Årsregnskap for regnskapsåret 2024

Organisasjonsnr:	917 877 947
Navn/foretaksnavn:	ATRADIUS NUF
Forretningsadresse:	Strandveien 15
	1366 LYSAKER

Brønnøysundregistrene
26.06.2025

Brønnøysundregistrene
Postadresse: 8910 Brønnøysund
Telefoner: Opplysningstelefonen 75 00 75 00 Telefaks 75 00 75 05
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Brønnøysundregistrene – Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP 2024

ATRADIUS NUF Postboks 84 1325 LYSAKER	Organisasjonsnr. 917 877 947	NUF

Registrerte opplysninger per 25.06.2025		Eventuelle endringer dette regnskapsåret	
Startdato 01.01.2024	Avslutningsdato 31.12.2024	Startdato	Avslutningsdato
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap NEI	Endret konsernforhold ☐ Morselskap	☐ Ikke morselskap

Kun for aksjeselskap som har meldt fravalg av revisjon

Selskapet har besluttet at årsregnskapet ikke skal revideres ☐ Ja

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører ☐ Ja

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet ☐ Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet ☐ Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret

Hvis enheten ikke følger norsk regnskapslov eller frivillighetsregisterloven, kryss av ☐ IFRS selskap ☐ IFRS konsern

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av ☐ Funksjon selskap ☐ Funksjon konsern

Følges regnskapsreglene for små foretak? ☐ Ja ☒ Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den — Dato

Sted/dato, Underskrift av representant for enheten

vedlegg
UTKA

Bare til bruk for Regnskapsregisteret

G ☒ NYVE ☐ Admr ☐ Kregn Ja ☐ Nei ☒ Aktiv. regn ☐

M ☐ Rets ☐ Ant.s 187

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Brønnøysundregistrene – Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP 2024

ATRADIUS NUF Postboks 84 1325 LYSAKER	Organisasjonsnr. 917 877 947	NUF

Registrerte opplysninger per 23.06.2025		Eventuelle endringer dette regnskapsåret	
Startdato	Avslutningsdato	Startdato	Avslutningsdato
01.01.2024	31.12.2024		
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap NEI	Endret konsernforhold ☐ Morselskap	☐ Ikke morselskap

Kun for aksjeselskap som har meldt fravalg av revisjon

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Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av ☐ Funksjon selskap ☐ Funksjon konsern

Følges regnskapsreglene for små foretak? ☐ Ja ☒ Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den Dato 28.05.2025

Sted/dato, Underskrift av representant for enheten

Lysaker 23.06.2025 Gail S Andreasen

Bare til bruk for Regnskapsregisteret

G ☐ NYVE ☐ Admr ☐ Kregn Ja ☐ Nei ☐ Aktiv. regn ☐

M ☐ Rets ☐ Ant.s

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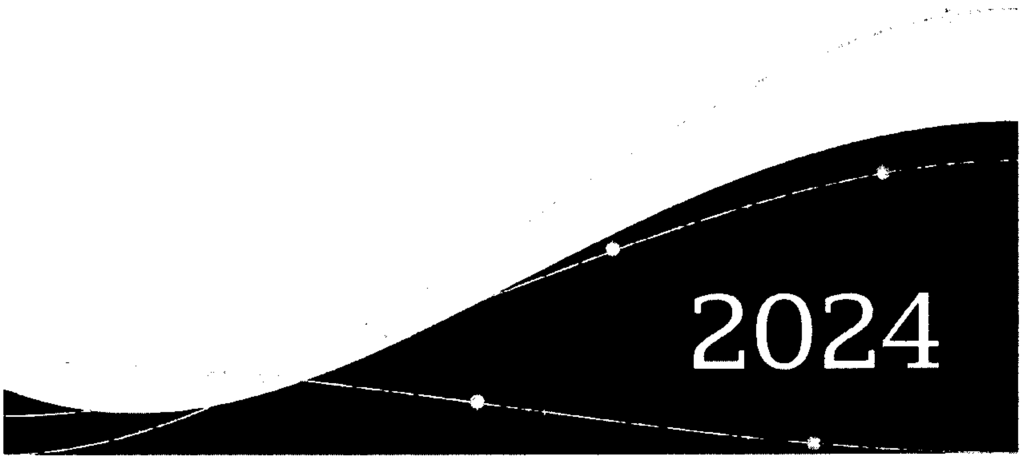
Annual Report 2024

Atradius N.V.



Atradius
Managing risk, enabling trade
100 years

A message from the Management Board

In 2024, Atradius navigated another year of intricate and evolving global challenges to deliver a solid performance. Despite a deteriorating geopolitical environment and shifting market conditions, economic activity remained relatively firm.

Our Insurance Revenues reached EUR 2.44 billion, with continued high retention rates and stable levels of insured business. Overall, Atradius produced a Result after Tax of EUR 392.3 million. These are strong results, demonstrating resilience and adaptability in a decelerating, softening global economy. Our results this year reflect not only our strategic prudence from past years but also our commitment to supporting clients in an unpredictable world. Our teams' focus on client service and consistent performance helped us steer through a changing market and achieve our financial goals. We extend our appreciation to our people for their commitment and to our business partners for their ongoing collaboration, both of which have been instrumental to our success this year.

As a global organisation, we remain deeply concerned with the human suffering which continued to rise in 2024, driven by the escalating conflicts in Ukraine, Gaza and Lebanon, displacing countless people and leading to extraordinary humanitarian crises in recent years, as families are uprooted. These crises are further compounded by natural disasters, as extreme weather events such as floods, wildfires and hurricanes intensify and devastate entire communities. On the other hand, significant political developments in the US are influencing market confidence concerning the resilience of its economy, while China's ongoing macroeconomic challenges, including sluggish growth and real estate instability and Europe's lacklustre economic performance, are adding to the complexity of the global landscape. Many economies, especially in the developed world, are grappling with the transition back to normality following a period of high inflation and elevated interest rates. Businesses of all sizes across the board are recalibrating their strategies and trying to adapt as demand patterns and economic activity are normalising, a process which requires both caution and flexibility.

Amid these global challenges, we performed exceptionally well by staying true to our core values and strategic pillars. We prioritised disciplined exposure management to assess and mitigate risks in areas of concern and continuously refined our underwriting standards. We launched an ambitious commercial programme of initiatives, which included expanding our insurance solutions in existing and new areas, with a strong focus on achieving higher diversification through our non-trade credit products and solutions. This programme, combined with our prudent risk management, provided the flexibility needed to respond swiftly to market demands, deepen client relationships, and support our topline while ensuring financial strength and stability for the company. In addition, geographic expansion has always been a key success factor for Atradius. In 2024, we started the process of establishing operations in two new locations: in Lithuania, for our growing credit insurance business in the region and in the United Kingdom, for our expanding Surety business line. Particularly for Surety, the new office will boost its international presence and support our mission to become a truly worldwide provider, meeting the needs of our global surety customers. Both offices will start operations in 2025.

We also took major strides in our digital transformation programme for our credit insurance business, knowing that technology and innovation are key to building a future-ready organisation. Our initial standard release of the new state-of-the-art, in-house built, secure core system expanded significantly in 2024, and now most of our business units have access to a work environment with rich functionality, streamlined workflows and operational agility. This significant upscaling of our new system allows increased productivity and at the same will further enhance customer experience. In parallel, we have initiated a programme to systematically improve other internal processes to increase our operational efficiency, which we will start implementing in 2025.

A higher level of operational efficiency is also the core theme of our Artificial Intelligence (AI) strategy. Although we continue to invest in our long-now established and integrated AI workflows, which drive better portfolio management and credit risk decision-making, we are deploying recent developments in AI technology and robotics through a flexible and agile framework to do things better and faster in different areas of the business. These initiatives will free up time and allow us to increase customer focus and be more creative about our products and the way we deliver those products to the market. An internal AI policy was put in place to make sure that the expected benefits are measured against the new sources of risk that come with the limitations of AI.

In 2024, Atradius further strengthened its commitment to sustainability. As we roll out our 2024–2026 Master Plan across the organisation, we are actively raising awareness through targeted internal programmes, workshops and leadership communications that keep our teams informed and engaged. Our ultimate target is to empower employees at all levels to contribute to our sustainability goals and reinforce our collective responsibility to create a positive impact on the communities we serve and the environment we share.

As we look towards 2025, our emphasis on commercial flexibility, market reach, prudent risk management and productivity enhancements will remain central. We anticipate a year marked by both opportunity and caution as we continue to adapt to a global economy with sluggish growth, easing interest rates and inflation, and ongoing global geopolitical uncertainty. In this challenging landscape we will continue to support our clients as they face dynamic risks and shifting priorities.

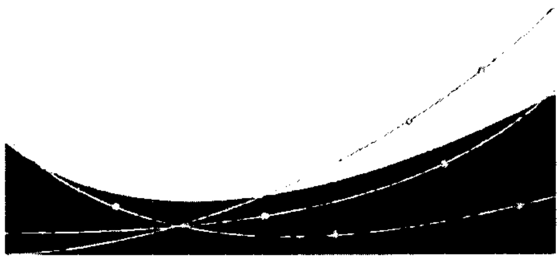
Alongside our commitment to clients, we recognise that our people are the backbone of our success. Investing in their growth and well-being is critical to our strategy. In 2025, we will continue to expand our training and development programmes, equipping our teams with the skills and tools needed to excel in a complex global market. By fostering a culture of continuous learning and adaptability, we will empower our employees to respond proactively to client needs and drive innovation. Our dedication to supporting our people not only strengthens our ability to deliver exceptional service but also reinforces our position as a resilient and forward-thinking organisation.

We are confident that our strong foundations, clear strategic direction, and unwavering commitment to our customers, business partners and our people will continue to drive us forward. Our strong performance in 2024 is a testament to the resilience, foresight, and passion that defines Atradius. We are well-positioned to face the challenges and seize the opportunities that lie ahead, and we look forward to delivering continued value to our clients, business partners and communities in 2025 and beyond.

Annual consolidated financial report

Consolidated management report

01.



2024 Highlights

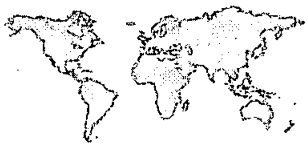
Performance at a glance

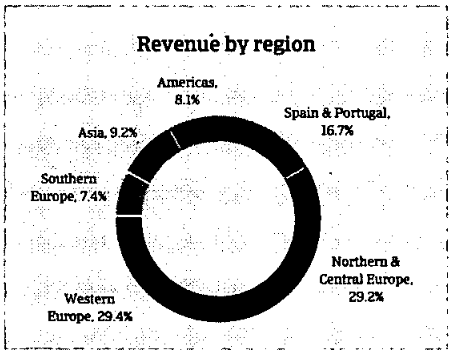
Stable performance and steadfast presence for our customers during lacklustre economic development

International dimension

2nd largest credit insurance company in the world

With a presence in more than **50** countries





Key financial figures (1)

Result and growth vs prior year

€392.3 M +5.4%

Total Revenue

€2.5 B
(Insurance, service and other income increasing by 0.9%.)

Gross Combined Ratio

77.0%

Gross claims ratio	41.2%
Gross expense ratio	35.7%

Investment Portfolio contribution

€102m

Non-insurance Service Income

Increased by 5.9%

Solvency II Ratio

Above 200% (2)

Customer Retention

94.5%

Ratings

A.M. Best:
'A' stable (FSR)/'a+' stable (ICR)

Moody's:
'A1' stable (IFS)

(1) For the purposes of measuring performance, the management report will display amounts applying a similar financial reporting basis as those applied by Atradius N.V. in its management report in previous years (internal reporting standard), which will differ from the financial statements of 2024 that have been subject to the adoption of IFRS 17 and 9 as further described in Note 5 of the Consolidated Financial Statements.

(2) Subject to finalisation of any audit procedures.

Key financial figures

Atradius N.V. achieved solid results with improvements in its three strategic pillars.

Growth

- Increase of 5.4% compared to 2023, reaching EUR 392.3 million results after tax for the year.

Profitability

- Total revenue: EUR 21.9 million above 2023 (EUR 2.5 billion).
- A positive contribution of EUR 101.8 million came from our investment portfolio.
- Total Potential Exposure (TPE) increased by 6.1%.
- Customer retention of 94.5%.
- Combined ratio of 77.0%:
  - Gross claims ratio increased to 41.2% compared to 39.4% in 2023.
  - Operating expense ratio decreased to 35.7% from 35.9% in 2023.
- Result for the year over total revenue increased from 14.8% to 15.4%.
- Non-insurance service income increased by 5.9%.

Solvency

- Solid Solvency II ratio has remained above 200%.
- A.M. Best and Moody's confirmed the financial strength ratings of the Atradius-rated entities as 'A (Excellent)' and 'A1' respectively, both with a stable outlook.

(figures in EUR millions)

Financial information	2020	2021	2022	2023	2024	% Chg. 24-23
Insurance premium revenue	1,727.4	1,900.3	2,224.5	2,278.5	2,288.7	0.4%
Service and other income	252.0	250.6	225.7	237.0	248.6	4.9%
Total revenue	**1,979.4**	**2,151.0**	**2,450.2**	**2,515.5**	**2,537.4**	**0.9%**
Net investment result	14.3	35.6	42.3	81.6	101.8	24.8%
Total income	1,993.7	2,186.5	2,492.5	2,597.1	2,639.2	1.6%
Result for the year	**44.2**	**240.2**	**332.2**	**372.2**	**392.3**	**5.4%**

Technical ratios	2020	2021	2022	2023	2024	% Chg. 24-23
Gross claims ratio	58.6%	27.8%	38.7%	39.4%	41.2%	1.9% pts
Gross expense ratio	35.7%	37.2%	33.8%	35.9%	35.7%	(0.1% pts)
Gross combined ratio	94.3%	65.0%	72.5%	75.2%	77.0%	1.7% pts

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02.

Atradius in 2024

Global Economic Environment

Growth of 3.2% in 2024 (3.3% in 2023). Slowdown and divergences: the global economy faces uncertainties in trade and monetary policy.

United States GDP 2.8% 2024 (2.8%)

- Robust domestic consumption and labour market recovery.
- Expansionary policies and deregulation.
- Trade tensions impact foreign trade.

Spain GDP 3.1% 2024 (2.9%)

- Recovery of tourism and domestic consumption.
- Weak performance of the industrial sector.
- Increase in public investment.

Eurozone GDP 0.8% 2024 (0.8%)

- Moderately increasing growth due to geopolitical tensions.
- Persistent weakness in the manufacturing sector.
- Increase in domestic consumption.

Asia Pacific GDP 5.2% 2024 (5.3%)

China 4.8% GDP 2024 (4.8%)
- Moderate export recovery.
- Weakness in the real estate sector.

Japan -0.2% GDP 2024 (0.3%):
- Economic slowdown.

South America GDP 2.4% 2024 (2.1%)

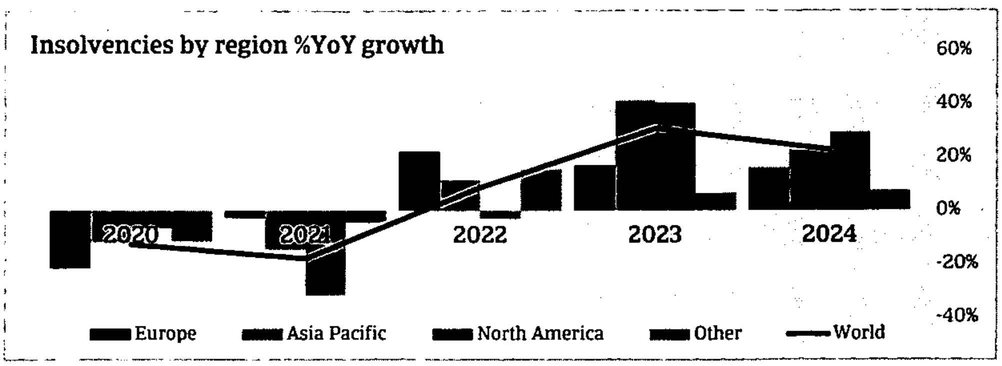
- Brazil leads regional growth thanks to domestic consumption and agricultural exports.
- Political tensions.
- Weakness in external demand.

United Kingdom GDP 0.9% 2024 (0.8%)

- Restrictive fiscal policies.
- Increased energy costs.
- Gradual recovery in domestic consumption.

Insolvency Trends

- Insolvencies continued to increase in 2024, driven by a post-pandemic adjustment and weak economic environment.
- Insolvency levels across countries are well above the 2019 level, but countries are at different stages of the adjustment process.
- The Eurozone has relatively high increases in some countries but low levels or even a decline in other regions, as happened in Denmark.
- United States insolvency rates are currently back around pre-pandemic levels.
- The increase in the United Kingdom is more contained but insolvencies settled at a relatively high level post-Brexit.



Business Performance [1]

(figures in EUR millions)

	2023	2024	% Chg. 23-24
Insurance premium revenue	2,278.5	2,288.7	0.4%
Information income	143.8	150.1	4.3%
Gross insurance revenue	**2,422.3**	**2,438.8**	**0.7%**
Gross claims and loss adjustment expenses [2]	(953.4)	(1,005.9)	(5.5%)
Gross operating expenses [2]	(868.7)	(871.0)	(0.3%)
Reinsurance result	(212.5)	(157.5)	25.9%
Result after reinsurance	**387.8**	**404.3**	**20.8%**
Service Result	16.7	16.1	(3.2%)
Net investment result	81.6	101.8	24.8%
Result for the year	**372.2**	**392.3**	**5.4%**
Claims ratio	39.4%	41.2%	1.9% pts
Expense ratio	35.9%	35.7%	(0.1% pts)
Gross combined ratio	**75.2%**	**77.0%**	**1.7% pts**

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(2) The overview includes inter-segment revenue and claims expenses.

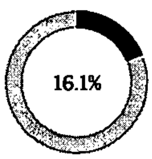
Overview

Gross insurance revenue was 0.7% higher than the previous year.

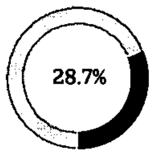
Gross insurance revenue grew moderately by 0.7% (0.9% at constant rates) compared to 2023.

Earned premiums at EUR 2,288.7 million.

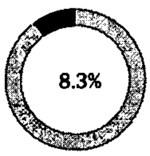
Distribution of earned premiums by region:



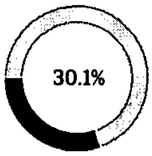
Spain and Portugal
Earned premiums: **€367.9m**
Change: -0.8%



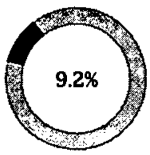
Central and Northern Europe
Earned premiums: **€657.3m**
Change +3.2%



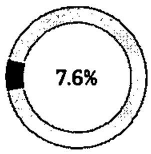
The Americas
Earned premiums: **€189.8m**
Change -6.9%



Western Europe
Earned premiums: **€688.9m**
Change +3.4%



Asia & rest of the world
Earned premiums: **€211.3m**
Change -2.8%



Southern Europe
Earned premiums: **€173.5m**
Change -5.2%

Gross claims expenses

Gross claims expenses for the year were EUR 1,005.9 million, a 5.5% increase in absolute terms. Gross claims expenses continued to increase in 2024 as claims trends, primarily in the credit insurance segment, progressively returned to post-pandemic levels in many markets. This resulted in an overall increase in the gross claims ratio of 1.9% pts, reaching 41.2% from 39.4% in 2023.

Brokerage fees and operating expenses

Brokerage fees and commissions increased by 4.9%, mainly due to an increase in commissions payable by our reinsurance business, which presented strong growth in 2024. Excluding commissions paid by our reinsurance business, brokerage fees during the year increased by 0.4% as a result of premium development within different geographical regions and markets.

While insurance operating expenses increased very moderately by 0.3%, the expense ratio for the year reduced by just over 0.1% pt. Investment in the development of digital transformation programmes for both the credit insurance and surety businesses continued in 2024, and other operating expenses developed in line with earned premiums.

The gross combined ratio, having increased by 1.7% pts in 2024, ended at a healthy 77.0%.

Reinsurance

The reinsurance result in 2024 was EUR -157.5 million (25.9% better than 2023), driven mainly by a higher volume of claims in the year, which were subsequently ceded and higher reinsurance commissions year primarily from the favourable development of prior underwriting periods. The overall net insurance result ended at EUR 404.3 million, a 4.3% increase from 2023.

Services

Services performed very well in 2024, with service income increasing by 5.9% compared to 2023, largely from our debt collections business. While continuing to perform well and grow in revenue in 2024, the overall result of non-insurance services decreased by EUR 0.5 million, as the Collections segment saw increased costs driven by investment in the development of Atradius Collections' Credit IQ platform along with business expansion into the Balkans.

Net investment result

The net result from our investment portfolio was EUR 101.8 million, an increase of 24.8% in 2023. This positive performance was a result of strong contributions from higher interest rates in our investment portfolio and realised capital gains on investment assets, along with contributions from our associated companies.

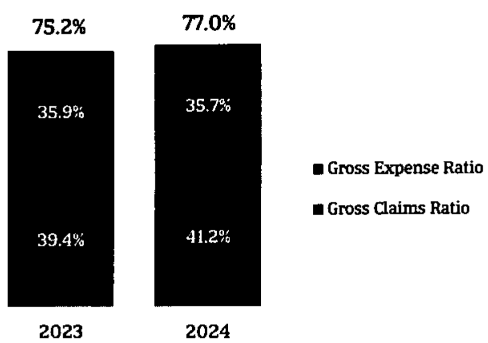
Finance Income and expenses

The financial income & expense result increased by EUR 7.9 million compared to the previous year, benefitting from favourable variances in exchange rates and stronger yields from higher interest rates.

Profitability

The overall result of the year is positioned at EUR 392.3 million, representing a 5.4% increase compared to 2023.

Gross combined ratio development



Credit Insurance and Instalment Credit Protection

Insurance revenue for the year reached EUR 2.07 billion, a moderate decrease of 1.1% (0.9% at constant foreign exchange rates). This robust performance was achieved despite the burden of a decelerating global economy, which manifested in a more strained development of insurable turnover volumes across many markets. While global economic growth was steady, it remained low by historical standards as past monetary tightening weighed on demand, continuing to affect trade in 2024. Nonetheless, despite a less than stellar trade environment, customer retention remained excellent and did not falter, affirming how the demand for Atradius' credit insurance services remains steadfast along with Atradius' commitment to its customers.

In most markets, insolvencies either returned to or exceeded pre-pandemic levels. This adjustment, combined with a worsening economic environment, resulted in relatively high insolvency levels in most markets, with the exception of some countries where insolvency levels remain below pre-pandemic. In a number of markets, insolvencies already reached a level above normality. In some markets, like the United Kingdom and Switzerland, insolvencies are stabilising at an adverse new normal, while in other markets, like Austria, Canada and Sweden, there was a temporary spike in insolvencies in 2024.

Gross claims expenses developed accordingly in 2024, increasing by 2.5%, reaching EUR 870.6 million. The claims ratio for the year rose to 42.1%, which is 1.5% pts higher than the previous year, with an increase in the overall number of claims.

Atradius' risk exposure for credit insurance (total potential exposure, or TPE) increased by 5.8% to EUR 927.9 billion at year-end 2024. This was driven primarily by new business acquisitions and increasing demand for Atradius' credit insurance services. Europe represents around 65% of total exposure, where Germany, with 14.1% is the largest market, followed by Spain with 11.0%.

The reinsurance result for 2024 improved notably. As claims inflow increased progressively throughout the year while premium levels remained consistent with the prior year. Reinsurance commissions relating to prior and more mature underwriting years also contributed to this improvement.

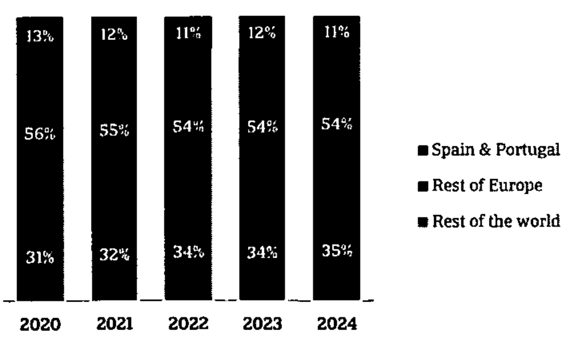
The technical result after reinsurance for our credit insurance and instalment credit protection businesses increased by 28.9% compared to 2023, placing it at EUR 362.9 million.

(figures in EUR millions)

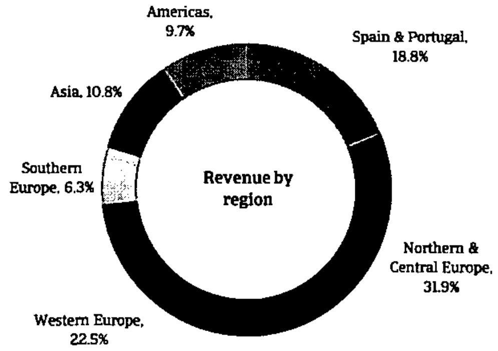
	2023	2024	% Chg. 23-24
Insurance revenue	**2,089.7**	**2,066.3**	**(1.1%)**
Gross claims expenses *	(849.0)	(870.6)	(2.5%)
Operating expenses *	(716.1)	(705.5)	1.5%
Reinsurance result	(184.8)	(127.3)	31.1%
Result After Reinsurance	**339.8**	**362.9**	**28.9%**
Claims ratio	40.6%	42.1%	1.5% pts
Expense ratio	34.3%	34.1%	(0.1% pts)
Gross combined ratio	**74.9%**	**76.3%**	**1.4% pts**

** Includes inter-segment revenue and claims expenses.*

Credit insurance risk development (TPE)



Insurance revenue by region



Atradius Re

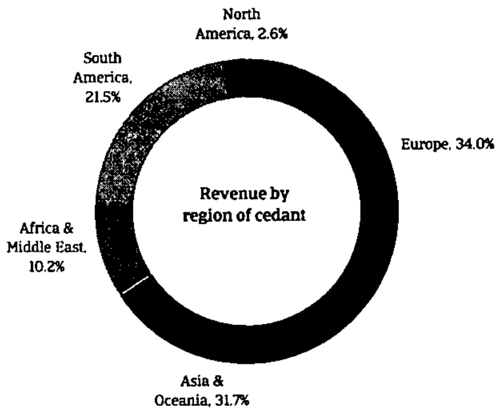
Revenue generated by our reinsurance business reached EUR 208.8 million in 2024, a 12.0% increase. This increase in revenue is due to a combination of new business, mainly surety, and increased business from existing cedants.

The claims ratio has increased from 44.5% in 2023 to 48.3% in 2024. The claims ratio was lower in 2023 due to the favourable developments in claims activity from prior underwriting periods, with the 2024 claims ratio returning more towards expected levels.

Gross insurance operating expenses showed an increase from EUR 74.6 million to EUR 88.6 million. The gross insurance operating expenses ratio has increased from 40.0% to 42.4%, mainly due to increased commissions payable on the higher revenue generated in the year, which is predominantly coming from the surety business.

(figures in EUR millions)

	2023	2024	% Chg. 23-24
Insurance revenue	**186.3**	**208.8**	**12.0%**
Gross claims expenses	(82.9)	(100.8)	(21.6%)
Operating expenses	(74.6)	(88.6)	(18.8%)
Reinsurance result	(0.9)	(3.3)	(269.9%)
Result After Reinsurance	**28.0**	**16.0**	**(298.2%)**
Claims ratio	44.5%	48.3%	3.8% pts
Expense ratio	40.0%	42.4%	2.4% pts
Gross combined ratio	**84.5%**	**90.7%**	**6.2% pts**



Surety

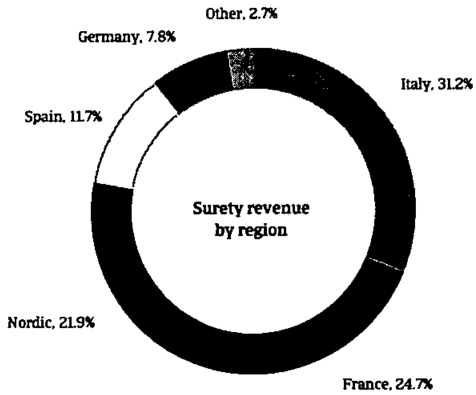
Atradius Surety continued to see favourable portfolio development in almost all markets during 2024, with insurance revenue reaching EUR 163.7 million (an increase of 11.9% compared to the previous year).

While the claims costs for the year showed an increase compared to 2023, the claims ratio for Surety remained at a moderate 21.1%. While structural expenses continued to remain stable compared to 2023, total operating expenses decreased moderately though investments in digital transformation programmes continued. These programmes aim to provide a modern state-of-the-art user journey and experience for both customers and partners. Surety's technical result reached EUR 42.9 million, a 14.3% increase from 2023.

Despite a year where economic growth was below historical standards, Atradius Surety continued to develop well, support its customers and produce robust results in 2024.

(figures in EUR millions)

	2023	2024	% Chg. 23-24
Insurance revenue	**146.3**	**163.7**	**11.9%**
Gross claims expenses	(21.5)	(34.6)	(60.5%)
Operating expenses	(60.4)	(59.4)	1.7%
Reinsurance result	(26.8)	(26.9)	(0.2%)
Result After Reinsurance	**37.5**	**42.9**	**14.3%**
Claims ratio	14.7%	21.1%	6.4% pts
Expense ratio	41.3%	36.3%	(5.0% pts)
Gross combined ratio	**56.0%**	**57.4%**	**1.4% pts**



Services

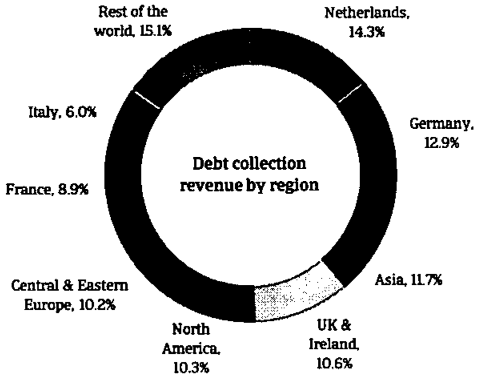
Our services segment comprises debt collection operations, the Dutch State Business and our information service businesses. All services continued to perform well in 2024. Service income increased in 2024, and though the result from our non-insurance services decreased by EUR 0.5 million, this was largely due to investing in the development of Atradius Collections information systems.

(figures in EUR millions)

	2023	2024	% Chg. 23-24
Services result	16.7	16.1	(3.3%)

Debt collection

Atradius Collections generated service revenues of EUR 67.6 million in 2024, representing an increase of 6.0% compared to 2023 as a result of continued business development. In 2024, Collections continued to generate notable growth not only in our developing markets but also in our larger and well-established markets, such as Germany and the Netherlands.



Atradius Dutch State Business

The technical results for the account from the Dutch state were positive throughout 2024 as Atradius Dutch State Business (ADSB) provided cover for risks related to infrastructure projects, the export of capital goods, services to buyers in countries outside the Netherlands, as well as cover for political risks related to investments in other countries.

Information Services

Iberinform, our information service companies in Spain and Portugal, continued to support our insurance business in the Iberian markets, demonstrating stable revenue performance.

Balance Sheet

Atradius N.V. closes 2024 with assets of EUR 6,059 million.

Atradius N.V. (the Company) closed the 2024 balance sheet with assets of EUR 6,058.7 million, an increase of 9.5% compared to 2024.

Increases are primarily driven by financial investments (most notably in debt securities) and insurance contract-related assets.

These are partially offset by decreases in:

- Property, plant and equipment (mainly due to the sale of the property located in Paseo de la Castellana no 4, Madrid).
- Other assets driven by changes in the net pension plan asset (due to the buy-in in the UK Pension plan).
- Prepayments and accrued interest (driven mainly by changes in accrued income investments which are aligned with the increase in debt securities).

The Company's attributable equity amounted to EUR 2,920.3 million, a 4.9% increase from 2023.

Please refer to the Consolidated Financial Statements for detailed disclosures.

