direct involvement of the Group's governing bodies, based on the definition of the Risk Appetite, which determines the amount and type of risks that the Board of Directors considers reasonable to assume.

- Provide sufficient internal and external information that shows the degree of solvency of the Group and the totality of the risks it faces.

The prospective risk and capital assessment process aims to measure the medium- to long-term impact of possible changes in the environment and strategic-commercial decisions in the Group, on the risk profile, on future solvency needs, and in the quantification of the risks that will affect the Group, highlighting those to which it will be most vulnerable.

The Entity carries out the prospective risk assessment process on an annual basis, or more, in case significant changes in the risk profile are anticipated or observed.

B4. Internal control system

Internal control

The Insurance Group, as part of the Santander Group, adheres to the guidelines of action on the assurance of the internal control model. In this way, the principles on which the Group's internal control model is based are as follows:

- Culture of control and supervision of senior management. It is specific in the following aspects:
    - The Board of Directors is ultimately responsible for ensuring that an internal control policy and an adequate and effective internal control system are in place and kept up to date.
    - Senior management is responsible for ensuring its effectiveness and monitoring.
    - The Board of Directors and senior management are responsible for communicating the importance of internal control to all levels of the organization. All the organization's personnel involved in the internal control processes must have their responsibilities adequately identified.
- Improve the management of risks that may materialize in the short-medium term, promoting the identification, evaluation and management of the main operational risks.
- Identification and assessment of the control environment. The internal control system allows all the controls necessary to achieve the objectives are properly identified and valued. It requires the existence of a continuous process of evaluation of new controls.
- Establishment of adequate controls and segregation of roles. A control structure and assignment of responsibilities is defined and the control functions are an intrinsic part of the business and support activities of the organization, ensuring an adequate segregation of duties that guarantees that there is no conflict of responsibilities.
- Information and communication. Procedures and systems ensure accurate and understandable information and communication.
- Monitoring of the control system. In addition to the continuous review of business and operational lines, a periodic evaluation of control activities is established and conclusions and aspects of special follow-up are reported to the senior management and board of directors.

Santander Insurance has an Internal Control Policy that details the Internal Risk Control Framework ("IRCF"). The IRCF of an entity is defined as a set of processes carried out by the board of directors, senior management and other personnel to provide reasonable security in it achieving its objectives through the identification, assessment and management of the main risks and controls that mitigate them.

The supervision of the IRCF is the responsibility of the different control teams existing in the organization (risks, compliance and possible additional specialized control teams), being the corporate function of control of non-financial risks (hereinafter NFr) the person in charge of the appropriate coordination and obtaining a homogeneous Internal Risk Control Framework through the Santander Group. In this sense, the corporate control function of NFR is responsible for establishing the methodology that governs the IRCF in a coherent way for the Santander Group.

For its part, the Board of Directors of the head entity and each of the entities that make up the Group is ultimately responsible for the internal control system of the Group or the entity respectively and must ensure its proper functioning.

For its development in the organization, the Group’s Internal Control System is based on the three-line model of defense. This model will have a first line of defense that will be constituted by the business areas of the Group and will be responsible for maintaining effective control in the activities they develop, applying the necessary control mechanisms to mitigate possible risks.

At the second level, the second line of defense operates, being integrated by the risk management and compliance functions and other relevant functions, ensuring the proper functioning of the internal control implemented.

Finally, the third line of defense consists of internal audit, which perfomrs independent reviews and assess the effectiveness and robustness of the internal control system.

Compliance Function

The Compliance Function is set up as an integrated function in the second line of defense.

The organizational structure of the Compliance Function of the entities is established according to the specific regulatory requirements that affect it, as well as the principle of proportionality depending on the size, nature and complexity of the risks assumed by the entity.

The main objective of the Group's Compliance Policy is to define the scope of Compliance Risk and establish the framework for its adequate management, contributing to strengthen the image and reputation of the Group, as well as to reinforce the internal control environment and the responsibility of all employees towards stakeholders.

The management of compliance risks is the responsibility of all areas and employees of the entities that are part of the Group. It is applied in the development of its activity and must carry out its daily works in accordance with the applicable regulations in its broadest sense, that is, complying with applicable laws, internal regulations and standards of conduct of the Group.

According to the Corporate Frameworks of the Santander Group, the following are defined as “Compliance and Conduct Risks”, among others:

- Behavioral Risk: risk derived from decisions or behaviors not aligned with the values, principles and regulation of the Group, taking into account the interests of customers, shareholders and market integrity.

- Financial Crime Risk: risk arising from actions or the use of means, products and services in activities of a criminal or illegal nature. These activities include, among others, money laundering, terrorist financing, violation of international sanctions programs, corruption, bribery and tax evasion.

- Regulatory compliance risk: risk of non-compliance with legal and regulatory requirements, as well as supervisors' expectations, which may result in legal or regulatory sanctions, including fines or other financial consequences.

- Reputational risk: risk of a negative economic impact, actual or potential, due to an impairment in the negative perception of the Company by employees, customers, shareholders/investors, and society in general.

B5. Internal Audit Function

The Internal Audit function acts as the third level of control, supervising the actions of the first and second level of control with the aim of providing reasonable security to senior management and government bodies.

In accordance with the Group's Internal Audit Policy, the internal audit provided by Grupo Santander will be based on the following principles:

- Independence, objectivity and impartiality.

- Integrity, ethical behavior and confidentiality of the information handled and the conclusions obtained.

- Competence and professional qualification of auditors, promoting in the Entity the continuous updating of their knowledge.

- Quality of work, based on reasoned conclusions, documented and supported by audit tests performed with uniformity of criteria, using a common and appropriate methodology and work tools, and due professional care.

- Value creation, promoting continuous improvement of the organization, generating relevant and truthful reports and supporting the management of the audited units in a spirit of collaboration and contribution of improvement measures with in-depth analysis, in a proactive and forward-looking manner, and providing risk-based assurance.

- Appropriate collaboration with the rest of the control functions existing in the Group and with external auditors and other assurance providers participating in the organization, holding regular meetings and sharing with them the results of the reviews carried out and the audit reports issued.

- Promote a fluid relationship with supervisors by attending to their requests in a timely manner.

- Compliance with international standards for the development of the function.

The Internal Audit Function is outsourced to the Internal Audit division of the Santander Group, with the Santander Insurance financial department being responsible for the outsourced function.

The Outsourcing Guidelines are based on the principle that a company must ensure that it remains fully responsible for the performance of all its obligations when it outsources any function or activity. Outsourcing within a group is not necessarily different from external outsourcing and may allow for a more flexible selection process, although it should not automatically be considered as requiring less attention and supervision than external outsourcing.

B6. Actuarial Function

The actuarial function, together with the risk function and the compliance function coordinates the risk management model and ensures compliance with the policies and controls defined in line with the entity's risk appetite.

At Group level, the scope of the actuarial function is included in Art.48 of the Solvency II Directive and Art.47 of the ROSSEAR (Reglamento de Ordenación, Supervisión y Solvencia de Entidades de Seguros y Reaseguros), the following subjects being the minimum scope established by them:

- Sufficiency and reasonableness of the technical provisions, verifying the data that serve as input for the calculation of these, as well as for the calculation of assumptions and parameters adopted.
- The quality of the data. Evaluate the adequacy and quality of the data used in the calculation of Technical provisions.
- Reinsurance programs, concluding on the balance between the premium ceded and the risk load consequently ceded, always bearing in mind the entity's risk appetite as well as its need or not to obtain a profit both in terms of results and in terms of release of economic and regulatory capital.
- To give an opinion on the underwriting policy, including recommendations on aspects that could be improved.
- Actively contribute to the risk management system in those aspects that are requested and in the preparation of the risk self-assessment exercise.

The actuarial function is responsible for preparing the annual actuarial report to be submitted to the Board of Directors in accordance with the applicable regulations (Article 272 of Commission Delegated Regulation (EU) 2015/35 of 10 October 2014), including possible deficiencies detected, as well as a plan of action, based on recommendations to remedy them.

B7. Outsourcing

Santander Insurance has an Outsourcing Policy in which the management principles on outsourcing activities are established. Based on this, the entity's contracting of a service to a third party must be carried out following the criteria defined by the Santander Group in its Framework of Externalizations and Agreements with Third Parties, which involves, among other factors, carrying out a risk analysis of the outsourced activity which may entail the need for a specialized approval of the service/supplier.

The Entity shall designate a person responsible for the outsourced activity. This person shall have sufficient knowledge and experience of the outsourced activity to be able to assess the performance and results of the service provider and, if the outsourced function or activity corresponds to one of the key functions for Solvency II purposes (i.e., Internal Audit, the Actuarial Function, Risk Management and Compliance), shall meet the requirements referred to in the Solvency II regulations.

The outsourcing of functions in Group entities shall follow the following principles:

- The outsourcing of functions will not in any case imply the alteration of the relations and obligations of the Entity with its clients, nor will it relieve it of direct responsibility for the outsourced activities.
- In this regard, outsourced activities must be adequately contemplated in the entity's risk control and management systems.
- The Entity shall verify that the service provider has the competencies, capabilities and authorizations to perform the outsourced activities and a control model adapted to its activity.
- The Entity shall establish methods for monitoring and evaluating the performance and results of the services provided.
- Additionally, it will keep an updated list with the outsourced critical activities, the responsible parties and the service providers.

In Santander Insurance there are some functions outsourced in Santander Bank, such as Internal Audit, and in other entities of the Santander Group, such as Gesban Servicios Administrativos Globales, S.L, regarding accounting and tax.

B8. Any other information

Remuneration system

At the Group level, a Remuneration Policy has been adopted. Its purpose is to establish the fundamental principles relating to the compensation of the identified group, complying with the requirements established in the applicable regulations in force and in line with the Group's commercial and risk management strategy.

Members of the identified group are members of the Management Body, senior management staff, key functions holders and those employees whose activities may have a significant impact on the Group's risk profile.

Furthermore, the policy aims to promote adequate and effective risk management and not to encourage a level of risk-taking that exceeds the Company's risk tolerance limits.

In addition, it seeks to establish a compensation scheme appropriate to the dedication and responsibility assumed by the people to whom it applies, in order to attract, retain and motivate the most outstanding professionals, on the one hand, and, on the other, to contribute to the Group's ability to meet its strategic objectives within the framework in which it operates, all in accordance with current legislation. At this respect, its main features aremainly the following:

- The policy is aligned with the remuneration policy of the Santander Group, formulated in accordance with the best practices in the sector.

- The policy includes the way in which the performance of the identified group is evaluated, being carried out by their respective hierarchical superiors.

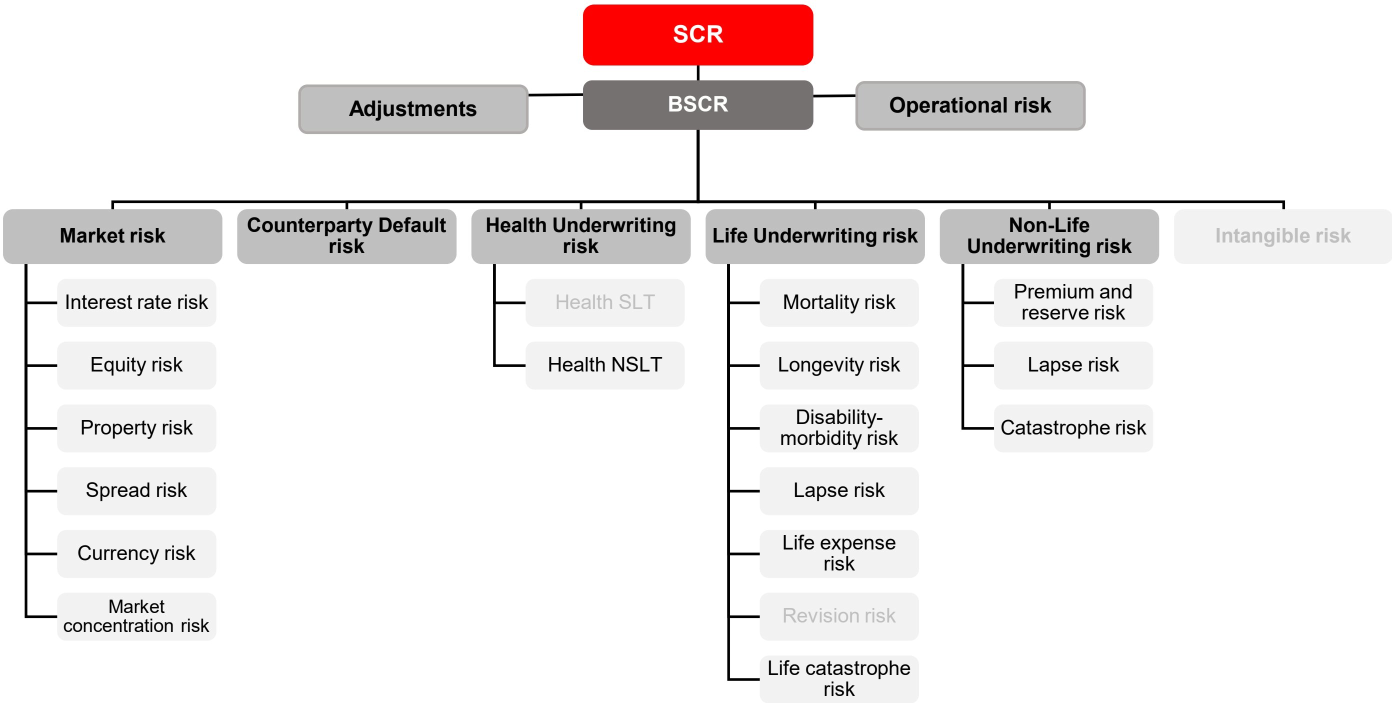
- The established remuneration systems are aligned with the Group's ESG objectives. In addition, in the event of any change or modification in the policy, its orientation with those objectives must be considered.

- A fixed remuneration, based on the level of responsibility, which will tend to constitute the most relevant part of the total remuneration.

- A variable remuneration, linked to the achievement of previously established objectives and prudent risk management, balanced in such a way that fixed remuneration represents a sufficiently high proportion of total remuneration.

C. Risk profile

The risk map to which the Group is exposed is as follow:



The Solvency Capital Requirement of the Group reported, amounts to 949,296 thousand euros as of December 31, 2023.The details are as follows:

Risk modules	31/12/2023
Market risk	256,295
Counterparty Default risk	32,467
Life Underwriting risk	534,219
Non - Life Underwriting risk	31,031
Health Underwriting risk	21,218
Diversification	-203,736
BSCR	**671,494**
Operational risk	124,195
Loss-absorbing capacity of Deferred Taxes	-197,620
Loss-absorbing capacity of Technical provisions	0
SCR full/proportional integration	**598,069**
SCR Equity Method	**351,227**
Total SCR	**949,296**

Figures in 000€

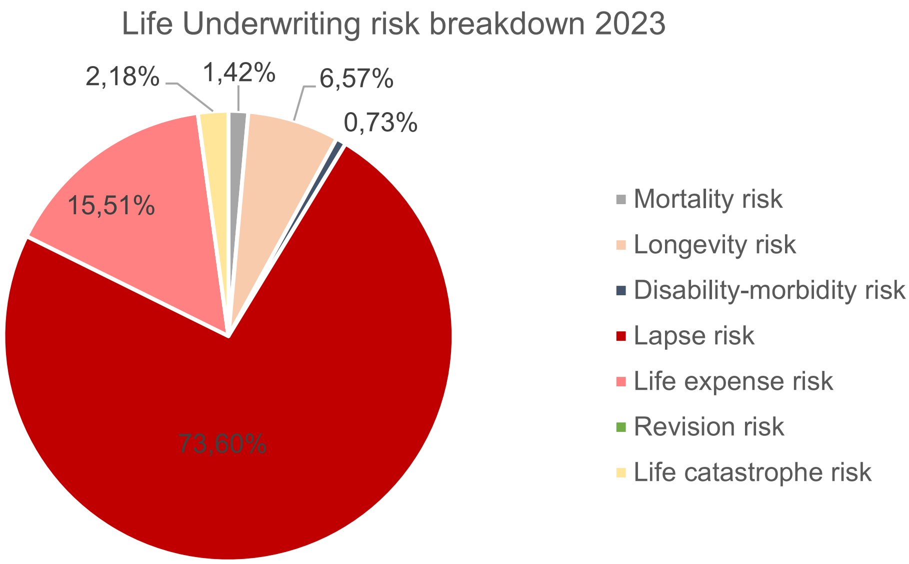
C1. Underwriting risk

Within the Underwriting risk, the most important is the Life business risk. The Group's Underwriting risk is divided into:

- Life Underwriting risk.
- Non-Life and Health Underwriting risk.

The Underwriting risk arises from the possibility that an unfavorable result will occur in the Group as a result of a higher than expected claims, portfolio falls or an increase in expenses above the budgeted.

The **Life Underwriting risk** as of December 31, 2023, represents 39% of the total Solvency Capital Requirement. The risk distribution of the Life Underwriting module is as follows:



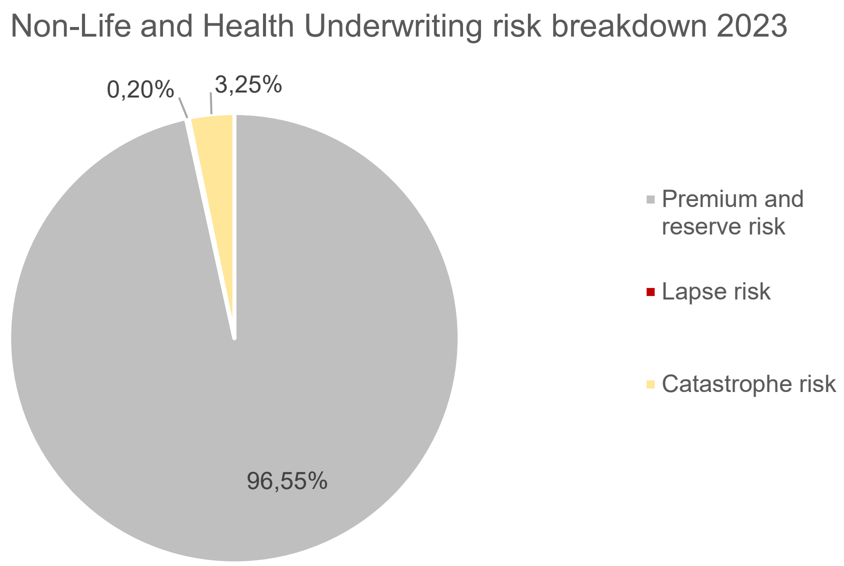
The main Life Underwriting risks to which the Group is exposed are:

- **Lapse/surrenders**: risk of loss due to changes in the value of the liability as a result of changes in the exercise of the right of surrender by policyholders, as well as of the options of extraordinary contribution and/or suspension of contributions. This risk accounts for 74% of the capital consumption of the Life Underwriting risk, due to the impact of rising interest rates on the surrender rate, as these increase when the market rate is higher.

- **Expenses:** risk of loss on change in value of liability arising from negative deviations from projected expenses. 16% of the capital consumption of the Life Underwriting module comes from this risk.

- **Longevity**: risk of loss due to changes in liabilities as a result of changes in the estimation of survival probabilities. 7% of the capital consumption by the Life Underwriting risk module comes from this risk.

The **Non-Life and Health Underwriting risk** as of December 31, 2023, represents 1.17% of the total Solvency Capital Requirement, with the breakdown between sub-modules being as follows:



As shown, the Non-Life and Health risk is residual in the Group, since the main entities that are part of it and that integrate fully / proportionally have most of their business in lines of business belonging to the Life business.

However, the main risk of Non-Life and Health Underwriting is the **premiums and reserves risk**.

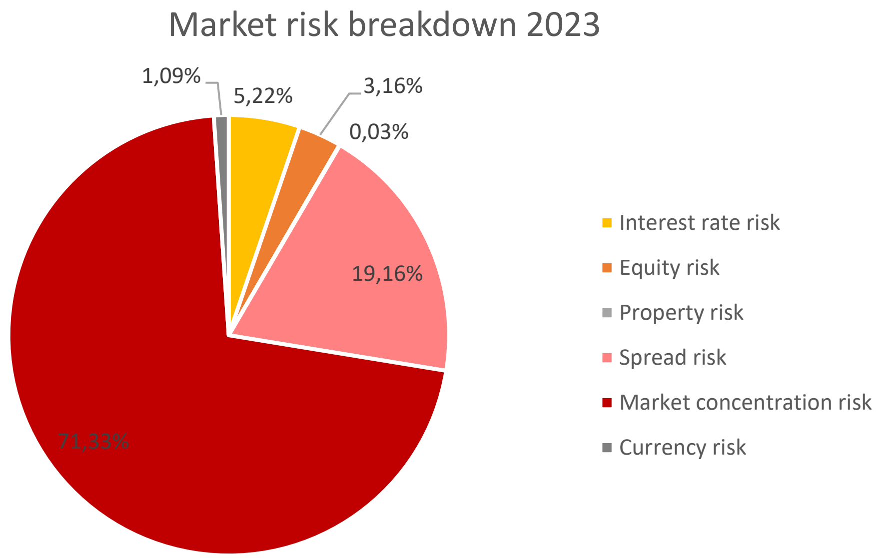
This risk includes fluctuations in the timing, frequency and severity of insured events (premium risks) and the risk at the time and amount in the settlement of outstanding claims. 96.55% of the capital consumption by the Non-Life and Health Underwriting risk module comes from this risk.

Mitigation techniques

- Establishment of an adequate premium: The importance of the adequacy of premiums is critical and its calculation is based on actuarial methods.
- Appropriate calculation of technical provisions: Effective management of claims, as well as the adequacy of technical provisions, are essential for insurance management. The technical provisions are determined by the actuarial teams of the Group companies and are verified by a third party that has not participated in the calculation. Specific policies regulate the recognition for technical provisions.
- Reinsurance application: each company within the Group, through its reinsurance area, is responsible for correctly identifying the level of risk transfer that meets its predefined risk limits and for choosing the most appropriate reinsurance arrangements, considering its risk profile and appetite. Santander Insurance uses reinsurance to mitigate underwriting risk, thus reducing its exposure to potential liquidity problems or losses arising from claims and providing stability to its portfolios.

C2. Market risk

The Market risk as of December 31, 2023, represents 12% of the total Solvency Capital Requirement. The risk distribution of the market module is as follows:



Market risk arises from the possibility of incurring losses as a result of movements in market variables. Within this risk category, the two main risks of the Group are market concentration, which represents 71%, and spread, which represents 19%.

The significant capital in concentration risk (risk derived from having a significant position in the same issuer), is due to the investment position in Grupo Santander.

Mitigation techniques

The Group mitigates its exposure to market risks by:

- Prudent investment policies characterized by a large proportion of high-credit-quality fixed income securities.
- Monetary congruence between assets and liabilities. Entities limit exposure to interest rate risk through the continuous management and control of the matching of asset and liability flows using, among other investments, investment in Asset Swaps as a hedging financial instrument.
- Setting limits, both generic and specific, per exposure.

C3. Counterparty Default risk

Counterparty risk is the risk of financial loss caused by default or impairment of the credit quality of an issuer or counterparty.

Each entity within the Group, on an individual level, will be responsible for managing its exposure to credit risk through its respective individual policies.

In addition, regarding Counterparty risk management, it can be noted that:

- The entities within the Group have most of their current accounts and deposits in financial institutions with an investment grade rating by the most important rating agencies.

- Reinsurers, with which institutions at individual level maintain current positions, have ratings mostly between AA and A, or equivalent nomenclature.

In terms of Solvency II, capital consumption by Counterparty Default risk as of December 31, 2023, is 32,467 thousand euros. Most of the capital charge is related to type 1 exposures covering exposure in derivatives, cash equivalent investments and balances receivable with reinsurers.

Type 2 exposures (other receivables, borrower debts, etc.) involve a lower capital consumption.

Mitigation techniques

Santander Insurance uses reinsurance to mitigate Underwriting risk. In order to increase the solvency of the total reinsurance coverage and reduce the risk associated with the counterparty, the Group distributes the risk among several reinsurers.

The basic mandatory principles inispiring the reinsurance management and other risk mitigation techniques include the optimization of conditions and capital consumption, the solvency of counterparties, the effective transferability of risk and the appropriateness of the level of risk transfer.

C4. Liquidity risk

Liquidity risk is the risk of failing to meet payment obligations on time or doing so at an excessive cost. It includes losses due to forced asset sales or margin impacts due to the mismatch between outflow forecasts and cash inflows.

The majority of the Group's liabilities are technical provisions resulting from commitments to insured persons with uncertain payment flows, while the assets are materialized in investments with different maturity periods. Therefore, liquidity risk is an inherent risk in insurance activity.

Santander Insurance does not have a considerable exposure to this risk since its investments are mainly managed in the long term. However, there is an illiquidity risk linked to market risk, which would entail a possibility of loss due to having to sell an asset at a lower price than the current one due to its lack of liquidity and/or volatility at the moment.

Each entity within the Group at the individual level will be responsible for managing its exposure to liquidity risk through its respective individual policies. However, the Group has a Liquidity Risk Management Policy and an Asset and Liabilities Management Policy that stands for the reference framework for action regarding liquidity risk management.

Mitigation techniques

Regarding Life savings and Annuities, the investment policy applied to match the maturity of investments with the obligations incurred in insurance contracts reduces the risk of long-term liquidity.

In addition, most of the fixed income investments have a high credit rating and are negotiable in organized markets, which gives a great capacity to act in the face of potential liquidity tensions.

Finally, liquidity risk in extreme situations is reduced using reinsurance, which works as a tactic to reduce the concentrations of underwriting risk, and the choice of highly rated reinsurers.

Expected profit included in future premiums

The expected profit included in the future premiums is estimated in accordance with Article 260.2 of Solvency II Delegated Regulation 2015/35, establishing the difference between the technical provisions without including the risk margin and the calculation of those provisions without that risk margin, based on the assumption that premiums relating to existing insurance and reinsurance contracts that are expected to be received in the future are not received for any reason other than the insured event having occurred, regardless of the legal or contractual rights of the policyholder to discontinue the policy.