(figures in EUR millions)

Assets	2023	2024	% Chg. 23-24
Cash and cash equivalents	694.2	695.2	0.1%
Receivables	124.4	150.6	21.0%
Other assets	191.5	173.3	(9.5%)
Current income tax assets	86.0	81.6	(5.1%)
Deferred income tax assets	3.8	22.9	499.6%
Insurance contract assets	776.8	852.7	9.8%
Investments in associates	88.8	93.0	4.8%
Financial investments	3,153.1	3,601.8	14.2%
Investment properties	25.6	25.2	(1.8%)
Property, plant and equipment	190.2	165.0	(13.3%)
Intangible assets	193.6	197.4	2.0%
Total	**5,528.2**	**6,058.7**	**9.6%**

Net liabilities and equity	2023	2024	% Chg. 23-24
Equity	2,784.7	2,920.3	4.9%
Payables	141.8	149.8	5.7%
Other liabilities	406.3	389.1	(4.2%)
Current income tax liabilities	45.6	63.2	38.7%
Deferred income tax liabilities	122.8	203.4	65.7%
Insurance contract liabilities	1,723.0	1,997.9	16.0%
Provisions	4.3	1.1	(74.8%)
Subordinated debt	249.8	297.4	19.0%
Employee benefit obligation	49.9	36.4	(27.1%)
Total equity and liabilities	**5,528.2**	**6,058.7**	**9.6%**

Investments

At the close of 2024, the managed investments at Atradius N.V. amounted to EUR 3,720 million, EUR 452 million more than at the end of 2023.

The investment portfolio continued to grow as a result of the combination of positive equity returns, additional investments and decreasing market yields positively impacting bond valuations.

Fixed income assets form the backbone of the investment portfolio with a share of 72% (EUR 2,692.2 million), consisting of two pillars: corporate bonds with an exposure of 49% and government bonds with an exposure of 26%. Atradius N.V.'s investment portfolio's primary function is to support its insurance business. Therefore, the preservation of capital is an important requirement in managing the investment portfolio.

This is expressed in the conservative investment approach with a solid average rating of "A" for the total fixed income portfolio, with 90.9% of the fixed income portfolio having a rating of "A" or better. The fixed-income portfolio is characterised by a low average duration of 1.92 years at the end of 2024, with an average market yield of 2.97%.

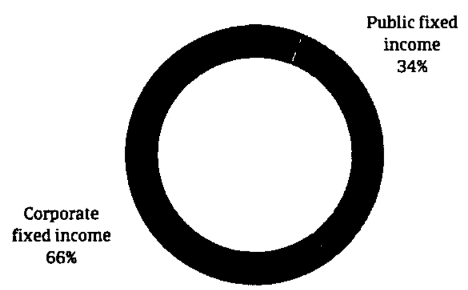
Variable income is mainly generated by the segregated equities representing 12% of the portfolio (EUR 452.0 million) and to a lesser effect by real estate, infrastructure and money market funds. 2024 was again a very positive year for equity investments. This part of the portfolio is widely diversified and focused on high-capitalisation securities with a balanced view between dividend income and capital growth, with the DJ Eurostoxx 50 equity index used as a reference.

Within the investment portfolio, the exposure towards short-term investments (mainly consisting of custody cash and term deposits) was 9% at the end of 2024. Exposure towards investment cash has various reasons, from the timing of reinvestments by external asset managers through regulatory compliance to maintaining a certain cash buffer to cope with sudden liquidity requirements from the insurance business.

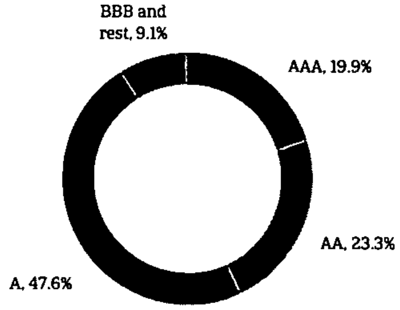
(figures in EUR million)

Investments	2019	2020	2021	2022	2023	2024	% Chg. 23-24	as a % of the total
Investment property	14.0	26.4	26.0	25.9	25.6	25.2	(1.8%)	0.7%
Fixed income	2,066.6	2,167.4	2,264.9	2,431.0	2,339.5	2,692.2	15.1%	72.4%
Variable income	370.1	388.7	507.2	394.1	499.5	581.1	16.3%	15.6%
Short-term investments	152.4	122.7	205.8	119.0	311.6	326.6	4.8%	8.8%
Investments in associated companies	63.1	62.8	75.6	88.7	88.8	93.0	4.8%	2.5%
Investments other	0.1	0.1	0.1	0.5	2.5	1.8	(26.5%)	0.1%
Total	2,666.3	2,768.1	3,079.7	3,059.3	3,267.6	3,720.0	13.8%	100.0%

Fixed income by type



Fixed income by rating



Credit & Financial Strength Ratings

In July 2024, A.M. Best confirmed the rating of Atradius-rated entities: Financial Strength Rating (FSR) of 'A' (Excellent) and Long-Term Issuer Credit Rating of 'a+', both with a stable outlook. According to A.M. Best, the rating reflects Atradius' balance sheet strength, strong operating performance, favourable business profile and appropriate enterprise risk management.

In July 2024, Moody's confirmed the 'A1'/outlook stable IFSR rating of Atradius. According to Moody's, the credit profile of Atradius is supported by a strong market position, and strong economic capitalisation, underpinned by a conservative reserving and underwriting discipline, while improving geographic diversification.

	A.M. Best	Moody's
Atradius Crédito y Caución S.A. de Seguros y Reaseguros	A' stable (FSR) a+' stable (ICR)	A1' stable (IFSR)
Atradius Trade Credit Insurance, Inc.	A' stable (FSR) a+' stable (ICR)	A1' stable (IFSR)
Atradius Seguros de Crédito, S.A.	A' stable (FSR) a+' stable (ICR)	-

Subordinated debt

On 23 September 2014, Atradius Finance B.V. issued guaranteed subordinated notes with a nominal amount of EUR 250 million. The notes bore interest at a fixed rate of 5.250% per annum, payable annually in the first ten years, which would thereafter be reset to a floating three-month-EURIBOR plus a margin of 5.031% per annum payable quarterly for the remaining 20 years.

On 19 April 2024, Atradius Finance B.V. redeemed EUR 242 million of the EUR 250 million nominal amount with a fixed price of 100.625%. The notes were purchased back and subsequently cancelled, resulting in an outstanding EUR 7.9 million nominal amount.

On 23 September 2024 (first call date), Atradius Finance B.V. redeemed the remaining EUR 7.9 million nominal amount.

On 17 April 2024, Atradius Crédito y Caución S.A. de Seguros y Reaseguros issued a subordinated debt with a nominal amount of EUR 300 million. The notes have a maturity date of 17 April 2034, with a call option starting six months prior to the maturity date. The notes bear interest at a fixed rate of 5.000% per annum, payable annually. Further information on the subordinated notes can be found in Note 21 of the Consolidated Financial Statements.

Solvency II

Atradius' companies collectively held a solvency ratio above 200% (unaudited). We apply a partial internal model (consisting of an internal model to measure substantially all underwriting risk exposure and the regulatory standard formula to measure other risk types) to calculate regulatory capital requirements under Solvency II.

IFRS 17

Comparison of IFRS 17 vs internal reporting standards

(figures in EUR millions)

	IFRS 17	Internal Reporting	% var.
Total Revenue [1]	2,466.8	2,438.81	1.1%
Gross Claims Expenses [2]	(991.7)	(1,005.9)	(1.4%)
Gross Claims Ratio	*40.2%*	*41.2%*	
Commissions & Other Expenses	(853.6)	(871.8)	(2.1%)
Gross Combined Ratio	*74.8%*	*77.0%*	
Gross Margin	621.5	561.1	10.8%
% over Revenue	*25.2%*	*23.0%*	
Reinsurance Result [3]	(201.8)	(157.5)	28.1%
Net Combined Ratio	*83.0%*	*83.5%*	
Technical Result	419.7	403.6	4.0%
% over Revenue	*17.0%*	*16.5%*	
Service Result	12.5	16.1	(22.7%)
Net Finance & Investment Result	68.9	111.9	(38.4%)
Technical & Non-Technical Result	501.0	531.6	(5.8%)
Total result for the year (after tax)	369.0	392.3	(5.9%)

[1] Variances in insurance revenue versus the internal reporting standard employed for analysis are driven mainly by the application of the General Measurement Model (GMM) in IFRS 17, with concepts such as expected claims being considered among revenue components. Despite substantially different principles behind how Insurance Revenue is calculated and measured, the variance between insurance revenue calculated under the two standards is only 1.1%.

[2] The variance in gross technical expenses is primarily the result of how the definition of *claims occurrence* is established in each standard. With differing definitions of what constitutes claims occurrence, the timing of recognition of claims expenses between the two standards can vary, resulting in a 1.4% higher claims expenses under the internal standard.

[3] The reinsurance result between the two standards varies not only as a result of the differing gross amounts between standards but also due to differences in how/when reinsurance commissions are recognised over time.

Note:

For the purposes of measuring performance, the management report will display amounts applying a similar financial reporting basis as those applied by Atradius N.V. in its management report in previous years (internal reporting standard), which will differ from the financial statements of 2024 that have been subject to the adoption of IFRS 17 and 9 as further described in Note 5 of the Consolidated Financial Statements.

In the above comparison, results shown under internal reporting standards are presented with a different breakdown/format than in other sections of the management report or financial statements solely for the purposes of facilitating the comparison with IFRS 17 results.

Outlook and Challenges for 2025

Looking back on 2024

Going into 2024, we had predicted global economic activity to decelerate and a weakened GDP in several major economies, combined with increased insolvency rates in most markets. Looking back, 2024 was largely consistent with these expectations, manifesting as headwinds in the development of insurable turnover volumes as well as a progressive increase in claims to levels equal to or above pre-pandemic levels. As the year developed quite consistently with expectations, our strategy remained unaffected, and our focus on our customers and the development of new opportunities unabated.

Heading into 2025

As we transition into 2025, the global landscape presents both opportunities and challenges. While Atradius remains committed to delivering sustainable growth and value, we anticipate navigating several key economic, operational and market-specific hurdles. Our strategies and corresponding initiatives, designed to address these challenges while positioning us for success, are based on our three strategic pillars of growth and customer service, profitability and solvency.

In 2025, we continue to expect pressure on our revenue growth, normalisation of claims as they grow back to their historic averages and the continued pursuit of cost efficiencies. The scale of impact will depend on the following key challenges:

- **Economic fragmentation and rising protectionism** driven by geopolitical tensions between major economies and regions lead to trade disruptions and supply chain vulnerabilities.

- **Monetary policy uncertainty due to persistent inflation** as central banks will be challenged to continue balancing interest rate policies.

- **Volatile energy markets**, due to unpredictable supply dynamics, cause energy price fluctuations, impacting industries reliant on stable energy costs.

- **Fragile growth conditions.** The evolving market needs combined with a dynamic competitive environment and slowing economic activity pose a challenging balancing act. Our response is based on expanding our product offering and flexibility across our commercial operation.

- **Atradius systems.** Optimising our operational efficiency through new releases in our credit insurance platform and continuing efforts to balance costs with rising operational complexities require us to adopt innovative technologies such as AI combined with robotics.

- **Talent retention and development.** Atradius continues to identify and implement key employee development programmes to retain a highly skilled pool of talent.

- **Marketing and distribution.** Reaching and engaging clients with ever-growing diverse and complex needs means balancing traditional intermediaries with other distribution channels while maintaining clear value propositions.

Atradius N.V. bases its strategy on three pillars:

Strategy Pillars	
Growth & Customer Service	• Increase growth rate in 2025. • Maintain a disciplined, sustained, and profitable growth. • Attract customers and defend retention with collaborative risk and commercial teams. • Optimising and growing non-risk income. • Sustain the success of credit insurance proposition and evolution of products and services.
Profitability	• Balance profitability with market conditions. • Continue profit contribution of non-credit insurance units. • Strive for business process and cost efficiencies (our core system transformation initiatives, a new robotics platform and several AI initiatives).
Solvency	• Continue to sustain a strong and robust solvency ratio, exceeding regulatory requirements with an excess of required capital which can accommodate ambitious growth scenarios. • Maintain optimal capital allocation by strategically balancing risk, growth and solvency. • Enhance dynamic, risk -adjusted strategies to preserve long-term financial resilience.

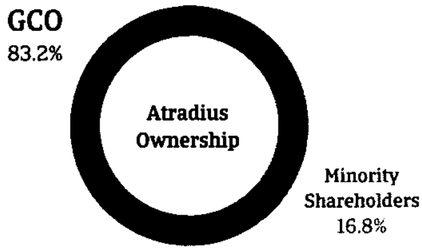
03. Corporate Governance

Shareholder Structure

Atradius is the credit insurance business of GCO.

GCO (Grupo Catalana Occidente) is one of the leaders of the Spanish insurance sector and global credit insurance. Founded more than 160 years ago, it has experienced continuous growth thanks to its capacity to adapt to change and remain loyal to its principles, which are truly insurance-orientated. GCO is the main shareholder with an economic stake of 83.2% (35.77% directly and 47.43% indirectly through the holding company Grupo Compañía Española de Crédito y Caución, S.L.).

Shareholder structure of Atradius N.V.	% of Shares
Grupo Catalana Occidente, S.A.	**35.77%**
Grupo Compañía Española de Crédito y Caución, S.L.	**64.23%**
Grupo Catalana Occidente, S.A.	73.84%
Consorcio de Compensación de Seguros	9.88%
Nacional de Reaseguros, S.A.	7.78%
España, S.A., Compañía Nacional de Seguros	5.00%
Ges Seguros y Reaseguros, S.A.	3.50%
TOTAL	**100.00%**



Grupo Catalana Occidente, S.A. is the holding company that acts as the parent company of the GCO group and its shares are listed on the Continuous Market of the Barcelona and Madrid stock exchanges as part of the IBEX Medium Cap Index. Currently, 33.57% of its capital is floating and the main shareholder is INOC, S.A., holding 62.03% of the capital of GCO. Thanks to the stability of the results and the prudent investment policy, GCO has a solid solvency position.

Grupo Catalana Occidente, S.A. is subject to the supervision of the Spanish National Securities Market Commission (CNMV).

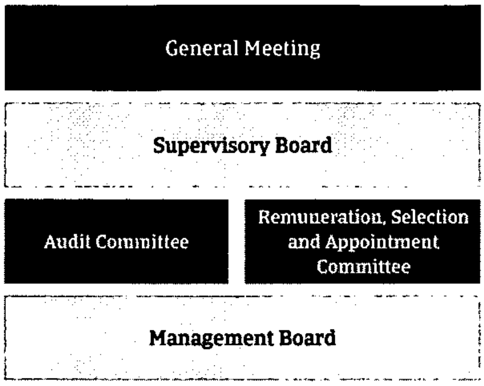
As an insurance company, the GCO group is also subject to the supervision of the Directorate General of Insurance and Pension Funds (DGSFP). In Spain, GCO holds the seventh position in the ranking, with a market share of 4.8%; 5.9% in non-life and 3.0% in life. Furthermore, in credit insurance, GCO is the second entity worldwide, with a market share of 24.4%.

Key figures (EUR millions)	2023	2024
Long-term capital market value	5,738.8	6,562.2
Equity	5,170.4	6,016.5
Subordinated debt	156.2	247.9
Return on long-term capital	12.1%	11.8%
Funds under management	15,364.7	16,876.4
Total revenue	5,565.6	5,734.9
Consolidated Result	615.5	688.7

Corporate governance

Atradius continues to endorse the importance of good governance

Atradius N.V. is a limited liability company organised under the laws of the Netherlands, with a Management Board and a Supervisory Board. The Management Board is responsible for achieving the Company's objectives, strategy, policy and results and is guided by the interests of the Company and the business connected with it. The Supervisory Board supervises the company's general affairs, and the policies pursued by the Management Board, as well as the performance of the management duties by the Management Board members, taking into account the interests of the Company and the business connected with it.



Management Board

Composition

The Management Board of Atradius N.V. currently consists of five members.

Chair and CEO	Board Members
David Capdevila	Andreas Tesch (CMO)
	Christian van Lint (CRO)
	Claus Gramlich-Eicher (CFO)
	Marc Henstridge (CIOO)

Role and procedures
The Management Board as a whole is responsible for the management and the general affairs of Atradius and is supervised by the Supervisory Board. The Management Board determines Atradius' operational and financial objectives, and the strategy designed to achieve them. It ensures Atradius has an effective risk management system, internal control system and internal audit function in place. It submits the annual business plan and budget of Atradius to the Supervisory Board for approval. The Management Board rules describe the allocation of duties and the decision-making process of the Management Board.

The General Meeting has the authority to appoint the members of the Management Board on the recommendation of the Remuneration, Selection and Appointment Committee of the Supervisory Board. A Management Board member may be suspended or dismissed by the General Meeting at any time. The Management Board shall consist of at least three members. Management Board members are appointed for an undefined term. In the event of a vacancy, the management of Atradius N.V. will be conducted by the remaining members or the sole remaining member of the Management Board.

Remuneration
The Supervisory Board determines the remuneration and further employment conditions of each member of the Management Board based on the recommendation of the Remuneration, Selection and Appointment Committee of the Supervisory Board and in accordance with the remuneration policy adopted by the General Meeting. Information regarding the amount of remuneration received by Management Board members can be found in the explanatory notes to the consolidated financial statements.

Conflict of interest
A member of the Management Board with a potential conflict of interest with the Company will immediately report this to the chair of the Management Board, who will determine whether the reported case qualifies as a conflict of interest. A member of the Management Board will not participate in any deliberations or decision-making of the Management Board if that member has a direct or indirect personal interest that conflicts with the interest of the Company or its business. In such a case, the other non-conflicted members of the Management Board will pass the resolution. If all members of the Management Board are conflicted, then the Supervisory Board will pass the resolution.

The Supervisory Board

Composition
The Supervisory Board of Atradius N.V. currently consists of nine members.

Board Members	Initial appointment	Date of current (re)appointment
Xavier Freixes (Chair)	1 September 2011	4 December 2023
Hugo Serra	1 September 2011	4 December 2023
Désirée van Gorp	16 May 2013	10 December 2021
John Hourican	1 June 2016	3 December 2024
Carlos Halpern	19 January 2017	3 December2024
José María Sunyer	19 January 2017	3 December 2024
Juan Ignacio Guerrero	1 January 2022	4 December 2023
Joaquín Guallar	1 January 2023	1 January 2023
Isabel Gómez	4 September 2024	4 September 2024

Role and procedures
The Supervisory Board supervises the Company's general affairs, and the policies pursued by the Management Board. In 2024, the full Supervisory Board convened six times.

The responsibilities of the Supervisory Board include, among others, supervising, monitoring and advising the Management Board on the Company's strategy, performance and risks inherent to its business activities, the design and effectiveness of the internal risk management and control systems and the financial reporting process. The Supervisory Board rules describe the decision-making process and the composition of the committees of the Supervisory Board.

The General Meeting has the authority to (re)appoint the members of the Supervisory Board on the recommendation of the Remuneration, Selection and Appointment Committee of the Supervisory Board. A Supervisory Board member may be suspended or dismissed by the general shareholders' meeting at any time. The Supervisory Board shall consist of at least five members, and each will serve a term of a maximum of four years from the date of (re)appointment, after which they will step down.

A resigning Supervisory Board member may be reappointed. A Supervisory Board member will resign early in the event of inadequate performance or in other circumstances in which resignation is deemed necessary by the other members of the Supervisory Board.

The composition of the Supervisory Board
Members of the Supervisory Board are chosen so that their combined experience, expertise, and independence enable it to carry out its various responsibilities. The current members of the Supervisory Board have extensive experience in insurance and reinsurance, investment banking, strategic consulting and regulatory matters.

Role of the chair and the company secretary
The Chair of the Supervisory Board coordinates the decision-making, draws up the meeting agendas, and chairs both the Supervisory Board meetings and the General Meetings of Shareholders. The Chair also ensures the adequate performance of the Supervisory Board and its committees, including an annual evaluation of both the Management Board and the Supervisory Board, and acts on behalf of the Supervisory Board in serving as the principal contact person for the Management Board. The chair of the Supervisory Board is assisted in their role by the company secretary.

Conflict of interest
A member of the Supervisory Board with a potential conflict of interest with the Company will immediately report this to the Chair of the Supervisory Board, who will determine whether the reported case qualifies as a conflict of interest. A Supervisory Board member will not participate in any deliberations or decision-making process of the Supervisory Board if that member has a direct or indirect personal interest that conflicts with the interest of the Company or its business. In such a case, the other non-conflicted Supervisory Board members will pass the resolution. If all Supervisory Board members are conflicted, as referred to above, then the General Meeting will pass the resolution.

Committees of the Supervisory Board

The committees of the Supervisory Board are set up to reflect both relevant corporate standards and the specific interests of the business of Atradius.

To discuss specific issues in depth and prepare items on which the full Supervisory Board takes decisions, the Supervisory Board has established two committees: the Audit Committee and the Remuneration, Selection and Appointment Committee.

Audit Committee

Chair	Board Members
Juan Ignacio Guerrero	Xavier Freixes
	Carlos Halpern

The Audit Committee supports the Supervisory Board in fulfilling its supervisory and monitoring duties for the assurance of the integrity of the company's financial statements, the external auditor's qualifications, and the performance of internal and external auditors.

The Audit Committee independently and objectively monitors the financial reporting process within Atradius and the system of internal controls. It also facilitates ongoing communication between the external auditor, the Management Board, the internal audit department and the Supervisory Board on issues concerning the Company's financial position and financial affairs. In 2024, the Audit Committee convened four times.

Remuneration, Selection and Appointment Committee

Chair	Board Members
Hugo Serra	Xavier Freixes
	Joaquín Guallar

The Remuneration, Selection and Appointment Committee supports the Supervisory Board in fulfilling its duties concerning the appointment of members of the Management Board and the Supervisory Board. It also monitors and supervises the remuneration policy, the remuneration of senior management and other corporate governance matters. In 2024, the Remuneration, Selection and Appointment Committee convened three times.

The General Meeting determines the remuneration of the members of the Supervisory Board based on the recommendation of the Remuneration, Selection and Appointment Committee and in accordance with the remuneration policy adopted by the General Meeting. The expenses of members of the Supervisory Board are reimbursed. Information regarding the amount of remuneration received by Supervisory Board members can be found in the explanatory notes to the Consolidated Financial Statements.

General Meeting

The General Meeting is the body of the Company formed by the shareholders and other persons entitled to vote. The General Meeting can exercise its rights at the General Meeting of Shareholders. The General Meeting is also authorised to approve important decisions regarding the identity or character of Atradius, as well as major acquisitions and divestments.

The internal and external auditor

External auditor

The General Meeting appoints the external auditor on the recommendation of the Audit Committee of the Supervisory Board. The Audit Committee evaluates the performance of the external auditor and pre-approves the fees for audit services to be performed by the external auditor. The Audit Committee ensures the external auditor is not appointed to render non-audit services that are listed explicitly as prohibited services in the Atradius Policy on Auditor Independence.

The General Meeting appointed PricewaterhouseCoopers Accountants N.V. as the Company's external auditor for the financial year 2024. During the Audit Committee meetings with the external auditor, the audit plan, the board reports and the auditor's opinion were discussed.

Internal audit

The internal auditor fulfils an important role in assessing and testing the internal risk management and control system. The Director of Internal Audit reports to the Chair of the Audit Committee and, with respect to day-to-day activities, to the Chief Executive officer of Atradius.

Risk Management

Note: Additional information regarding risk management can be found in chapter 4 of the consolidated financial statements ("Risk and capital management").

Control of risk management system

Atradius' risk management control system is based on the 'three lines of defence' risk management model.

1st Line —Risk assumption and liability
This consists of the business units that are responsible for the risk assumed and their management.

2nd Line –Control and monitoring
This consists of the risk management control function, compliance verification function and actuarial function. Its goal is to define controls to ensure compliance with risk management processes and control policies.

3rd Line–Internal audit function
The function of the internal audit is responsible for carrying out an independent evaluation of the effectiveness of the government system, the risk management system and the internal control. From the risk management control area, all significant aspects relative to risk management are handled, marking guidelines and reference criteria that are assumed by the entities with necessary adaptations.

Risk strategy

The risk strategy is Atradius' risk appetite framework. It is aligned with the risk strategy of GCO and consists of the following main components:

- **Risk profile**
Risk assumed in terms of solvency. The risk profile and solvency positions are monitored continuously.
- **Risk appetite**
The aggregate level of risk that Atradius is willing to assume and manage within a determined period of time.
- **Risk tolerance**
The maximum level of risk that Atradius is willing to assume in relation to a specific risk.
- **Risk limits**
Operational limits established to facilitate control of risk-taking.
- **Alert indicators**
In addition, Atradius has a series of early alert indicators that are the basis both for monitoring the risks and for compliance with the risk appetite approved.

Risk Appetite

Atradius sets its risk appetite and risk tolerances annually. They serve the purpose of steering the risk taking of Atradius in the pursuit of its objectives. For that purpose, Atradius maintains limit and threshold systems on different levels and for different risk types and dimensions to ensure that risks are taken within the boundaries set by appetite and tolerances. Limits and thresholds are embedded via the risk management system and risk governance structure. They cover different dimensions ranging from aggregate to operational level, including capital requirements, solvency ratio, capital allocations, asset allocations, and concentration limits, e.g. for single names, country, and industry sectors, but also other counterparties such as reinsurers or banks, operational underwriting authority levels, and granular risk boundaries.

Information and communication

The governance bodies within Atradius receive information relative to the quantification of the principal risks that Atradius is exposed to and the capital resources available.

Annually, the main insurance entity of Atradius, Atradius Crédito y Caución S.A. de Seguros y Reaseguros, publishes a specific report on the financial and solvency situation which details and quantifies the risks it is exposed to.

Policies for risk management

To ensure effective risk management, Atradius has a set of risk management policies.

Each of these policies identifies the risks of each affected area, establishes risk quantification measures, determines actions to supervise and control said risks, establishes measures to mitigate the impact of the same and determines the information and internal control systems to control and manage the risks.

Main risks and uncertainties

Below we describe our principal risks and uncertainties, and the related control measures.

Underwriting Risk
Risk of loss or adverse change in the value of commitments contracted due to possible inadequate pricing and provisioning assumptions. In the case of credit insurance, the risk arises from the non-payment by the buyers (customers) of our customers and in the case of surety, from the non-fulfilment of the contractual, legal, or fiscal obligations of our customers.

Some of the control measures are the underwriting policy and rate setting regulation, underwriting guidelines, authorisation matrices, dynamic exposure management, buyer rating monitoring and credit limit monitoring.

Atradius transfers a significant portion of its insurance risk to external reinsurers through specific reinsurance arrangements (the reinsurance programme). The main reinsurance programme includes a quota share (proportional reinsurance) and excess of loss (non-proportional) treaty. The treaties are renewed annually on a rolling two-year basis. Prior to renewing, detailed analyses take place to determine the optimal parameters and pricing of the main reinsurance programme.

Strategic risk
The risk arising from changes in the business environment and from adverse business decisions, improper implementation of decisions or lack of responsiveness to changes in the business environment. As a control measure Atradius defines strategic risk limits that provide managerial thresholds to monitor that business plan execution stays within the approved risk appetite and tolerance.

Operational risk
The risk of loss arising from inadequate or failed internal processes, people and systems or external events. To structure and formalise the management of operational risk activities across Atradius, Atradius has developed and implemented a common and systematic approach to managing this category of risk. This approach increases risk awareness, ensures the appropriate management of risks, and makes the business unit risk profiles transparent. The approach enables risks to be compared and aggregated across Atradius to obtain a holistic view of the operational risk faced by the business.

A specific operational risk is fraud risk. This risk is monitored, reported and managed as it can relate to customers, buyers or other types of fraud, such as usurpation, impersonation, brand abuse and phishing.

Data risk
Atradius has an Enterprise Data Function to ensure that there is a unified and supported vision for data that supports the business strategy as set out by the Management Board, and to ensure that this vision is understood and embedded at all levels of the organisation. The domains of the Enterprise Data Function are Enterprise Data Governance, Enterprise Data Defence, Enterprise Data Management and Enterprise Information Management.

Financial reporting risks
Financial reporting refers to the processes within Atradius that ultimately lead to the generation of financial statements. These processes are initiated within business units or central functions and ultimately end up being recorded within the financial systems. The objective of a financial reporting process is to ensure that the financial statements are free from material errors. Risks that threaten this objective are called financial reporting risks. To manage those risks financial reporting controls are executed every quarter.

ESG Risks
ESG risks are defined as those environmental, social or governance events or factors that, if they occur, could have a material adverse impact.

Atradius understands, prevents and has the ambition to reduce ESG risks, as well as to manage in the best possible way the opportunities resulting from offering safe and quality protection against these risks to all its stakeholders.

04.

Business Model

Business model

Atradius is recognised as one of the largest among the truly international players in Credit and Surety insurance and related credit management services.

Atradius' unique proposition is based on its ability to offer global expertise and solutions, servicing multiple market segments such as small, medium, large and global organisations, by tailoring our offering and ensuring a strong value proposition for each of our customers. Through direct or indirect presence in more than fifty countries worldwide, our strategy is based on servicing close to the customer while underwriting close to the risk and relying on the authority and responsibility of our local teams to ensure agility and speed of service.

We help our customers to adapt and thrive by having deep insight into the emerging trends and risks that are shaping the way trade happens. We help our customers embrace the changes and seize the opportunities so we can grow our businesses together.

Our business model, however, goes beyond supporting the continuity of trade for our customers through our insurance and reinsurance services. We offer a broader and more comprehensive product offering which extends even further with services such as debt collections, helping both our credit-insured and non-insured customers recover trade debts while maintaining good business relationships with their clients. We also provide Information Services to support our customers with business intelligence solutions to help them manage risk and grow their businesses by making smart decisions about credit management, risk and compliance management and marketing.

Atradius bases its strategy on three pillars:

Growth
Definition of target markets, development of appropriate products and services and establishment of suitable distribution channels in order to reach customers.

Profitability
Recurring and sustained profitability through technical-actuarial rigour, diversification in investments and processes that allow for optimised cost ratios and quality service.

Solvency
Prioritising the generation and continuous growth of own resources in order to fund the expansion of the Company, guarantee ample compliance with the commitments assumed and ensure adequate returns to shareholders.

Relationship with stakeholders

Atradius can reach wider and further thanks to the support of our employees, a wide network of partners, chief among them its shareholders. Our corporate and business strategy is fully aligned with GCO.

We also rely on a solid panel of the world's largest and most experienced reinsurers to complement our capacity and expertise.

Distribution of our products is a mix, driven by market structures and habits, of direct efforts, agents, and brokers. They ensure that our solutions reach our customers and often support us in easing day-to-day operations.

In some jurisdictions, working together with local leaders through partnerships or participations, is the most efficient solution to ensure our ability to serve our customers on a global scale with local presence.

We also rely on external experts to complement our own capabilities in information, collections and credit management, product development, and information technology.

Atradius leverages this rich and complex network to increase its ability to service and protect its customers.

Employees

Customers

Shareholders and investors

Agents/Brokers

Reinsurers

Externals

Business Lines

Credit Insurance

A true global proposition with local roots

Credit insurance provides protection against losses arising from non-payment for goods and services sold on credit (whether this results from insolvency, default or political risk).

Our products are generally based on a worldwide-aligned catalogue of modules (policy conditions), which can be combined flexibly for each customer to meet the requirements of their business. Every policy is tailored to the needs of the customer. These products are designed to protect a customer's whole turnover.

We have solutions for all types of business: multinationals, large and medium-size corporates, and smaller local companies, always on the basis that every customer has their own needs and requirements.

The brands of the Atradius group for credit insurance are:

Atradius Managing risk, enabling trade

Crédito y Caución Atradius

Reinsurance

The expert partner

Atradius offers reinsurance solutions for credit insurance and surety primary insurers around the globe under the brand Atradius Re, combining Atradius' skills in the primary underwriting of credit insurance and surety risks with our approach and expertise in structuring reinsurance solutions.