The total amount of the expected profit included in future premiums at Group level amounts to 410,166 thousand euro and is obtained by adding the expected benefits included in the future premiums of the individual companies that integrate fully/proportionally.

C5. Operational risk

Operational risk is defined as the risk of loss due to inadequate or failed processes, people, and internal systems, or external events. This definition includes events that may occur as a result of legal or regulatory risk but excludes events that occur as a result of strategic risks or reputational risks.

Santander Insurance's Operational Risk Policy is part of the Santander Group's Operational Risk Management and Control Model.

Operational risk management must contemplate and safeguard the principles established in the Santander Group's General Corporate Risk Framework. In addition, the following principles should be considered:

- Comprehensive management and control of the operational risk cycle.
- Identification and assessment of operational risk.
- Extensive use of mitigation techniques.
- Recurrence of operational risk management and control.
- Consideration of operational risk in decision-making.
- Common tools, taxonomies and metrics.
- Adaptation to different categories of operational risk.

All employees of the Santander Group are responsible for the management of the operational risk inherent in the activities, processes and systems typical of their usual functions.

Operational risk is inherent in all the products, activities, processes and systems of an entity and effective management of the same has always been a fundamental element in the risk management of companies. Good management of this risk reflects the effectiveness of the organization in managing its resources.

The key processes involved in the management and control of operational risk are:

- Identification, classification, measurement and evaluation:

  This process consists of determining the events and factors that are likely to cause operational risk in the Company, estimating their possible impact, quantitative or qualitative. In this sense, the operational areas are responsible for identifying and reporting those risks detected in their field of action. In this process, some of the tools or instruments used by the Entity for management and control are risk maps, the use of local databases or the use of internal control factors (KRI's, audit and regulatory reports).

- Communication:

  In order to ensure adequate communication, as well as clear lines of communication, the entities subject shall ensure that all operational risk events reported by the areas are registered in the database. In this way, and where appropriate, they will make a monthly report of the information at operational risk.

Relevant incidents will be scaled to the corresponding higher body, which are those that exceed the established relevance thresholds.

- Mitigation:

  Mitigation measures aim to reduce or eliminate exposure to a potential risk or risk that has been identified.

  The improvement of the internal control environment is a key element in mitigation, considering organizational mitigation, the existence of policies, procedures and controls, the training of employees and the adequacy of technological systems and infrastructures.

  Once the event has been detected and analyzed, the operational areas must define the mitigating measures, if appropriate, that avoid the materialization of risks or minimize the possible economic impact, detailing the risk that it intends to mitigate, the type of measure, the responsible user, the risk, the risk of the event. the degree of progress and the monitoring indicator, among other aspects.

The capital consumption for operational risk at Group level is 124,195 thousand euros, representing 10% of the total Solvency Capital Requirement.

C6. Risk of participation in entities in which joint control is not held

The risk from holding participations in entities where there is no joint control totals 351,227 thousand euros, representing 37% of Santander Insurance's total risk.

The contribution to the Group's SCR from the companies that consolidate using the Equity Method (Santander Mapfre, Mapfre Santander, CNP Vida, CNP No Vida and ZSIA) is significant and is added in the part corresponding to the percentage of participation of each company in the Group directly, without the benefit of diversification effect, from which entities integrated fully/proportionally do benefit.

Below is the Solvency Capital Requirement of each of these entities and their contribution to the Group SCR:

	Santander Mapfre	Mapfre Santander	CNP Vida	CNP No Vida	ZSIA*
SCR entity	31,362	4,404	115,807	238,392	326,102
SCR entity x percentage participation	15,678	2,202	56,745	116,812	159,790

Figures in 000€

** In the case of ZSIA (Zurich Santander), since it is not an entity subject to Solvency II, a notional SCR has been calculated for the purposes of the calculation of consolidated Group SCR.*

C7. Other material risks

In addition to the risks included in the Solvency Capital calculation under Solvency II regulations, there are other significant risks to which the Group is exposed, as set out in Santander Insurance's General Risk Policy, which are listed below:

- Liquidity risk.
- Reputational risk.
- Compliance risk.
- Risk of outsourcing.
- Model risk.
- Technological Risk.
- Corporate Governance Risk.

These are the main categories of risks covered by the Group's risk system, together with those of the risks included in the Solvency Capital Calculation.

Once the risks have been identified, the Group shall carry out an assessment thereof, it will define actions and measures to prevent or correct any failures detected and monitor them to ensure that potential risks remain at a level that does not significantly affect the financial and solvency situation of the Group.

C8. Risk Appetite

As previously defined, the risk appetite delineates a maximum risk profile, which implies evaluating the entity's exposure to its key risks, considering the risk mitigation mechanisms both at present and in the future, under normal and stressed conditions.

The risk appetite of the Insurance Group is defined and proposed by Santander Insurance S.L., following the guidance provided by Santander and WM&I's management, with the involvement of local insurance teams. It will be approved by the Board of Santander Insurance S.L. Prior to its approval, the risk appetite is validated by the Risk and Compliance function of Santander Insurance.

In determining the Risk Appetite, the process of formulating the Risk Appetite defined by the Santander Group will be followed, with contributions from WM&I's Risk and Compliance Division and the Group Santander's Risk function, recognizing its global business line that operates through legal entities in various countries.

In particular, the Directors of the Local Insurance Entities must ensure that the local insurance strategy in their country is defined in a way that aligns with the approved local risk appetite, and subsequently, that the local budget and plans of the Local Insurance Entity are in line with the defined risk appetite.

The CRO of Santander Insurance S.L. ensures that risk management and control throughout the organization is aligned with the Group's Risk Appetite Statement (RAS).

This alignment is reflected in the assumption of the metrics and limits of Santander Insurance S.L.'s Risk Appetite at the following levels:

- Transfer of the Group's RAS, through Santander Insurance, to the RAS of each entity.
- Transfer of each entity's RAS to its risk management limits and policies used for developing strategic and business plans.

The CRO of Santander Insurance S.L. will inform the relevant governing bodies of any potential mismatches and seek action plans for correction.

The main risk categories covered by Santander Insurance Risk Appetite are as follows: Underwriting risk, Market risk, Credit risk, Operational risk, Liquidity risk, Reputational risk, Outsourcing risk, Model risk, Technology risk, Compliance risk, and Conduct risk. Additionally, environmental, and climate-related risk elements are considered factors that could impact existing risks in the medium and long term.

Any breaches, if applicable, are reported to the Board of Directors of Santander Insurance S.L., including the action plans designed to correct these situations.

The CRO of Santander Insurance must inform the Board of Santander Insurance S.L. of the approval status of local RAS and the degree of compliance with them.

C9. Any other information

C.9.1 More significant risk concentrations

As a result of the nature of the insurance business of the participated companies, the Group is potentially exposed to concentrations both in terms of claims and in terms of investments covering commitments to policyholders and Own Funds.

As mentioned above, the activity of the Group's participated companies focuses mainly on the Life business, thus being exposed to the typical actuarial risks arising from such insurance activity.

To mitigate the risk of concentration of claims, reinsurance techniques are used to reduce the exposure of the participating entities to possible sums of claims. Likewise, this reinsurance coverage is carried out with a panel of reinsurers with a high degree of solvency (there is also reinsurance between companies belonging to the group (intra-group), not being risk mitigating for the Group since it remains within the Group scope).

Regarding investments in assets whose risks are not mainly borne by the policyholders, 83% are invested in fixed income assets.

Finally, in terms of market concentration in issuers, the Group concentrates most of its investment in public debt assets of the Spanish State (approximately 74%), while the only issuer that charges capital in concentration is Banco Santander.

C.9.2 Sensitivity analysis

Santander Insurance, during its self-assessment of risks and solvency, monitors the sensitivity analyses carried out by the Group's investee companies on the most significant risks to which they are exposed.

C.9.3. Other information

Off-balance sheet items

There are no significant exposures to the above risks arising from off-balance sheet positions.

Transfer to special purpose entities

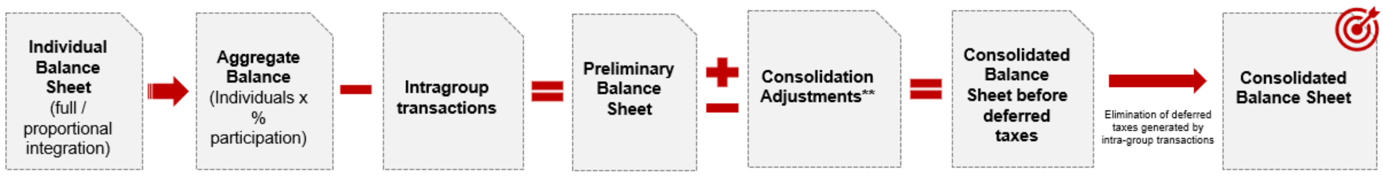
The Group does not transfer risks to special purpose entities.

D. Valuation for Solvency purposes

The methodology used to carry out the consolidation of the Economic Balance Sheet, based on Article 335.1 of the Delegated Regulation 35/2015 (EC), is as follows:

- **Santander Seguros:** full consolidation.
- **Santander Vida:** proportional consolidation.
- **Santander Generales:** proportional consolidation.
- **Santander Mapfre:** Equity Method consolidation.
- **Santander Totta:** full consolidation.
- **Aegon Vida:** proportional consolidation.
- **Aegon No Vida:** proportional consolidation.
- **Mapfre Santander:** Equity Method consolidation
- **CNP Vida:** Equity Method consolidation.
- **CNP No Vida:** Equity Method consolidation.
- **CNP Insurance Services:** Equity Method consolidation
- **Zurich Santander:** Equity Method consolidation.

Consolidation is carried out by integrating the individual economic balance sheets of the companies, applying the participation percentage to them, and reducing the items by the value of existing intra-group operations for those integrated fully/proportionally, and including the value of the participation in the Balance sheet participation line, for those integrated using the adjusted participation method (Equity Method):



***Elimination of investees of Santander Seguros and Santander Totta that are part of the Group and are included in their solo balance sheets, and inclusion of the Group's investees in the participation line of the Group's Balance sheet*

The detail of the Group's Economic Balance Sheet is as follows:

ASSETS	31/12/2023
Investments not associated with Unit Linked	**16,727,207**
Equity and participations	**1,044,185**
Holdings in investment funds	**16,555**
Fixed income	**13,888,185**
Public debt and equivalents	12,583,521
Corporate debt	1,304,664
Others	0
Deposits and other equivalent assets	**990,359**
Derivatives	**410,323**
Cash and other cash equivalent asset	**377,600**
Investments associated with Unit Linked	**5,134,321**
Reinsurance recoverable amounts	**57,554**
Deferred tax assets	**491,592**
Other Assets	**122,150**
TOTAL ASSETS	**22,532,824**

Figures in 000€

LAIBILITIES	31/12/2023
Non-Life Technical provisions (excluding Health)	**58,544**
Health Technical provisions	**-3,136**
Life Technical provisions (excluding Unit Linked)	**13,019,522**
Life Technical provisions Unit Linked	**5,204,026**
Derivatives	**282,347**
Debts from insurance and reinsurance operations	**445,643**
Deferred tax liabilities	**560,155**
Other debts and payables	**161,968**
Subordinated Liabilities	**25,000**
Other liabilities	**86,577**
TOTAL LIABILITIES	**19,840,646**
Excess of assets over liabilities	2,692,178

Figures in 000€

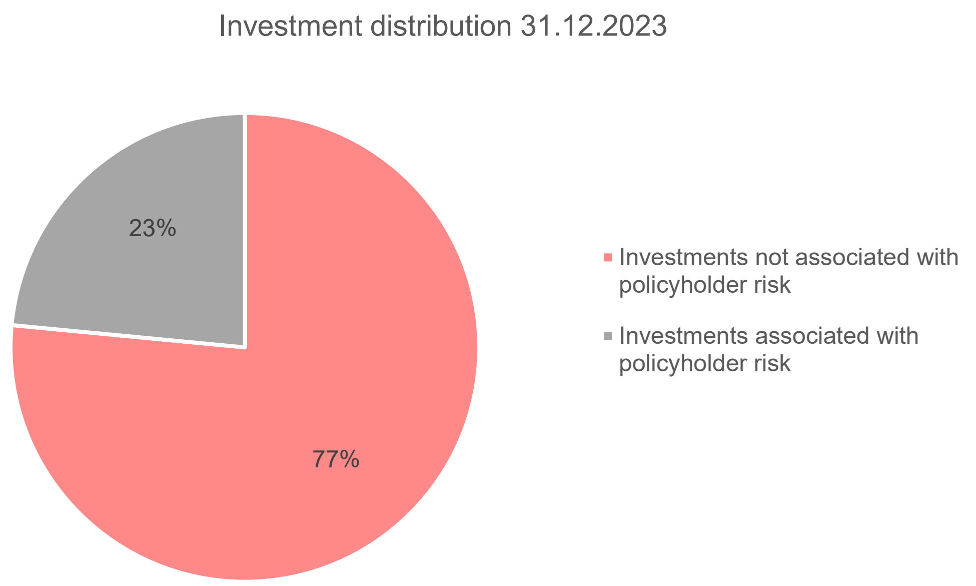
D1. Assets

The valuation of assets is set out in Article 75 of the Solvency II Directive. The valuation criteria of each of the entities within the Group are reflected in the individual SFCR reports.