Our reinsurance solutions and strategy are designed to be independent and complementary to our direct insurance activity, expanding to geographies where our presence is lower and integrating our unique underwriting capacity into our support to our customers.

Surety

Leading European surety provider

Atradius Surety serves a wide portfolio of businesses of all sizes across different trade sectors. We provide technical guarantee solutions that fit their needs and strategies.

Our Surety products are an agile solution for companies that need to enter public contracts or licences, even across borders, and allow our customers to manage their financial resources more efficiently.

Debt Collection

Professional and reliable collections backed by a global network.

Atradius Collections supports businesses—whether covered by our credit insurance or not —to collect domestic and international trade receivables whilst maintaining sound business relationships with their clients. Since 2015, Atradius Collections offers a first-party collections service, which allows customers to outsource their reminder process immediately after the invoice's due date. We have created a range of services for the financial industry, including back-up servicing, cross-border collection, and invoice verification, allowing factoring companies and asset-based lenders to investigate whether the buyer acknowledges the business transactions or invoices from clients. Our online platform, Credit IQ, also acts as an accounts receivable management platform.

Instalment Credit Protection

Risk protection for instalment-based credit agreements

Atradius Instalment Credit Protection (ICP) covers short-term and medium-term risks coming from instalment-based credit agreements with private individuals and businesses. We offer our services to financial and corporate policyholders in Belgium and Luxembourg. The main products that we offer relate to consumer credit, leasing and renting risks. We have extended our ICP product range to offer residential real estate insurance products for co-ownerships, as well as products for private car leasing arrangements.

Dutch State Business

The export credit agency of the Netherlands.

Atradius Dutch State Business (ADSB) is the official export credit agency (ECA) of the Netherlands, acting on behalf of and for the account of the Dutch Ministry of Finance and the Ministry of Foreign Affairs. ADSB enables exporters, construction companies, and banks to finance their export transactions. Public export credit insurance offered through ECA is always additional to the private market and is meant to support the national export of capital goods. Overall, this mostly concerns higher-value exports destined to emerging markets with longer credit periods (up to 20 years).

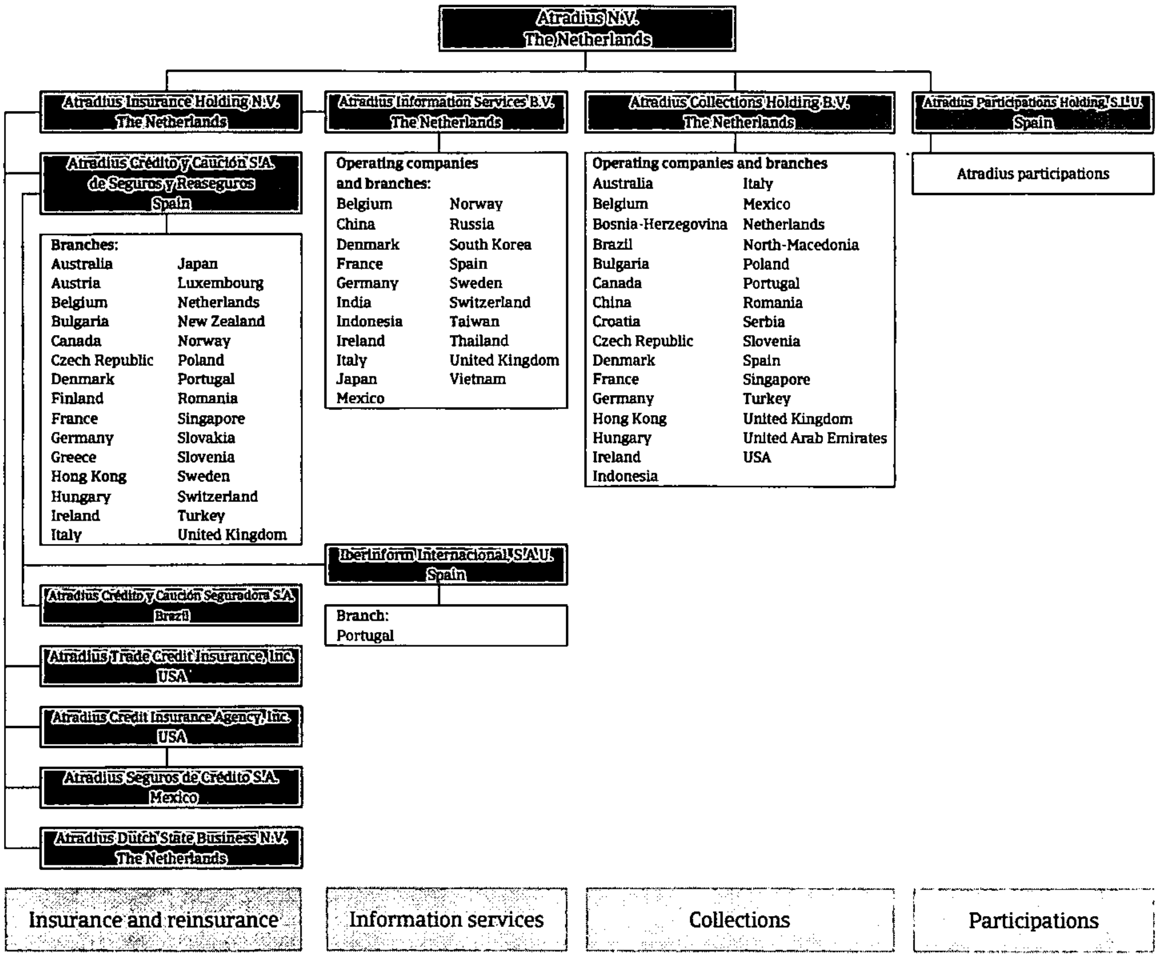
Credit Information Services

Business intelligence to support credit management decisions.

We offer information services through Iberinform in Spain and Portugal and Informes in Mexico. These companies support our customers with business intelligence solutions to help them manage risk and grow their businesses. They also support us by providing information to underwrite buyer risks for our core credit insurance business.

General Atradius group organisation

General overview of the main companies as of 31 December 2024



- On 12 November 2024, Atradius Finance B.V. was dissolved.
- For a full list of the entities and branches of the Atradius Group, including their respective main area of activity and their country of incorporation or establishment, please see Section 11 of the Notes to the Consolidated Financial Statements.

05.

ESG & Sustainability

Environmental, social and governance

In accordance with Article 19a and Article 29a of Directive 2013/34/EU, amended by Directive (EU) 2022/2464 Corporate Sustainability Reporting Directive (CSRD), Atradius N.V. is exempted from its obligations with regards to reporting of relevant sustainability information outlined under this directive. These obligations are voluntarily fulfilled by the parent company in the GCO consolidated management report 2024.

Good governance

Atradius aims to make sustainability central to its vision of managing risk and enabling trade.

Responsible governance 

At Atradius, the Management Board is responsible for approving the sustainability strategy and all policies related to ESG, under the overall guidance of the Supervisory Board. This ensures that our commitment is integrated into every aspect of our operations and decision-making processes. In 2024, a 5% of the variable remuneration of the Management Board was linked to the achievement of the Sustainability Master Plan 2024–2026 and, in 2025, this approach will also be applicable to the members of our leadership team.

In addition, the Atradius ESG Committee, created in 2022 and chaired by our CFO, Claus Gramlich-Eicher, comprises members of our leadership team from diverse business areas and group functions. The ESG Committee was established to oversee and guide the company's strategies and initiatives related to ESG matters. It is responsible for implementing and monitoring the Sustainability Master Plan, and it regularly reports its progress to the Management Board. In 2024, the ESG Committee held ten meetings, complemented by additional ones conducted by regional committees in Asia, Oceania and the Americas.

Besides the ESG Committee, Atradius also has a dedicated ESG department which promotes, drives and coordinates ESG initiatives throughout the whole organisation.

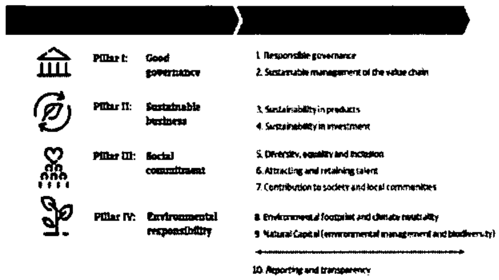
GCO also has a sustainability committee made up of the main areas of the GCO Group, including Atradius. It promotes, guides and supervises the GCO Group's actions in relation to sustainability and ensures compliance with the objectives established in the Sustainability Master Plan.

Atradius has a set of policies and codes that govern and guide the actions of the entire organisation.

The Code of Conduct defines a set of rules, principles, values, employee expectations, behaviours and relationships that Atradius considers important and believes necessary for our success.

In 2024, we introduced our new Human Rights Policy, replacing a previously existing statement on the matter. Additionally, we developed a Diversity, Equality and Inclusion Policy. Other key policies already in place include Sustainability Policy, Corporate Real Estate Standards Policy, Human Resources Policy and Investment Policy which address specific aspects related to our sustainable principles and actions.

In collaboration with GCO, we have defined the Sustainability Master Plan 2024-2026.



Promoting sustainability awareness

Atradius has developed several programmes, including education sessions, to promote a culture of sustainability within the organisation and ensure that top management and employees are well-informed.

First, as part of the education for top management, the members of the Management Board receive training to equip them with the knowledge to make strategic decisions and lead the Company's sustainability efforts. In 2024, the focus was on the implications of the new European Union ESG regulations.

Regarding employees, in 2024, 95% of employees had completed the sustainability course and we also held the first Sustainability Week. The week was divided into different sessions covering key ESG topics. All Atradius employees were invited to participate, and 1467 employees attended at least one session. All 25+ sessions and courses are available in the Atradius Academy platform for anyone to continue learning.

Finally, in addition to a Sustainability SharePoint, which contains details about our own sustainability initiatives, we launched a Viva Engage Community on "ESG / Sustainability" in 2024. This online community aims to involve employees in ESG actions by sharing sustainability news and inviting employees to share their ideas and local initiatives. As of December 2024, it has more than 350 members generating multiple comments and interactions from employees.

Sustainable Value chain

Recognising that suppliers are critical partners to the success of our business; we are committed to integrating ESG principles throughout our supply chain. In 2024, we began designing a Human Rights and Environmental Due Diligence system for our supply chain.

For that purpose, we used the EcoVadis methodology assessment which identifies potential risks based on factors such as country and sector and an assessment of the company data extracted from a self-assessment questionnaire.

This is an initial step to identifying the ESG risks in our supply chain, that will allow us to adopt appropriate measures to prevent or, if prevention is not possible, mitigate the adverse effects of these impacts. In addition, we also developed a Human Rights Policy which expresses our commitment to respect and promote human rights across all the organisation's activities and processes, including our supply chain.

International Commitments

Atradius supports the ten principles of the United Nations Global Compact on human rights, labour conditions, the environment and anti-corruption and reports on this annually via our parent company GCO. GCO is also a signatory to the UNEP-FI Principles for Sustainable Insurance and UNPRI Principles for Responsible Investment.

Recognitions

In August 2024, EcoVadis awarded Atradius a Committed Badge in recognition of our sustainability achievements (score of 53, up from 50 in 2023), placing us in the top 49 percent of companies assessed by EcoVadis. The EcoVadis assessment includes 21 sustainability criteria across for core themes: environment, labour & human rights, ethics and sustainable procurement.

Additionally, Atradius' ESG Credit Impact Score from Moody´s is neutral-to-low (CIS-2). This reflects the limited credit impact of Environmental and Social risks on the financial strength rating ('A1' outlook stable).

Environmental responsibility

In most countries, Atradius leases offices either as a single tenant or within a multi-tenant building. To further our commitment to sustainability, we collaborate with the landlords to reduce our carbon footprint and support our sustainability goals. Atradius has developed a Corporate Real Estate Standards Policy (CRES), which include ESG goals for energy saving measures and procurement procedures when sourcing new office locations. The objective is to optimise and enhance our global offices to support hybrid work. This initiative has already reduced our office space from 102,629 square metres in 2019 to 86,479 square metres in 2024, improving our environmental footprint.

We enhanced our environmental impact measurement by broadening the scope of our calculations to include our commuting emissions. In 2025, we will establish specific targets to reduce CO_2 emissions as part of our commitment to achieving carbon neutrality by 2050.

Tonnes CO2e	2024
Scope 1	**1,887.7**
Combustion of fuels	610.6
Refrigerant gas	0.2
Car fleet	1,276.8
Scope 2 (market-based)	**710.0**
Electricity consumption: location-based	2,181.2
Electricity consumption: market-based	710.0
Scope 3	**5,746.8**
Paper consumption	34.8
Business Travel by plane	2,857.8
Business Travel by train	58.9
Community Travel	2,795.4
Total (market-based)	**8,344.5**
Tonnes of CO2e by employee	**2.3**

Energy consumption and energy efficiency measures

In 2024, the total electricity consumption at Atradius reached 8,862 MWh, with around 7,163 MWh sourced from renewable energy. In 43 offices, 100% of the electricity consumed is guaranteed to be of renewable origin. Also, our Data Center in Cardiff Office is 100% renewable (2,148 MWh). Spain and Portugal have already reached 100% of renewable energy meeting the target established in the Sustainability Master Plan. Our Top ten countries, excluding Spain, by electricity consumption are using 6,315 MWh with 79% of it being renewable exceeding the 50% target established in the plan.

As of 2024, 13 of our offices hold sustainable building certificates issued by ENERGY Star, BREEAM or LEED. When sourcing new office locations, our specifications include criteria to improve energy efficiency.

To reduce energy consumption, Atradius is implementing various energy efficiency measures. These include replacing existing lighting with energy-efficient and environmentally friendly LED bulbs, installing motion-sensitive lighting systems and adjusting lighting schedules with office hours.

Paper and waste

In 2024, our paper usage resulted in 28.9 tonnes (46% recycled). To minimise our paper usage, we have begun implementing measures to enhance digitalisation. For instance, we have extended EDO (Electronic Delivery Order) for our policy-related communications in several countries.

Travel

Our internal travel policy encourages the use of online meetings as a replacement for travel, aiming to reduce the need for travel whenever possible. This policy includes ESG recommendations to promote environmental consciousness and responsible behaviour. Specifically, it advises minimising air travel, especially for distances under 500 kilometres or less than four hours.

The Atradius Company Lease Car Policy was renewed in 2024 with ESG criteria in mind. Specifically, every two years the maximum CO2 emission allowed per company lease car will be reviewed. For the period 2024-2026, the limit is set at 120 gr/km. To promote environmentally friendly choices, when beneficiaries end their leasing contract, they will be offered an incentive for choosing hybrid or electric car. In 2024, 45% of the kilometres made by company cars were hybrid or electric.

In October 2024, a survey was launched among all employees to gather data on commuting journeys at Atradius. Based on the results, Atradius will continue implementing actions to promote sustainable mobility model such as installing electric car charging stations near the offices.

Insurance associated emissions

In 2023, Atradius initiated the first calculations to measure insurance-associated emissions for its credit insurance business line, aligning its commercial underwriting portfolio to the PCAF standard. Due to the lack of actual emission data for individual SMEs, Atradius used industrial sector average emission figures as a best effort estimate. In 2024, the company focused on improving the availability and quality of data, particularly for multinational companies, where more reliable data is available.

Social commitments

Diversity, equality and inclusion

Atradius has a Human Resources Policy, dedicated to the professional development of its employees. This Policy is complemented by Atradius' Code of Conduct and, since 2024, also with the new Human Rights Policy and the new Diversity, Equality, and Inclusion Policy. This policy promotes fairness and respect and helps create a positive, inclusive and productive workplace culture.

Increasing the presence of women in middle and senior management

In 2024, 34% of all managers (33% in 2023) and 18% of our leadership team (18% in 2023) were women. Additionally, 22% of our Supervisory Board members (11% in 2023) are females, achieving the goal set for 2027 (22%). For the Management Board, we aim to reach a 17% female representation by 2027.

As positions for managers and leadership team become available, our recent succession planning aim is to include at least one female candidate amongst potential successors.

In terms of recruitment, we ensure our vacancies appear gender-neutral and include an 'equal opportunity for all' statement in all our job postings. Additionally, all hiring managers have been recommended to complete a course on unconscious bias in recruitment.

Inclusive workplace

As an international company operating in approximately 50 countries with diverse workforce, we are committed to rejecting all forms of discrimination.

In Atradius, we base decisions on hiring, promotion and other working conditions on objective criteria such as merit, ability, experience, skills and responsibilities assumed. As of 2024, in the countries where we are allowed to measure, we have 65 employees with disabilities.

Actions towards equal pay for equal jobs

In line with our efforts to promote an inclusive culture where everyone has equal opportunities to develop, we carefully monitor the gender pay gap. This is the difference between the average remuneration of men and women overall across the organisation and across all levels which is influenced by multiple elements such as years of experience, the different average salary by country, etc. This is the reason why at Atradius the pay gap is analysed using both adjusted and unadjusted pay gap methodologies.

Our adjusted pay gap considers various factors to make the analysis more insightful such as job classification. In 2024, we conducted the first calculation of the adjusted pay gap, which showed a 7.8% difference.

In 2025 we will further refine the metrics to measure the gap and start to address any unjustified pay discrepancies during merit round.

Attracting and Retaining Talent

In 2024, we maintained a retention rate of 91%, consistent with the rate in 2023.

Work-life balance/Healthy habits

Since July 2021, Atradius introduced a hybrid working model allowing employees to work 40% of the working week remotely.

As an add-on to this, we also launched the Growth Program in 2021, a three-year well-being program designed to help our employees adjust to new ways of working. The focus of this program has been personal well-being, maintaining a good work-life balance enhancing the ability to focus, building strong teams in the new hybrid-working world, fostering personal development and emphasising the value of feedback. In 2024, the Growth Program 2.0 was introduced as a continuation of previous webinars with a focus on time management.

Social benefits
In 2024 we have developed an inventory of the social benefits covered in 27 countries. Our goal for 2025 is to review benchmark reports and enhance awareness of benefits in specific countries. This initiative ensures we gain better understanding if our benefits are competitive and attractive to our employees. Afterwards, we will focus on increasing employee awareness by communicating locally the benefits they are entitled to.

Career development
Atradius encourages employees to set their own personal goals and pursue their development and career accordingly. All employees receive annual appraisals and participate in either regular one-to-one meetings with their manager or team meetings to review their performance. They can discuss the challenges they face and set goals.

The Atradius Academy aims to make learning accessible to all via various (virtual) learning and development opportunities such as e-learning courses, webinars, classroom training and development programmes designed in a hybrid fashion with both online and in-person sessions. Specifically, we have offered, for a second-year, various in-house webinars on the various internal IT systems and apps we developed.

All our employees are offered a large variety of learning opportunities This year the average learning hours per employee was 16.7 hours.

Contribution to society and local communities

Atradius Cares was introduced in 2017 to share our resources charitably and give back to society. Over the past years, various events have been organised locally by colleagues around the world.

In 2024, Atradius donated 1.2 million euros to the Occident Foundation. The foundation promotes and finances social projects such as research and educational projects, cultural activities, sport activities and solidarity initiatives.

Atradius actively engages in actions related to health, environmental awareness and solidarity and social actions. In health, various countries join races and charity events to raise funds and awareness for disease prevention and research. In environmental awareness, we expanded the World Cleanup Day to 13 offices around the world

Regarding solidarity and inclusion, Atradius has a long-standing participation in donating to local food banks. and volunteered to provide supplies and services for people in need.

Sustainable business

Sustainable investment

Atradius has an investment policy that integrates ESG considerations into investment management decisions. The policy excludes companies involved in certain economic sectors, controversial activities, or those with high ESG risk scores. The company is increasing investments in projects that support a low-carbon, resource-efficient, and sustainable economy, as well as projects with social and environmental objectives in line with the priorities set out in the Sustainability Master Plan. In 2024, Atradius achieved a target of 10% sustainable investments, with a goal to increase this to 12% in 2025.

Sustainability in products

Promoting sustainable solutions
At Atradius, we are committed to fostering a sustainable business model that integrates Environmental, Social and Governance (ESG) principles across our operations.

Our current underwriting practice involves continuous monitoring and analysis of our portfolio, including the consideration of ESG information.

Additionally, we thoroughly review each potential customer and buyer on their own merit. But we do not currently restrict our underwriting as our approach aims at engaging with all sectors driving positive change and working closely with clients to understand their unique challenges and opportunities.

In 2024, several pilot solutions have been offered to our customers to help them in their sustainable journey. In Spain, a platform that measures carbon footprints and generates action plans for users has been offered to an initial group of more than 150 customers. In Germany, a software tool has been offered to 300 customers to support them in the development of corporate sustainability reports.

06.

Consolidated Financial Statements

Consolidated financial statements 2024

Contents

All amounts in thousands of Euro, unless otherwise stated

Consolidated statement of financial position

As at December 31, 2024

Assets	Note	31/12/2024	31/12/2023
Cash and cash equivalents	6	**695,187**	**694,238**
Receivables	7	**150,561**	**124,381**
Other assets	8	**173,264**	**191,481**
Current income tax assets	9	**81,641**	**86,018**
Deferred income tax assets	9	**22,888**	**3,817**
Insurance contract assets	16	**852,678**	**776,751**
Direct insurance contract assets	16	144,872	109,788
Reinsurance contract assets	17	694,722	654,132
Deferred acquisition costs	16	13,084	12,831
Investments in associates	12	**93,046**	**88,815**
Financial investments	10	**3,601,824**	**3,153,146**
Investment properties	13	**25,169**	**25,633**
Property, plant and equipment	13	**164,986**	**190,223**
Intangible assets	14	**197,426**	**193,649**
Total		**6,058,671**	**5,528,153**
Equity			
Equity attributable to owners	15	**2,920,256**	**2,784,685**
Total		**2,920,256**	**2,784,685**
Liabilities			
Payables	18	**149,777**	**141,765**
Other liabilities	19	**389,101**	**406,262**
Current income tax liabilities	9	**63,237**	**45,578**
Deferred income tax liabilities	9	**203,449**	**122,755**
Insurance contract liabilities	16	**1,997,922**	**1,722,984**
Direct insurance contract liabilities	16	1,997,704	1,722,832
Reinsurance contract liabilities	17	218	152
Provisions	20	**1,097**	**4,347**
Subordinated debt	21	**297,417**	**249,828**
Employee benefit obligation	22	**36,413**	**49,949**
Total		**3,138,415**	**2,743,468**
Total equity and liabilities		**6,058,671**	**5,528,153**

Consolidated profit and loss statement

for the year ended December 31, 2024

	Note	2024	2023
Insurance revenue	16.2	2,307,492	2,300,480
Insurance service expense	27	(1,738,209)	(1,623,291)
Financial income and expenses from insurance contracts	23	(43,019)	(34,898)
Net expenses from reinsurance contracts	17.3	(201,815)	(261,067)
Insurance service result		**324,448**	**381,224**
Other income from ancillary insurance activities	24	**264,751**	**244,074**
Net gains/(losses) on FVTPL	25	6,153	20,160
Net gains/(losses) on debt securities measured at FVOCI	25	59,328	31,342
Other investment income	25	21,368	4,871
Net investment income	25	**86,849**	**56,373**
Share of income/(losses) of associated companies	12	**13,757**	**11,266**
Net insurance and investment result		**689,805**	**692,936**
Other finance costs	26	9,550	1,323
Other operating expenses	27	(198,354)	(200,431)
Profit before income tax		**501,001**	**493,828**
Income tax expense	28	(131,993)	(119,061)
Profit for the year after income tax		**369,009**	**374,766**
Net result on held for sale operations	32	-	4,314
Result for the year		**369,009**	**379,081**
Attributable to:			
Owners of the Company		369,009	379,081
Non-controlling interests		-	-
Total result for the year		**369,009**	**379,081**

All amounts in thousands of Euro, unless otherwise stated

Consolidated statement of comprehensive income

For the year ended December 31, 2024

	Note	2024	2023
Result for the year		369,009	379,081
Other comprehensive income:			
Items that will not be reclassified to the profit and loss statement:			
Net gains/(losses) on investments measured at FVOCI	15.6	2,057	(37)
Actuarial gains/(losses) on defined benefit pension plans	15.5	(59,046)	11,108
Income tax relating to items that will not be reclassified	15.5	14,602	(3,031)
Items that may be subsequently reclassified to the profit and loss statement:			
Net gains on investments measured at FVOCI reclassified to profit or loss on disposal	15.3	82,428	103,988
Finance expenses from insurance contracts issued	15.7	2,002	45,505
Exchange gains/(losses) on translating foreign operations and associated companies		38,561	(30,547)
Income tax relating to items that may be reclassified		(22,006)	(23,455)
Other comprehensive income for the year, net of tax		**58,598**	**103,531**
Total comprehensive income for the year		**427,607**	**482,612**
Attributable to:			
The owners of the Company		427,607	482,612
Non-controlling interests		-	-
Total comprehensive income for the year		**427,607**	**482,612**

Consolidated statement of changes in equity

for the year ended December 31, 2024

	Note	Attributable to the owners of the Company								
		Share capital	Share premium reserve	Revaluation reserve	Currency translation reserve	Pension reserve	Insurance finance expenses reserve	Retained earnings	Result for the year	Total equity
Balance at 1 January 2023		**79,122**	**639,228**	**(58,770)**	**(2,317)**	**(28,999)**	**16,845**	**1,521,025**	**329,100**	**2,495,232**
Dividends	29	-	-	-	-	-	-	(193,160)	-	(193,160)
Total comprehensive income for the year		-	-	**78,909**	**(28,923)**	**8,077**	**45,505**	**329,063**	**49,981**	**482,612**
Appropriation of prior year result		-	-	-	-	-	-	329,100	(329,100)	-
Result for the year		-	-	-	-	-	-	-	379,081	379,081
Other comprehensive income		-	-	78,909	(28,923)	8,077	45,505	(37)	-	103,531
Balance at 31 December 2023		**79,122**	**639,228**	**20,138**	**(31,240)**	**(20,922)**	**62,350**	**1,656,928**	**379,081**	**2,784,685**
Balance at 1 January 2024		**79,122**	**639,228**	**20,138**	**(31,240)**	**(20,922)**	**62,350**	**1,656,928**	**379,081**	**2,784,685**
Dividends	29	-	-	-	-	-	-	(276,136)	-	(276,136)
Total comprehensive income for the year		-	-	**62,705**	**36,789**	**(44,445)**	**1,492**	**381,138**	**(10,072)**	**427,607**
Appropriation of prior year result		-	-	-	-	-	-	379,081	(379,081)	-
Result for the year		-	-	-	-	-	-	-	369,009	369,009
Other comprehensive income		-	-	62,705	36,789	(44,445)	1,492	2,057	-	58,598
Other movements		-	-	-	-	-	(15,899)	-	-	(15,899)
Balance at 31 December 2024		**79,122**	**639,228**	**82,843**	**5,549**	**(65,367)**	**47,942**	**1,761,930**	**369,009**	**2,920,256**

All amounts in thousands of Euro, unless otherwise stated

Consolidated statement of cash flows

for the year ended December 31, 2024

	Note	2,024	2023
Operating activities			
Insurance business		**536,756**	**482,351**
(+) Cash received from insurance activities (Inflows):		2,865,898	2,862,435
(-) Payments from insurance activities (Outflows):		(2,329,142)	(2,380,085)
Other business		**70,935**	**66,292**
(+) Cash received from other activities (Inflows):		251,464	224,315
(-) Payments from other activities (Outflows):		(180,529)	(158,022)
Cash generated from operating activities		**607,691**	**548,643**
Income tax paid		**(115,509)**	**(153,567)**
A) Net cash from operating activities		**492,182**	**395,076**
Investing activities			
1. Cash received from investing activities (Inflows):		**1,982,824**	**1,434,924**
(+) Property, plant and equipment	13	6,805	437
(+) Investment property	13	47,579	-
(+) Intangible assets		112	2,659
(+) Financial instruments		1,210,218	674,808
(+) Investments in equity instruments		613,414	665,371
(+) Disposal of subsidiaries		-	6,002
(+) Interest received		72,842	63,895
(+) Dividends received		28,256	19,799
(+) Other cash received in relation to investing activities		3,598	1,953
2. Payments from investments activities (Outflows):		**(2,249,080)**	**(1,505,616)**
(-) Property, plant and equipment	13	(48,695)	(34,371)
(-) Investment property	13	(2,405)	-
(-) Intangible assets		(23,501)	(15,537)
(-) Financial instruments		(1,496,772)	(708,744)
(-) Investments in equity instruments		(666,923)	(743,349)
(-) Other cash paid in relation to investing activities		(10,784)	(3,615)
B) Net cash from investing activities		**(266,256)**	**(70,692)**
Financing activities			
1. Cash received from fanancing activities (Inflows):		**297,264**	-
(+) Subordinated liabilities		297,264	
2. Cash paid in financing activities (Outflows):		**(539,730)**	**(216,125)**
(-) Dividends paid to shareholders	29	(276,136)	(193,159)
(-) Interest paid		(13,594)	(23,195)
(-) Subordinated liabilities		(250,000)	228
C) Net cash from financing activities		**(242,466)**	**(216,125)**
D) Effect of exchange rate changes		**17,488**	**10,192**
E) Net increase/(decrease) in cash and cash equivalents (A+B+C+D)		**948**	**118,450**
F) Cash and cash equivalents at beginning of the year	6	**694,239**	**575,789**
G) Cash and cash equivalents at end of year		**695,187**	**694,239**
Total variance		**948**	**118,450**

Notes to the consolidated financial statements

1 General information

Atradius N.V. ('the Company'), with its office at David Ricardostraat 1, 1066 JS, Amsterdam, the Netherlands, and its subsidiaries (together referred to as 'Atradius') is a global credit insurer and aims to support its customers' growth by strengthening their credit and cash management through a wide range of credit insurance management products and services. These services include credit insurance, surety, reinsurance, information services, collection services and instalment credit protection. Atradius offers products and services from strategically located offices on six continents and employed 3,631 people as at 31 December 2024 (2023: 3,525). The parent is Grupo Compañía Española de Crédito y Caución, S.L., which owns 64.23% (equal to 2023) of the shares in Atradius N.V. The ultimate parent and the ultimate controlling party of Atradius is Grupo Catalana Occidente, S.A., which holds 73.84% of the shares in Grupo Compañía Española de Crédito y Caución, S.L. and 35.77% (equal to 2023) of the shares in Atradius N.V. The financial statements of Atradius N.V. are consolidated within Grupo Catalana Occidente, S.A. (GCO), which is a listed company in Spain.

Atradius N.V. subsidiaries are subject to licensing requirements and supervision of their local regulators. Atradius Crédito y Caución S.A. de Seguros y Reaseguros (ACyC) is the primary insurance company and is subject to the supervision of the Spanish regulator, Directorate General of Insurance and Pension Funds (Dirección General de Seguros y Fondos de Pensiones; hereinafter 'DGSFP').

The Atradius consolidated financial statements have been authorised for issue by the Management Board on 4 March 2025 and have been reviewed by the Supervisory Board.

2 Summary of significant accounting policies 2024

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

2.1 Basis of preparation

The Atradius consolidated financial statements are prepared in accordance with International Accounting Standards as adopted by the European Union (IFRS-EU) and also comply with Part 9 of Book 2 of the Dutch Civil Code. The Atradius consolidated financial statements are prepared based on going concern.

The preparation of financial statements in conformity with IFRS-EU requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Atradius accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3.

The profit and loss statement of Atradius N.V. for 2024 is incorporated in the consolidated financial statements, which allow for a presentation of a condensed company profit and loss statement in the company financial statements in compliance with Book 2, Article 402 of the Dutch Civil Code.

Atradius has not performed any changes in its accounting principles in 2024.

All amounts in the notes are shown in thousands of Euro (EUR), rounded to the nearest thousand, unless otherwise stated.

Due to rounding, numbers presented throughout this document, may not add up precisely to the totals provided.