The following table exhibits the Solvency II valuation of the main asset investments of the Group:

Asset type	31/12/2023
Investments not associated with Unit Linked	**16,727,207**
Equity and participations	**1,044,185**
Holdings in investment funds	**16,555**
Fixed income	**13,888,185**
Public debt and equivalents	12,583,521
Corporate debt	1,304,664
Others	0
Deposits and other equivalent Assets	**990,359**
Derivatives	**410,323**
Cash and other cash equivalent asset	**377,600**
Investments associated with Unit Linked	**5,134,321**
TOTAL	**21,861,528**

Figures in 000€



Santander Insurance S.L., as a participating entity of the Group, consolidates the assets of the entities within the same scope, integrating each item of the individual economic balance sheets by the percentage of participation, and eliminating the relevant intra-group transactions.

Regarding investments, the economic valuation of the participations that Santander Seguros and Santander Totta have in their investees is eliminated, which as of December 31, 2023, amounts to 318,732 thousand euros, since they are included as investees of the Group directly, either by proportionally integrating item by item or by adjusted participation in the line of investees:

Asset type	Santander Seguros	Santander Vida	Santander Generales	Santander Totta	Aegon Vida	Aegon No Vida	Solvency II Consolidated (*)
Investments not associated with Unit Linked	**14,741,121**	**385,917**	**261,448**	**877,360**	**90,053**	**64,167**	**16,727,207**
Equity and participations	274,807	816	816	52,768	0	0	1,044,185
Holdings in investment funds	14,768	0	0	1,788	0	0	16,555
Fixed income	12,803,080	367,115	244,128	711,762	88,342	62,055	13,888,185
Public debt and equivalents	11,856,902	200,709	100,541	543,450	41,681	30,660	12,583,521
Corporate debt	946,178	166,406	143,587	168,312	46,661	31,395	1,304,664
Deposits and other equivalent assts	925,698	0	0	64,661	0	0	990,359
Derivatives	410,323	0	0	0	0	0	410,323
Cash and other cash equivalent assets	312,445	17,986	16,504	46,381	1,711	2,112	377,600
Investments associated with Unit Linked	**2,172,392**	**0**	**0**	**2,963,690**	**0**	**0**	**5,134,321**

Figures in 000€

* Consolidated data may not match in some concepts with the individual sum of each of the entities due to the existence of intra-group operations and the consolidation process applied to generate the figures.

Reinsurance recoverables

The amount of Reinsurance recoverables include the amounts that the Group is entitled to receive originating from the reinsurance contracts it has with third parties.

The composition of the Reinsurance recoverables of each entity within the Group at an individual level and its aggregation at a consolidated level as of December 31, 2023, is as follows:

Reinsurance recoverable	Santander Seguros	Santander Vida	Santander Generales	Santander Totta	Aegon Vida	Aegon No Vida	Solvency II Consolidated (*)
Reinsurance recoverable amount	30,490	16,132	96,721	3,222	12,497	-4,003	57,554

Figures in 000€

*Consolidated data may not match in some concepts with the individual sum of each of the entities due to the existence of intra-group operations and the consolidation process applied to generate the figures.

The intra-group operations corresponding to Reinsurance recoverables as a result of the reinsurance between Santander Seguros and Santander Vida, and between Santander Seguros and Santander Generales amount to 35,618 thousand euros.

Other assets

Santander Insurance S.L., as a participating entity of the Group, carries out a consolidation of Other Assets of the entities within the Group, integrating them by the percentage of participation and eliminating intra-group operations, which amount to 5,013 thousand euros (corresponding to the items of deposits constituted for accepted reinsurance and credits for reinsurance operations). The detail as of December 31, 2023, is as follows:

Other assets	Santander Seguros	Santander Vida	Santander Generales	Santander Totta	Aegon Vida	Aegon No Vida	Solvency II Consolidated (*)
Property, plant and equipment for own use	0	0	0	78	1,474	406	999
Loans with and without mortgage guarantee	79	0	0	1,388	0	0	1,468
Credits for direct insurance and coinsurance operations	16,754	28,514	26,882	3,320	2,612	513	50,503
Credits for reinsurance operations	4,360	5,807	5,749	0	272	4	6,196
Other credits	1,339	83	2,740	11,953	1,629	1,314	16,117
Other assets, not included in other items	2,131	0	0	0	0	0	1,087
Deposits constituted by accepted reinsurance	38,535	0	0	7,096	303	0	45,780
TOTAL	**63,198**	**34,405**	**35,371**	**23,835**	**6,289**	**2,237**	**122,150**

Figures in 000€

*Consolidated data may not match in some concepts with the individual sum of each of the entities due to the existence of intra-group operations and the consolidation process applied to generate the figures.

Deferred tax assets

The generation of Deferred Tax Assets of each of the entities within the Group is reflected in the individual SFCR reports.

Santander Insurance S.L., as the head of the Group, performs a consolidation of Deferred Tax Assets recognized by the solo entities within the Group, considering the participation percentage.

Subsequently, the tax assets generated by intra-group operations are eliminated. The details are as follows:

Solvency II Deferred taxes	Santander Seguros	Santander Vida	Santander Generales	Santander Totta	Aegon Vida	Aegon No Vida	Gross deferred tax
Deferred tax assets	456,067	29,748	11,858	2,384	1,674	517	502,249

Figures in 000€
**The data from the individual companies are included according to the corresponding participation percentage*

Solvency II Deferred taxes	Gross deferred tax	Intragroup deferred tax	Consolidated deferred tax
Deferred tax assets	502,249	10,657	491,592

Figures in 000€

D2. Technical provisions

Under Solvency II in the Group, the value of the entities' technical provisions is determined at an individual level following two procedures:

- As a general rule, technical provisions are calculated as the sum of two components: the best estimate plus the risk margin.
- In some cases, provisions are calculated as a whole: this methodology is applied when future cash flows associated with insurance obligations can be replicated using financial instruments with a directly observable market value. These provisions, in general, are closely related to the valuations of Unit Linked type products with guarantees associated with assets, and no separation is made between the best estimate and risk margin.

The calculation of the best estimate falls within the Solvency II compliance requirements, valuing the technical provisions using realistic experience-based assumptions for the calculation of the economic balance sheet, and obtained from the expected present value of all future cash flows.

Under certain circumstances, the best estimate can become negative for certain contracts where the expected present value of future premiums exceeds the expected present value of the obligations. In this case, according to Solvency II regulation, these contracts are not valued at zero but constitute an asset that reduces the value of their technical provisions.

Santander Insurance S.L., as a participating entity of the Group, consolidates the entities' technical provisions within the scope of the Group, integrating the technical provisions figures of the companies at an individual level by the participation percentage and eliminating intra-group operations, in accordance with Articles 339 and 340 of the Delegated Regulation.

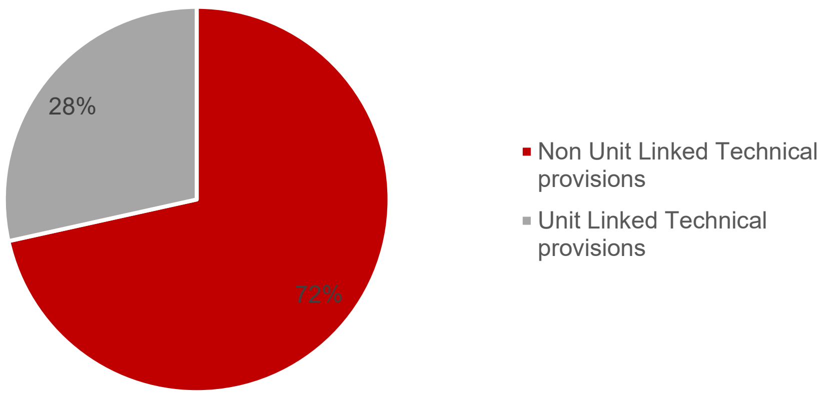
As of December 31, 2023, the amount of intra-group operations eliminated is 26,353 thousand euros as a result of reinsurance between Santander Seguros and Santander Vida, and between Santander Seguros and Santander Generales.

The following table details the Solvency II valuation of the Technical provisions according to official presentation data:

Solvency II Technical provisions	31/12/2023
Non-Unit Linked Technical provisions	**13,074,930**
Life	13,019,522
Non-Life	55,408
Unit Linked Technical provisions	**5,204,026**
TOTAL	**18,278,956**

Figures in 000€

Technical provisions distribution 31.12.2023



The details of the technical provisions of each entity within the scope of the Group, at an individual level, and their aggregation at a consolidated level as of December 31, 2023, are as follows:

Solvency II Technical provisions	Santander Insurance	Santander Vida	Santander General	Santander Totta	Aegon Vida	Aegon No Vida	Consolidated Solvency II (*)
Non-Unit Linked Technical provisions	**12,514,204**	**-150,677**	**190,297**	**551,298**	**39,423**	**-6,018**	**13,074,930**
Life	12,501,433	-139,199	78,845	551,298	37,139	0	13,019,522
Non-Life	12,771	-11,478	111,452	0	2,284	-6,018	55,408
Technical provisions Unit Linked	**2,172,392**	**0**	**0**	**3,031,634**	**0**	**0**	**5,204,026**
TOTAL	**14,686,596**	**-150,677**	**190,297**	**3,582,932**	**39,423**	**-6,018**	**18,278,956**

Figures in 000€

*Consolidated data may not match in some concepts with the individual sum of each of the entities due to the existence of intra-group operations and the consolidation process applied to generate the figures.

Matching adjustment

As per Article 77 ter of the Directive, insurance and reinsurance companies may apply the Matching Adjustment to the relevant risk-free interest rate term structure to calculate the best estimate of the insurance or reinsurance liability obligations.

The aim of this measure is to accurately reflect the long-term nature of the insurance business. In this way, it aims to prevent changes in the value of assets in the short term due to movements in interest rate spreads, caused by market volatility, speculation, or economic cycles.

In relation to the entities within the scope of the Group, Santander Seguros submitted the application for authorization for the use of the Matching Adjustment to the DGSFP at an individual level on August 5, 2015, leading to file number 315/2015. The use of the Matching Adjustment was approved by the DGSFP for the Entity on March 17, 2016, by means of a resolution effective from January 1, 2016. The rest of the entities within the Group's perimeter do not apply the Matching Adjustment.

The detail of the impact of the measure can be found in template S.22.01.22, in section F. Quantitative information templates.

Volatility Adjustment

In relation to the entities within the scope of the Group, Santander Seguros, Santander Generales, and Santander Totta, at an individual level apply the Volatility Adjustment to the relevant risk-free interest rate term structure, which does not require prior approval from the supervisory authority.

The details of the impact of the measure can be found in template S.22.01.22, in section F. Quantitative information templates.

In the case of Santander Seguros at an individual level, the Volatility Adjustment is not applied to insurance obligations when the relevant risk-free rate term structure, used to calculate the best estimate for such obligations, includes a Matching Adjustment.

Transitional measures of Interest Rates and Technical provisions

Transitional measures have not been used in the calculation of the Group's Technical provisions.

D3. Other Liabilities

The valuation criteria of Other Liabilities of each of the entities within the Group are reflected in the individual SFCR reports. Santander Insurance S.L. as a participating entity of the Group, carries out a consolidation of Other Liabilities of the entities within the Group, with the details as follows:

Other liabilities	31/12/2023
Derivatives	282,347
Debts for insurance and reinsurance operations	445,642
Debts for insurance and coinsurance operations	440,520
Debts from reinsurance operations	5,122
Other debts and items to pay	161,968
Deposits received for ceded reinsurance	13,324
Subordinated Liabilities	25,000
Other liabilities	73,253
TOTAL	**1,001,535**

Figures in 000€

The detail of Other Liabilities of each entity within the Group, at an individual level, and their aggregation at a consolidated level, as of December 31, 2023, is as follows:

Other liabilities	Santander Insurance	Santander Vida	Santander General	Santander Totta	Aegon Vida	Aegon No Vida	Consolidated Solvency II (*)
Derivatives	282,347	0	0	0	0	0	282,347
Debts for insurance and reinsurance operations	437,225	3,209	3,965	11,936	6,728	6,504	445,643
Debts for insurance and coinsurance operations	435,511	3,205	772	9,077	4,215	3,781	440,520
Debts from reinsurance operations	1,714	5	3,194	2,859	2,513	2,723	5,123
Other debts and items to pay	67,699	105,338	72,685	3,315	860	6,737	161,968
Deposits received for ceded reinsurance	0	2,104	24,300	0	2,912	7	13,324
Subordinated Liabilities	25,000	0	0	0	0	0	25,000
Other liabilities	1,366	290	2,264	67,246	3,586	3,332	73,253
TOTAL	**813,637**	**110,941**	**103,215**	**82,497**	**14,087**	**16,579**	**1,001,535**

Figures in 000€

*Consolidated data may not match in some concepts with the individual sum of each of the entities due to the existence of intra-group operations and the consolidation process applied for the generation of figures

Consolidation is carried out by integrating the figures of Other Liabilities of the companies at an individual level by the percentage of participation and eliminating intra-group operations. As of December 31, 2023, the amount of intra-group operations eliminated is 14,561 thousand euros.