2.2 New and revised standards

All changes in the accounting policies have been made in accordance with the transitional provisions in the respective standards. All standards and amendments adopted by Atradius require retrospective application.

2.2.1 Standards, amendments and interpretations effective in 2024

The following relevant standards and amendments have been adopted in 2024 and do not have a material effect on the consolidated financial statements:

Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback. The objective of the Amendments is to specify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 Revenue from Contracts with Customers to be accounted for as a sale;
Amendments to IAS 1 Presentation of Financial Statements: Non-current liabilities with covenants. This is to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability as current or non-current. The amendments are effective for reporting periods beginning on or after January 1, 2024;
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (Issued on 25 May 2023)

2.2.2 Standards, amendments and interpretations not yet adopted

The following relevant standards and amendments are effective for annual periods beginning after 31 December 2024 and have not been early adopted by Atradius:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024) to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 'Financial Instruments'. This includes amendments in the disclosures of equity instruments designated at fair value through other comprehensive income, an entity would be required to disclose the fair value gain or loss presented in other comprehensive income

during the period, showing separately the fair value gain or loss that relates to investments derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period. The amendments are effective for reporting periods beginning on or after 1 January 2026. The amendment does not have material impact on the consolidated financial statements;
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023) to provide guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for reporting periods beginning on or after 1 January 2025. These amendments will not have material impact on the consolidated financial statements.

The European Union has not yet endorsed the following relevant standards and amendments and as such these have not been adopted by Atradius:

- IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024) includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. New requirements include: new categories and subtotals in the statement of profit or loss, requires disclosures about management-defined performance measures and enhanced requirements for grouping (aggregation and disaggregation) information. It applies to an annual reporting period beginning 1 on or after January 2027. These amendments will have an impact on the disclosures that are presented in the consolidated financial statements;
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024) for periods beginning on or after 1 January 2027, enables eligible subsidiaries to apply the same recognition and measurement requirements in IFRS accounting standards as their parent company. Importantly, it removes the requirement for disclosures that are not aimed at users of financial statements of companies without public accountability. These amendments will not have a material impact on the consolidated financial statements.

2.3 Consolidation

All the entities that are consolidated have 31 December 2024 as year-end.
The following principles of consolidation and measurement are applied to the financial statements:

2.3.1 Subsidiaries

Subsidiaries are all entities over which Atradius has control. Atradius controls an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to Atradius. They are de-consolidated from the date on which control ceases.

Intragroup transactions, balances and unrealised gains on intragroup transactions are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

When Atradius loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non-controlling Interest (Minority-interest further referred to as 'non-controlling interest') and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

2.3.2 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of fair values of the assets (at the acquisition date) transferred to Atradius, liabilities incurred by Atradius to the former owners of the acquiree and the equity interests issued by Atradius in exchange for control of the acquiree. Acquisition-related costs are generally recognised in the profit and loss statement as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that the deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively.

All amounts in thousands of Euro, unless otherwise stated

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed. If the net amount of the identifiable assets acquired and the liabilities assumed exceed the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of Atradius' previously held equity interest in the acquiree (if any), then the excess is recognised immediately in profit or loss as a bargain purchase.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation, may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement method is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by Atradius in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at the fair value and included in the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments, are adjusted retrospectively, with a corresponding adjustment to goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. A contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration that: (i) is within the scope of IFRS 9 shall be measured at fair value at each reporting date and changes in fair value shall be recognised in profit or loss in accordance with IFRS 9. (ii) is not within the scope of IFRS 9 shall be measured at fair value at each reporting date and changes in fair value shall be recognised in profit or loss.

When a business combination is achieved in stages, Atradius' previously held equity interest in the acquiree is re-measured to fair value at the acquisition date (i.e., the date when Atradius obtains control) and the resulting gain or loss, if any, is recognised in the profit and loss statement. Amounts arising from interests in the acquiree before the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, Atradius reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

2.3.3 Associated companies

Associated companies are entities in which Atradius has significant influence, but not control or joint control, over the financial and operating policies, generally accompanying a shareholding of between 20% and 50% of the voting rights. Interests in associates are initially recognised at cost, which includes positive goodwill arising on acquisition. Negative goodwill is recognised in the profit and loss statement on the acquisition date. If associates are obtained in successive share purchases, each significant transaction is accounted for separately.

Atradius' share in its associated companies' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income.

Unrealised gains on transactions between Atradius and its associated companies are eliminated to the extent of Atradius' interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Associate's accounting policies are changed where necessary to ensure consistency with the policies adopted by Atradius.

Interests in companies in which Atradius does not exercise significant influence are accounted for at fair value, in accordance with the accounting principles for available-for-sale investments.

2.4 Segment reporting

IFRS 8 requires operating segments to be identified on the basis on which the Management Board regularly reviews components of Atradius in order to allocate resources to the segments and to assess their performance. Although the Management Board reviews the Company's results in accordance with IFRS 17 in an aggregated level, operating segments are reported in a manner consistent with the internal reporting provided to the Management Board, which is prepared in accordance with IFRS 4. Note that there are no budget/actuals made on IFRS 17 yet. For more information related to segment reporting please see Note 5.

2.5 Foreign currencies

2.5.1 Functional and presentation currency

Items included in the financial statements of each of Atradius' entities/branches are measured using the currency of the primary economic environment in which the entities/branches operate (the 'functional currency').

Atradius measures a multi-currency group of insurance contracts using a single currency denomination. This single currency is the functional currency of Atradius.

All amounts in the notes are shown in thousands of Euro (EUR).

2.5.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss statement. A monetary item that forms part of a net investment in a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future is, in substance, part of the net investment in that foreign operation. In the consolidated financial statements, the related exchange gains and losses on these monetary items are recognised in other comprehensive income.

Translation differences on non-monetary items, such as equities classified as available-for-sale financial investments, are included in the revaluation reserve through other comprehensive income.

2.5.3 Atradius companies

The results and financial position of all Atradius entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing exchange rate at the date of that statement of financial position;
- income and expenses for each profit and loss statement presented are translated at monthly average exchange rates unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are taken to other comprehensive income. When a foreign operation is sold, such exchange differences are recognised in the profit and loss statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as the foreign entity's assets and liabilities and are translated at the closing rate.

All amounts in thousands of Euro, unless otherwise stated

The exchange rates of the most relevant functional currencies for Atradius are presented below:

Currency	End rate			Average rate		
	GBP	USD	AUD	GBP	USD	AUD
At 31 December 2024	1.206	0.963	0.596	1.202	0.947	0.616
At 31 December 2023	1.151	0.905	0.615	1.158	0.915	0.605

2.6 Goodwill and other intangible assets

2.6.1 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed. If the net amount of the identifiable assets acquired and the liabilities assumed exceed the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of Atradius' previously held equity interest in the acquiree (if any), then the excess is recognised immediately in profit or loss as a bargain purchase. Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see Note 2.3.2) less accumulated impairment losses, if any. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

For the purpose of impairment testing, goodwill is allocated to Atradius' relevant cash-generating units. The cash-generating units where goodwill is allocated are the lowest identifiable level possible. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Goodwill on the acquisitions of associated companies is included as part of investments in associated companies.

For more information related to intangibles please see note 14.

2.6.2 Software

Acquired computer software licences are capitalised on the basis of costs incurred to acquire and to bring to use the specific software. These assets are amortised on the basis of the expected useful life: which is between three and five years. Computer software is stated at cost less accumulated amortisation and any accumulated impairment losses.

Development costs that are directly associated with the production of identifiable and unique software products controlled by Atradius, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development team's employee costs and an appropriate portion of relevant overhead. The research costs associated with developing identifiable and unique software products as well as the costs of maintaining computer software programmes are recognised as an expense as incurred. The computer software development costs recognised as assets are amortised using the straight-line amortisation method over its estimated economic useful lives: in general, not exceeding a period of five years. Majority of capitalised software developed for strategic business developments has an estimated useful life of 10 years.

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embedded in the specific assets to which it relates. All other expenditure is expensed as incurred.

Software is tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. Additionally, Atradius reviews in the case of self developed software, if there are any objective reasons to impair the carrying value. This is based on progress of the development and considering time and money spent, budget and deliveries according to the milestones. If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

2.6.3 Other intangible assets

Other intangible assets are recognised at fair value at the acquisition date. Amortisation charges are included in net operating expenses and are calculated using the straight-line method over the expected life of the asset which is estimated to be between 5 and 15 years. Other intangible assets relate to agent networks, non-patented technology, trade names and insurance.

For more information related to intangibles please see note 14.

2.7 Property, plant and equipment

Land and buildings comprise offices occupied by Atradius ('property for own use'). Land and buildings are stated at the cost of acquisition or construction, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. For analysis of the residual value, the fair value is assessed based on active market prices, adjusted if necessary, for any difference in the nature, location or condition. All other property, plant and equipment are stated at historical cost less accumulated depreciation and subsequent impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Atradius and the cost of the item can be reliably measured. All other repairs and maintenance are recognised as an expense in the profit and loss statement during the financial period in which they are incurred.

Some of Atradius' properties comprise a part that is held as investment property to earn rentals or for capital appreciation and another part that is held for own use. If these parts could be sold separately or leased out separately under a financial lease, Atradius accounts for the parts separately as investment property and property for own use, respectively.

The depreciation period is based on the estimated economic useful life of the asset. Leasehold improvements are depreciated over the shorter of the estimated useful life of the improvements and the respective lease terms. Land is not depreciated. All other assets are depreciated using the straight-line depreciation method over the estimated economic useful lives: buildings over 50 years, fixtures and fittings over 3-10 years and information systems hardware over 3-5 years.

Property, plant and equipment is tested for impairment when there is objective evidence or indication that these assets may be impaired. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. An indication of impairment is when the asset is not in use anymore or when there is a substantial decrease in the fair value of the asset.

2.7.1 Leased property, plant and equipment

At the inception of a contract, Atradius assesses whether it is a lease. A contract is a lease if it involves the use of an identified asset and conveys the right to control the use of the asset for a period of time in exchange for consideration – i.e. Atradius has the rights to obtain substantially all of the economic benefits from using the asset and direct the use of the asset.

As a lessee

A right of use (ROU) asset and a lease liability are recognised at the commencement date of the lease. The ROU asset is initially measured at cost, which comprises the amount of the lease liability, any lease payments made at or before the commencement date, any initial direct costs incurred and an estimate of the costs to remove the underlying asset or to restore the site on which it is located, less any lease incentives received. The lease liability is initially measured at the present value of the lease payments to be paid, discounted using the interest rate implicit in the lease or, if that cannot be readily determined, Atradius's incremental borrowing rate. Atradius generally uses its incremental borrowing rate as the discount rate that applies to the lease.

Subsequently, the ROU asset is depreciated using the straight-line depreciation method over the shorter of the asset's useful life and the lease term. The lease liability is subsequently measured at amortised cost using the effective interest method. The depreciation expense on the ROU asset and the interest expense on the lease liability are separately recognised in the profit and loss statement.

Atradius presents its ROU assets in 'property plant and equipment' and lease liabilities in 'other liabilities' in the statement of financial position.

Atradius has elected not to recognise ROU assets and lease liabilities for short-term-leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight-line basis in the profit and loss statement.

As a lessor

Atradius classifies all leases for which it is a lessor as operating leases, because none of these leases transfer substantially all of the risks and rewards incidental to ownership of the underlying asset.

Lease payments from operating leases are recognised as income on a straight-line basis over the lease term and are included in 'net investment income'.

Atradius presents its operational leases as a lessor in 'investment property' in the statement of financial position.

Leased property is tested for impairment when there is objective evidence or indication that these assets may be impaired. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. An indication of impairment is when the asset is not in use anymore or when there is a substantial decrease in the fair value of the asset.

2.8 Investment property

Property held for long-term rental yields that is not occupied by one of the companies of Atradius is classified as investment property.

Investment property comprises freehold land and buildings. It is stated at the cost of acquisition or construction, less any subsequent accumulated depreciation and subsequent impairment losses. Buildings are depreciated using the straight-line depreciation method over the estimated economic useful life of the property: 50 years.

Investment property is tested for impairment when there is objective evidence or indication that these assets may be impaired. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. An indication of impairment is when the asset is not in use anymore or when there is a substantial decrease in the fair value of the asset.

2.9 Fair value measurements

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1: Quoted prices in active markets. This category includes financial instruments for which the fair value is determined directly by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2: Valuation techniques based on observable market data. This category includes financial instruments for which the fair value is determined using a valuation technique (a valuation model), where inputs in the valuation model are taken from an active market or are market observable. If certain inputs in the model are not market observable, but all significant inputs are, the instrument is still classified in this category, provided that the impact of those elements on the overall valuation is insignificant. Included in this category are items whose value is derived from quoted prices of similar instruments, but for which the prices are (more than insignificantly) modified based on other market observable external data.

Level 3: Valuation techniques incorporating information other than observable market data. This category includes financial investments for which the fair value is determined using a valuation technique for which a significant level of the input is not supported by a current observable market transaction. This category also includes the financial investments for which the fair value is based on broker quotes or pricing services. These valuations are for 100% of the fair value verified with an external independent valuation company.

The fair values of financial instruments traded in active markets are based on quoted market prices at the end of the reporting period. The quoted market price used for financial investments held by Atradius is the current bid price. Transaction costs on initial recognition of financial investments are expensed as incurred.

The fair values of financial instruments in markets that are not active are determined using valuation techniques. Atradius uses a variety of methods and assumptions that are based on market conditions existing at the end of the reporting period.

The fair values of property for own use and investment property are determined, every two years, by independent real estate valuators registered in the relevant countries and who have appropriate qualifications and experience in the valuation of properties.

See Note 4.3.1.1 for further details regarding the determination of the fair value of financial investments.

2.10 Financial instruments

2.10.1 Summary of measurement categories

Atradius classifies its financial assets into the following categories:

Type of financial instrument	Classification	Reason
Cash and cash equivalents	Amortised cost (AC)	SPPI, hold to collect business model
Debt securities	Amortised cost (AC)	SPPI, hold to collect business model
	Fair value through OCI	SPPI, hold to collect and sell business model
	Fair value through Profit and Loss	Mandatory, does not pass the SPPI test
Investment funds	Fair value through Profit and Loss	Designated upon initial recognition
Equity securities	Fair value through OCI	Designated upon initial recognition

2.10.2 Recognition and derecognition of financial instruments

All purchases and sales of financial instruments that require delivery within the time frame established by regulation or market convention ('regular way' purchases and sales) are recognised at trade date, i.e. the date that Atradius commits to purchase or sell the asset. Loans and receivables are recognised and derecognised at settlement date, the date Atradius receives or delivers the asset.

Financial instruments are derecognised when the rights to receive cash flows from the financial instruments have expired or where Atradius has transferred substantially all the risks and rewards of ownership. If Atradius neither transfers nor retains substantially all the risks and rewards of ownership of a financial instrument and does not retain control over the instrument, it derecognises the financial instrument. In transfers where control over the asset is retained, Atradius continues to recognise the asset to the extent of its continuing involvement. The extent of continuing involvement is determined by the extent to which Atradius is exposed to changes in the value of the asset.

All amounts in thousands of Euro, unless otherwise stated

2.10.3 Classification of financial instruments

The classification approach is based on two concepts: the entity's business model and the characteristics of contractual cash flows of assets and liabilities (represented by Solely Payments of Principal and Interest (SPPI)).

Atradius has assessed whether its financial assets are maintained to:

- Obtain contractual cash flows: The management of this type of business model aims to generate cash flows by obtaining contractual payments over the life of the instrument. However, even if the objective of the business model is to hold financial assets to collect contractual cash flows, the entity does not need to hold all instruments until maturity. Thus, an entity's business model may be to hold financial assets to collect contractual cash flows even when sales of financial assets occur or are expected to occur in the future. Such sales should be circumstantial, infrequent, of negligible value or consistent with the objective of the business model.
- Obtain contractual cash flows and sell such assets: The management of this type of business model aims both at obtaining contractual cash flows and the sale of financial assets. There are several objectives that can be consistent with this type of business model.
- Sell the assets or manage their return through their fair value: The management of this type of business model aims to evaluate it on a fair value basis. An entity focuses primarily on fair value information and uses that information to assess asset performance and make decisions. For these portfolios, obtaining contractual cash flows is only secondary to achieving the business model objective.

Based on defined business models and cash flow characteristics, Atradius classifies its debt instruments into three valuation categories:

- Debt instruments at amortised cost: the objective of its business model is to maintain the financial asset in order to collect contractual cash flows and, according to the terms of the contract, cash flows are received on specific dates, which constitute only payments of principal plus interest on principal (SPPI). Interest, impairment and exchange differences are recorded in profit or loss.
- Debt instruments at fair value through changes in other comprehensive income: the business model aims both at obtaining contractual cash flows and selling them and, according to the terms of the contract, cash flows are received on specific dates, which constitute only payments of principal plus interest on principal. The impairment model is based on expected future credit losses. Expected Credit Losses and exchange differences are recorded in profit or loss, as in the amortised cost model. The remaining fair value changes are recorded in OCI. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.
- Debt instruments at fair value through profit or loss: A financial asset shall be measured at fair value through profit or loss unless measured at amortised cost or at fair value through other comprehensive income. This category includes debt instruments for which Atradius has determined that the SPPI ("solely payments of principal and interest") test is not met because of the existence of characteristics such as, inter alia: (i) order of priority of payments; (ii) option to replace collateral; (iii) the option to replace or modify the terms of the instrument until it is converted into capital; (iv) option to defer interest payments; (v) option to convert to interest-bearing bonds at any time or on each interest payment date; (vi) the timing of interest settlement does not coincide with the time horizon of the reference rate; (vii) possibility of indefinite maturity without compensation.

Atradius also classifies investment fund in the financial assets at fair value through profit or loss category, as this typology of instruments does not meet the definition of equity instruments in accordance with IAS 32 and therefore cannot be measured at fair value through changes in other comprehensive income and must be measured at fair value through changes in profit or loss.

In addition, Atradius applies the irrevocable designation options in initial recognition regarding equity securities. An equity instrument, provided it is not held for trading purposes, may be classified at fair value through changes in other comprehensive income (equity). Movements in the carrying amount are taken through OCI. On disposal of the equity instruments, the cumulative change in fair value is transferred to retained earnings and not recycled through profit and loss. Atradius has assumed that equity securities represent investments that Atradius intends to maintain in the long term for strategic purposes and it has designated these investments as "fair value through changes in other comprehensive income". Dividends are taken through profit and loss.

2.10.4 Expected Credit Loss

An expected credit loss (ECL) is calculated for debt securities measured at FVOCI.
For financial assets measured at AC, ECL is not calculated given the liquidity of these assets.

Atradius assesses on a forward-looking basis the Expected Credit Loss (ECL) associated with its debt instrument assets carried at FVOCI. At each reporting date, Atradius measures the value adjustment for expected credit losses at an amount equal to the expected credit losses over the life of the asset or the expected credit losses over the next 12 months; depending on whether the credit risk on that financial instrument has increased significantly since initial recognition. The measurement of the ECL reflects:

a. an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
b. the time value of money; and
c. reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

A number of significant judgements are required in applying the accounting requirements for measuring ECL, such as:

a. determining criteria for a significant increase in credit risk (SICR);
b. choosing appropriate models and assumptions for the measurement of the ECL;
c. establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
d. establishing groups of similar financial assets for the purposes of measuring the ECL.

Atradius outlines a three-stage model for impairment, based on changes in credit quality since initial recognition, as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1, and it has its credit risk continuously monitored by the Company;
- If a significant increase in credit risk (SICR) since initial recognition is identified, the financial instrument is moved to Stage 2, but it is not yet deemed to be credit-impaired.
- If the financial instrument is credit-impaired, the financial instrument is then moved to Stage 3;
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of the lifetime ECL that results from default events possible within the next 12 months. Instruments in Stage 2 or 3 have their ECL measured based on the ECL on a lifetime basis;
- A pervasive concept in measuring the ECL in accordance with IFRS 9 is that it should consider forward-looking information; and
- Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

Atradius defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criterion

The borrower is more than 90 days past due on its contractual payments.

Qualitative criterion

The borrower meets the unlikeliness to pay criterion, which indicates that the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance;
- The borrower is insolvent;
- The borrower is in breach of (a) financial covenant(s);
- An active market for that financial asset has disappeared because of financial difficulties;
- Concessions have been made by the lender relating to the borrower's financial difficulties;
- It is becoming probable that the borrower will enter bankruptcy; or
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by Atradius and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the probability of default (PD), exposure at default (EAD) and loss given default (LGD) throughout the Group's expected loss calculations.

An instrument is considered to no longer be in default (that is, to have cured) when it no longer meets any of the default criteria for a consecutive period of six months. This period of six months has been determined based on an analysis that considers the likelihood of a financial instrument returning to default status after cure, using different possible cure definitions.

Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The ECL is measured on either a 12-month (12M) or lifetime basis, depending on whether a SICR has occurred since initial recognition or whether an asset is considered to be credit-impaired. The ECL is the discounted product of the PD, EAD and LGD, defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (according to the definition of default and credit-impaired assets above), either over the next 12 months (12M PD) or over the remaining lifetime (Lifetime PD) of the obligation;
- The EAD is based on the amounts that the Company expects to be owed at the time of default, over the next 12 months or over the remaining lifetime;
- The LGD represents the Company's expectation of the extent of loss on a defaulted exposure. The LGD varies by type of borrower, type and seniority of claim, and availability of collateral or other credit support. The LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). The LGD is calculated on a 12M or lifetime basis, where the 12M LGD is the percentage of loss expected to be made if the default occurs in the next 12 months, and the lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (that is, the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original EIR or an approximation thereof.

The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a financial instrument portfolio from the point of initial recognition throughout the lifetime of the financial instrument. The maturity profile is based on historical observed data, and it is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

Forward-looking economic information is also included in determining the 12M and Lifetime PD, EAD and LGD. These assumptions vary by product type.

The assumptions underlying the ECL calculation are monitored and reviewed on a quarterly basis.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

Significant increase in credit risk

Atradius considers a financial instrument to have experienced a SICR when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria

Thresholds have been established to determine whether the remaining Lifetime PD at the reporting date has increased significantly compared to the residual Lifetime PD expected at the reporting date when the exposure was first recognised.

Qualitative criteria

For debt instruments securities, if the instrument meets one or more of the following criteria:
significant increase in credit spread;
significant adverse changes in business, financial and/or economic conditions in which the borrower operates;
actual or expected forbearance or restructuring;
actual or expected significant adverse change in operating results of the borrower; and
significant change in collateral value (secured facilities only) that is expected to increase risk of default.

The assessment of a SICR incorporates forward-looking information and is performed at the borrower level and on a periodic basis. The criteria used to identify a SICR are monitored and reviewed periodically for appropriateness by the independent Credit Risk team.

Forward-looking information incorporated in the ECL models

The assessment of a SICR and the calculation of the ECL both incorporate forward-looking information. The Company has performed historical analysis and identified the key economic variables impacting credit risk and the ECL for each portfolio.

Equity securities that are classified as fair value through OCI are not subject to impairment analysis.

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks and other short-term highly liquid investments with original maturities of three months or less that are subject to an insignificant risk of changes in their fair value and are used by Atradius in the management of its short-term commitments. Bank overdrafts that are repayable on demand form an integral part of Atradius' cash management and are included as a component of cash and cash equivalents for cash flow purposes. In the statement of financial position, bank overdrafts that do not meet the criteria for offsetting, are presented separately as liabilities under borrowings.

Deposits pledged for regulatory and other purposes as well as cash held for investments are not available for use in Atradius' day-to-day operations and are therefore not included within cash and cash equivalents. These assets are included within financial investments.

2.13 Capital and reserves

2.13.1 Share capital

Share capital is the nominal value of issued shares. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax. Incremental costs directly attributable to the issue of equity instruments as consideration for the acquisition of a business are included in the cost of acquisition.

2.13.2 Share premium reserve

Share premium reserve is the amount received by Atradius in excess of the nominal value of the shares it has issued.

2.13.3 Revaluation reserve

The revaluation reserve comprises the unrealised gains/losses of the debt securities and the equity securities that are valued at FVOCI after the deduction of income tax, including the impairments on the debt securities that are accounted as FVOCI. The revaluation reserve moves through the profit and loss statement when the impairments on assets at FVOCI are recognized or the financial assets at FVOCI are sold.

2.13.4 Currency translation reserve

The net exchange difference, after the deduction of income tax that is recognised in the currency translation reserve in each period represents the following:

a. in respect of revenue, expenses and capital transactions, the difference between translating these items at actual or average exchange rates and using the exchange rate at the end of the reporting period, which is the case for recognised assets and liabilities;
b. in respect of the net assets at the beginning of the reporting period, the difference between translating these items at the rate used at the end of the previous reporting period and using the rate at the end of the current reporting period; and
c. in respect of the net assets acquired during the reporting period, the difference between translating these items at the rate at acquisition date and using the rate at the end of the current reporting period.

2.13.5 Pension reserve

The pension reserve relates to the various defined benefit schemes and consists of:

a. actuarial gains and losses, after the deduction of income tax, that arise in calculating Atradius' pension obligations and fair value of the plan assets in respect of a defined benefit plan in the period in which they occur; and
b. the non-recognition of assets ('asset ceiling') that can occur when the plan assets are higher than the projected benefit obligation and where Atradius cannot recover any surplus through refunds from the pension vehicle due to solvency and/or control requirements.

2.13.6 Insurance finance expenses reserve

For all insurance contracts issued and reinsurance contracts held, Atradius has chosen to disaggregate insurance finance income or expenses between profit or loss and OCI to allow for any unrealised impact from either to be appropriately reflected while not impacting profit and loss until realised.

At initial recognition of the insurance contract the discount rate and the foreign currency exchange rate is locked in. Any subsequent change in the discount rate and foreign exchange rate compared with the locked in rates related to future cash flows will be accounted for as OCI.

The amount included in profit or loss represents the unwinding at the locked in discount rate and the realised foreign exchange result. The foreign exchange result is determined based on the foreign exchange rate applied to actual cash flows as a differential to the locked in rate. OCI balances related to realised cashflows are released to profit and loss upon actualisation of cashflow.

2.13.7 Retained earnings

Retained earnings are the accumulated amount of profits or losses at the end of the reporting period, which have not been distributed to shareholders.

2.13.8 Non-controlling interests

Non-controlling interests represent the proportion of shareholders' equity and of total comprehensive income attributable to minority shareholders.

Non-controlling interest are initially measured on the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities at the date of the acquisition. The calculation of the percentage attributable to the non-controlling interest includes any equity interest not held indirectly through subsidiaries.

Non-controlling interest is presented within equity separately from the equity attributable to the equity holders of Atradius. Similarly, the statement of recognised income and expenses presents total income and expenses for the period showing separately the amounts attributed to the equity holders of Atradius and non-controlling interests.

2.14 Subordinated debt

A subordinated debt is recognised initially at fair value, net of transaction costs incurred. A subordinated debt is subsequently stated at amortised cost. The difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss statement over the fixed period of the debt during which the interest is fixed using the effective interest method. Interest payable is reported under other liabilities.

2.15 Insurance contracts

2.15.1 Definition and classification

Insurance contracts are contracts under which Atradius accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. Atradius uses judgement to assess whether a contract transfers insurance risk.

Before Atradius accounts for an insurance contract based on the guidance in IFRS 17, it analyses whether the contract contains components that should be separated. IFRS 17 distinguishes three categories of components that have to be accounted for separately:

- Cash flows relating to embedded derivatives that are required to be separated;
- Cash flows relating to distinct investment components; and
- Promises to transfer distinct goods or distinct services other than insurance contract services.

Atradius applies IFRS 17 to all remaining components of the contract. Atradius does not have any contracts that require further separation of insurance contracts.

Atradius is not engaged in contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Company to financial risk and investment contracts that contain DPF, whereby the investor has the right and is expected to receive, as a supplement to the amount not subject to the Company's discretion, potentially significant additional benefits based on the return of specified pools of investment assets.

In the normal course of business, Atradius uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all of the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

All references to insurance contracts in these consolidated financial statements apply to insurance contracts issued or acquired, reinsurance contracts held unless specifically stated otherwise.

Measurement approaches

Atradius uses for all its products and markets-credit and surety products, and reinsurance held-one common harmonised approach being the general measurement model (GMM). The Company has chosen this approach since all these products have a significant portion of insurance contracts that have a coverage period longer than one year. Additionally, the general measurement approach allows including changes in the estimation of cash flows that are important to deal with volatile economic environments. Atradius is exposed to these material expectation changes with respect to future events as result from the changes in the credit quality of the credit exposures because of macro-economic changes.

The main reinsurance treaties that are on a risk attaching basis do cover all insurance products. As such these treaties all have a coverage period for more than one year (the coverage of the direct contracts plus up to one year) and are exposed to the same changes in estimates as the direct contracts.

Definition of insured event and coverage period

The coverage period is defined as a period during which the entity provides insurance contract services. This period includes the insurance contract services that relates to all fulfilment cash flows within the boundary of the insurance contract. During the coverage period an insured event can happen.

Atradius has defined the coverage period as the period during which the entity provides insurance contract services, which in turn is the period during which insured events can take place. The insured event for credit insurance, following the policy wording is the insolvency and/or protracted default of the buyer. As is common for the Credit Insurance market, Atradius policies do not recognise a protracted default, until the end of a waiting period. For surety insurance, the coverage ends at the end of the (estimated) period that the bond will cover the insured events.
For assumed reinsurance business of credit and surety ("Assumed Reinsurance"), the end of the coverage period depends on the type of coverage provided under the reinsurance treaty. For losses occurring during cover, the end of the coverage period is equal to the reinsurance treaty end date. For risks attaching cover, this is the maximum duration of the underlying business (credit Insurance and/or surety) according to the treaty.

2.15.2 Level of aggregation

Atradius has defined the units of account based on the combination of portfolio, year of issue and profitability, as detailed below.

Atradius manages insurance contracts issued by product lines within one operating segment, where each product line includes contracts that are subject to similar risks. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) and are: (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or (iii) a group of remaining contracts. These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. The allocation of contracts to a group after initial recognition is not subsequently reconsidered.

Local Credit Insurance business and Surety business is managed at country level. While Atradius manages Global Credit Insurance, Credit Specialties, Instalment Credit Protection and Assumed Reinsurance at group level.

Atradius monitors the profitability of contracts within portfolios and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming onerous at the level of the country or unit with no information available at a more granular level. The assessment of onerous at initial recognition is per portfolio performed on each set of insurance contracts. Only in very exceptional circumstances the Company will for strategic reasons issue contracts that are onerous at initial recognition. For Credit Insurance, Atradius considers that contracts should not be grouped as onerous at initial recognition, as contracts are managed together with contracts that are yet to be recognised as result of the ability to dynamically underwrite these risks.

Atradius uses significant judgement to determine at what level of granularity the Company has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment.

Atradius assumes that all groups have a significant chance of becoming onerous, due to potential large expectation changes, except for Instalment Credit protection where Atradius does not expect a significant chance that the group becomes onerous.

Atradius has extensively reviewed all facts and circumstances in all cases where one counterparty has multiple insurance contracts. Atradius has decided that some of these contracts cannot be measured independently. Circumstances to come to this decision are items such as the existence of one master agreement, aggregated first loss, aggregate buyer limits and bonus malus on the combined result of all insurance contracts.

Portfolios of reinsurance contracts held are assessed for aggregation and measurement separately from portfolios of insurance contracts issued. The reinsurance held contracts are managed at group level. Applying the grouping requirements to reinsurance contracts held, the Company aggregates reinsurance contracts held issued within a calendar year (annual cohorts) into groups of: (i) contracts for which there is a net gain at initial recognition, if any; (ii) contracts for which, at initial recognition, there is no significant possibility of a net gain arising subsequently; and (iii) remaining contracts in the portfolio, if any.

Atradius has for their main reinsurance held contracts determined to split these in two portfolios, proportional and non-proportional, which is consistent with how the assumed reinsurance is split into portfolios.

Transition approaches that were applied by Atradius on adoption of IFRS 17 with respect to contracts aggregation requirements are included in Note 3.4.

2.15.3 Recognition, modification, derecognition of insurance contracts

Atradius recognizes groups of insurance contracts issued from the first of the following dates:

- At the beginning of the coverage period;
- The date when the first payment of the policyholder is due; or
- When the Company determines that a group of contracts becomes onerous.

Atradius in general recognises the insurance contract at the beginning of the coverage period unless groups of insurance contracts are onerous once the contract is bound and if the bound date is prior to the coverage start date. For standard credit insurance business, the existence of credit limits (coverage of insured sales) determines the existence of the insurance contract, and not the policy itself.

Insurance contracts acquired in a business combination within the scope of IFRS 3 or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer.

Reinsurance contracts held are recognised as follows:

a. A group of reinsurance contracts held that provide proportional coverage (quota share reinsurance) is recognised at the later of:
b. The beginning of the coverage period of the group; and
c. The initial recognition of any underlying insurance contract;
d. All other groups of reinsurance contracts held are recognised from the beginning of the coverage period of the groups of reinsurance contracts held; unless the Company entered into the reinsurance contract held at or before the date when an onerous group of underlying contracts is recognised prior to the beginning of the coverage period of the group of reinsurance contracts held, in which case the reinsurance contract held is recognised at the same time as the group of underlying insurance contracts is recognised.

Only contracts that individually meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohort's restriction. Composition of the groups is not reassessed in subsequent periods.

Atradius derecognises an insurance contract when it is:

a. Extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled); or
b. The contract is modified and additional criteria discussed below are met.

When Atradius modifies an insurance contract as a result of an agreement with the counterparties or due to a change in regulations, Atradius treats changes in cash flows caused by the modification as changes in estimates of the fulfilment cash flow (FCF), unless the conditions for the derecognition of the original contract are met.

Atradius derecognises the original contract and recognises the modified contract as a new insurance contract if the modified terms had been included at contract inception and Atradius would have concluded that the modified contract: results in a different contract boundary; or belongs to a different group of contracts.

When an insurance contract is derecognised from a group of insurance contracts, Atradius adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group and adjust the contractual service margin (CSM) and the number of coverage units for the expected remaining insurance contract services, to reflect the number of coverage units removed.

2.15.4 Measurement

2.15.4.1 Fulfilment cash flows

Fulfilment cash flows (FCF) consist of a best estimate and a risk adjustment.

- The estimate consists of estimates of the future cash flows within the contract boundary of the contracts that Atradius expects to collect from premiums and to pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts. The estimate corresponds to a probability weighted average of future outcomes, with prudent choices being made as to possible scenarios and likelihoods thereof.
- The estimates are determined from the perspective of the Company, and consistent with observable market prices for market variables where relevant. It considers circumstances as at measurement date in as far relevant and known to the Company and reflect conditions existing at the measurement date.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation. Refer to note 3.4.3.

In the measurement of reinsurance contracts held, the probability-weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer. Atradius has set the potential credit loss at zero based on the high-level quality of the reinsurance panel.

Where appropriate and proportionate methodology and data exists, Atradius estimates cash flows at the level of group of contracts or lower. However, where estimate relate to more severe events, that do not occur at the level of the group of contracts and that occur with sufficient frequency to allow for robust modelling at that level of granularity the Company models the estimates related to the possible events at a higher level, combining information from multiple portfolios, and then allocating such estimates to Group level.

Atradius uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

Contract boundary

Atradius uses the contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts.

Cash flows are within the boundary of an insurance contract if they arise from the substantive rights and obligations that exist during the period in which the policyholder is obligated to pay premiums, or the Company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

a. Atradius has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price level that fully reflects those risks;
b. both of the following criteria are satisfied:
    i. Atradius has the practical ability to reassess the risks of the portfolio of insurance contracts that contains the contract and, as a result can set a price that fully reflects the risk of that portfolio; and
    ii. the pricing of the premiums up to the date when risks are reassessed does not consider the risks that relate to periods after the reassessment date.

Atradius has defined the contract boundary for the different product lines as the end of the policy period except for:

- Credit Insurance if the group of contracts can withdraw the buyer limits and as such has unlimited re-underwrite ability. The Group has for practical purposes defined this at month end. The contract boundary is extended with the notice period that applies for withdrawal of the buyer limits.

- Permanent bonds if the Group can cancel the bond, as at the end of the notice period. In as far as such period limits the Company to withdraw earlier.

How Atradius manages insurance risk is explained in note 4.2.1.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

Atradius determines that the premiums receivable from the intermediary are future cash flows within the boundary of an insurance contract. When the policyholder pays the premiums to the intermediary, Atradius continues to treat the premiums receivable from the intermediary as future cash flows within the boundary of an insurance contract and includes them in the measurement of a group of insurance contracts until recovered in cash.

Reinsurance

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive insurance contract services from the reinsurer.

Atradius main proportional reinsurance agreements renew on an annual basis. Atradius treats these reinsurance contracts as a series of annual contracts that cover underlying business that are based on risk attachment principles attached to the agreement, instead of issued within a year. Estimates of future cash flows arising from all underlying contracts issued and expected to be issued within the reinsurance contracts' one-year boundary are included in the measurement of the reinsurance contracts. Estimates of future cash flows arising from all underlying contracts issued and expected to be issued within the reinsurance contracts boundary are included in the measurement of the reinsurance contracts.

The excess of loss reinsurance contract held provides coverage for claims incurred based on the attachment principle. Thus, all cash flows arising from claims incurred and expected to be incurred based on the attachment principle are included in the measurement of the reinsurance contracts held. The main contracts do include mandatory reinstatement reinsurance premiums. These are inside the contract boundary.

Any cash flow that is not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

Insurance acquisition costs

Atradius defines acquisition cash flows as cash flows that arise from costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) and that are directly attributable to the portfolio of insurance contracts to which the group belongs.

Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis.

Insurance acquisition cash flows not directly attributable to a group of contracts but directly attributable to a portfolio of contracts are allocated to groups of contracts in the portfolio or expected to be in the portfolio.

Atradius recognises an asset for directly attributable acquisition costs that relate to broker commissions. These balances are directly linked to prepaid premium for which the premium is not yet part of a recognised group of insurance contracts. There is no risk that these acquisition costs cannot be recovered since when the related insurance contract never gets recognised, both the related prepaid premium and the broker commissions are refunded.

Other pre-recognition cash flows within the contract boundary

Before a group of insurance contracts is recognised, Atradius could recognise assets or liabilities for cash flows related to a group of insurance contracts other than insurance acquisition cash flows, either because of the occurrence of the cash flows or because of the requirements of another IFRS standard. Cash flows are related to the group of insurance contracts if they would have been included in the FCF at initial recognition of the group if they had been paid or received after that date. Such assets or liabilities (referred to as 'other pre-recognition cash flows') are included in the carrying amount of the related portfolios of insurance contracts issued or in the carrying amount of the portfolios of reinsurance contracts held.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows. It reflects the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Company fulfils insurance contracts. Atradius takes diversification benefits into account.

For the calculation of the risk adjustment, Atradius uses the Cost of Capital method. A 7% cost of capital rate is applied based on a weighted average of the 6% SII regulatory rate and a 10% market-driven cost of capital.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer. A factor is constructed from the claims cash flow weighted average of the direct business being ceded.

Discount rate

Atradius measures the value of money over time using discount rates that reflect the liquidity characteristics of insurance contracts and the characteristics of cash flows, consistent with current market prices and excluding factors influencing the market prices of the reference assets but not affecting the flows of insurance contracts. The discount rate is calculated using the "bottom-up" approach after the transition ("bottom-up") based on the risk-free curve, mainly based on the curve published monthly by EIOPA (European Insurance and Occupational Pensions Authority) and applying an illiquidity premium of zero.

2.15.4.2 Initial measurement

Contractual service margin

The contractual service margin (CSM) is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Company will recognise as it provides insurance contract services in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous or insurance revenue and insurance service expenses are recognised as in (d) below) arising from:

a. The initial recognition of the FCF;
b. Cash flows arising from the contracts in the group at that date;
c. The derecognition of any insurance acquisition cash flows asset; and
d. The derecognition of any other pre-recognition cash flows. Insurance revenue and insurance service expenses are recognised immediately for any such assets derecognised.

When the above calculation results in a net outflow, the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately, with no CSM recognised on the balance sheet on initial recognition, and a loss component is established in the amount of loss recognised.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case Atradius recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred loss that Atradius will recognise as a reinsurance expense as it receives insurance contract services from the reinsurer in the future and is calculated as the sum of:

a. The initial recognition of the FCF; and
b. Cash flows arising from the contracts in the group at that date;
c. The amount derecognised at the date of initial recognition of any asset or liability previously recognised for cash flows related to the group of reinsurance contracts held (other pre-recognition cash flows); and
d. Any income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised in (d) above. This amount is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that Atradius expects to recover from the reinsurance contracts held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

For insurance contracts acquired in a portfolio transfer or a business combination within the scope of IFRS 3, at initial recognition, the CSM is an amount that results in no income or expenses arising from:

a. The initial recognition of the FCF; and
b. Cash flows arising from the contracts in the group at that date, including the fair value of the groups of contracts acquired as at the acquisition date as a proxy of the premiums received.

No insurance contracts acquired were assessed as onerous at initial recognition. Atradius did not acquire any reinsurance contracts held.

Subsequent measurement

The carrying amount at the end of each reporting period of a group of insurance contracts issued is the sum of:

a. The liability for remaining coverage (LRC), comprising:
   i. The FCF related to future service allocated to the group at that date; and
   ii. The CSM of the group at that date; and
b. The liability for incurred losses (LIC), comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount at the end of each reporting period of a group of reinsurance contracts held is the sum of:

a. The remaining coverage, comprising:
   iii. The FCF related to future service allocated to the group at that date; and
   iv. The CSM of the group at that date; and
b. The incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

Changes in fulfilment cash flows

The FCF are updated by the Company for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates.

The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

a. Changes that relate to current or past service are recognised in profit or loss; and
b. Changes that relate to future service are recognised by adjusting the CSM or the loss component within the liability for remaining coverage (LRC) as per the policy below.

The following adjustments relate to future service and thus adjust the CSM:

a. Experience adjustments – arising from premiums received in the period that relate to future service and related cash flows;
b. Changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph; and
c. Changes in the risk adjustment for non-financial risk that relate to future service.

The adjustments above are measured using discount rates determined on initial recognition (the locked-in discount rates).

The following adjustments do not adjust the CSM:

a. Changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof;
b. Changes in the FCF relating to the LIC;
c. Experience adjustments – arising from premiums received in the period that do not relate to future service and related cash flows, and
d. Experience adjustments relating to insurance service expenses.

Atradius does not have any products with complex guarantees and does not use derivatives as economic hedges of the risks.

Changes to the contractual service margin

For insurance contracts issued, at the end of each reporting period the carrying amount of the CSM is adjusted by the Company to reflect the effect of the following changes:

a. The effect of any new contracts added to the group.
b. Interest accreted on the carrying amount of the CSM.
c. Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent that the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LRC. When the CSM is zero, changes in the FCF adjust the loss component within the LRC with correspondence to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM.
d. The effect of any currency exchange differences.
e. The amount recognised as insurance revenue for insurance contract services provided during the period, determined after all other adjustments above.

For reinsurance contracts held, at the end of each reporting period, the carrying amount of the CSM is adjusted by the Company to reflect the effect of the following changes:

a. The effect of any new contracts added to the group;
b. Interest accreted on the carrying amount of the CSM;
c. Income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group. A loss recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised;
d. Reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held;
e. Changes in the FCF, to the extent that the change relates to future service, unless the change results from a change in FCF allocated to a group of underlying insurance contracts that does not adjust the CSM for the group of underlying insurance contracts;
f. The effect of any currency exchange differences; and
g. The amount recognised in profit or loss for insurance contract services received during the period, determined after all other adjustments above.

Income referred to in (c) above is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that Atradius expects to recover from the reinsurance contract held that is entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

For the purposes of (c)–(e) above, when underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, Atradius applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

Interest accretion on the CSM

Under the GMM, interest is accreted on the CSM using discount rates determined at initial recognition per individual new business subgroup that are applied to nominal cash flows that do not vary based on the returns of underlying items.

The CSM is adjusted for changes in the FCF, measured applying the discount rates as specified in the Changes in fulfilment cash flows section above.

Release of the CSM to profit or loss

The amount of the CSM recognised in profit or loss for insurance contract services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units. We refer to the section 2.15.1 Definition of insured event and coverage above.

The total number of coverage units in a group is the quantity of service provided by the contracts in the group over the expected coverage period. The coverage units are determined at each reporting period-end prospectively by considering:

a. The quantity of benefits provided by contracts in the group;
b. The expected coverage period of contracts in the group; and
c. The likelihood of insured events occurring, only to the extent that they affect the expected coverage period of contracts in the group.

Atradius determines coverage units for all product lines based on the (expected exposure) of the insurance contracts. Atradius considers this exposure equal over time unless it is in the nature of the product that the exposure decreases. In practice, this means that except for credit insurance and Assumed Surety contracts, the CSM is earned pro-rata over time. Atradius has determined that, for the credit insurance contracts, the coverage units are determined based on the estimated payment behaviour of companies in a B2B relation and for Assumed Surety business, coverage units are determined considering the typical duration profile of bonds issued by the cedant, and issuance pattern over the duration of the underlying contract.

Atradius reflects the time value of money in the allocation of the CSM to coverage units, using discount rates determined at initial recognition that are applied to nominal cash flows that do not vary based on the returns of underlying items.

For reinsurance contracts held, the CSM is released to profit or loss as insurance contract services are received from the reinsurer in the period. Coverage units for the proportional reinsurance contracts held are based on the insurance coverage provided by the reinsurer. The coverage period for these contracts is determined based on the coverage period of all underlying contracts whose cash flows are included in the reinsurance contract boundary. Refer to the Contract boundary section in note 2.15.4.1 above.

Onerous contracts – Loss component

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and the Company recognises the excess in insurance service expenses, and it records the excess as a loss component of the LRC.

When a loss component exists, Atradius allocates the following between the loss component and the remaining component of the LRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

a. Expected incurred claims and other directly attributable expenses for the period;
b. Changes in the risk adjustment for non-financial risk for the risk expired; and
c. Finance income (expenses) from insurance contracts issued.

The amounts of loss component allocation in (a) and (b) above reduce the respective components of insurance revenue and are reflected in insurance service expenses.

Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

Reinsurance contracts held – Loss-recovery component

A loss-recovery component is established or adjusted within the asset for remaining coverage for reinsurance contracts held for the amount of income recognised in profit or loss when Atradius recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

Subsequently, the loss-recovery component is adjusted to reflect changes in the loss component of an onerous group of underlying insurance contracts discussed in the onerous contracts – Loss component section above. The loss-recovery component is further adjusted, if required, to ensure that it does not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that Atradius expects to recover from the group of reinsurance contracts held.

The loss-recovery component determines the amounts that are presented as a reduction of incurred claims recovery from reinsurance contracts held and are consequently excluded from the reinsurance expenses determination.

2.15.4.3 Amounts recognised in comprehensive income

Insurance service result from insurance contracts issued

Insurance revenue

As Atradius provides insurance contract services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration that Atradius expects to be entitled to in exchange for those services.

The insurance revenue comprises the following:

1. Amounts relating to the changes in the LRC:
    a. Claims and other directly attributable expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
        i. Amounts allocated to the loss component;
        ii. Insurance acquisition expenses; and
        iii. Amounts related to the risk adjustment for non-financial risk (see (b));
    b. Changes in the risk adjustment for non-financial risk, excluding:
        i. Changes included in insurance finance income (expenses);
        ii. Changes that relate to future coverage (which adjust the CSM); and
        iii. Amounts allocated to the loss component;
    c. Amounts of the CSM recognised for the services provided in the period;
    d. Experience adjustments arising from premiums received in the period other than those that relate to future service; and
    e. Other amounts, including any other pre-recognition cash flows assets derecognised at the date of initial recognition.
2. Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows based on the passage of time over the expected coverage of a group of contracts.

Insurance service expenses

Insurance service expenses include the following:

a. Incurred claims, excluding investment components reduced by loss component allocations;
b. Other incurred directly attributable expenses, including amounts of any other pre-recognition cash flows assets (other than insurance acquisition cash flows) derecognised at the date of initial recognition;
c. Insurance acquisition cash flows amortisation;
d. Changes that relate to past service – changes in the FCF relating to the LIC;

e. Changes that relate to future service – changes in the FCF that result in onerous contract losses or reversals of those losses; and
f. Insurance acquisition cash flows assets impairment.

The amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue, as described above.

Other expenses not meeting the above categories are included in other operating expenses in the consolidated statement of profit or loss.

Insurance service result from reinsurance contracts held

Net income (expenses) from reinsurance contracts held

Atradius presents financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:

a. Reinsurance expenses;
b. Incurred claims recovery, excluding investment components reduced by loss-recovery component allocations;
c. Other incurred directly attributable expenses;
d. Changes that relate to past service – changes in the FCF relating to incurred claims recovery;
e. Effect of changes in the risk of reinsurers' non-performance; and amounts relating to accounting for onerous groups of underlying insurance contracts issued:
   i. Income on initial recognition of onerous underlying contracts;
   ii. Reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held; and
   iii. Changes in the FCF of reinsurance contracts held from onerous underlying contracts.

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received insurance contract services at an amount that reflects the portion of ceding premiums that Atradius expects to pay in exchange for those services.

Reinsurance expenses comprise the following amounts relating to the changes in the remaining coverage:

a. Claims and other directly attributable expenses recovery in the period, measured at the amounts expected to be incurred at the beginning of the period, excluding:
   i. Amounts allocated to the loss-recovery component;
   ii. Repayments of investment components; and
   iii. Amounts related to the risk adjustment for non-financial risk (see (b))
b. Changes in the risk adjustment for non-financial risk, excluding:
   i. Changes included in finance income (expenses) from reinsurance contracts held;
   ii. Changes that relate to future coverage (which adjust the CSM); and
   iii. Amounts allocated to the loss-recovery component.
c. Amounts of the CSM recognised for the services received in the period; and
d. Experience adjustments – arising from premiums paid in the period other than those that relate to future service.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses. Ceding commissions that are contingent on claims of the underlying contracts issued reduce incurred claims recovery. It is on the top of the paragraph stated we present a net amount.

Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

a. The effect of the time value of money and changes in the time value of money; and
b. The effect of financial risk and changes in financial risk.

The main amounts within insurance finance income or expenses are:

a. Interest accreted on the FCF and the CSM;
b. The effect of changes in interest rates and other financial assumptions; and
c. Foreign exchange differences.

Atradius disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

2.16 Provisions

Provisions for restructuring, onerous contracts and litigation are recognised when Atradius has a present legal or constructive obligation as a result of past events, and it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Restructuring provisions include employees' termination payments that are directly related to restructuring plans. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Where the effect of the time value of money is material, the provision is measured as the present value of the expenditure expected to be required to settle the obligation discounted using a pre-tax rate.

2.17 Employee benefits

2.17.1 Post-employment benefits

Atradius has a number of post-employment benefit plans. The obligations of these schemes are determined by periodic actuarial calculations and are generally funded through payments to state plans, insurance companies or trustee-administered funds. Atradius has both defined benefit plans and defined contribution plans.

Defined benefit plans

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, dependent on one or more factors such as age, years of service and compensation. In a defined benefit plan Atradius may pay contributions into a separate entity or fund. Atradius, and in some cases the employees who are participating, fund a defined benefit plan and Atradius has a legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and previous periods.

The amount recognised as a defined benefit liability is the net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly. The recognition of assets that arise by over-funding of the defined benefit plan is limited to the ability to use the surplus to generate future benefits (the asset ceiling). The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms of maturity that approximate to the terms of the related pension liability.

Remeasurement of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding net interest that is calculated by applying the discount rate) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in other comprehensive income. Atradius determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the profit and loss statement.

The non-recognition of assets ('asset ceiling') can occur when the plan assets are higher than the projected benefit obligation and Atradius cannot recover any surplus through refunds from the pension vehicle due to solvency and/or control requirements.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the profit and loss statement. Atradius recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- administration expenses;
- net interest expense or income; and
- remeasurement.

The first two components of defined benefit costs are presented in the profit and loss statement under net operating expenses. The net interest is presented under finance expenses. Curtailment gains and losses are accounted for as past service costs. Remeasurements are recognised in other comprehensive income.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which Atradius pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

For defined contribution plans, Atradius pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Atradius has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. The contributions to these plans are recognised as expenses in the profit and loss statement.

2.17.2 Other long-term employee benefits

Atradius has a number of other post-employment plans. The main plans are lump sum payment plans and pre-pension plans. A lump sum payment plan is a plan where the employees are entitled to a lump sum payment at the date their employment is terminated. A pre-pension plan is a plan where the employees are entitled to receive payments if they stop working before their actual retirement date.

Atradius' obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated annually by independent actuaries using actuarial techniques.

2.17.3 Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Atradius recognises termination benefits when it is committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. When termination benefits are related to an overall restructuring plan, the Atradius liability is included as part of the provisions.

2.17.4 Profit sharing and bonus plans

Atradius recognises a liability and an expense for bonuses and profit sharing based on a formula that takes into consideration, amongst other things, individual targets and the profit attributable to the owners of the Company. Atradius recognises a liability where contractually obliged or where there is a past practice that has created a constructive obligation.

2.18 Taxation

Income tax in the consolidated profit and loss statement for the year comprises current and deferred tax. Income tax is recognised in the consolidated profit and loss statement except to the extent that it relates to items recognised in other comprehensive income, in which case it is recognised in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be used. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and Atradius intends to settle its current tax assets and liabilities on a net basis. If the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting nor the taxable profit or loss, it is not accounted for.

2.19 Consolidated profit and loss statement

2.19.1 Income

Revenue comprises the fair value for services, net of value added tax, after eliminating revenue within Atradius. The accounting principles regarding insurance revenue are included in Note 2.15.4.3.

Service and other income

Service income includes the income from:

- Credit information services, consisting of providing up-to-date credit information on buyers for which a customer requires a credit limit application under the insurance policy. This performance obligation is satisfied over time during the policy period. Revenue is recognised based on the credit limit applications requested by and invoiced to the customer, against fixed prices stated in the contract. If a contract includes a separate charge for monitoring, this element is recognised evenly over time;
- Debt collection services for debts owed to customers. The performance obligation is defined at the level of the individual debts, placed under the contract. Revenue is recognised in line with the actual collected amounts, based on fees specified in the debt collection agreements;

Business information and other service income

- Business information is provided online to customers on a subscription basis. Revenue is recognised evenly over time based on the consideration in the contract, reflecting the constant effort required to acquire and prepare business information; and
- Atradius Dutch State Business (ADSB) is the official Export Credit Agency for The Netherlands and issues export credit insurance policies and guarantees to Dutch businesses, on behalf of and for the risk of the Dutch State. ADSB receives a service fee for managing the credit insurance facility, specified in the service contract. This income is recognised evenly over time.

Share of income of associated companies

Associates are accounted for in the consolidated financial statements using the equity method. Under the equity method the investor's share of after-tax profits or losses of the associates is presented as a single line item in the profit and loss statement.

Net income from investments

Investment income comprises interest income on funds invested, dividend income, unrealised gains and losses on debt securities FVTPL, realised gains and losses on the disposal of debt securities FVOCI and rental income from investment property that are recognised in the profit and loss statement. Interest income is recognised as it accrues in the profit and loss statement, using the effective interest method. Dividend income is recognised in the profit and loss statement on the date that Atradius' right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Investment expenses comprise impairment losses recognised on financial investments and investment property.

Realised gains or losses on investment property recognised in the profit and loss statement represent the difference between the net disposal proceeds and the carrying amount of the property.

2.19.2 Expenses

Net operating expenses

Net operating expenses comprise administrative expenses and commissions. Total administrative expenses are expenses associated with selling and administrative activities after reallocation of claims handling expenses to insurance claims.

Finance income and expenses

Finance income consists of interest received on loans, receivables and cash and cash equivalents.

Finance expenses include interest, amortisation of discount on the subordinated debt, foreign exchange results and the net interest on the net defined benefit liability (asset) related to defined benefit plans (see also Note 2.17). Foreign currency gains and losses are reported on a net basis and consist of transaction and translation results.

Interest income and expenses are calculated using the effective interest rate method based on market rather than nominal rates, at the date that the instrument is recognised initially or modified.

2.20 Consolidated statement of cash flows

The statement of cash flows is presented using the indirect method, whereby the result for the year before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

Some of the terminology used in the statement of cash flows is explained as follows:

a. cash flows are inflows and outflows of cash and cash equivalents;
b. operating activities are the principal revenue-producing activities of Atradius and other activities that are not investing or financing activities;
c. investing activities are the acquisition and disposal of assets and other investments not included in cash equivalents; and
d. financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of Atradius.

2.21 Hyperinflation accounting

IAS 29 requires the financial statements of entities operating in hyperinflationary economies to be adjusted to reflect the changes in the general purchasing power of their functional currency. Thus, non-monetary assets and liabilities that are not already expressed in terms of the measuring unit current at the period end date are restated to reflect the change in the CPI. In the financial statements of Atradius, the restatement effects on equity items are included in other components of comprehensive income, including the translation differences. The effect of inflation on monetary assets and liabilities over the reporting period is included in the reporting period's consolidated income as a loss on net monetary position. The accumulated gains and losses on net monetary position for previous periods are included within the retained earnings.

The presentation of the consolidated profit and loss statement of the reporting period is not restated as the effect of the restatement is not material. As stated in IAS 21 "The Effects of Changes in Foreign Exchange Rates", financial statements, including their profit and loss statements, are translated in Euros at the closing exchange rate to be incorporated in the financial statements of Atradius, and the comparative information is not restated.

2.22 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and (a) represents a separate major line of business or geographical area of operations; or (b) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or (c) is a subsidiary acquired exclusively with a view to resale.

Intercompany transactions eliminations are performed against held for sale operations.

3 Critical accounting estimates and judgements in applying accounting policies

Atradius makes estimates and assumptions that affect the reported financial statements (balance sheet, profit and loss and contingent assets and liabilities). Estimates and judgements are continually evaluated. These are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The most significant areas for which management is required to make judgements and estimates that affect reported amounts and disclosures are detailed below.

3.1 Financial investments related estimates and judgements

3.1.1 Classification of financial instruments

Atradius has made judgements in applying the business model criteria to its portfolio of debt instruments. Atradius does not consider applying the SPPI (Solely Payments of Principal and Interest) criteria to be an area of significant judgement for its debt instrument portfolio, as it only invests in straightforward basic lending arrangements.

For more information, refer to note 2.10.

3.1.2 Measurement of fair value

Atradius measures some of its financial instruments at fair value for financial reporting purposes. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. Atradius uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. When market observable inputs are not available (Level 1 and some Level 2 securities), Atradius engages an external independent valuation company to perform the valuation. Atradius works together with the external independent valuation company to establish the appropriate valuation techniques and inputs to the model.

The fair values correspond with the price, at our best estimate, that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Whenever possible, the fair values are based on quoted market prices. If there is no quoted market price available, Atradius uses valuation techniques, which are based on market prices of comparable instruments, or parameters from comparable active markets (market observable data). If no observable market inputs are available, valuation models are used (non-market observable data). These valuation techniques are subjective in nature and involve various assumptions about the relevant pricing factors. Changes in these assumptions could significantly affect the estimated fair values. Consequently, the fair values presented may not be indicative of the net realisable value. In addition, the calculation of the estimated fair value is based on market conditions at a specific point in time and may not be indicative of future fair values.

The fair values are subject to a control framework designed to ensure that they are either determined or validated by a function independent of the risk taker. To this end, Atradius establishes the accounting policies and processes governing valuation and is responsible for ensuring that these comply with all relevant accounting pronouncements. Within this governance structure, non-quoted investments or illiquid investments in which the Company invests are valued by an external independent valuation company or the asset manager of illiquid investment fund. The external independent valuation company uses its own proprietary valuation systems to value the securities supported by economic and market assumptions from financial information providers. The valuations are provided on a monthly basis and are reviewed and approved by Atradius.

The fair values of subordinated debts, equal their carrying value, are disclosed in Note 21 Subordinated debt.

Debt and equity securities

The fair value of debt and equity securities is based on quoted market prices, where available. For those securities, not actively traded, fair values are provided by an external independent valuation company or by the fund's asset manager.

All amounts in thousands of Euro, unless otherwise stated

Loans and short-term investments

For loans and other short-term investments, carrying amounts represent a reasonable estimate of their fair values.

Other financial assets

The carrying amount of other financial assets, including cash and cash equivalents, is not materially different to their fair value, given their short-term nature.

Subordinated debt

The fair value estimate of the subordinated bond is provided by an external independent valuation company, which uses its own proprietary valuation systems to value securities supported by economic and market assumptions from financial information providers (see Note 21 for further details).

Other financial liabilities and deposits received from reinsurers

The carrying amount of other financial liabilities and deposits received from reinsurers is not materially different to their fair value, given their short-term nature.

Information about the valuation techniques and inputs used in determining the fair value of various instruments are disclosed in Note 2.9.

3.1.3 Expected credit loss (ECL)

Accounting policies, applicable to Expected Credit Loss (ECL) assessment, are detailed in Note 2.10.4.

Amounts arising from expected credit loss

The following table explain the changes in the loss allowance for FVOCI debt securities between the beginning and the end of the annual period:

2024	Stage 1	Stage 2	Total
Debt securities:			
Balance on 1 January	2,530	156	2,686
New financial assets	799	40	839
Provision (net) by change of stage	40	(40)	-
Changes in valuation	108	(8)	100
Changes in PD	(704)	26	(678)
Sales/transfer of assets	(132)	(27)	(159)
Balance at 31 December	**2,641**	**147**	**2,788**

2023	Stage 1	Stage 2	Total
Debt securities:			
Balance on 1 January	3,968	15,862	19,830
New financial assets	530	639	1,169
Provision (net) by change of stage	686	(686)	-
Changes in valuation	168	676	844
Changes in PD	(2,464)	(1,686)	(4,150)
Sales/transfer of assets [1]	(358)	(14,649)	(15,007)
Balance at 31 December	**2,530**	**156**	**2,686**

1) Movement in Stage 2 due to sale subsidiary in Russia.

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3.2 (Re-) Insurance related estimates

In accordance with the Company's accounting policies, as described in the preceding paragraphs, it has been necessary to make judgements, estimates and assumptions about the carrying value of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

Atradius applies significant judgements associated with IFRS 17 in the following cases:

Determining the cash flows within the contract boundary

The measurement of a group of (re-)insurance contracts include all future cash flows that arise within the contract limit. In determining which cash flows fall within a contract boundary, Atradius considers its substantive rights and obligations arising from the terms of the contract as well as from the applicable law and regulations. Cash flows are considered to be outside the contract limit if the Company has the practical ability to change the price of existing contracts to reflect their revaluation risks and if the contract price for the hedge to the revaluation date considers only the risks until that next reassessment date. Atradius applies its judgement in assessing whether it has the practical ability to set a price that fully reflects all contract or portfolio risks. Atradius considers contractual, legal and regulatory restrictions in making its assessment.

Level of granularity information

Atradius uses judgement to determine at what level of granularity it has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same portfolio without performing an individual contract assessment.

Assessment of directly attributable cash flows

Atradius applies its judgement in assessing whether cash flows are directly attributable to a specific portfolio of insurance contracts. Cash flows are included in the measurement of a portfolio of insurance contracts only if they are directly attributable to the individual contracts of a group, the group itself or the portfolio to which the contract belongs. In estimating fulfilment cash flows, Atradius also allocates fixed and variable overheads directly attributable to the performance of insurance contracts.