Deferred tax liabilities

The generation of Deferred Tax Liabilities of each of the entities within the scope of the Group is reflected in the individual SFCR reports. Santander Insurance S.L. as a participating entity of the Group performs a consolidation of the Deferred Tax Liabilities of the entities within the scope of the Group considering the percentage of participation, eliminating the tax liabilities generated under Solvency II by intra-group operations. The details are as follows:

Solvency II Deferred Taxes	Santander Insurance	Santander Vida	Santander General	Santander Totta	Aegon Vida	Aegon No Vida	Gross Deferred Tax
Deferred tax liabilities	466,799	73,533	11,164	15,435	3,473	2,955	573,359

Figures in 000€
** Individual company data is incorporated by the corresponding percentage of participation.*

Solvency II Deferred Taxes	Gross Deferred Tax	Intragroup Deferred Tax	Consolidated Deferred Tax
Deferred Tax Liabilities	573,359	13,204	560,155

Figures in 000€

D4. Alternative valuation methods

No alternative assessment methods to those described above have been used.

D5. Any other information

The Group does not consider any other information related to valuation for Solvency purposes in addition to the detailed in previous sections.

E. Capital management

Main metrics

The Solvency Ratio reported at year-end 2023 is 256%, being the surplus of Own Funds over the Solvency Capital Requirement of 1,477,073 thousand euros.

The Minimum Capital Requirement amounts to 285,323 thousand euros.

Main Solvency II Metrics	31/12/2023
Own Funds	2,426,369
SCR	949,296
Solvency ratio	**256%**

Figures in 000€

The main metrics reported by Group scope companies at the individual level as of December 31, 2023, are shown below.

The first table shows the data of the companies that integrate fully/proportionally and the second summarizes the data of the companies that integrate by Equity Method:

Main Solvency II metrics	Santander Seguros	Santander Vida	Santander Generales	Santander Totta	Aegon Vida	Aegon No Vida
Own Funds	1,271,235	359,895	87,267	163,362	34,160	26,364
SCR	459,615	224,924	50,525	76,474	15,095	19,211
Solvency ratio	277%	160%	173%	214%	226%	137%

Figures in 000€

Main Solvency II metrics	Santander Mapfre	Mapfre Santander	CNP Vida	CNP No Vida	ZSIA
Own Funds	57,644	6,964	167,287	370,322	1,490,749
SCR	31,362	4,404	115,807	238,392	326,102
Solvency ratio	184%	158%	144%	155%	457%

Figures in 000€

In the case of ZSIA, since it is not a Solvency II entity, a notional SCR has been calculated for the purpose of calculating consolidated Group SCR.

This Notional SCR includes only market risk (such as equity risk, due to its participation in insurance companies) and counterparty risk, since the company does not have any risks associated with the underwriting activity of insurance companies.

LACDT adjustment

The Loss-Absorbing Capacity of Deferred Taxes (LACDT) is obtained following the simplified calculation proposed in guideline 22, which is summarized below:

$$LACDT^{group} = \frac{SCR^{diversified^{**}}}{\sum_{solo} \propto^{solo} SCR^{solo^{**}}} * \sum_{solo} \propto^{solo} LACDT^{solo}$$

Where:

$\propto^{solo}$ represents the percentage used for the establishment of the consolidated accounts;

$LACDT^{solo}$ is the solo adjustment for the loss-absorbing effect of deferred taxes of each (re)insurance undertaking consolidated in accordance with Article 335(1)(a),(b) and (c) of Commission Delegated Regulation 2015/35;

$SCR^{solo^{**}}$ is the solvency capital requirement after the LAC adjustment for Technical provisions and before the LAC adjustment for deferred taxes of each insurance and reinsurance undertaking consolidated in accordance with Article 335(1)(a), (b) and (c) of Commission Delegated Regulation 2015/35;

$SCR^{diversified^{**}}$ is the solvency capital requirement calculated on the basis of the consolidated data in accordance with Article 336(a) of Commission Delegated Regulation 2015/35 after the LAC adjustment for Technical provisions and before the LAC adjustment for deferred taxes.

At the end of 2023, the Group's LACDT amounts to 197,620 thousand euros, which contributes to reducing the BSCR + operational risk by this amount and to reaching the Group's SCR figure.

LACTP adjustment

The Loss Absorbing Capacity of Technical provisions (LACTP) is obtained following the simplified calculation proposed in EIOPA guidelines 20 and 21.

The alternative calculation specified in guideline 21 is described below:

$$LACTP^{group} = \frac{SCR^{diversified^{*}}}{\sum_{solo} \propto^{solo} SCR^{solo^{*}}} * \sum_{solo} \propto^{solo} LACTP^{solo}$$

Where:

$LACTP^{solo}$ is the adjustment for the loss-absorbing capacity of Technical provisions of each insurance and reinsurance undertaking consolidated in accordance with Article 335(1)(a),(b) and (c) of Commission Delegated Regulation 2015/35;

$\propto^{solo}$ represents the percentage used for the establishment of the consolidated accounts;

The ratio $\frac{SCR^{diversified^{*}}}{\sum_{solo} \propto^{solo} SCR^{solo^{*}}}$ represents the proportional adjustment due to the diversification effects at group level and, in particular, at the numerator 5 is the Solvency Capital Requirement calculated on the basis of the consolidated data in accordance to Article 336(a) of Commission Delegated Regulation 2015/35 but before the adjustment for the loss-absorbing capacity of Technical provisions and deferred taxes; and the denominator is the Solvency Capital Requirement before the adjustment for the loss-absorbing capacity of Technical provisions and deferred taxes of each insurance and reinsurance undertaking consolidated in accordance with Article 335(1)(a),(b) and (c) of Commission Delegated Regulation 2015/35.

At the end of 2023, the Group's LACTP is zero since none of the individual companies that form part of the Group has the capacity to absorb losses from technical provisions.

E1. Own Funds

Santander Insurance has a Capital Management Policy that establishes the criteria and standards that must be considered to maintain adequate levels of capital to meet regulatory requirements, as well as to promote an efficient use of it.

Based on that, the classification by levels of Own Funds will be done according to the criteria set out in the current legislation and must comply with the established in the defined risk appetite.

The characteristics of the Own Funds must comply with the Delegated Regulation at least, and the internal requirements cannot be inferior to what is proposed in the legislation.

E.1.1 Own Funds

100% of the Own Funds are basic Own Funds. The detail is as follows:

Basic Own Funds	31/12/2023
Ordinary share capital	714,586
Share premium account related to ordinary share capital	1,852,940
Reconciliation reserve	-166,157
Subordinated liabilities	25,000
TOTAL	**2,426,369**

Figures in 000€

The amount of subordinated liabilities is 25,000 thousand euros as of December 31, 2023, with no defined maturity.

The Reconciliation reserve amonuts to -166,157 thousand euros, comprising the following:

	31/12/2023
Excess of assets over liabilities	2,692,178
Other basic own fund items	2,567,526
Ordinary share capital	714,586
Share premium account related to ordinary share capital	1,852,940
Foreseeable dividends, distributions and charges	290,809
Tax credit	0
Own Funds adjustment article 81	0
Reconciliation reserve	**-166,157**

Figures in 000€

As for the quality of Own Funds, 100% are classified as Level 1 Own Funds.

Own Funds	31/12/2023
Tier 1	2,426,369
Tier 2	0
Tier 3	0
TOTAL	**2,426,369**

Figures in 000€

The eligibility and limits applicable to the levels of Own Funds, in accordance with Article 82 of Delegated Regulation (EU) 2015/35 are as follows:

- Solvency Capital Requirement (SCR) limits:
    1) Eligible amount of Level 1 Own Funds > 50% of the SCR.
    2) Eligible amount of Level 3 Own Funds < 15% of the SCR.
    3) Eligible amounts of Level 2 and Level 3 Own Funds < 50 % of the SCR.
- Minimum Capital Requirement (MCR) limits:
    1) Eligible amount of Level 1 Own Funds > 80 % of the MCR.
    2) Eligible amount of Level 2 Basic Own Funds < 20 % of the MCR. Level 2 Own Funds are not available.

Own Funds eligibility	LOWER LIMIT	UPPER LIMIT	31/12/2023	
TIER 1 (minimum 50% SCR)	474,648	Not applicable	2,426,369	✓
TIER 3 (maximum 15% SCR)	Not applicable	142,394	0	✓
TIER 2 & TIER 3 (MAXIMUM 50% SCR)	Not applicable	474,648	0	✓
TIER 1 over MCR (minimum 50% MCR)	142,661	Not applicable	2,426,369	✓

Figures in 000€

E.1.2 Dividends

At the end of the financial year from March 28, 2023, to December 31, 2023, Santander Insurance's share capital amounted to 714,586 thousand euros, represented by 714,585,872 shares of 1 euro of nominal value each, all of the same class, fully subscribed and disbursed.

The Company was established on March 28, 2023, with an initial share capital of 3 thousand euros, consisting of 3,000 shares, with a nominal value of one euro.

On August 2, 2023, the General Meeting of Shareholders approved an increase in share capital by creating new participations amounting to 383,914 thousand euros, with a share premium amounting to 1,151,743 thousand euros. This extension was signed by Banco Santander S.A. through the non-cash contribution of 99.99% of the share capital of the mercantile company Santander Seguros y Reaseguros Compañía Aseguradora, S.A. valued at 1,535,657 thousand euros. The capital increase was raised to the public on August 3, 2023, and duly registered in the Mercantile Registry of Madrid.

Subsequently, on December 11, 2023, the General Meeting of Shareholders approved an increase in share capital by issuing new shares amounting to 330,669 thousand euros, with a share premium amounting to

992,006 thousand euros. The capital increase was raised to the public on December 12 and duly registered in the Mercantile Registry of Madrid.

The subscription of these shares is detailed as follows:

- Non-cash contribution consisting of the participation of Banco Santander, S.A., in the joint ventures with CNP Assurances, S.A. in Ireland, for the amount of 101,066 thousand euros, together with a share premium of 303,199 thousand euros.

- Non-cash contribution consisting of the participation held by Banco Santander, S.A., in the holding company of the Joint Ventures with Zurich Insurance Group Ltd, amounting to 229,602 thousand euros, together with a share premium of 688,807 thousand euros.

The consolidated text of "*Ley de Sociedades de Capital*" allows the use of the share premium balance to increase capital and does not establish any specific restriction as to its availability.

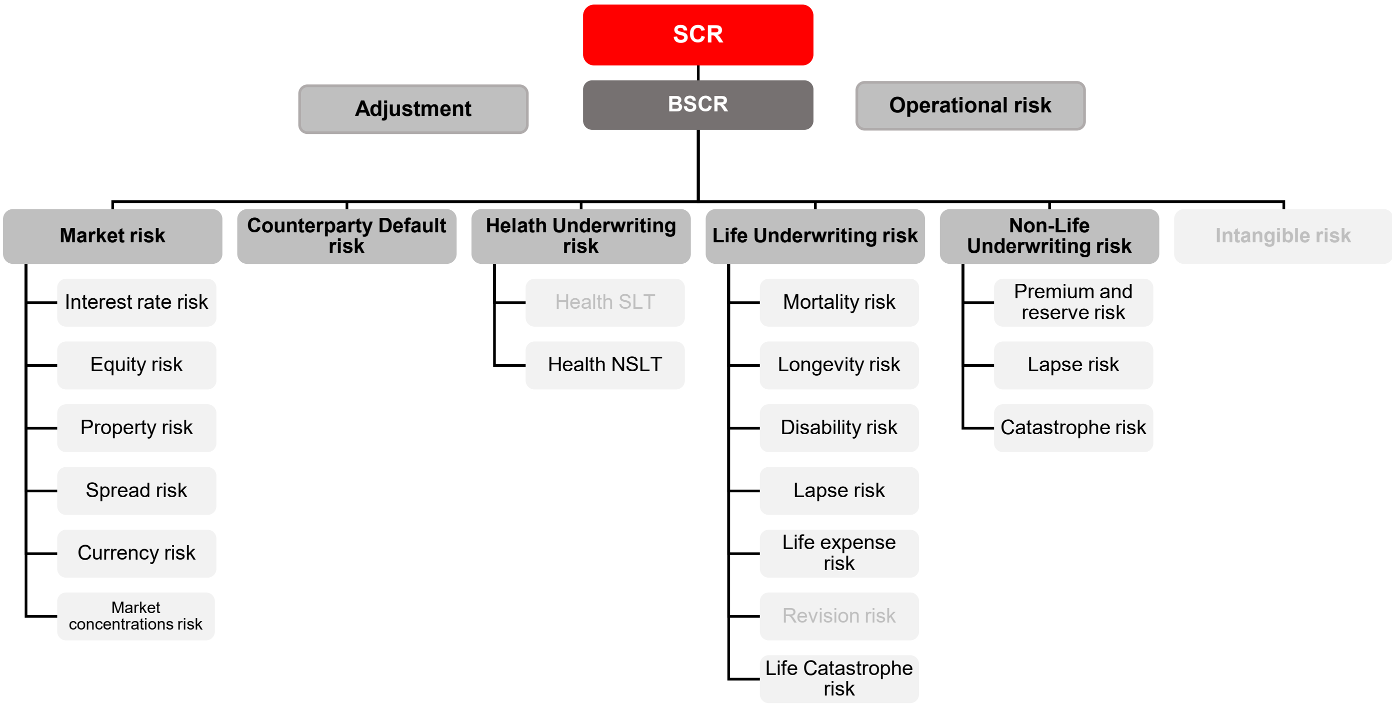
In this year, Santander Insurance has received dividends from its main investees generating excess liquidity. Therefore, the shareholders will be refunded a share premium amounting to 290,809 thousand euros.