3.3 (Re-) Insurance related estimates and assumptions

This note provides an overview of items that are more likely to be materially adjusted due to changes in estimates and assumptions in subsequent periods. Detailed information about each of these estimates is included in the notes below, together with information about the basis of calculation for each affected line item in the consolidated financial statements.

In applying IFRS 17 measurement requirements, the following inputs and methods were used that include significant estimates:

- The present value of future cash flows is estimated using deterministic scenarios, except where stochastic modelling is used to measure financial guarantees. The assumptions used in the deterministic scenarios are derived to approximate the probability-weighted mean of a full range of scenarios.
- In addition to contributions from standard components of Atradius reserving methodologies, an Event Based Provision has been estimated specific to the potential impact derived from the war in Ukraine. This provision is for those risks considered to not be fully covered by the standard methodologies. As a result of the reviewed assessment performed, a EUR 105.4 million provision gross of reinsurance (EUR 81.2 million net of reinsurance) is held for claims already incurred. This compares to EUR 122 million provision gross of reinsurance (EUR 92.3 million net of reinsurance) as per 2023 closing.

For the sensitivities with regards to the assumptions made that have the most significant impact on measurement under IFRS 17, refer to note 3.5.

All amounts in thousands of Euro, unless otherwise stated

3.3.1 Factors affecting the frequency and severity of claims

The frequency and severity of claims is affected by several factors. These include all factors that affect credit risk in general, including the state of the economy, that varies by country and sector. For trade credit risk, the behaviour of customers also affects the frequency and severity of claims, for instance through risks inherent to their business activities and their risk management practices. Specific events (e.g. natural disasters) or structural changes in the economy (e.g. easier access to developed markets for producers in low cost countries) may impact the frequency and severity of claims. What specific events or structural changes are relevant in this respect will vary over time. In addition, the political risk cover that Atradius provides has its own dynamics of frequency and severity of claims.

During 2024, the slowing economic growth and the normalisation of insolvency rates to pre-COVID levels affected to the frequency and severity of claims, as well as the premium income.

The central banks of most of the developed countries continued reducing the interest rates as a reaction to the economic slowdown and inflation. Even though the measures carried out in the previous years allowed to bring the inflation under control, the war in Ukraine, the Middle East conflict and USA's presidential change have increased the uncertainty around the future evolution of the energy and other commodity prices. If these prices raise again, the economic impact would have an additional effect in claims.

All the factors above, lead to an increased potential for adverse development on the technical provisions in the coming months because of increase in frequency, severity and insolvency rates.

The surety business usually only incurs irrecoverable losses when, after a bond call, any payments to beneficiaries recourse to the surety customer or if its guarantors fail. This is typically due to either the insolvency or bankruptcy of the surety customer. Thus, in the end, the frequency and severity of claims is affected by similar factors as those affecting credit insurance.

All forms of credit insurance and surety bear the risk that changes in legislation, in particular of insolvency law, may affect the amount and timing of claims payments or recoveries.

The Company's business processes are designed to effectively manage the impact of the many risk factors that affect the frequency and severity of claims. These business processes are continuously adapted to respond to The Company view of these risk factors in the context of its overall business strategy.

3.3.2 Sources of uncertainty in the estimation of future claims payments

The sources of uncertainty in the estimation of future claims payments include, but are not limited to, all the factors that affect the frequency and severity of claims in general, as described in epigraph 3.4.1.

Estimates for future claims payments are made through a combination of case-by-case estimates and statistical estimates. Provisions for reported claims are set on a case-by-case basis, taking into account statistical estimates for expected recoveries and statistical estimates of claims incurred to payment ratios. The estimates for future claims payments are produced per period during which policyholders brought risk under the contract boundary of the policy (e.g. the period in which the insured shipment has taken place). Large cases are provisioned separately, at expected loss.

In the case of traditional credit insurance, the main sources of uncertainty for estimates of future claims payments include:

- the amounts that will be paid out as a percentage of the claim amount;
- the speed with which customers submit claims, as measured from the moment that the insured shipment took place, the expected average claims payment and the expected percentage of cases that do not lead to a payment;
- the expected number of claims for risks taken on during the most recent months since very few claims will have been reported for the most recent four to six months (depending on the main unit);
- the inflow by number and size of large case; and
- the estimation of the expected recovery percentages.

Estimates for future claims payments for surety have a greater uncertainty than estimates for future claims payments for credit insurance. Surety is a 'longer tail' business; i.e., the time between issuance of the bond and receipt of the bond call tends to be much longer than that of traditional short-term credit insurance. For example, most credit insurance covers credit periods up to 180 days, while around half the number of bonds written has tenors of over two and a half years. After receipt of a bond call, it usually takes longer to settle the claim and litigation is not uncommon, either following the bond call or when trying to realise recoveries. Especially in Italy, litigation tends to be a lengthy process. Outcomes of litigation cannot be predicted with certainty. For surety, the provisions set on a case-by-case basis are based on the amount called minus an amount to account for expected recoveries based on historic experience or case specific information. The case by case and business oriented evaluation is integrated with a statistical and actuarial model. This model based on the exposure of active bonds applies probability of defaults and loss given default.

3.3.3 Discount rates

Atradius measures the value of money over time using discount rates that reflect the liquidity characteristics of insurance contracts and the characteristics of cash flows, consistent with current market prices and excluding factors influencing the market prices of the reference assets but not affecting the flows of insurance contracts. The discount rate is calculated by the "bottom-up" approach after the transition ("bottom-up") based on the risk-free curve, mainly based on the curve published monthly by EIOPA (European Insurance and Occupational Pensions Authority) and applying an illiquidity premium of zero.
The observable market information is available for up to 20 years. For the unobservable period, the yield curve was interpolated between an ultimate rate and the last observable point using the Smith-Wilson method.

The yield curves that are used to discount the estimates of future cash flows are as follows:

	2024				2023			
Currency	1 year	5 years	10 years	20 years	1 year	5 years	10 years	20 years
EUR	2.01%	1.98%	2.08%	2.06%	3.19%	2.79%	2.86%	2.83%
AUD	4.11%	4.07%	4.34%	4.45%	4.43%	4.54%	4.87%	4.94%
GBP	4.12%	3.80%	3.83%	3.97%	4.74%	4.06%	3.99%	4.03%
USD	3.98%	3.70%	3.71%	3.71%	4.50%	3.97%	3.99%	3.99%

3.3.4 Estimates of future cash flows to fulfil insurance contracts

Included in the measurement of each group of contracts within the scope of IFRS 17 are all of the future cash flows within the boundary of each group of contracts. The estimates of these future cash flows are based on probability-weighted expected future cash flows. Atradius estimates which cash flows are expected as at the valuation date. In making these expectations, Atradius uses information about past events, current conditions and forecasts of future conditions. The Company's estimate of future cash flows is the average of a range of scenarios that reflect the full range of possible outcomes. The estimated future cash flows are calculated using a deterministic scenario representing the probability-weighted average of a range of scenarios.

Where estimates of expenses-related cash flows are determined at the relevant level, these are allocated to contracts on a systematic basis, such as activity-based costing method. Atradius has determined that this method results in a systematic and rational allocation. Similar methods are consistently applied to allocate expenses of a similar nature. Expenses of an administrative policy maintenance nature are allocated to contracts based on premiums of contracts in force within groups.

Indirect acquisition cash flows are allocated to contracts based on, for example, gross invoiced premiums. This implies an allocation of acquisition cash flows among existing groups of insurance contracts.

Claims handling expenses are allocated based on the outstanding amount observed for each claim at each valuation date.

Uncertainty in the estimation of future claims payments arises primarily from the frequency and severity of claims and uncertainties regarding future inflation rates leading to claims and claims-handling expenses growth. Atradius is capturing, within the future cash-flows estimates, the higher uncertainty for most recent months of risk.

Assumptions used to develop estimates about future cash flows are reassessed on quarterly bases and adjusted where required.

All amounts in thousands of Euro, unless otherwise stated

3.3.5 Expenses

Atradius projects estimates of future expenses relating to fulfilment of contracts within the scope of IFRS 17 using expected expense levels. Expenses comprise expenses directly attributable to contracts, including an allocation of fixed and variable overheads.

Possible increases in expense assumptions increase estimates of future cash outflows and thus decrease the contractual service margin within the liability for remaining coverage (LRC) for contracts measured under the GMM.

3.3.6 Methods used to measure credit insurance and surety contracts

Atradius estimates insurance liabilities in relation to all bounded contracts. Estimates are performed on risk attaching period (e.g. months for Short term – Credit Insurance), with further allocation to contracts in proportion to the loss estimation volume measure (depending on the model).

Judgement is involved in assessing the most appropriate technique to estimate insurance liabilities for the expected losses from claims.

The most methods employed to estimate claims are the chain-ladder, the Bornhuetter-Ferguson and PD - LGD methods, which are the industry standards for this type of claims.

Atradius has not changed the methods used to estimate claims.

In its claims assessments, Atradius uses internal and market data. Internal data is derived mostly from the Company's claims reports. This information is used to develop scenarios related to the latency of claims that are used for the projections of the ultimate number of claims.

3.3.7 Methods used to measure the risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Company's degree of risk aversion. Atradius estimates an adjustment for non-financial risk separately from all other estimates.

The risk adjustment is calculated at the Company group level and then allocated down to each group of contracts in accordance with their risk profiles. The cost of capital method was used to derive the overall risk adjustment for non-financial risk.

In the cost of capital method, the risk adjustment is determined by applying a cost rate to the present value of projected capital requirement relating to non-financial risk. The cost rate is set at 7% per annum (6% in 2023), representing the return required to compensate for the exposure to non-financial risk. The capital requirement is determined at a 99.5% confidence level, and it is projected in line with the run-off of the business. The diversification benefit is included to reflect the diversification in contracts sold across geographies, because this reflects the compensation that the entity requires.

The resulting amount of the calculated risk adjustment corresponds to the confidence level of 87.5% (2023: 74%).

3.4 Sensitivity analysis

The following tables present information on how reasonably possible changes in assumptions with regard to underwriting risk variables and discount rates impact insurance liabilities and profit or loss and equity before and after risk mitigation by reinsurance contracts held. The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated.

The risks associated with credit insurance and surety are subject to several factors that are not particularly open to quantitative sensitivity analysis. This section describes the quantitative sensitivity analysis that is feasible.

Atradius has defined the following three sensitivity assessments:

- Uplift shock on discounting rates (+50 basic points).
- Downlift shock on discounting rates (-50 basic points).
- Deterioration in underwriting risk: all expected cashflows related to all estimated claims are increased by 10%. Where all amounts imply indemnities, recoveries and claim handling expenses. This is applied irrespective of product, model and type of claims' related cashflows.

(EUR Million)	2024											
						Impact						
Discounting	**FCF +RA**	**CSM**	**LC**	**LRC**	**Total Insurance Contracts**	**FCF**	**CSM**	**LC**	**LRC**	**Total**	**P&L**	**OCI**
Insurance Contracts	**1,279**	**232**	**342**	**-**	**1,853**	-	-	-	-	-	-	-
+50bps						(6)	-	(1)	-	**(7)**	-	7
- 50bps						6	-	1	-	**7**	-	(7)
Reinsurance Contracts	**(562)**	**(14)**	**-**	**(118)**	**(694)**							
+ 50bps						3	-	-	-	**3**	-	(3)
- 50bps						(3)	-	-	-	**(3)**	-	3

Underwriting Risk - claims increase by 10%	**FCF +RA**	**CSM**	**LC**	**LRC**	**Total Insurance Contracts**	**Impact FCF**	**CSM**	**LC**	**LRC**	**Total**	**P&L**	**OCI**
Insurance Contracts	1,279	232	342	-	**1,853**	123	(18)	88	-	**193**	(197)	4
Reinsurance Contracts	(562)	(14)	-	(118)	**(694)**	(72)	14	-	(30)	**(88)**	87	1

(EUR Million)	2023											
						Impact						
Discounting	**FCF +RA**	**CSM**	**LC**	**LRC**	**Total Insurance Contracts**	**FCF**	**CSM**	**LC**	**LRC**	**Total**	**P&L**	**OCI**
Insurance Contracts	**1,193**	**218**	**202**	**-**	**1,613**	-	-	-	-	-	-	-
+ 50bps						(4)	-	(1)	-	**(5)**		5
- 50bps						4	-	1	-	**5**		(5)
Reinsurance Contracts	**(551)**	**(30)**	**-**	**(74)**	**(655)**	-	-	-	-	-		-
+ 50bps						3	-	-	-	**3**		(3)
- 50bps						(3)	-	-	-	**(3)**		3

Underwriting Risk - claims increase by 10%	**FCF +RA**	**CSM**	**LC**	**LRC**	**Total Insurance Contracts**	**Impact FCF**	**CSM**	**LC**	**LRC**	**Total**	**P&L**	**OCI**
Insurance contracts	1,193	218	202	-	**1,613**	125	(22)	61	-	**164**	(170)	6
Reinsurance contracts	(551)	(30)	-	(74)	**(655)**	(68)	12	-	(33)	**(88)**	88	-

3.5 Estimated impairment of goodwill

In accordance with its accounting policy, Atradius annually tests whether goodwill of subsidiaries and associated companies has suffered any impairment. The recoverable amounts of cash-generating units have been determined based on value in use calculations. These calculations require the use of estimates.

In order to test the value in use against the recognised goodwill, Atradius has stress-tested the main assumptions (discount rate, combined ratio and Capital Requirement ratio) which have been applied when determining the value in use for the related cash-generating units.

The discount rate used varies depending on the location and industry of Atradius to analyse, using customised Risk-Free Rates, Market Betas and Country Risk Premiums. The terminal value is calculated based on the dividend flow or free cash flow of the normalised period through a perpetuity, which applies a long-term growth rate of 2.0% for cash generating units (CGUs) excluding ACyC CGU (2023: 2.0%), 1.0%-1.5% for ACyC CGU (2023: 1.0%-1.5%) and a 3.0% for associated companies (2023: 3.0%).

The projection period is 10 years, where the first 1-4 year projections are based on financial budgets and/or forecasts. In the budgets and forecasts, the impact of the changed macroeconomic situation is taken into account. The remaining years are estimated using ratios and growth rates that converge towards their normalised term value.

For further details see Note 14.

3.6 Pension and post-retirement benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The main assumptions used in determining the net cost (income) for pensions includes the discount rate and the inflation rate. Any change in these assumptions will impact the carrying amount of pension obligations.

Atradius determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, Atradius considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions.

Additional information, including a sensitivity analysis for the main (actuarial) assumptions, is disclosed in Note 22.

4 Risk and capital management

4.1 Risk management

Atradius makes estimates and assumptions that affect the reported financial statements (balance sheet, profit and loss and contingent assets and liabilities). Estimates and judgements are continually evaluated. These are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The most significant areas for which management is required to make judgements and estimates that affect reported amounts and disclosures are detailed below.

As a global insurance provider, Atradius recognises the importance of risk management. Atradius maintains a solid risk management system comprising a risk strategy aligned to the business plan and supported by a mature governance structure, clear policies and procedures and an associated internal control system. Atradius continues to refine its risk management capabilities to reflect the ever changing threat landscape.

The relationship between risk and capital is fundamental for Atradius. Understanding how risk-taking consumes capital allows management to steer Atradius and take strategic decisions with the interdependence of risk and capital in mind. These decisions are substantially informed by the outcomes of Atradius' economic capital model. This internally developed model, which has received supervisory approval for use in calculating regulatory capital requirements, contributes to a multitude of risk assessment activities, as well as risk profile measurement, and enhances Atradius' ability to monitor and manage risk levels within the organisation through the allocation of risk-based capital and the definition of an appropriate risk appetite.

4.1.1 The risk landscape

The state of the global economy greatly influences the risks that Atradius faces. Economic deterioration may result in increased insolvencies thereby causing more frequent and severe claims expenses. The return on our investment may also deteriorate and defaults on our holdings of debt instruments may occur. A severe deterioration of all the above-mentioned may affect the credit rating of Atradius. A downgrade of our credit rating could have a negative impact on the number of customer policies held by Atradius and thereby lower revenues. Understanding of this landscape, anticipating developments and preparing mitigating actions is a key expertise of Atradius.

In addition to the risks arising from direct credit insurance policies, reinsurance, and surety, which we refer to as underwriting risk, Atradius' risk landscape contains other types of risk. Atradius faces market risk related primarily to our assets, credit risk from reinsurers and third-party receivables, and operational risks such as cyber risk, legal risks, process execution risks and those relating to our personnel. In addition, strategic risks exist, such as the rapidly changing technological environment, possible adverse impacts from geopolitical conflict, and uncertainty around the breakup of supranational entities. Atradius has structures, systems and processes in place to identify, evaluate, monitor, and respond to internal and external sources of material risk in the landscape.

During 2024 we have seen the direct and indirect impacts of the war in Ukraine persist (including the effects of government-imposed sanctions) and most recently the war in Gaza and Middle East events (Lebanon, Iran and Israel). These and other lesser reported conflicts have resulted in among others, interest rate hikes, inflation, and increasing energy costs.

These continue to affect global trade as well as national economies in differing magnitudes due to the unpredictable end evolving direction of the conflict.

As in previous stressful periods, we analysed the nature and sources of the risks across geographies and industry sectors, as well as the interaction of the factors that ultimately affect the resilience of our customers and their buyers. We used our extensive knowledge base and forward-looking tools, models and analysis on a continuous basis in portfolio management, underwriting decisions and policy structure to ensure the continued quality of our risk portfolio.

In relation to climate-related risks - more frequent and severe weather events are damaging infrastructure and disrupting supply chains. Transition to a lower carbon economy is bringing new policies, regulations and changes to market dynamics. There is a risk that such changes, or proposed speed of their implementation, could have a negative impact on Atradius by affecting our operations and/or our customers and their buyers. Focus on carbon footprint /

CO_2 emissions may require manufacturers to either adapt or ultimately go out of business, in turn having a knock-on effect on their suppliers. Doing business in certain trade sectors may become undesirable and attract negative publicity. At the same time, interest in climate change / ethical practices, such as ESG (Environmental, Social & Governance) and CSR (Corporate Social Responsibility) considerations, may create opportunities to enhance Atradius offerings. Developments are monitored and discussed in various forums within Atradius.

In summary, Atradius has taken the appropriate steps to manage the rapidly changing risk landscape.

4.1.2 The risk management and internal control framework

The boards of the group companies have ultimate responsibility and accountability for risk management and internal control within their respective companies. Atradius N.V.'s Management Board implements and oversees Atradius' group-wide risk governance through the Risk Strategy Management Board (RSMB). The RSMB consists of all members of the Management Board, as well as the Directors of Group Risk Management, Strategy and Corporate Development and Finance.

The RSMB's responsibilities include the development and maintenance of the framework to manage risk and ongoing oversight of the most material risks. The RSMB sets the Group's risk appetite and establishes the internal risk management framework by approving risk policies, risk boundaries, and by prescribing risk mitigation activities. In addition, the RSMB ensures that there are processes and systems to review the effectiveness of risk management and the internal control system.

The Supervisory Board is responsible for overseeing that the Management Board implements a suitable risk management and internal control system. In this respect, the Management Board periodically presents results, developments and plans to the Supervisory Board and relevant committees thereof. One of these committees, the Audit Committee, supervises monitors and advises the Management Board on the effectiveness of internal risk management and control systems. The Audit Committee is assisted in this role by Internal Audit, which carries out both regular and ad-hoc reviews of risk management controls and procedures.

Atradius' risk management policies are established to formalise the identification and analysis of risks faced by Atradius, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Atradius' activities. Through its training, management standards and procedures, Atradius maintains a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

Central to Atradius' system of governance is the Atradius risk governance structure. The risk governance structure comprises a framework of committees, which support the RSMB in specific areas of risk.

By applying the Atradius risk governance structure, Atradius is able to:

- Communicate risk-related norms and values across the organisation;
- Provide clarity over the various responsibilities and accountabilities in the management of risk;
- Manage the Group's risk profile and development of the business over time;
- Ensure that Atradius adheres to an approved risk appetite;
- Ensure appropriate ownership of decisions; and
- Provide the Management Board with clear insight into decision-making and risk-management processes.

To achieve reliability over financial information and solvency reporting, the following controls are implemented and tested quarterly:

- Key controls required to manage the risk of a material error in financial and non-financial reporting; and
- Entity-level controls that detect material misstatement due to failures in controls that operate across and throughout the business.

4.1.3 Risk classification

Atradius classifies its main risk types as insurance, financial and operational. Insurance risks are the risks of financial loss as a direct result of providing insurance; these arise predominantly from the risk of default-related non-payment by a buyer covered by a policy (credit insurance), the risk of non-performance by a customer (surety), or ceded business through Atradius' reinsurance arm. Financial risks include market risk, counterparty credit risk and liquidity risk. Operational risks arise from inadequate or failed internal processes, people, systems, or from external events. Atradius also maintains a category for strategic risks, as mentioned in Section 4.1.1 above.

Environmental, Social and Governance (ESG) refers to the three central factors in measuring the sustainability and societal impact of an investment in a company or business:

- Environmental concerns: The threat of climate change and depletion of natural resources. The main question becomes the sustainability of products, services and therefore companies.
- Social concerns: how the company affects the wider social environment. This includes diversity, human rights, and consumer protection.
- Corporate governance concerns: the rights and responsibilities of the management of a company.

Atradius implicitly considers ESG risks within Insurance, Financial and Operational risk as well as within Strategic Risk assessments.

4.2 Insurance risk

4.2.1 Insurance products, their characteristics, sensitivity to insurance risk, risk mitigation and controls

Atradius operates with two main direct insurance product lines: credit insurance and surety. In addition, Atradius writes both credit and surety business as a reinsurer. Credit insurance can be divided into three subcategories: traditional credit insurance, instalment credit protection and credit specialties. Each of these sub-categories has particular risk characteristics.

The starting point for the management of insurance risk is that all staff have well-defined authorities specifying the level of risk they can accept. Furthermore, Atradius' reinsurance structure imposes checks on the largest exposures. Exposures beyond a certain threshold are subject to special acceptance by our leading reinsurers.

Traditional credit insurance, credit specialties and instalment credit protection (ICP)

In traditional credit insurance, Atradius insures its customers against the risk of non-payment of trade receivables. The causes of loss covered differ by policy and usually include all forms of legal insolvency and protracted default. Policies can also cover so-called 'political' causes of loss, that include the risk of non-payment due to payment transfer problems, cancellation of export/import licences and contract frustration. Traditional credit insurance does not cover non-payment of trade receivables due to commercial disputes. Each policy stipulates a maximum credit period that the policyholder can offer to its buyers without prior approval from Atradius. 'Buyers' are the customers of Atradius' insured customers, i.e., the parties that Atradius insures trade credit risk on. To mitigate the risk of adverse selection, the traditional credit insurance products of Atradius usually cover the policyholder's entire portfolio of buyers.

For traditional credit insurance, there are two underwriting processes: policy underwriting and buyer underwriting. Policy underwriting is the process by which Atradius decides which companies to accept as policyholders and the terms and conditions of cover that are offered to those policyholders. Buyer underwriting is the process by which Atradius sets a risk capacity for each buyer and issues credit limits for buyers under existing policies. Policy underwriting and buyer underwriting are carried out by Commercial and Risk Services units respectively.

Policies are issued for a fixed period: usually no longer than two years with a break clause after one year. Within traditional credit insurance, customers retain some of the risk for their own account to protect Atradius from the risk of moral hazard. That self-retention can take the form, for example, of an uninsured percentage, a deductible on each claim, an aggregate first loss amount or a combination of these. All policies stipulate Atradius' maximum liability. A customer is covered for the credit risk on a buyer after a credit limit on the buyer has been established. Most policies allow customers to establish credit limits themselves for smaller amounts, under strict conditions specified in the policy. For larger amounts Atradius must issue credit limit decisions. Credit limits are an important risk management instrument for Atradius as they are the key control of the amount that Atradius would have to pay to a customer in the event of a claim. Atradius has the right to reduce or withdraw the credit limit on a buyer at any time if circumstances demand. Credit limits may be subject to specific conditions and Atradius can also set conditions for cover on a country or withdraw cover on a country altogether. These tools are important to manage insurance risk exposure in a dynamic way.

Staff in Commercial units have well-defined authorities specifying who can underwrite which policies. Policies typically require the approval of two people and conditions become stricter as the maximum liability under a policy becomes larger, with the largest policies needing sign-off by both the Director of a Commercial unit and the responsible Management Board member. The pricing of credit insurance policies (new, amended and renewed), is also subject to governance and the models and methodologies used to establish a technical price require the approval of the Quantitative Model Committee, a committee responsible for approving the quantitative models used within Atradius.

Underwriters in Risk Services have well-defined authorities specifying the level of decisions that an underwriter can take for the approval of credit limit on and capacity in the system on a buyer. As credit limit amounts grow, decisions require the approval of one or more co-signatories of increasing seniority. The largest credit limit amounts require the approval of the Atradius credit committee with the appropriate authority level and, in exceptional cases, the approval of the (leaders of the) reinsurance panel.

The credit specialties business offers a range of bespoke policies to insure against various credit and political risks. This product line includes policies that cover single transactions, single trade relationships and multi-buyer excess of loss.

All policies are bound within clearly defined authorities issued to the policy underwriters who report ultimately to the Chief Market Officer. All buyer risk is signed off by dedicated Risk Services teams, who report ultimately to the Chief Risk Officer. In addition, a dedicated risk management team with a functional reporting line to the Director of Group Risk Management ensures adherence to the risk governance model, monitors the portfolio risk and ensures compliance with the terms of the reinsurance treaties.

The ICP product line covers the medium- and long-term risks that financial and corporate policyholders face in their multiple instalment agreements with private individuals and businesses and is available in Belgium and Luxembourg.

Policy underwriting is performed within the Commercial ICP units. Policies are generally issued for a fixed period with automatic renewal. The indemnification rate can be up to 100% but is usually lower and recoveries are for the benefit of Atradius.

Risk underwriting is performed by the risk underwriting teams. Authorities are granted to underwriters according to their seniority and expertise. Cases are escalated according to pre-determined thresholds to the local ICP credit committees, then to the ICP credit committee and finally to the Management Board member responsible for ICP.

Surety

Atradius issues surety bonds for customers in European countries including Italy, France, Spain, Portugal, Germany, the Nordic and the Benelux countries and started the process to stablish operations in the United Kingdom. Surety bonds insure beneficiaries against the risk of our customer not meeting its contractual, legal, or tax obligations. Beneficiaries include national, regional, local governments and tax authorities as well as companies.

While a customer may fail to meet its obligations either because it is unable to perform to an agreed or required level or because it is insolvent, there is also the risk that the customer may intentionally fail to meet its obligations. Therefore, our assessment of both the customer's financial strength and its ability to perform play an important part in the underwriting process. Unlike traditional credit insurance, exposure related to surety bonds issued cannot be unilaterally reduced or withdrawn by Atradius.

When a surety bond is called by the beneficiary, Atradius mediates to resolve conflicts by working with both the customer and the beneficiary. If, as a result of non-performance, a payment is made by Atradius to the beneficiary, recovery action is taken against the customer who remains ultimately liable. If Atradius does incur an irrecoverable loss it is almost always because of the customer's financial distress, making the trigger for loss like that of traditional credit insurance.

The spread of customers over industry sectors varies by country as a result of differing legal and market environments. The type of surety bonds issued include bid bonds, performance bonds, maintenance bonds, advance payment bonds and various types of administrative bonds. These are issued with tenors ranging from a few weeks to years, but only rarely in excess of five years.

All surety facilities and individual surety bonds are underwritten by technical underwriters who are part of the commercial surety units. Technical underwriters assess the risk of non-performance as well as Surety wordings and other relevant technical aspects. Financial underwriters, who are not part of the Commercial units, focus on the credit risk-related aspects of customers; they must approve the acceptance of facilities and individual bonds over certain thresholds. Financial Underwriting decisions are taken in line with a well-defined authority specifying the level of decisions that an underwriter can make. The largest amounts require the approval of Atradius credit committees (Local or Group) with the appropriate authority level.

Other products

Assumed Reinsurance

Atradius provides, through its ACyC Irish branch, reinsurance capacity to primary insurance companies from both the developed and developing credit insurance and surety markets. It currently assumes business from over 57 countries worldwide, maintaining a balanced diversity within the portfolio from each continent. The underlying business consists of approximately 50% credit insurance and 50% Surety, based on premium volume.

Assumed reinsurance underwriting guidelines and risk boundaries define the kind of assumed reinsurance is authorised to write, with specific guidelines for type of product, capacity limit, exposure, term and diversity of the underlying insurance ceded. Particular attention is given to ensuring the diversity of business from third party clients and the level of exposure to any one country, company, or market is managed within agreed underwriting limits and capacity.

All assumed reinsurance business is regularly reviewed with respect to past underwriting years' performance, triangulation development, individual buyer exposure development, aggregate total potential exposure management of economic capital requirements and market and country exposure. Risk and policy limit setting is monitored to ensure credit quality and compliance of the underlying insurance products to the terms of the reinsurance programme.

4.2.2 Insurance risk management tools

Atradius monitors its exposure across various dimensions such as counterparty, industry sector and geographic location. We maintain records of all credit insurance policies, credit limits and buyers in our integrated systems. These systems enable Atradius to set specific limits by buyer or buyer group. Management information derived from these systems allow Atradius to monitor aggregate exposure by country, customer, industry sector and other dimensions.

In addition to customer and buyer-specific decision tools, we use several instruments to analyse and manage the Company's insurance risk profile on both a retrospective, current and forward-looking basis. These includes:

- Economic capital model – a best practice risk measurement tool;
- Risk dashboards and tools to drill down to underlying details of parts of the portfolio;
- Predictive analysis of indicators such as shipments, claims and premiums;
- Models of probabilities of default and loss-given-default.

These tools ensure that Atradius manages its risk profile within a regularly reviewed and approved risk management framework.

All buyers with significant exposure are reviewed at least annually. Depending on the credit worthiness of a buyer, reviews may be more frequent and even require the involvement of a Special Risk Management unit. Atradius continuously receives information on buyers through on-line connections with business information providers and from customers reporting negative payment experiences. Buyers are reviewed whenever substantive new information is received. Atradius assigns an internal rating to buyers and the review process takes into account exposure on a buyer through direct business, including exposure for credit specialties and surety. The authority structure for approval of new exposure referred to in this note also applies to buyer reviews.

Atradius operates with an integrated risk and (capital) cost-based pricing system. Generally, new policies and renewals are priced starting from a technical price suggested by one of the Pricing models approved for use by the Quantitative Model Committee, a committee responsible for approving the quantitative models that are used within Atradius, in the group.

For assumed reinsurance, Atradius uses a number of risk management tools to monitor the assumed reinsurance portfolio for exposures and performance developments. The assumed reinsurance system is used to record the risk profile, ultimate estimate and related accounting information for each reinsurance treaty. This allows the reporting of performance, total aggregate exposure and accounting reinsurance results. Performance development and exposures related to each assumed reinsurance treaty are reviewed quarterly within certain limits and through exception reporting.

For ICP, consumer credit risk underwriting relies on the databases of the relevant national authorities. In addition, ICP maintains and uses its own internal consumer credit database.

Both surety and ICP have their own pricing systems and guidelines that reflect the specifics of their businesses.

4.2.3 Reinsurance programme

Atradius transfers a significant portion of its insurance risk to external reinsurers, through several reinsurance arrangements that include quota share and excess of loss treaties covering either the entire portfolio of Atradius or specific risks. The reinsurance treaties are renewed annually. During 2024, Atradius decided to renew its reinsurance arrangements for 2025. This trend will continue with the renewal of the reinsurance arrangements for 2026 in early 2025. On renewal, Atradius assesses the optimal structure of the treaties for the forthcoming period. A number of items are taken into consideration during this review, including the forecast growth in the underlying business, economic developments etc. In addition, the proposed structure is considered in the context of the Solvency II capital requirements and Atradius' risk appetite.

For the underwriting year 2024 one quota share reinsurance treaty is in place covering the majority of Atradius' business. The retention under this treaty is 65% (2023: 63%).