E2. Solvency Capital Requirement and Minimum Capital Requirement

E.2.1 Solvency Capital Requirement

The Solvency Capital Requirement ("SCR") is one that would need to have an insurance company to cover possible economic losses that may arise within a time horizon of one year with a confidence level of 99.5%. The Group calculates this capital through the application of the Standard Formula.

The SCR calculation is divided into risk modules and sub-modules grouped according to their nature of risk. The risks collected by the Standard Formula are included in the following risk map, showing in gray letter those risks that do not currently apply to the Group.



The consolidated group Solvency Capital Requirement shall be calculated as the sum of the following:

a) a Solvency Capital Requirement calculated on the basis of consolidated data referred to in Article 335(1)(a), (b) and (c) of this Regulation following the rules laid down in Title I, Chapter VI, Section 4 of Directive 2009/138/EC;

b) the proportional share of the Solvency Capital Requirement of each undertaking referred to in Article 335(1)(d) of this Regulation; for a related third-country insurance or reinsurance undertaking which is not a subsidiary the Solvency Capital Requirement shall be calculated as if that undertaking had its head office in the Union;

c) for undertakings referred to in Article 335(1)(e) of this Regulation, the proportional share of the capital requirements for credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies, and institutions for occupational retirement provision within the meaning of Directive 2003/41/EC, calculated according to the relevant sectoral rules and the proportional share of the notional capital requirements of non-regulated undertakings carrying out financial activities;

d) for undertakings referred to in Article 335(1)(f) of this Regulation, the amount determined in accordance with Article 13, Articles 168 to 171, Articles 182 to 187 and Article 188 of this Regulation.

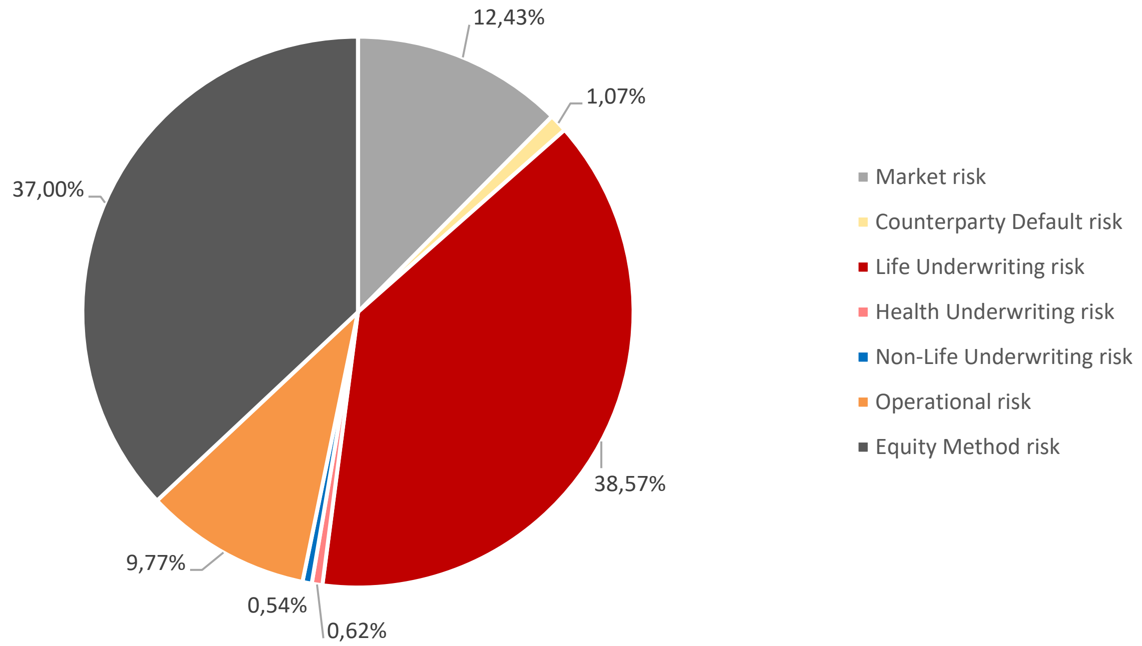
The consolidated solvency capital of Santander Insurance S.L. is obtained by calculating the consolidated data of the investees that are fully and proportionally consolidated and adding the proportional part of those investees that are consolidated by the Equity Method.

The distribution of the SCR by risk modules, as well as the SCR from investees integrated by Equity Method, is as follows:

Risk modules	31/12/2023
Market risk	256,295
Counterparty Default risk	32,467
Life Underwriting risk	534,219
Non-Life Underwriting risk	31,031
Health Underwriting risk	21,218
Diversification	-203,736
BSCR	**671,494**
Operational risk	124,195
Loss-absorbing capacity of Deferred Taxes	-197,620
Loss-absorbing capacity of Technical provisions	0
SCR fully/proportional integration	**598,069**
SCR Equity Method	**351,227**
Total SCR	**949,296**

Figures in 000€

SCR composition by module



E.2.2 Minimum Capital Requirement

The Minimum Capital Requirement ("MCR") represents the level of capital below which operations entail an unacceptable risk to policyholders, and the supervisor may take special measures to ensure solvency in the event of failure to meet the minimum requirement.

	31/12/2023
MCR	**285,323**

Figures in 000€

E3. Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

The Group does not make use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement.

E4. Differences between the Standard Formula and any internal model used

The Group does not use internal models for capital calculations.

E5. Non-compliance with the Minimum Capital Requirement and noncompliance with the Solvency Capital Requirement

The Group has not reported any noncompliance in terms of Solvency Capital Requirement or Minimum Capital Requirement in the year 2023.

E6. Any other information

The Group does not consider any other information related to capital management in addition to that disclosed in the preceding sections.

F. Quantitative information templates

EIOPA QRT S.02.01.02		Solvency II value
		C0010
Assets		
Goodwill	**R0010**	
Deferred acquisition costs	**R0020**	
Intangible assets	**R0030**	**0**
Deferred tax assets	**R0040**	**491,592**
Pension benefit surplus	**R0050**	**25**
Property, plant & equipment held for own use	**R0060**	**999**
Investments (other than assets held for index-linked and Unit Linked contracts)	**R0070**	**16,349,607**
Property (other than for own use)	R0080	0
Holdings in related undertakings, including participations	R0090	1,043,325
Equities	R0100	860
Equities - listed	R0110	0
Equities - unlisted	R0120	860
Bonds	R0130	13,888,185
Government Bonds	R0140	12,583,521
Corporate Bonds	R0150	1,304,664
Structured notes	R0160	0
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	16,555
Derivatives	R0190	410,323
Deposits other than cash equivalents	R0200	990,359
Other investments	R0210	0
Assets held for index-linked and Unit Linked contracts	**R0220**	**5,134,321**
Loans and mortgages	**R0230**	**1,467**
Loans on policies	R0240	0
Loans and mortgages to individuals	R0250	121
Other loans and mortgages	R0260	1,346
Reinsurance recoverable from:	**R0270**	**57,554**
Non-life and health similar to non-life	R0280	29,061
Non-life excluding health	R0290	25,604
Health similar to non-life	R0300	3,457
Life and health similar to life, excluding health and index-linked and Unit Linked	R0310	28,582
Health similar to life	R0320	0
Life excluding health and index-linked and Unit Linked	R0330	28,582
Life index-linked and Unit Linked	R0340	-89
Deposits to cedants	**R0350**	**1,087**
Insurance and intermediaries receivables	**R0360**	**50,503**
Reinsurance receivables	**R0370**	**6,196**
Receivables (trade, not insurance)	**R0380**	**16,117**
Own shares (held directly)	**R0390**	**0**
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**R0400**	**0**
Cash and cash equivalents	**R0410**	**377,600**
Any other assets, not elsewhere shown	**R0420**	**45,756**
Total assets	**R0500**	**22,532,824**

EIOPA QRT S.02.01.02

		Solvency II value
		C0010
Liabilities		
Technical provisions - non-life	**R0510**	**55,408**
Technical provisions - non-life (excluding health)	R0520	58,544
Technical provisions calculated as a whole	R0530	0
Best Estimate	R0540	56,589
Risk margin	R0550	1,955
Technical provisions - health (similar to non-life)	R0560	-3,136
Technical provisions calculated as a whole	R0570	0
Best Estimate	R0580	-4,594
Risk margin	R0590	1,458
Technical provisions - life (excluding index-linked and Unit Linked)	**R0600**	**13,019,522**
Technical provisions - health (similar to life)	R0610	0
Technical provisions calculated as a whole	R0620	0
Best Estimate	R0630	0
Risk margin	R0640	0
Technical provisions - life (excluding health and index-linked and Unit Linked)	R0650	13,019,522
Technical provisions calculated as a whole	R0660	0
Best Estimate	R0670	12,771,748
Risk margin	R0680	247,774
Technical provisions - index-linked and Unit Linked	**R0690**	**5,204,026**
Technical provisions calculated as a whole	R0700	4,994,309
Best Estimate	R0710	202,768
Risk margin	R0720	6,949
Other Technical provisions	**R0730**	**0**
Contingent liabilities	**R0740**	**0**
Provisions other than Technical provisions	**R0750**	**1,795**
Pension benefit obligations	**R0760**	**349**
Deposits from reinsurers	**R0770**	**13,324**
Deferred tax liabilities	**R0780**	**560,155**
Derivatives	**R0790**	**282,347**
Debts owed to credit institutions	**R0800**	**47,642**
Financial liabilities other than debts owed to credit institutions	**R0810**	**13,327**
Insurance & intermediaries payables	**R0820**	**440,520**
Reinsurance payables	**R0830**	**5,123**
Payables (trade, not insurance)	**R0840**	**161,968**
Subordinated liabilities	**R0850**	**25,000**
Subordinated liabilities not in Basic Own Funds	R0860	0
Subordinated liabilities in Basic Own Funds	R0870	25,000
Any other liabilities, not elsewhere shown	**R0880**	**10,140**
Total liabilities	**R0900**	**19,840,646**
Excess of assets over liabilities	**R1000**	**2,692,178**

Figures in 000€

EIOPA QRT S.05.01.02

(*) Non - Life business		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)					
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance
		C0010	C0020	C0030	C0040	C0050	C0060
Premiums written							
Gross - Direct Business	R0110	37,768	72,253	40	0	0	0
Gross - Proportional reinsurance accepted	R0120	0	114	0	0	0	0
Gross - Non-proportional reinsurance accepted	R0130						
Reinsurers' share	R0140	3,634	30,274	30	0	0	0
Net	R0200	34,134	42,093	10	0	0	0
Premiums earned							
Gross - Direct Business	R0210	37,624	72,669	39	0	0	0
Gross - Proportional reinsurance accepted	R0220	0	123	0	0	0	0
Gross - Non-proportional reinsurance accepted	R0230						
Reinsurers' share	R0240	3,721	32,825	30	0	0	0
Net	R0300	33,903	39,967	9	0	0	0
Claims incurred							
Gross - Direct Business	R0310	15,711	13,684	6	0	0	0
Gross - Proportional reinsurance accepted	R0320	0	0	0	0	0	0
Gross - Non-proportional reinsurance accepted	R0330						
Reinsurers' share	R0340	2,324	7,958	2	0	0	0
Net	R0400	13,387	5,726	4	0	0	0
Expenses incurred	R0550	17,787	17,753	108	0	0	0
Balance - other technical expenses/income	R1210						
Total technical expenses	R1300						

Figures in 000€

(*) Non - Life business		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)					
		Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
		C0070	C0080	C0090	C0100	C0110	C0120
Premiums written							
Gross - Direct Business	R0110	135,531	14	0	0	0	322
Gross - Proportional reinsurance accepted	R0120	0	0	0	0	0	15,246
Gross - Non-proportional reinsurance accepted	R0130						
Reinsurers' share	R0140	38,200	19	0	0	0	8,745
Net	R0200	97,331	-5	0	0	0	6,823
Premiums earned							
Gross - Direct Business	R0210	130,437	15	0	0	0	335
Gross - Proportional reinsurance accepted	R0220	0	0	0	0	0	16,896
Gross - Non-proportional reinsurance accepted	R0230						
Reinsurers' share	R0240	42,302	19	0	0	0	8,309
Net	R0300	88,135	-4	0	0	0	8,922
Claims incurred							
Gross - Direct Business	R0310	56,376	-1	0	0	0	0
Gross - Proportional reinsurance accepted	R0320	0	0	0	0	0	2,183
Gross - Non-proportional reinsurance accepted	R0330						
Reinsurers' share	R0340	18,589	0	0	0	0	1,485
Net	R0400	37,787	-1	0	0	0	698
Expenses incurred	R0550	29,254	218	0	0	0	2,297
Balance - other technical expenses/income	R1210						
Total technical expenses	R1300						

Figures in 000€

(*) Non - Life business		Line of Business for: accepted non-proportional reinsurance				Total
		Health	Casualty	Marine, aviation, transport	Property	
		C0130	C0140	C0150	C0160	C0200
Premiums written						
Gross - Direct Business	R0110					245,928
Gross - Proportional reinsurance accepted	R0120					15,360
Gross - Non-proportional reinsurance accepted	R0130	0	0	0	0	0
Reinsurers' share	R0140	0	0	0	0	80,902
Net	R0200	0	0	0	0	180,386
Premiums earned						
Gross - Direct Business	R0210					241,119
Gross - Proportional reinsurance accepted	R0220					17,019
Gross - Non-proportional reinsurance accepted	R0230	0	0	0	0	0
Reinsurers' share	R0240	0	0	0	0	87,206
Net	R0300	0	0	0	0	170,932
Claims incurred						
Gross - Direct Business	R0310					85,776
Gross - Proportional reinsurance accepted	R0320					2,183
Gross - Non-proportional reinsurance accepted	R0330	0	0	0	0	0
Reinsurers' share	R0340	0	0	0	0	30,358
Net	R0400	0	0	0	0	57,601
Expenses incurred	R0550	0	0	0	0	**67,417**
Balance - other technical expenses/income	R1210					**-1**
Total technical expenses	R1300					**67,416**

Figures in 000€

(*) Life business		Line of Business for: life insurance obligations					
		Health insurance	Insurance with profit participation	Index-linked and Unit Linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations
		C0210	C0220	C0230	C0240	C0250	C0260
Premiums written							
Gross	R1410	0	252,807	1,006,146	1,952,029	0	0
Reinsurers' share	R1420	0	1,392	247	172,886	0	0
Net	R1500	0	251,415	1,005,899	1,779,143	0	0
Premiums earned							
Gross	R1510	0	252,907	1,006,146	1,950,694	0	0
Reinsurers' share	R1520	0	1,393	247	175,120	0	0
Net	R1600	0	251,514	1,005,899	1,775,574	0	0
Claims incurred							
Gross	R1610	0	613,758	364,825	754,769	0	0
Reinsurers' share	R1620	0	862	1	53,611	0	0
Net	R1700	0	612,896	364,824	701,158	0	0
Expenses incurred	R1900	0	11,825	29,519	158,025	0	0
Balance - other technical expenses/income	R2510						
Total technical expenses	R2600						
Total amount of surrenders	R2700	0	417,077	70,720	81,160	0	0

Figures in 000€

(*) Life business		Life reinsurance obligations: Health reinsurance	Life reinsurance obligations: Life-reinsurance	Total
		C0270	C0280	C0300
Premiums written				
Gross	R1410	0	20,359	3,231,341
Reinsurers' share	R1420	0	0	174,525
Net	R1500	0	20,359	3,056,816
Premiums earned				
Gross	R1510	0	20,485	3,230,232
Reinsurers' share	R1520	0	0	176,760
Net	R1600	0	20,485	3,053,472
Claims incurred				
Gross	R1610	0	3,914	1,737,266
Reinsurers' share	R1620	0	0	54,474
Net	R1700	0	3,914	1,682,792
Expenses incurred	R1900	0	12,064	211,433
Balance - other technical expenses/income	R2510			0
Total technical expenses	R2600			211,433
Total amount of surrenders	R2700	0	0	568,957

Figures in 000€

EIOPA QRT S.05.02.04

(*) Non - Life business		Spain Home country	Portugal	Country (by amount of gross premiums written) - non-life obligations				Total Top 5 and home country
		C0080	C0090	C0090	C0090	C0090	C0090	C0140
Premiums written								
Gross - Direct Business	R0110	190,351	55,577	0	0	0	0	245,928
Gross - Proportional reinsurance accepted	R0120	15,360	0	0	0	0	0	15,360
Gross - Non-proportional reinsurance accepted	R0130	0	0	0	0	0	0	0
Reinsurers' share	R0140	73,832	7,070	0	0	0	0	80,902
Net	R0200	131,879	48,507	0	0	0	0	180,386
Premiums earned								
Gross - Direct Business	R0210	185,945	55,174	0	0	0	0	241,119
Gross - Proportional reinsurance accepted	R0220	17,018	0	0	0	0	0	17,018
Gross - Non-proportional reinsurance accepted	R0230	0	0	0	0	0	0	0
Reinsurers' share	R0240	80,132	7,073	0	0	0	0	87,205
Net	R0300	122,831	48,101	0	0	0	0	170,932
Claims incurred								
Gross - Direct Business	R0310	75,289	10,489	0	0	0	0	85,778
Gross - Proportional reinsurance accepted	R0320	2,183	0	0	0	0	0	2,183
Gross - Non-proportional reinsurance accepted	R0330	0	0	0	0	0	0	0
Reinsurers' share	R0340	29,323	1,036	0	0	0	0	30,359
Net	R0400	48,148	9,453	0	0	0	0	57,602
Expenses incurred	R0550	41,071	26,346	0	0	0	0	67,417
Balance - other technical expenses/income	R1210							-1
Total technical expenses	R1300							67,416

Figures in 000€

(*) Life business		Spain Home country	Portugal	Country (by amount of gross premiums written) - life obligations				Total Top 5 and home country
		C0220	C0230	C0230	C0230	C0230	C0230	C0280
Premiums written								
Gross	R1410	2,749,378	481,964	0	0	0	0	3,231,342
Reinsurers' share	R1420	110,362	64,164	0	0	0	0	174,526
Net	R1500	2,639,016	417,800	0	0	0	0	3,056,816
Premiums earned								
Gross	R1510	2,748,051	482,182	0	0	0	0	3,230,233
Reinsurers' share	R1520	112,379	64,380	0	0	0	0	176,759
Net	R1600	2,635,672	417,802	0	0	0	0	3,053,474
Claims incurred								
Gross	R1610	1,341,258	396,008	0	0	0	0	1,737,266
Reinsurers' share	R1620	38,883	15,591	0	0	0	0	54,474
Net	R1700	1,302,375	380,417	0	0	0	0	1,682,792
Expenses incurred	R1900	162,733	48,700	0	0	0	0	211,433
Balance - other technical expenses/income	R2510							0
Total technical expenses	R2600							211,433

Figures in 000€

EIOPA QRT S.22.01.22

		Amount with Long Term Guarantee measures and transitional	Impact of transitional on Technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	18,278,956	0	0	45,029	515,614
Basic Own Funds	R0020	2,426,369	0	0	-31,150	-360,930
Eligible Own Funds to meet Solvency Capital Requirement	R0050	2,426,369	0	0	-31,150	-360,930
Solvency Capital Requirement	R0090	949,296	0	0	-3,337	-17,267

Figures in 000€

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		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic Own Funds before deduction						
Ordinary share capital (gross of own shares)	R0010	714,586	714,586		0	
Non-available called but not paid in ordinary share capital to be deducted at group level	R0020	0	0		0	
Share premium account related to ordinary share capital	R0030	1,852,940	1,852,940		0	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0	0		0	
Subordinated mutual member accounts	R0050	0		0	0	0
Non-available subordinated mutual member accounts to be deducted at group level	R0060	0		0	0	0
Surplus funds	R0070	0	0			
Non-available surplus funds to be deducted at group level	R0080	0	0			
Preference shares	R0090	0		0	0	0
Non-available preference shares to be deducted at group level	R0100	0		0	0	0
Share premium account related to preference shares	R0110	0		0	0	0
Non-available share premium account related to preference shares at group level	R0120	0		0	0	0
Reconciliation reserve	R0130	-166,157	-166,157			
Subordinated liabilities	R0140	25,000		25,000	0	0
Non-available subordinated liabilities to be deducted at group level	R0150	0		0	0	0
An amount equal to the value of net deferred tax assets	R0160	0				0
The amount equal to the value of net deferred tax assets not available to be deducted at the group level	R0170	0				0
Other items approved by supervisory authority as basic Own Funds not specified above	R0180	0	0	0	0	0
Non available Own Funds related to other Own Funds items approved by supervisory authority	R0190	0	0	0	0	0
Minority interests	R0200	0	0	0	0	0
Non-available minority interests to be deducted at group level	R0210	0	0	0	0	0
Own Funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II Own Funds						
Own Funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II Own Funds	R0220	0				

Figures in 000€

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Deductions						
Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	R0230	0	0	0	0	
whereof deducted according to art 228 of the Directive 2009/138/EC	R0240	0	0	0	0	
Deductions for participations where there is non-availability of information (Article 229)	R0250	0	0	0	0	0
Deduction for participations included via Deduction and Aggregation method (D&A) when a combination of methods are used	R0260	0	0	0	0	0
Total of non-available own fund items to be deducted	R0270	0	0	0	0	0
Total deductions	**R0280**	**0**	**0**	**0**	**0**	**0**
Total basic Own Funds after deductions	**R0290**	**2,426,369**	**2,401,369**	**25,000**	**0**	**0**
Ancillary Own Funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0			0	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0			0	
Unpaid and uncalled preference shares callable on demand	R0320	0			0	0
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0			0	0
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0			0	
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0			0	0
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0			0	
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0			0	0
Non available ancillary Own Funds to be deducted at group level	R0380	0			0	0
Other ancillary Own Funds	R0390	0			0	0
Total ancillary Own Funds	**R0400**	**0**			**0**	**0**

Figures in 000€

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Own Funds of other financial sectors						
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies - total	R0410	0	0	0	0	0
Institutions for occupational retirement provision	R0420	0	0	0	0	0
Non regulated undertakings carrying out financial activities	R0430	0	0	0	0	
Total Own Funds of other financial sectors	R0440	0	0	0	0	0
Own Funds when using the D&A, exclusively or in combination with method 1						
Own Funds aggregated when using the D&A and combination of method	R0450	0	0	0	0	0
Own Funds aggregated when using the D&A and combination of method net of IGT	R0460	0	0	0	0	0
Total available Own Funds to meet the consolidated part of the group SCR (excluding Own Funds from other financial sector and from the undertakings included via D&A)	R0520	2,426,369	2,401,369	25,000	0	0
Total available Own Funds to meet the minimum consolidated group SCR	R0530	2,426,369	2,401,369	25,000	0	
Total eligible Own Funds to meet the consolidated part of the group SCR (excluding Own Funds from other financial sector and from the undertakings included via D&A)	R0560	2,426,369	2,401,369	25,000	0	0
Total eligible Own Funds to meet the minimum consolidated group SCR	R0570	2,426,369	2,401,369	25,000	0	
Minimum consolidated Group SCR	**R0610**	**285,323**				
Ratio of Eligible Own Funds to Minimum Consolidated Group SCR	**R0650**	**850%**				
Total eligible Own Funds to meet the total group SCR (including Own Funds from other financial sector and from the undertakings included via D&A)	**R0660**	**2,426,369**	2,401,369	25,000	0	0
Total Group SCR	**R0680**	**949,296**				
Ratio of Total Eligible Own Funds to Total group SCR - ratio including other financial sectors and the undertakings included via D&A	**R0690**	**256%**				

Figures in 000€

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	2,692,178
Own shares (held directly and indirectly)	R0710	0
Foreseeable dividends, distributions, and charges	R0720	290,809
Other basic own fund items	R0730	2,567,526
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring-fenced funds	R0740	0
Other non-available Own Funds	R0750	0
Reconciliation reserve	R0760	-166,157
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	399,569
Expected profits included in future premiums (EPIFP) - Non-Life business	R0780	10,597
Total Expected profits included in future premiums (EPIFP)	R0790	410,166

Figures in 000€

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		Gross solvency capital requirement	Simplifications
		C0110	C0120
Market risk	R0010	256,295	
Counterparty default risk	R0020	32,467	
Life underwriting risk	R0030	534,219	
Health underwriting risk	R0040	21,218	
Non-life underwriting risk	R0050	31,031	
Diversification	R0060	-203,736	
Intangible asset risk	R0070	0	
Basic Solvency Capital Requirement	**R0100**	671,494	

Figures in 000€

		Value
		C0100
Operational risk	R0130	124,195
Loss-absorbing capacity of Technical provisions	R0140	0
Loss-absorbing capacity of deferred taxes	R0150	-197,620
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	0
Solvency Capital Requirement calculated on the basis of Art. 336 (a) of Delegated Regulation (EU) 2015/35, excluding capital add-on	**R0200**	**598,069**
Capital add-ons already set	R0210	0
of which, capital add-ons already set - Article 37 (1) Type a	R0211	0
of which, capital add-ons already set - Article 37 (1) Type b	R0212	0
of which, capital add-ons already set - Article 37 (1) Type c	R0213	0
of which, capital add-ons already set - Article 37 (1) Type d	R0214	0
Consolidated Group SCR	**R0220**	**949,296**