In addition, there are two separate quota share treaties, which cover a limited number of policies, where the retention percentage is 25%, and a single excess of loss treaty, covering the own retention under these quota share treaties, consisting of a series of excess of loss layers (per buyer group). The excess of loss treaty also provides protection for the assumed reinsurance of ACyC Ireland. The combined excess of loss programme for Atradius has mitigated the likelihood of it retaining two separate retentions if a common buyer were to fail, affecting both the assumed and direct business of Atradius. The top of the excess of loss layers is chosen so that, in the judgement of management, there remains only a very remote possibility that failure of any single buyer group will exceed the top end of the excess of loss coverage purchased.

The attachment point of the excess of loss treaties has been set such that the net retention for business ceded under the quota share treaties and excess of loss structure for any buyer group does not exceed EUR 35.00 million for Atradius (2023: EUR 26.25)

Regarding the reinsurance panel, it is Atradius' policy to select only reinsurers that have a high rating. The normal minimum requirement is an 'A-' level rating. The treaties also include a provision that if a reinsurer is downgraded during the period of the reinsurance below an A- rating then security can be requested and if not provided the reinsurance agreement with that reinsurer can be terminated.

4.2.4 Concentration risk

Atradius is exposed to concentration risk in a number of ways: primarily by buyer, buyer country or buyer industry. The following tables illustrate the exposure at the end of 2024 and 2023 in terms of the sum of credit limits registered by Atradius on individual buyers. This is referred to as total potential exposure or TPE.

TPE is an approximate upper boundary to real outstanding exposure, in the sense that a limit that Atradius has issued does not necessarily give rise to underwriting risk at a specific point in time. Atradius normally does not know the real outstanding exposure under its limits on any specific buyer at any point in time. The 'usage' of limits is, on average, much smaller than the amount of the limit. At the portfolio level, real outstanding exposure tends to be in the range of 10% to 30% of TPE, on top of which customers still have their own retention. In addition to the TPE, customers are often allowed to have exposure under the policy through discretionary limits. Potential exposure resulting from a discretionary limit on any buyer is not held on Atradius' system. Each policy specifies the maximum discretionary limit allowed under the policy. For most policies this is no more than EUR 20 thousand per buyer. This illustrates that TPE is a crude but appropriate measure of exposure and that, in aggregate, real outstanding exposure will be far lower.

The following tables show aggregated TPE for credit insurance (including credit specialties) and assumed reinsurance.

Buyer country (EUR million)	**TPE 2024**	**%**	**TPE 2023**	**%**
Germany	131,053	13.8%	129,890	14.5%
Spain, Portugal	102,578	10.8%	101,442	11.4%
USA	102,604	10.8%	93,244	10.4%
Central and Eastern Europe	100,178	10.6%	93,574	10.5%
Italy	65,030	6.9%	62,570	7.0%
United Kingdom	68,795	7.3%	64,223	7.2%
France	61,179	6.5%	60,226	6.7%
Nordic	44,502	4.7%	41,773	4.7%
The Netherlands	42,016	4.4%	41,116	4.6%
Other	229,306	24.2%	205,220	23.0%
Total	**947,241**	**100%**	**893,277**	**100%**

The following table shows the distribution of TPE over buyer industry sector.

Industry sector (EUR million)	**TPE 2024**	**%**	**TPE 2023**	**%**
Chemicals	137,187	14.5%	126,643	14.2%
Electronics	116,536	12.3%	107,461	12.0%
Metals	100,927	10.7%	99,523	11.1%
Consumer durables	97,346	10.3%	91,213	10.2%
Food	92,672	9.8%	84,098	9.4%
Transport	90,466	9.6%	81,113	9.1%
Construction	70,139	7.4%	66,469	7.4%
Other	65,250	6.9%	62,519	7.0%
Machines	59,388	6.3%	57,551	6.4%
Construction materials	44,295	4.7%	41,276	4.6%
Agriculture	36,771	3.9%	43,483	4.9%
Services	36,264	3.8%	31,928	3.6%
Total	**947,241**	**100%**	**893,277**	**100%**

The following table shows TPE aggregated by group of buyers. This is the method of aggregation that is relevant for Atradius' excess of loss treaties.

TPE Value band (EUR million)	**TPE 2024**	**%**	**TPE 2023**	**%**
0 - 20	443,516	46.8%	427,053	47.8%
20 - 100	168,264	17.8%	156,707	17.5%
100 - 250	109,199	11.5%	103,669	11.6%
250 - 500	80,676	8.5%	77,604	8.7%
500 - 1000	77,105	8.1%	67,700	7.6%
1000 - and more	68,481	7.2%	60,545	6.8%
Total	**947,241**	**100%**	**893,277**	**100%**

Exposure for surety, instalment credit protection and assumed reinsurance business have entirely different characteristics and therefore has not been included in these tables. At a group level the surety exposure is EUR 32.9 billion (YE 2023: EUR 30.2 billion), of which EUR 10 billion (YE 2023: EUR 9 billion) is for customers based in Italy. Exposure for instalment credit protection amounts to EUR 4.1 billion (YE 2023: EUR 4 billion). Assumed reinsurance business exposure is 31.8 billion (of which 19.4 billion named exposure).

All amounts in thousands of Euro, unless otherwise stated

4.3 Financial risk

Atradius is exposed to financial risk mainly through its financial assets, financial liabilities, reinsurance contracts and insurance contracts. The core components of financial risk are market risk, credit risk and liquidity risk.

These risks arise mainly from interest rate sensitive positions, equity instruments, credit exposures, non-Euro currency exposures and cash flow patterns.

4.3.1 Market risk

Market risk is the risk that the fair value of assets and liabilities that are sensitive to movements in market prices, decreases or increases due to adverse movements in equity prices, interest rates or currency exchange rates. Atradius exposes itself to these risks by holding assets and liabilities which fair value is sensitive to movements in those prices.

To measure these risks, Atradius uses several risk metrics. The most important ones being the mismatch between assets and liabilities which fair value is denominated in foreign currency, value-at-risk, capital models from the credit assessment institutions and interest rate duration.

Atradius uses a Solvency II available capital approach to define the Strategic Asset Allocation and to assess the impact of investment decisions to ensure that sufficient Solvency II capital remains.

4.3.1.1 Fair value of financial assets and liabilities

The estimated fair values of the Company's financial assets and liabilities, other than the subordinated debt, equal their carrying value. The fair values of subordinated debts are disclosed in note 21.

The fair values correspond with the price, at our best estimate, that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Whenever possible, the fair values are based on quoted market prices. If there is no quoted market price available, the Company uses valuation techniques, which are based on market prices of comparable instruments, or parameters from comparable active markets (market observable data). If no observable market inputs are available, valuation models are used (non-market observable data). These valuation techniques are subjective in nature and involve various assumptions about the relevant pricing factors. Changes in these assumptions could significantly affect the estimated fair values. Consequently, the fair values presented may not be indicative of the net realisable value. In addition, the calculation of the estimated fair value is based on market conditions at a specific point in time and may not be indicative of future fair values.

The fair values are subject to a control framework designed to ensure that they are either determined or validated by a function independent of the risk taker. To this end, the Company establishes the accounting policies and processes governing valuation and is responsible for ensuring that these comply with all relevant accounting pronouncements. Within this governance structure, non-quoted investments or illiquid investments in which the Company invests are valued by an external independent valuation company or the asset manager of illiquid investment fund. The external independent valuation company uses its own proprietary valuation systems to value the securities supported by economic and market assumptions from financial information providers. The valuations are provided on a monthly basis and are reviewed and approved by the Company. The valuation process at the asset manager is audited and approved by its external auditor.

Debt and equity securities

The fair value of debt and equity securities is based on quoted market prices, where available. For those securities, not actively traded, fair values are provided by an external independent valuation company or by the fund's asset manager.

Loans and short-term investments

For loans and other short-term investments, carrying amounts represent a reasonable estimate of their fair values.

Other financial assets

The carrying amount of other financial assets, including cash and cash equivalents, is not materially different to their fair value, given their short-term nature.

Subordinated debt

The fair value estimate of the subordinated bond is provided by an external independent valuation company, which uses its own proprietary valuation systems to value securities supported by economic and market assumptions from financial information providers (see Note 21 for further details).

Other financial liabilities and deposits received from reinsurers

The carrying amount of other financial liabilities and deposits received from reinsurers is not materially different to their fair value, given their short-term nature.

The following tables present the fair values and the hierarchy of the financial instruments carried at fair value (note 2.9).

2024	Level 1	Level 3	Total
Fair Value through Profit and Loss:			
Investment Funds	95,282	39,728	135,010
Debt securities:			
Government bonds	2,030	-	2,031
Corporate bonds	1,349	-	1,349
Total	**98,661**	**39,728**	**138,390**
Financial Assets at Fair Value through Other Comprehensive Income:			
Shares	446,203	-	446,203
Debt securities:			
Government bonds	941,675	-	941,675
Corporate bonds	1,747,194	-	1,747,194
Total	**3,135,072**	-	**3,135,072**

2023	Level 1	Level 3	Total
Fair Value through Profit and Loss:			
Investment Funds	61,010	36,155	97,165
Debt securities:			
Government bonds	1,949	-	1,949
Corporate bonds	328	-	328
Total	**63,287**	**36,155**	**99,442**
Financial Assets at Fair Value through Other Comprehensive Income:			
Shares	402,400	-	402,400
Debt securities:			
Government bonds	646,777	-	646,777
Corporate bonds	1,690,475	-	1,690,475
Total	**2,739,652**	-	**2,739,652**

At 31 December 2024 the Company is mainly exposed to securities traded in active markets (level 1), whereas having a limited exposure to illiquid markets (level 3).

All amounts in thousands of Euro, unless otherwise stated

Reconciliation of Level 3 fair values

The following table details the changes in the fair value of Level 3 financial investments (valuation techniques incorporating information other than observable market data):

Financial Investments Level 3	Funds	
	2024	2023
Balance at 1 January	**36,155**	**31,649**
Total gains or losses:		
In profit and loss statement (net income from investments)	(1,945)	(3,234)
Acquisitions	5,518	7,740
Balance at 31 December	**39,728**	**36,155**

4.3.1.2 Equity securities and investment funds price risk

Risk on equity securities and investment funds is the risk that the fair value of the assets that are sensitive to movements in equity securities and investment funds prices decreases due to adverse movements in equity securities and investment funds prices. Atradius exposes itself to equity securities and investment funds price risk by investing in equity securities instruments issued by corporations and equity instruments issued by investment funds. These risks are measured and analysed by using value at risk techniques and capital models from the external credit assessment institutions. The value-at-risk measures the potential maximum loss on Atradius' equity securities and investment funds instruments due to adverse movements in equity and investment fund prices in the short-term while the capital models measures the potential maximum loss in the long-term, (see Note 4.3.1.4 for more information). Atradius invests in a portfolio of diversified equity and investment funds instruments to minimise the idiosyncratic risk of individual assets.

Individual equity instruments

Atradius invests in individual equities via a segregated mandate in which the asset manager has discretion to select the equity portfolio in accordance with investment restrictions set in the investment management agreement. This diversified portfolio consists of EUR denominated large capitalisation equities. Per the end of December 2024, the market value of these equities is EUR 446.2 million (2023: EUR 402.4 million).

Investment funds: the investment funds in which Atradius invests are exposed to market risk, counterparty risk, liquidity risk and currency risk (i.e., general investment fund risks). Atradius only selects investment funds that have similar investment restrictions stated in their prospectus as set in the Atradius Investment Policy.

Debt instruments issued by investment funds: the portfolio of debt instruments issued by investment funds can be divided by:

- **Passive equities exchange traded funds**: the portfolio of passive equities exchange traded funds mainly consists of an exchange traded fund which passively tracks the Dow Jones Euro Stoxx 50 Index.
- **Active money market funds**: the portfolio of active money market funds consists of money market funds denominated in Euro and Brazilian real.
- **Real estate funds**: the portfolio of real estate funds consists of real estate funds denominated in EUR and in which the underlying asset exposure is focussed on prime European real estate.
- **Infrastructure funds**: the infrastructure fund exposure consist of a fund-of-funds investment and a fund with direct infrastructure investments, both denominated in EUR. Regarding the underlying investments in the fund-of-funds investment vehicle, those have a focus from renewable energy towards more traditional infrastructure sectors like utillities, transport, energy or telecommunications, where the focus in the other fund with direct investments is more on the energy transition cycle.

The portfolio of debt instruments issued by investment funds are shown in the following table:

Investment funds	EUR million	Weight in %	EUR million	Weight in %
	2024		2023	
Passive equities exchange traded funds	5,900	4.4%	7,824	8.1%
Active money market funds	89,384	66.2%	53,188	54.7%
Real estate funds	27,662	20.5%	29,222	30.1%
Infrastructure funds	12,064	8.9%	6,931	7.1%
Total	**135,010**	**100.0%**	**97,165**	**100.0%**

4.3.1.3 Interest rate risk

Interest rate risk is the risk that the fair value of assets and liabilities, that are sensitive to movements in interest rates, decreases or increases due to adverse movements in interest rates. Atradius exposes itself to this risk by investing in debt instruments and instruments issued by investment funds that invest in debt instruments, issuing subordinated debt and by insurance contracts. Financial assets in Atradius are mainly covering insurance liabilities.

Profile

At the end of the reporting period the interest rate profile of Atradius' interest-bearing financial instruments was:

	Fixed rate instruments - carrying amount		Variable rate instruments - carrying amount	
	2024	2023	2024	2023
Financial assets [1][3]	2,692,249	2,339,529	1,023,549	1,008,290
Financial liabilities [2][4]	(297,417)	(249,828)	(10,357)	(10,367)
Total	**2,394,832**	**2,089,701**	**1,013,192**	**997,923**

1) Fixed rate financial assets include debt securities.
2) Fixed rate financial liabilities include the subordinated debt.
3) Variable rate financial assets include cash and cash equivalents, loans, short-term investments.
4) Variable rate financial liabilities include borrowings and deposits received from reinsurers.

Duration demonstrates the dependability of a bond's market value to a change in the underlying discount rate of that bond. The duration figure depicts the percentage change of the market value of a bond investment if the underlying discount rate is parallel shifted by 100 basis points or 1.00%. The higher the duration figure, the more a bond is sensitive to movements in the underlying discount rate. Atradius uses the duration to assess its interest rate risk exposure and monitors whether the duration remains between the minimum and maximum duration limit (between one to five years for government bonds and one to three years for corporate bonds) as set in the Atradius Investment Policy. The duration is calculated as the weighted average of the discounted future cash flows to be received measured in years. The duration as per 31 of December 2024 is 1.9 years (2023: 1.7 years) and the average maturity for 2024 is 2.1 years (2023: 1.9 years).

4.3.1.4 Value-at-Risk

Atradius measures equity price and interest rate risk by analysing the value-at-risk (VaR) of its financial instruments. This risk metric measures the maximum potential loss on those financial instruments due to adverse movements in equity prices and interest rates within a specified time frame and probability (confidence level). The VaR is based on variance-covariance methodology that uses the historical volatility of the fair values of the financial instruments and the correlation between these as main inputs. These volatilities and correlations are provided by financial information providers or financial institutions.

The risk of using the variance-covariance methodology or any other historical methodology is that it may underestimate the riskiness of the financial instruments. This is because these methodologies assume that the historical volatility of and correlation between the financial instruments will be repeated in the future. Therefore, it is not intended to represent or to guarantee any future price movements but rather to be used as guidance for information purposes and comparison of historical developments only.

All amounts in thousands of Euro, unless otherwise stated

The VaR provides insight into the maximum expected loss per asset category and on portfolio level. The fair values and percentages presented are calculated with a given confidence level of 99% for a period of 12 months. This implies that there is 1% probability of underestimating the potential maximum loss for the coming 12 months.

The following table shows the VaR of Atradius equity securities and debt securities on portfolio level.

Value-at-Risk	EUR million	% of the market value	EUR million	% of the market value
	2024		2023	
Equity securities:				
Shares	139.9	31.4%	133.3	33.1%
Investment Funds [1]:	14.3	31.4%	14.6	33.1%
Debt securities:				
Government bonds	25.2	2.6%	28.1	4.3%
Corporate bonds	51.9	2.9%	66.5	3.9%
Total portfolio	**145.0**	**4.0%**	**179.1**	**5.7%**

1) It excludes money market funds.

The classification of financial investments in the VaR table stated above are based on the actual financial risks that the individual securities present in the investment portfolio carry. For instance, within debt securities a separation between government bonds, and corporate bonds is maintained to capture the actual exposure to corporate bonds that carry additional credit risk above the risks that government bonds bring along. When individual securities are classified to the asset class that fits their actual risk profile, the volatility of that asset class is calculated using the volatility to the financial markets of the underlying securities in that asset class. The volatility of each asset class serves as input for the VaR calculation of that asset class. In case of an investment fund, the volatility of the fund (driven by the characteristics of its underlying securities) serves as input for the calculation of the VaR on that specific investment fund and is subsequently included in the VaR calculation of the asset class. Total portfolio VaR is less than the sum of the VaR of the individual portfolio components because the correlation between these components is less than one and forms the basis of portfolio diversification. The VaR percentage decreased from 5.7% at the end of 2023 to 4.0% at the end of 2024 and the VaR value decreased from EUR 179.1 million at the end of 2023 to EUR 145.0 million at the end of 2024.

4.3.1.5 Currency risk

Movements in exchange rates may affect the value of consolidated shareholders' equity, which is expressed in Euro. Foreign exchange rate differences taken to other comprehensive income arise on the translation of the net investment in foreign subsidiaries and associated companies. During 2024, the Euro depreciated in value against some of the non-Euro functional currencies (see Note 2.5.1) resulting in a foreign currency gain in other comprehensive income of EUR 36.8 million, net of tax (2023: a loss of EUR 28.9 million, net of tax).

However, the impact of these fluctuations is limited as revenue, expenses, assets and liabilities within our non-Euro operations are generally denominated in the same currencies.

	Assets	Liabilities	Net position	Assets	Liabilities	Net position
	2024			2023		
EUR	4,312,665	2,038,818	2,273,847	3,868,992	1,806,999	2,061,993
GBP	178,600	131,067	47,533	249,835	153,268	96,567
USD	751,667	386,075	365,593	682,968	335,376	347,592
AUD	150,010	51,605	98,405	137,916	48,563	89,353
Other	665,728	530,850	134,878	588,441	399,262	189,179
Total	**6,058,671**	**3,138,415**	**2,920,256**	**5,528,153**	**2,743,468**	**2,784,685**

4.3.2 Credit risk

Credit risk is the risk that customers or counterparties are unable to repay their debt towards Atradius in full when due. Atradius exposes itself to credit risk mainly by reinsurance contracts and holding financial assets.

Taking out reinsurance coverage with external reinsurers is used to manage insurance risk. This does not, however, discharge the liability as primary insurer. If a reinsurer fails to pay a claim for any reason, Atradius remains liable for the payment to the policyholder. The Atradius policy is to select only reinsurers that have a well-established investment grade credit rating. The minimum requirement is an 'A-' level rating, although there are some minor exceptions. In the event that the reinsurer's rating is found to be below this threshold, Atradius has the right to either terminate the reinsurance relationship during the course of the reinsurance year or else seek collateral if the relationship is to continue. Deposits received from reinsurers mitigate the credit risk.

Individual operating units maintain records of the payment history for significant contract holders with whom they conduct regular business. The exposure to individual counterparties is also managed by other mechanisms, such as the right of offset where counterparties are both debtors and creditors. Management information reported to Atradius includes details of provisions for impairment on loans and receivables and subsequent write-offs.

Credit exposure to business partners, such as insured customers and brokers, is closely monitored. Potential impairments on receivables are reviewed monthly and updated.

With regard to managing the credit risks of the financial investments, the investment policy of Atradius is to hold a, principally Euro-centric, internationally diversified portfolio and to avoid large risk concentrations. From a Standard & Poor's rating scale or comparable perspective, the minimum allowed average rating of the overall fixed income portfolio is A-, whereas investments in individual fixed income securities are allowed a minimum rating of BBB- at purchase. If a debt security in which Atradius has invested falls below the minimum credit rating or is not rated, it should be reviewed by the Group Investment Committee to decide whether the debt security is still a suitable investment. The maximum concentration limit per issuer (per legal entity and at Atradius N.V. level) is 5% of the market value of the financial investments of the legal entity or Atradius N.V.. The concentration per issuer is evaluated by aggregating the exposure to a single issuer through both debt investments and equity securities. The Group Investment Committee monitors this limit and takes action if necessary.

The main objectives of the investment portfolio concentrate on the capital preservation and liquidity, in order to support Atradius strategic and operational needs at any given moment in time. The annual review of the investment policy did lead to a (minor) change in the concentration risk settings. The maximum exposure towards (direct) equities at the entity of Atradius Crédito y Caución S.A. De Seguros Y Reaseguros has been reduced from 17.5% to 15.0%. The Group Investment Committee closely monitored any downgrades on the BBB-rated bonds and any major changes in the concentration exposure by issuer throughout the year.

Regarding receivables, there is no concentration of credit risk in respect of receivables as Atradius has a large number of internationally dispersed debtors.

The amounts that best represent the maximum exposure to credit risk in reinsurance contract assets at the reporting dates are EUR 146 million (2023: EUR 137 million).

The counterparty ratings of short-term investments, cash and cash equivalents and the rating of debt securities as at 31 December 2024 and as at 31 December 2023, are presented in the following tables:

All amounts in thousands of Euro, unless otherwise stated

At 31 December (EUR million)	2024			2023		
	Stage 1	Stage 2	Total	Stage 1	Stage 2	Total
Cash and cash equivalents						
AAA	20	-	20	67	-	67
AA	53	-	53	47	-	47
A	584	-	584	551	-	551
BBB	3	-	3	18	-	18
Below investment grade	35	-	35	11	-	11
Without qualifications	-	-	-	-	-	-
Gross amount	**695**	-	**695**	**694**	-	**694**
Financial Assets at FV with changes in Other Comprehensive Income						
Debt securities:						
Government Bonds:						
AAA	505	-	505	329	-	329
AA	392	-	392	267	-	267
A	-	-	-	-	-	-
BBB	31	-	31	37	-	37
Below investment grade	-	13	13	-	14	14
Without qualification	-	-	-	-	-	-
Corporate Bonds:						
AAA	31	-	31	8	-	8
AA	235	-	235	202	-	202
A	1,281	-	1,281	1,137	-	1,137
BBB	200	-	200	343	-	343
Without qualification	-	-	-	-	-	-
Gross amount	**2,675**	**13**	**2,688**	**2,323**	**14**	**2,337**
Financial Assets at Amortised Cost						
Deposits with credit institutions:						
AAA	149	-	149	89	-	89
AA	52	-	52	43	-	43
A	98	-	98	165	-	165
BBB	22	-	22	9	-	9
Below investment grade	-	-	-	-	-	-
Without qualification	5	-	5	6	-	6
Loans:						
Without qualification	2	-	2	2	-	2
Gross amount	**328**	-	**328**	**314**	-	**314**

The increase in the category below investment grade shown above is a reflection of expansion of Atradius activities mainly in Asia and South America.

The counterparty ratings of receivables, claims, commissions and deposits arising from reinsurance and the rating of debt securities as at 31 December 2024 and as at 31 December 2023, are presented in the following tables:

At 31 December (EUR million)	2024	2023
Receivables arising from reinsurance:		
AA	21	26
A	49	60
BBB	0	4
Without qualification	27	16
Gross amount	**97**	**106**

The counterparty credit ratings and the credit rating of debt instruments are predominantly based on Standard & Poor's rating.

4.3.3 Liquidity risk

Atradius is exposed to liquidity risk if there is insufficient cash available to meet its financial obligations, when due, at a reasonable cost. For Atradius, liquidity risks may arise if large scale short-term fluctuations occur to cash flows, such as a decline in incoming cash or a rise in outgoing cash, or a combination of both.

Liquidity risk is managed at Atradius level, in close coordination with local operations. Atradius' policy is to monitor and measure ongoing cash flow patterns and control liquidity by maintaining sufficient cash and highly marketable securities to reduce liquidity risk to acceptably low levels. The investment policy states that Atradius should mainly invest in financial instruments that can be liquidated in less than three business days. Atradius is able to access credit facilities to prevent certain liquidity shortages which may arise due to short-term cash flow variances. A few entities of Atradius maintain one uncommitted credit line in excess of EUR 1 million. Additionally, Atradius has an overdraft facility for a total amount of EUR 50 million (2023: EUR 50 million). The credit line provides liquidity to cover infrequent peaks in short-term liquidity requirements while also permitting Atradius to reduce its cash balances and to benefit from a more substantial and stable investment portfolio. Finally, Atradius has in place a simultaneous claims payment clause in the main reinsurance treaties. This clause allows Atradius to ask the reinsurers to anticipate the payment of a large claim upon Atradius' request instead of the usual payment terms agreed in the reinsurance treaties.

Liquidity and interest risk tables

The following tables indicate the estimated amount and timing of the main cash flows at the end of the reporting period of interest and non-interest bearing liabilities and assets. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. Atradius has considered the impact of the cross-border cash pooling arrangement in this overview.

The tables have been drawn up based on the undiscounted contractual cash flows of financial liabilities based on the earliest contractual repayment date. When Atradius has a choice of when an amount is paid, the financial liability is allocated to the latest period in which Atradius can be required to pay. When the lender has a choice of when an amount is paid, the financial liability is allocated to the earliest period in which Atradius can be required to pay.

All amounts in thousands of Euro, unless otherwise stated

At 31 December 2024		Contractual cash flows (undiscounted)				
	Weighted average effective interest rate %	On demand	Less than 1 year	1 to 5 years	> 5 years	Carrying amount
Interest bearing assets:						
Debt securities	2.97%	-	868,967	1,913,967	106,591	2,692,249
Investments: deposits and cash held for investments	4.17%	38,327	288,262	-	1,773	328,362
Cash: Cash and bank deposits	3.53%	680,378	14,809	-	-	695,187
Total		**718,705**	**1,172,038**	**1,913,967**	**108,364**	**3,715,798**
Non-interest bearing assets:						
Other financial assets [1]		-	582,987	-	-	582,986
Reinsurance contracts		-	381,476	127,190	27,534	491,818
Receivables		-	150,561	-	-	150,561
Total		-	**1,115,024**	**127,190**	**27,534**	**1,225,365**

At 31 December 2023		Contractual cash flows (undiscounted)				
	Weighted average effective interest rate %	On demand	Less than 1 year	1 to 5 years	> 5 years	Carrying amount
Interest bearing assets:						
Debt securities	3.57%	-	648,498	1,797,377	53,564	2,339,529
Investments: deposits and cash held for investments	4.95%	149,369	166,850	-	2,441	314,052
Cash: Cash and bank deposits	3.10%	646,193	48,045	-	-	694,238
Total		**795,562**	**863,393**	**1,797,377**	**56,005**	**3,347,819**
Non-interest bearing assets:						
Other financial assets [1]		-	502,006	-	-	502,005
Reinsurance contracts		-	364,180	125,772	21,494	482,874
Receivables		-	124,381	-	-	124,381
Total		-	**990,567**	**125,772**	**21,494**	**1,109,260**

1)It includes subordinated debt in 2023.

At 31 December 2024		Contractual cash flows (undiscounted)				
	Weighted average effective interest rate %	On demand	Less than 1 year	1 to 5 years	> 5 years	Carrying amount
Interest bearing liabilities:						
Subordinated debt	5.12%	-	15,000	60,000	375,000	297,417
Deposits received from reinsurers	1.33%	-	10,357	-	-	10,357
Total		-	**25,357**	**60,000**	**375,000**	**307,774**
Non-interest bearing liabilities:						
Direct insurance contracts		-	1,168,209	346,229	22,047	1,368,721
Payables		-	149,777	-	-	149,777
Total		-	**1,317,986**	**346,229**	**22,047**	**1,518,498**

At 31 December 2023		Contractual cash flows (undiscounted)				
	Weighted average effective interest rate %	On demand	Less than 1 year	1 to 5 years	> 5 years	Carrying amount
Interest bearing liabilities:						
Subordinated debt	6.92%	-	13,125	89,400	607,600	249,828
Deposits received from reinsurers	1.94%	-	10,367	-	-	10,367
Total		-	**23,492**	**89,400**	**607,600**	**260,195**
Non-interest bearing liabilities:						
Direct insurance contracts		-	1,090,852	316,733	(3,437)	1,227,482
Payables		-	141,765	-	-	141,765
Total		-	**1,232,617**	**316,733**	**(3,437)**	**1,369,247**

4.4 Operational risk

4.4.1 Operational risk management

Operational risk is defined as the risk of loss arising from inadequate or failed internal processes, people or systems, or from external events. This definition is in line with industry practice as well as with the European Solvency II Directive. It is present within all activities undertaken by Atradius, at all levels and across all locations. At the same time as classifying operational risk into processes, people, systems, and external events, Atradius also labels its risks where they relate to ESG categories.

GRM is responsible for developing methods for the identification, assessment and response to operational risks, and for monitoring and further enhancing the overall risk management and control framework. This unit works closely with both Internal Audit and the Group Legal & Compliance unit. At the highest level, operational risk is overseen by the Operational Risk Committee (ORC), which has a reporting line to the RSMB.

GRM uses a framework for the management of operational risk, which is based on the Committee of Sponsoring Organisations' Enterprise Risk Management (COSO ERM) Integrated Framework. Identification and monitoring activities are developed and enhanced on an ongoing basis and include the maintenance of risks registers, facilitation of risk and control self-assessments, capture of risk indicators and incidents, and development, maintenance, testing and review of business continuity plans. Risks and risk responses are discussed at all levels, locations and units across the business, including the Management Board and Supervisory Board. High-level information on crystallised risks has been captured for many years, with separate records of information technology risk events stretching back even further. To provide oversight and assurance in an auditable and efficient manner, the unit employs a dedicated governance, risk and compliance software platform (the 'GRC Portal') that integrates existing risk management activities across the business

Financial crime risk - results from illicit activity in the form of money laundering, terrorist financing, bribery and corruption, sanctions evasion, fraud and customer tax offences and other predicate offences to money laundering such as environmental crimes and human trafficking. It arises in Atradius' day-to-day business if our customers, employees or third parties undertake or facilitate financial crime, or if our products and services are misused for illicit purposes to generate or disguise financial crime.
We have zero tolerance for deliberately or knowingly facilitating financial crime - keeping Atradius safe, secure and compliant remains a top priority to protect our business and society at large from financial crime and its corrosive effects upon individuals and communities.

Fraud risk

External fraud risk is defined within Atradius as the risk of acts of fraud or scams by individuals and/or parties excluding Atradius staff (including contractors), with the consequence of financial loss, regulatory fines, litigation loss, business disruption and/or reputational damage for Atradius. The Fraud Control Group, composed of employees across over 30 countries, monitors the activity of customers and buyers to detect potential instances of fraud. This monitoring includes using bespoke software to capture indicators of fraud from wide-ranging internal and external sources. Atradius also provides fraud awareness training and advice to employees and customers to help identify fraudulent buyers. Atradius in 2024 confirmed the 2023 tendency of increasing in attempts by fraudsters to impersonate Atradius employees for the financial gain but suffered no material losses.

Internal fraud risk is defined as the risk of acts of fraud performed by any Atradius employees, including where this relates to collusion between Atradius employees or agents with another party, whether or not known to Atradius, with the consequence of financial loss, regulatory fines, litigation loss, business disruption and/or reputational damage for Atradius. This risk is addressed through manual and automated operational controls such as the segregation of duties, application of signing authorities including two, four and six-eye approvals and role-based system privileges and authorities. Any instance of internal fraud that is discovered, whether successful or not, is reported as an operational incident to the Risk Strategy Management Board. No material incidents of internal fraud were registered in 2024.

In addition, the Atradius Code of Conduct and several additional compliance policies applicable for more specific areas, set the requirements that Atradius' employees must adhere to. For example, the Atradius Speak up Policy gives guidance on how to raise concerns regarding a violation or breach of the Code of Conduct, in a confidential manner. Further information on compliance policies can be found in note 4.4.1.3.