Figures in 000€

		Value
		C0100
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	0
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	294,404
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	0
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	303,665
Diversification effects due to RFF nSCR aggregation for article 304	R0440	0
Minimum consolidated group solvency capital requirement	R0470	285,323
Information on other entities		
Capital requirement for other financial sectors (non-insurance capital requirements)	R0500	0
Capital requirement for other financial sectors (non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	0
Capital requirement for other financial sectors (non-insurance capital requirements) - Institutions for occupational retirement provisions	R0520	0
Capital requirement for other financial sectors (non-insurance capital requirements) - Capital requirement for non-regulated undertakings carrying out financial activities	R0530	0
Capital requirement for non-controlled participation	R0540	351,227
Capital requirement for residual undertakings	R0550	0
Capital requirement for collective investment undertakings or investments packaged as funds	R0555	0
Overall SCR		
SCR for undertakings included via D&A method	R0560	0
Total group solvency capital requirement	**R0570**	**949,296**

Figures in 000€

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Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	ID
C0020	C0010	C0040	C0050	C0060	C0070	C0080	
LEI/95980020140005490280	ES	SANTANDER SEGUROS Y REASEGUROS, COMPAÑIA ASEGURADORA, S.A.	mixed company	Public Limited Company	non-mutual	Dirección General de Seguros y Fondos de Pensiones	1
LEI/959800UUFFK59MW8AU78	ES	SANTANDER MAPFRE SEGUROS Y REASEGUROS	Non-Life company	Public Limited Company	non-mutual	Dirección General de Seguros y Fondos de Pensiones	2
LEI/959800DGNJ1GACEM9J49	ES	SANTANDER GENERALES SEGUROS Y REASEGUROS S.A.	Non-Life company	Public Limited Company	non-mutual	Dirección General de Seguros y Fondos de Pensiones	3
LEI/959800TNUM2TV0D7HB66	ES	SANTANDER VIDA SEGUROS Y REASEGUROS S.A.	mixed company	Public Limited Company	non-mutual	Dirección General de Seguros y Fondos de Pensiones	4
LEI/54930006K2IUPA083C07	PT	Santander Totta Seguros - Companhia de Seguros de Vida, S.A.	mixed company	Public Limited Company	non-mutual	Autoridade de Supervisão de Seguros e Fundos de Pensões	5
LEI/9598001GSAW026UNLE02	PT	Aegon Santander Portugal Não Vida - Companhia de Seguros, S.A.	Non-Life company	Public Limited Company	non-mutual	Autoridade de Supervisão de Seguros e Fundos de Pensões	6
LEI/959800S4Y2DCN7EVAG59	PT	Aegon Santander Portugal Vida - Companhia de Seguros de Vida, S.A.	mixed company	Public Limited Company	non-mutual	Autoridade de Supervisão de Seguros e Fundos de Pensões	7
LEI/213800DS888O1NMGEJ90	PT	Mapfre Santander Portugal – Companhia de Seguros, S.A.	Non-Life company	Public Limited Company	non-mutual	Autoridade de Supervisão de Seguros e Fundos de Pensões	8
LEI/549300PG5WS83VSBYE58	ES	Zurich Santander Insurance America, S.L.	Insurance Holding Company as defined in Art. 212§ [f] of Directive 2009/138/EC	Limited Company	non-mutual		9
LEI/635400FVDVPKRG2JWN68	IE	CNP Santander Insurance Life DAC	Life company	Designated Activity Company	non-mutual	Banco Central de Irlanda	10

Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	ID
LEI/6354001NC5BJ3Z7GSG05	IE	CNP Santander Insurance Europe DAC	Non-Life company	Designated Activity Company	non-mutual	Banco Central de Irlanda	11
	IE	CNP Santander Insurance Services Ireland Limited	Auxiliary services company, as defined in art.1.52 of Delegated Regulation (EU) 2015/35.	Private Limited Company	non-mutual	Comisión Nacional del Mercado de Valores	12
LEI/959800SPFKHC82CG1283	ES	Platinum Care, S.A.	Credit institutions, investment firms and financial institutions	Public Limited Company	non-mutual		13
	ES	Santander Assurance Solutions, S.A.	Auxiliary services company, as defined in art.1.52 of Delegated Regulation (EU) 2015/35.	Public Limited Company	non-mutual		14

Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation	ID
% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking	
C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260	
100%	0	100,00%		Dominant	100,00%	Included in the group's supervisory perimeter		Method 1: full integration	1
49,99%	0	49,99%		Significant	49,99%	Included in the group's supervisory perimeter		Method 1: equity method	2
49,00%	0	49,00%		Significant	49,00%	Included in the group's supervisory perimeter		Method 1: proportional integration	3
49,00%	0	49,00%		Significant	49,00%	Included in the group's supervisory perimeter		Method 1: proportional integration	4
100,00%	0	100,00%		Dominant	100,00%	Included in the group's supervisory perimeter		Method 1: full integration	5
49,00%	0	49,00%		Significant	49,00%	Included in the group's supervisory perimeter		Method 1: proportional integration	6
49,00%	0	49,00%		Significant	49,00%	Included in the group's supervisory perimeter		Method 1: proportional integration	7
49,99%	0	49,99%		Significant	49,99%	Included in the group's supervisory perimeter		Method 1: equity method	8
49,00%	0	49,00%		Significant	49,00%	Included in the group's supervisory perimeter		Method 1: equity method	9
49,00%	0	49,00%		Significant	49,00%	Included in the group's supervisory perimeter		Method 1: equity method	10
49,00%	0	49,00%		Significant	49,00%	Included in the group's supervisory perimeter		Method 1: equity method	11

Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation	
% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking	ID
49,00%	0	49,00%		Significant	49,00%	Included in the group's supervisory perimeter		Method 1: equity method	12
50,00%	0	50,00%		Significant	50,00%	Included in the group's supervisory perimeter		Method 1: equity method	13
66,67%	0	66,67%		Significant	66,67%	Included in the group's supervisory perimeter		Method 1: equity method	14

G. Governance of report

Report ownership

This report is approved by the Board of Directors.

Report preparation and review

This report has been prepared jointly by the General Management, Finance Area, Risk Area, Actuarial Area and Compliance Area of Santander Insurance.

Approval Authority	Approval date
Board of Directors	14/05/2024

Santander Insurance, S.L.

Informe especial de revisión del informe sobre
la situación financiera y de solvencia del grupo correspondiente
al ejercicio terminado el 31 de diciembre del 2023

Informe especial de Revisión Independiente

A los administradores de Santander Insurance, S.L.:

Objetivo y alcance de nuestro trabajo

Hemos llevado a cabo el trabajo de revisión, con alcance de seguridad razonable, de los siguientes aspectos de la información contenida en el informe adjunto sobre la situación financiera y de solvencia de Santander Insurance, S.L.(sociedad dominante) y sociedades dependientes al 31 de diciembre de 2023, según lo dispuesto en el artículo 6 de la Circular 1/2017, de 22 de febrero de la Dirección General de Seguros y Fondos de Pensiones, por la que se fija el contenido del informe especial de revisión sobre la situación financiera y de solvencia, individual y de grupos, y el responsable de su elaboración:

a) El alcance y la estructura del grupo sujeto a supervisión, de conformidad con el artículo 132 de la Ley 20/2015, de 14 de julio, de ordenación, supervisión y solvencia de las entidades aseguradoras y reaseguradoras.

b) Las entidades excluidas de tal supervisión, de acuerdo con el artículo 133 de la Ley 20/2015, de 14 de julio.

c) La adecuación del método aplicado para el cálculo de la solvencia del grupo y del tratamiento empleado para cada empresa conforme a lo dispuesto en los artículos 145 y siguientes de la Ley 20/2015, de 14 de julio, así como en su normativa de desarrollo reglamentario y en la normativa de la Unión Europea de directa aplicación.

No se han revisado otros aspectos, distintos de los anteriores, incluidos en el informe sobre la situación financiera y de solvencia de Santander Insurance, S.L.

El objetivo de nuestro trabajo es verificar que los aspectos mencionados en los apartados a), b) y c) anteriores de la información presentada por los administradores de Santander Insurance, S.L., cumplen los requisitos establecidos en la Ley 20/2015, de 14 de julio, su normativa de desarrollo reglamentario y la normativa de la Unión Europea de directa aplicación, con la finalidad de suministrar una información completa y fiable.

Este trabajo no constituye una auditoría de cuentas ni se encuentra sometido a la normativa reguladora de la actividad de la auditoría vigente en España, por lo que no expresamos una opinión de auditoría en los términos previstos en la citada normativa.

Responsabilidad de los administradores de Santander Insurance, S.L.,

Los administradores de Santander Insurance, S.L., son responsables de la preparación, presentación y contenido del informe sobre la situación financiera y de solvencia del grupo, de conformidad con la Ley 20/2015, de 14 de julio, de ordenación, supervisión y solvencia de las entidades aseguradoras y reaseguradoras, y su normativa de desarrollo y con la normativa de la Unión Europea de directa aplicación.

Dichos administradores también son responsables de definir, implantar, adaptar y mantener los sistemas de gestión y control interno de los que se obtiene la información necesaria para la preparación del citado informe. Estas responsabilidades incluyen el establecimiento de los controles que consideren necesarios para permitir que la preparación de la información, contenida en el informe sobre la situación financiera y de solvencia del grupo, esté libre de incorrecciones significativas debidas a incumplimiento o error.

Nuestra independencia y control de calidad

Hemos realizado nuestro trabajo de acuerdo con las normas de independencia y control de calidad requeridas por la Circular 1/2017, de 22 de febrero, de la Dirección General de Seguros y Fondos de Pensiones, por la que se fija el contenido del informe especial de revisión de la situación financiera y de solvencia, individual y de grupos, y el responsable de su elaboración, y por la Circular 1/2018, de 17 de abril, de la Dirección General de Seguros y Fondos de Pensiones, por la que se desarrollan los modelos de informes, las guías de actuación y la periodicidad del alcance del informe especial de revisión sobre la situación financiera y de solvencia, individual y de grupos, y el responsable de su elaboración.

Nuestra responsabilidad

Nuestra responsabilidad es llevar a cabo una revisión destinada a proporcionar un nivel de aseguramiento razonable de los aspectos mencionados en la sección "Objetivo y alcance de nuestro trabajo", relativos a la información mencionada en el artículo 6 de la Circular 1/2017, de 22 de febrero, de la Dirección General de Seguros y Fondos de Pensiones, contenida en el informe adjunto sobre la situación financiera y de solvencia de Santander Insurance, S.L. correspondiente al 31 de diciembre de 2023, y expresar una conclusión basada en el trabajo realizado y las evidencias que hemos obtenido.

No se han revisado otros aspectos distintos de los anteriores incluidos en el informe sobre la situación financiera y de solvencia de Santander Insurance, S.L.

Nuestro trabajo de revisión depende de nuestro juicio profesional, e incluye la evaluación de los riesgos debidos a errores significativos sobre los aspectos mencionados.

Nuestro trabajo de revisión se ha basado en la aplicación de los procedimientos dirigidos a recopilar evidencias que se describen en la Circular 1/2017, de 22 de febrero, de la Dirección General de Seguros y Fondos de Pensiones, por la que se fija el contenido del informe especial de revisión de la situación financiera y de solvencia, individual y de grupos, y el responsable de su elaboración, y en el Anexo V de la Circular 1/2018, de 17 de abril, de la Dirección General de Seguros y Fondos de Pensiones, por la que se desarrollan los modelos de informes, las guías de actuación y la periodicidad del alcance del informe especial de revisión sobre la situación financiera y de solvencia, individual y de grupos, y el responsable de su elaboración.

El responsable de la revisión del informe sobre la situación financiera y de solvencia ha sido:

- Félix Saz de Jáuregui Sanz, quien ha llevado a cabo la revisión.

Los revisores asumen total responsabilidad por las conclusiones por ellos manifestadas en el informe especial de revisión.

Consideramos que la evidencia que hemos obtenido proporciona una base suficiente y adecuada para nuestra conclusión.

Conclusión

En nuestra opinión, en relación con el informe adjunto sobre la situación financiera y de solvencia de Santander Insurance, S.L. al 31 de diciembre de 2023, son conformes con lo dispuesto en la Ley 20/2015, de 14 de julio, así como en su normativa de desarrollo reglamentario y en la normativa de la Unión Europea de directa aplicación, en todos sus aspectos significativos, las cuestiones siguientes:

a) El alcance y la estructura de Santander Insurance, S.L., sujeto a supervisión por la Dirección General de Seguros y Fondos de Pensiones, que consta en el informe adjunto.

b) Las entidades excluidas de tal supervisión de grupo.

c) El método aplicado para el cálculo de la solvencia del grupo y el tratamiento empleado para cada empresa.

PricewaterhouseCoopers Auditores, S.L.

Félix Javier Sáez de Jáuregui Sanz
(Nº Colegiado 2308, NIF 50099762N)

16 de mayo de 2024

INSTITUTO DE CENSORES JURADOS DE CUENTAS DE ESPAÑA

PRICEWATERHOUSECOOPERS AUDITORES, S.L.

2024 Núm. 01/24/10130

SELLO CORPORATIVO: 30,00 EUR

Sello distintivo de otras actuaciones