Cyber risk – refers to the risk of financial loss, disruption or damage to reputation due to failure of IT systems. Risks include: an event impacting the data centre (covered via Business Continuity / IT Disaster Recovery), security incidents, network vulnerabilities, unauthorised activity, malicious code changes, application specific vulnerabilities and unauthorised software. The Atradius Information Security team monitors and addresses threats and coordinates the management of cyber risk across the Group. Atradius recognises increasing external threats especially from AI, ransomware, phishing and denial of service.

The fast evolving cyber landscape highlights the increasing monetisation of cyber security threats against financial services companies through insufficient technical controls and user error. As such, Atradius takes the education of end users on the aforementioned cyber risks very seriously: awareness training is mandatory for all staff. Further mitigation of this risk includes protections for critical Atradius applications and Multi-Factor Authentication for remote access. A medium-term Cyber Security Strategy is in place to further improve governance, protection, resilience and vigilance across Atradius.

More details on certain operational risk management activities are provided below.

4.4.1.1 Risk registers and risk / control self-assessments

While the GRM is responsible for facilitating operational risk management within Atradius, the lines of business and functional areas are responsible for managing their operational risks. Atradius Leadership Team members, assisted by 'risk champions', maintain risk registers for their respective units. The content of registers provides input to local management meetings and is also reviewed by the ORC and during meetings of the Management Board. This ensures that operational risks are considered from all management perspectives.

While risk registers use a top-down approach to capturing risks, Atradius also uses a bottom-up approach of control self-assessments to review existing risks and associated controls and identify any control weaknesses in business processes.

On a quarterly basis, Atradius conducts specific assessments of processes and controls covering financial reporting risks, including reporting for regulatory compliance purposes; the resulting 'in control' sign-off process is overseen by a committee with representatives from Group Risk Management, Finance and Internal Audit.

4.4.1.2 Business continuity management

Atradius recognises the importance of being able to recover its business processes in the event of any major operational disruption. A Business Continuity Management (BCM) programme is embedded in the organisation to ensure the continuity of the Business in the event of disruptions. The BCM programme is aligned with the International Standard ISO22301. The Group Business Continuity manager co-ordinates the documentation, maintenance and continual exercising of practical plans for recovering priority business activities within acceptable timeframes.

A BCM programme is in place across the Group, which includes the setting and monitoring of Group and Country objectives and this runs alongside central activities, such as conducting periodic Business Impact Analysis and Risk Assessments.

Atradius has adapted its business continuity arrangements to address new ways of working such as a hybrid working model which involves a mixture of in-office and remote working. IT systems are stable and collaboration tools have been enhanced for the whole workforce. Overall service to customers and all other parties is being maintained at a high standard.

Atradius is preparing itself for alignment with regulations on operational resilience whereby firms must ensure that they can withstand, respond to and recover from all types of ICT-related disruptions and threats.

4.4.1.3 Legal Risk / Compliance Framework

At Atradius we believe that compliance with relevant laws, rules and regulations, and maintaining a high standard of ethics and integrity, leads to lower operational risk and more-stable business processes. The Atradius Code of Conduct outlines the basic corporate, legal and ethical compliance principles and guidelines that apply to all our employees and that govern the Atradius operations and business conduct towards customers, brokers and all parties involved in Atradius business.

Atradius has set up several additional compliance policies for more specific areas which set out the requirements that Atradius' employees must adhere to. For example, the Policy on Customer Due Diligence and Policy on Sanctions address potential sanctions risks establishing operational and control procedures to comply with sanctions laws and regulations. Atradius also has a Data Protection Framework in place, which includes controls, policies and procedures to comply with the applicable data protection legislation. All the compliance policies are available to employees and are reviewed on a regular basis.

The Compliance Function supports the management of Atradius in meeting its objective of being compliant with applicable laws, rules and external and internal regulations. The Group Compliance Function is responsible for the maintenance and overall effectiveness of the compliance framework at Group level and, the Local Compliance Function monitors regulatory and compliance developments at local country level.

All amounts in thousands of Euro, unless otherwise stated

4.5 Capital management

4.5.1 Guiding principles

Capital management is guided by the following principles:

- to ensure that Atradius is sufficiently capitalised to have the ability to survive by maintaining sufficient available capital after meeting its financial obligations;
- to meet the local regulatory capital requirements of all Atradius entities, including branches and subsidiaries of Atradius worldwide;
- to manage the capital adequacy of Atradius and its entities, taking into account the economic and accounting views along with the external rating agencies and regulatory capital requirements;
- to optimise capital structure by allocating funds across Atradius' entities; and
- to minimise the overall cost of funding while preserving financial flexibility.

4.5.2 Atradius' objectives, policies and processes with regard to capital

The Company shows a robust capital and solvency position.

Atradius manages capital worth more than two billion euro. Per year-end 2024, the capital includes shareholders' funds of EUR 2.9 billion (2023: EUR: 2.8 billion) and subordinated debt of EUR 300 million (nominal value) classified as Level 2 under the fair value hierarchy and as Tier 2 basic own funds for Solvency II (for further details see note 21).

In addition to the internally developed economic capital model, Atradius considers the solvency calculation models of the relevant regulatory authorities and credit rating agencies in its process of managing capital.
In order to ensure capital adequacy, a capital buffer above the solvency capital required is maintained, such that large loss events would not impair the ability of Atradius to carry on its normal course of business and the ambition to maintain an 'A' rating level is sustained.

Atradius has embedded processes and procedures to ensure compliance with externally imposed regulations and internally imposed requirements for capital adequacy. Such compliance is ensured by:

- regular assessment of solvency needs, taking into account the business strategy, resulting risk profile and applied risk appetite levels;
- incorporating a view on expected future investments in new businesses, revenues, claims, reinsurance expectations and dividends as these impact both available and required capital;
- monitoring duration of assets; and
- taking into consideration capital market expectations such as expected returns, volatilities and correlations as these may impact earnings and the shareholder equity reserves.

4.5.3 Regulatory capital requirements

In each country in which Atradius operates with insurance or reinsurance companies established according to local laws, and also where prescribed for branches, the local insurance regulator specifies the minimum amount and type of capital that must be held by each of the subsidiaries or branches. The minimum required capital must be maintained at all times throughout the year. In addition, the local insurance regulators have the discretionary right to impose additional capital requirements in excess of the required minimum.

In 2024, the capital of Atradius has been managed according to the Atradius guidelines and in close cooperation with the units involved. The Atradius entities were able to meet their financial obligations and to comply with local legal and regulatory requirements.

4.5.4 Solvency II

Solvency II is the regulatory framework for (re-)insurance undertakings and groups domiciled in the EU.

Under Solvency II guidelines Group supervision takes place at the ultimate parent Grupo Catalana Occidente S.A. (GCO)

Since approval by the College of Supervisors in 2017, the regulated entities within Atradius apply a Partial Internal Model for calculating their regulatory capital requirements. An internal model, which reflects our business better than the regulatory "standard formula", is used to calculate capital requirements for Underwriting Risk. Atradius uses the Standard Formula for Market, Counterparty Default and Operational Risk as the characteristics of these risk types do not warrant an internal model approach.

As per year end 2024 the eligible own funds under Solvency II for the Company amounts to EUR 3,182 million (2023: EUR 2,961 million).

5 Segment information

Operating segments are identified based on internal reports about components of Atradius that are regularly reviewed by the Management Board in order to allocate resources to the segment and to assess its performance. Although the Management Board reviews the Company's results, at aggregated level in accordance with IFRS 17, operating segments are reported in a manner consistent with the internal reporting provided to the Management Board, which is prepared in accordance with IFRS4 (previous insurance contract standard) and IAS 39 (financial investments).

The Company has identified two operating segments, insurance and services. Within the insurance segment there are different business activities: Credit insurance including related information income, Instalment credit protection (ICP), Surety and Assumed Reinsurance. The segment Services includes collections activities, Atradius Dutch State Business, non-insurance related information income and other service related business. Group costs relate to corporate operations, after cost allocations to the other business segments.

Collections activities include recovery activities on behalf of insurance companies. Transactions between segments are on an arm's length basis in a manner similar to transactions with third parties.

An insurance contract is a contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder or its beneficiary if a specified uncertain future event (the insured event) affects the policyholder.

The insurance contracts issued by Atradius can be classified into two main categories:

Credit insurance contracts: contracts that provide for specific payments to be made to reimburse the holder for the loss it incurs because a specified debtor fails to make a payment when due under the original or modified terms of the contract between the debtor and Atradius' insured customers; and
Bonding contracts: contracts that provide compensation to the beneficiary of the contract if Atradius' bonding customer fails to perform a contractual obligation relative to the beneficiary.

Deferred acquisition costs

Commission costs that vary with and are related to securing new contracts and renewing existing contracts are capitalised as deferred acquisition costs. All other costs are recognised as expenses when incurred. The deferred acquisition costs are subsequently amortised over the life of the policies as premium is earned.

Provision for unearned premium

The UPR is established for the different types of business as follows
for traditional credit insurance, premium is earned in full when the underlying shipment takes place. UPR exclusively relates to the unearned part of premium invoiced in advance and to risks that have not started;
for the local credit insurance business in Spain and Portugal, premium is earned pro rata over the period between invoice date and due date of invoices for the insured shipments. Thus, part of UPR relates to risks that have started, in the sense that the underlying insured shipment has taken place;
for bonding, instalment credit protection and reinsurance, the UPR relates to risk taken on; and
for special products, UPR is set on the same basis as for traditional credit insurance. With the exception of single transactions, where the UPR relates to risk taken on.

Provision for outstanding claims

Claims and loss adjustment expenses are charged to the profit and loss statement as incurred based on the estimated liability for compensation owed to contract holders. They include direct and indirect claims settlement costs and arise from the risks Atradius has assumed up to the end of the reporting period. Atradius does not discount its liabilities

All amounts in thousands of Euro, unless otherwise stated

(other than the recoveries on the Instalment Credit Protection (ICP) product) given the short-term nature of its liabilities. Liabilities for unpaid claims are estimated using the input of assessments for individual cases reported to Atradius and statistical analyses for the claims incurred but not reported. When appropriate, deductions are made for salvage, subrogation and other expected recoveries from third parties. For reinsurance business the provisions are determined treaty-by-treaty, based on premium and loss information supplied by the ceding companies. Estimates of expected losses are developed using historical claims experience, actual versus estimated claims experience and other known trends and developments.

Reinsurance contracts

Contracts entered into by Atradius with reinsurers, under which Atradius is compensated for losses on one or more contracts it has issued and that meet the classification requirements for insurance contracts, are classified as reinsurance contracts held. Contracts that do not meet the classification requirements are classified as financial assets. Insurance contracts entered into by Atradius under which the contract holder is another insurer (reinsurance business) are included in insurance contracts.

The benefits to which Atradius is entitled under its reinsurance contracts held are recognised as reinsurance assets. These assets consist of short-term balances due from reinsurers (classified within loans and receivables), as well as longer term receivables (classified as reinsurance contracts) that are dependent on the expected claims and benefits arising under the related reinsurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premium payable for reinsurance contracts and are recognised as an expense when due.

Atradius assesses its reinsurance assets for impairment on a quarterly basis. If there is objective evidence that the reinsurance asset is impaired, Atradius reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the profit and loss statement. Atradius gathers the objective evidence that a reinsurance asset is impaired by applying procedures similar to those adopted for financial assets held at amortised cost. The impairment loss is calculated under a similar method used for these financial assets.

Reinsurance commission related to Atradius' quota share treaties is calculated and accounted for at a provisional rate but reviewed against the development of the ultimate loss ratio as soon as an underwriting year matures. The sliding scale commission (an additional income or expense on top of the provisional commission) is based on an estimate by management of the ultimate loss ratio for an underwriting year.

Atradius recognises the gains and losses from reinsurance contracts directly in the profit and loss statement.

Income

Revenue comprises the fair value for services, net of value added tax, after eliminating revenue within Atradius. Revenue is recognised as follows:

Re-Insurance related estimates

The ultimate liability arising from claims made under insurance contracts

The estimate of the ultimate liability arising from claims including recoveries made, or to be made, under insurance contracts is Atradius' most critical accounting estimate, due to the impact this has on the profit and loss statement or other comprehensive income. Although management has endeavoured to adequately take all facts into by their very nature estimates remain uncertain and the eventual outcome may differ significantly from the projected amount (see sections 4.2.5 and 4.2.6).

Pipeline premium

Pipeline premium relates to shipments made by Atradius' policyholders for which Atradius is at risk but has not invoiced the premium. Pipeline premium is estimated as the part of insurance premium earned but not yet invoiced at the end of the reporting period. Although the calculation of the pipeline premium is derived from the core business systems and calculated at policy level, considering all policy specific features that might impact the assessment, the calculation does involve the use of management estimates. The main reason is that premiums for risks taken on depend on the amount of business insured during the reporting period, whereas at the end of the reporting period not all business has been declared yet. A secondary reason is that for part of the policies the final premium depends on claims related to the policy. As the final performance of the policy is not known at reporting date, this also means that part of the pipeline premiums results from estimates. The assumptions are based on recent trends in insured business, client specific information, knowledge of pending claims, and when relevant, macroeconomic information. It is this current changing macroeconomic information, which requires a quantification of the additional uncertainty over the business as usual process followed in the pipeline estimates, to ensure that potential future developments of pipeline are not impacting negatively the financial statements in the coming years. Historical positive development derived from this process shows that, any potential deviation on unknown shipments under this uncertain economic environment would be covered without significant impacts on insurance premium. However, Atradius performs detailed analysis of the different components included in the automatic modelled pipeline calculations, adjusting those which Atradius estimates could be more uncertain due to present macroeconomic uncertainties potentially worsening the claims environment (bonus pipeline) or from deviation in insured turnovers estimates (reconciliation invoices). (For further details see Note 13).

Reinsurance Sliding scale commission

The reinsurance sliding scale commission (an additional income or expense on top of the provisional commission) is based on an estimate by management of the ultimate loss ratio for an underwriting year. Recognition of this reinsurance sliding scale commission is based on the observed claims ratio by underwriting year and the expected development.

The above mentioned concepts are the most relevant and significant on the financial statements related to estimates judgements.

Premium earned

Written premium includes both direct business and reinsurance business and is defined as all premium and policy-related fees invoiced to third parties and reinsurance premium, excluding tax.

Written premium includes an estimate of premium not yet invoiced for which Atradius has already accepted the contractual risk. Accruals for premium refunds and cancellations are charged against premium written. Premium earned includes an adjustment for the unearned share of premium.

Premium ceded under reinsurance contracts is reported as a reduction of premium earned. Amounts for ceded unearned premium under cession agreements are reported as assets in the consolidated statement of financial position.

The insurance liabilities that cover claims experience after the reporting period for risks that have been accepted before the end of the reporting period consist of two elements: the provision for unearned premium (UPR) and the provisions for claims 'incurred but not reported', the IBNR. The accounting policies and estimation methods for setting UPR and IBNR vary by product and in part also by entity within Atradius:

for traditional credit insurance, premium is earned in full when the underlying shipment takes place. UPR exclusively relates to the unearned part of premium invoiced in advance and to risks that have not started. IBNR is Atradius' estimate for future claims payments that will result from risks taken on, but for which no claims notification has been received;

- for the local credit insurance business in Spain and Portugal, premium is earned pro rata over the period between invoice date and due date of invoices for the insured shipments. Thus, part of UPR relates to risks that have started, in the sense that the underlying insured shipment has taken place. IBNR is the local business in Spain and Portugal's estimate for future claims payments that will result from risks taken on, for which no claims notification has been received and for which the underlying invoices are overdue at the end of the reporting period;
- for bonding, instalment credit protection and reinsurance, the UPR relates to risk taken on; and
- for special products, UPR is set on the same basis as for traditional credit insurance. With the exception of single transactions, where the UPR relates to risk taken on.

As a consequence, the release of the provision for unearned premium should be taken into account for the local credit insurance business in Spain and Portugal, bonding, instalment credit protection and reinsurance when interpreting the claims development tables in Note 18 to evaluate the accuracy with which Atradius has historically estimated future claims payments.

Estimates for future claims payments are made through a combination of case-by-case estimates and statistical estimates. Provisions for reported claims are set on a case-by-case basis, taking into account statistical estimates for expected recoveries and statistical estimates of claims incurred to payment ratios. The estimates for future claims payments are produced per period during which policyholders brought risk under the cover of the policy (i.e., the period in which the insured shipment has taken place). Large cases are provisioned separately, at expected loss.

In the case of traditional credit insurance, the main sources of uncertainty for estimates of future claims payments include:

the amounts that will be paid out as a percentage of the claim amount;

- the speed with which customers submit claims, as measured from the moment that the insured shipment took place, the expected average claims payment and the expected percentage of cases that do not lead to a payment;
- the expected number of claims for risks taken on during the most recent months since very few claims will have been reported for the most recent four to six months (depending on the country of the customer);
- the inflow by number and size of large case; and
- the estimation of the expected recovery percentages.

Estimates for future claims payments for bonding have a greater uncertainty than estimates for future claims payments for credit insurance. Bonding is a 'longer tail' business; i.e., the time between issuance of the bond and receipt of the bond call tends to be much longer than that of traditional short-term credit insurance. For example, most credit insurance covers credit periods up to 180 days, while around half the number of bonds written has tenors of over two and a half years. After receipt of a bond call, it usually takes longer to settle the claim and litigation is not uncommon, either following the bond call or when trying to realise recoveries. Especially in Italy, litigation tends to be a lengthy process. Outcomes of litigation cannot be predicted with certainty. For bonding, the provisions set on a case-by-case basis are based on the amount called minus an amount to account for expected recoveries based on historic experience or case specific information. For imminent large bond calls as well as for large customers in financial difficulties, the Company sets a claim provision. The case by case and business oriented evaluation is integrated with a statistical and actuarial model. This model based on the exposure of active bonds applies probability of defaults and loss given default. Booked recovery provisions for bonding are periodically reviewed and adjusted to experience.

Expenses

Net insurance claims

Claims charges include claims paid, the change in provision for outstanding claims, and the claims handling expenses. Claims ceded under cession contracts are recorded as reductions of gross claims.

Atradius revenue has no dependency on any large customer.

Compared to the information submitted in accordance with the internal reporting, IFRS 17 implies a change in the presentation of balance sheet items, but primarily in the income statement. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance and reinsurance contracts. See below the main changes:

- IFRS 17 introduces a model that measures groups of contracts based on estimates of the present value of future cash flows that the Company expects to arise from the contract group of contracts with an explicit risk adjustment for non-financial risk. Compared with the internal reporting this is less conservative and consequently this will reduce insurance liabilities and increase equity.
- The establishment of the contractual service margin (CSM), in accordance with IFRS 17, is the main factor that will cause the increase in insurance liabilities during the transition. Consequently, an increase in liabilities is expected to reduce equity.
- When measuring insurance liabilities, future cash flows are discounted. Under the internal reporting, except for assets related to Instalment Credit Protection, liabilities are not discounted.
- The definition of "occurrence" changed for traditional Credit Insurance, ceteris paribus, leading to a later recognition of profits. For credit insurance business, liabilities for incurred claims will be reflected at the time the insured event according to the policy wording occurs (legal insolvency, or protracted default). Under the internal reporting the expected claims inflow (IBNR) is recognized at the time the assumed shipment is done

without building an unearned premium reserve, except for the business in Spain and Portugal where the premium is recognised based on the trading terms between customer and their buyers.
- Credit Insurance premium revenue is replaced by recognition of service margin earned on insurance contracts. While under IFRS 17, business profits are recorded as a release in CSM and recognized during the coverage period of the contract. Under the internal reporting, such recognition is made immediately in profit or loss.

Information regarding these segments is presented under the internal reporting, in the following tables:

All amounts in thousands of Euro, unless otherwise stated

Business segment	Credit insurance	Surety	Assumed Reinsurance	Total insurance business	Services	Inter-segment elimination	Group costs	Total
2024								
Insurance premium revenue	1,919,762	164,131	208,770	2,292,663	-	-	-	2,292,663
Service and other income	150,063	-	-	150,063	98,554	-	-	248,617
Inter-segment revenue	-	-	-	-	3,298	(3,298)	-	-
Total revenue	**2,069,825**	**164,131**	**208,770**	**2,442,726**	**101,852**	**(3,298)**	**-**	**2,541,280**
Insurance premium ceded to reinsurers	(739,432)	(57,083)	(1,790)	(798,305)	-	-	-	(798,305)
Total segment income after reinsurance	**1,330,393**	**107,048**	**206,980**	**1,644,421**	**101,852**	**(3,298)**	**-**	**1,742,975**
Insurance claims and loss adjustment expenses	(871,177)	(33,979)	(100,790)	(1,005,946)	-	2,762	-	(1,003,184)
Insurance claims and loss adjustment expenses recovered from reinsurers	292,789	7,705	(5,020)	295,474	-	-	-	295,474
Net insurance claims	**(578,388)**	**(26,274)**	**(105,810)**	**(710,472)**	**-**	**2,762**	**-**	**(707,710)**
Gross operating expenses	(767,562)	(14,416)	(88,615)	(870,593)	(76,035)	535	(12,802)	(958,895)
Commission received for business ceded to reinsurers	316,145	24,460	3,487	344,092	-	-	-	344,092
Net operating expenses	**(451,417)**	**10,044**	**(85,128)**	**(526,501)**	**(76,035)**	**535**	**(12,802)**	**(614,803)**
Operating segment result	**300,588**	**90,818**	**16,042**	**407,448**	**25,817**	**-**	**(12,802)**	**420,462**
Share of income/ (losses) of associated companies								13,757
Net income from investments								88,081
Finance income								28,733
Finance expenses								(19,447)
Result for the year before tax								**531,586**
Income tax expense								(139,262)
Profit for the year								**392,324**
Extraordinary items								-
Net result on discontinued operations								-
Result for the year								**392,324**

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Business segment 2023	Credit Insurance	Surety	Assumed Reinsurance	Total insurance business	Services	Inter-segment elimination	Group costs	Total
Insurance premium revenue	1,950,205	146,305	186,319	2,282,829	-	-	-	2,282,829
Service and other income	143,812	-	-	143,812	93,169	-	-	236,981
Inter-segment revenue	-	-	-	-	2,916	(2,916)	-	-
Total revenue	**2,094,017**	**146,305**	**186,319**	**2,426,641**	**96,085**	**(2,916)**	**-**	**2,519,810**
Insurance premium ceded to reinsurers	(787,283)	(55,746)	(8,019)	(851,048)	-	-	-	(851,048)
Total segment income after reinsurance	**1,306,734**	**90,559**	**178,300**	**1,575,593**	**96,085**	**(2,916)**	**-**	**1,668,762**
Insurance claims and loss adjustment expenses	(848,975)	(21,543)	(82,877)	(953,395)	-	2,476	-	(950,919)
Insurance claims and loss adjustment expenses recovered from reinsurers	274,273	6,091	5,796	286,160	-	-	-	286,160
Net insurance claims	**(574,702)**	**(15,452)**	**(77,081)**	**(667,235)**	**-**	**2,476**	**-**	**(664,759)**
Gross operating expenses	(729,357)	(60,444)	(74,586)	(864,387)	(68,919)	440	(17,499)	(950,365)
Commission received for business ceded to reinsurers	326,618	22,846	1,324	350,788	-	-	-	350,788
Net operating expenses	**(402,739)**	**(37,598)**	**(73,262)**	**(513,599)**	**(68,919)**	**440**	**(17,499)**	**(599,577)**
Operating segment result	**329,293**	**37,509**	**27,957**	**394,759**	**27,166**	**-**	**(17,499)**	**404,426**
Share of income/(losses) of associated companies								11,266
Net income from investments								70,330
Finance income								31,234
Finance expenses								(29,089)
Result for the year before tax								**488,167**
Income tax expense								(117,662)
Profit for the year								**370,505**
Extraordinary items								(451)
Net result on discontinued operations								2,147
Result for the year								**372,201**

All amounts in thousands of Euro, unless otherwise stated

Business segment 2024	Credit insurance	Surety	Assumed Reinsurance	Total insurance business	Services	Inter-segment elimination	Total
Reinsurance contracts	757,301	192,800	38,051	988,152	-	-	988,152
Receivables	397,393	13,585	12,974	423,952	7,613	(4,062)	427,503
Unallocated assets	-	-	-	-	-	-	5,818,687
Total assets	**1,154,694**	**206,385**	**51,025**	**1,412,104**	**7,613**	**(4,062)**	**7,234,342**
Insurance contracts	2,013,579	441,555	627,643	3,082,777	-	-	3,082,777
Payables	418,553	41,165	(2,048)	457,670	17,463	(14,159)	460,974
Unallocated liabilities	-	-	-	-	-	-	1,112,903
Total liabilities	**2,432,132**	**482,720**	**625,595**	**3,540,447**	**17,463**	**(14,159)**	**4,656,654**
Total year end number of employees (full-time equivalent)	**2,878**	**152**	**24**	**3,054**	**462**	**-**	**3,516**

Business segment 2023	Credit insurance	Surety	Assumed Reinsurance	Total insurance business	Services	Inter-segment elimination	Total
Reinsurance contracts	694,554	184,453	47,228	926,235	-	-	926,235
Receivables	385,877	19,171	17,854	422,902	7,353	(4,190)	426,065
Unallocated assets	-	-	-	-	-	-	5,348,503
Total assets	**1,080,431**	**203,624**	**65,082**	**1,349,137**	**7,353**	**(4,190)**	**6,700,803**
Insurance contracts	1,841,946	402,946	560,643	2,805,535	-	-	2,805,535
Payables	275,902	34,256	-	310,158	19,884	(17,691)	312,351
Unallocated liabilities	-	-	-	-	-	-	1,152,541
Total liabilities	**2,117,848**	**437,202**	**560,643**	**3,115,693**	**19,884**	**(17,691)**	**4,270,427**
Total year end number of employees (full-time equivalent)	**2,770**	**149**	**27**	**2,945**	**464**	**-**	**3,409**

The following table shows the total assets by geographical area under the internal reporting:

	Spain	Netherlands & Nordic Countries	Central and Eastern Europe, Greece and Turkey	Southern Europe	United Kingdom & Ireland	North America	Oceania & Asia	Total
2024	2,704,776	1,330,004	573,325	438,319	1,150,307	402,555	635,055	**7,234,342**
2023	2,358,611	1,062,479	536,551	422,801	1,390,789	351,290	577,920	**6,700,442**

Comparative between the two standards is showed below.

Assets	2024 IFRS 9 /17	Changes in measurement	2024 Internal reporting
Receivables	150,561	276,942	427,503
Miscellaneous assets and accruals	119,108	625,347	744,454
Other assets 1)	1,111,756	106,420	1,218,175
Tax assets	104,529	31,489	136,017
Investments	3,720,039	-	3,720,039
Insurance contract assets	852,678	135,474	988,152
Total assets	**6,058,671**	**1,175,671**	**7,234,342**

Equity	2024 IFRS 9 /17	Changes in measurement	2024 Internal reporting
Capital and reserves attributable to the equity holders of the Company	2,920,256	(342,569)	2,577,687
Total equity	**2,920,256**	**(342,569)**	**2,577,687**

Liabilities	2024 IFRS 9 /17	Changes in measurement	2024 Internal reporting
Other liabilities 2)	576,389	500,814	1,077,203
Tax liabilities	266,687	(67,428)	199,258
Insurance contract liabilities	1,997,922	1,084,855	3,082,777
Subordinated debt	297,417	(0)	297,417
Total liabilities	**3,138,415**	**1,518,240**	**4,656,654**

1) Property plant and equipment: Employee benefit assets cash and cash equivalents, intangible assets, deferred acquisition costs. The difference of 106m is explained with the deferred acquisition costs under IFRS4.

2) Provisions, payables, deposits received from reinsurer, unearned reinsurance commission, employee benefit liabilities, other taxes, miscellaneous liabilities and accruals and suspense accounts total

All amounts in thousands of Euro, unless otherwise stated

Assets	2023 IFRS 9 /17	Changes in measurement	2023 Internal reporting
Receivables	124,381	301,322	425,703
Miscellaneous assets and accruals	191,481	563,464	754,945
Other assets 1)	1,078,111	95,810	1,173,921
Tax assets	89,835	62,208	152,043
Investments	3,267,594	-	3,267,594
Insurance contract assets	776,751	149,484	926,235
Total assets	**5,528,153**	**1,172,288**	**6,700,441**

Equity	2023 IFRS 9 /17	Changes in measurement	2023 Internal reporting
Capital and reserves attributable to the equity holders of the Company	2,784,685	(354,308)	2,430,377
Total equity	**2,784,685**	**(354,308)**	**2,430,377**

Liabilities	2023 IFRS 9 /17	Changes in measurement	2023 Internal reporting
Other liabilities 2)	602,323	441,191	1,043,514
Tax liabilities	160,048	2,854	171,187
Insurance contract liabilities	1,722,984	1,082,551	2,805,535
Subordinated debt	249,828	-	249,828
Total liabilities	**2,735,183**	**1,526,596**	**4,270,064**

1) Property plant and equipment; Employee benefit assets cash and cash equivalents, intangible assets, deferred acquisition costs.

2) Provisions, payables, deposits received from reinsurer, unearned reinsurance commission, employee benefit liabilities, other taxes, miscellaneous liabilities and accruals and suspense accounts total

Profit and loss	2024 IFRS 9 /17	Changes in measurement	2024 Internal reporting
Net premium after reinsurance	-	1,494,359	1,494,359
Net claims after reinsurance	-	(707,710)	(707,710)
Broker and reinsurance commissions	-	17,206	17,206
IFRS 17 insurance contracts result	324,448	(324,448)	-
Insurance result	**324,448**	**479,406**	**803,855**
Profit and loss service and other income	**264,751**	**(16,133)**	**248,618**
Operating expenses	**(198,354)**	**(433,654)**	**(632,008)**
Investment income	101,030	1,392	102,422
Investment expenses	(14,181)	(159)	(14,340)
Share of income from associated companies	13,757	-	13,757
Profit and loss investment income	**100,607**	**1,232**	**101,839**
Other Finance income and expenses	**9,550**	**(264)**	**9,286**
Result for the year before tax	**501,002**	**30,587**	**531,590**
Income tax	**(131,993)**	**(7,270)**	**(139,262)**
Net Result on discontinued operations			
Total result for the year	**369,009**	**23,318**	**392,327**

Profit and loss	2023 IFRS 9 /17	Changes in measurement	2023 Internal reporting
Net premium after reinsurance	-	1,431,780	1,431,780
Net claims after reinsurance	-	(664,759)	(664,759)
Broker and reinsurance commissions	-	39,208	39,208
IFRS 17 insurance contracts result	381,224	(381,224)	-
Insurance result	**381,224**	**425,005**	**806,229**
Profit and loss service and other income	**244,074**	**(7,092)**	**236,982**
Operating expenses	**(200,431)**	**(438,355)**	**(638,786)**
Investment income	89,615	(2,151)	87,464
Investment expenses	(33,242)	16,108	(17,134)
Share of income from associated companies	11,266	-	11,266
Profit and loss investment income	**67,639**	**13,958**	**81,596**
Other Finance income and expenses	**1,323**	**372**	**1,695**
Result for the year before tax	**493,828**	**(6,112)**	**487,716**
Income tax	**(119,061)**	**1,399**	**(117,662)**
Net Result on discontinued operations	**4,314**	**(2,167)**	**2,147**
Total result for the year	**379,081**	**(6,880)**	**372,201**

All amounts in thousands of Euro, unless otherwise stated

6 Cash and cash equivalents

	2024	2023
Cash at bank and on hand	645,384	549,187
Restricted cash	34,994	97,006
Short-term bank deposits	14,809	48,045
Cash and cash equivalents	**695,187**	**694,238**
Cash and cash equivalents	695,187	694,238
Cash and cash equivalents in the statement of cash flows	**695,187**	**694,238**

Atradius manages the cash by using a cross-border cash pooling agreement. This provides for a notional pool structure with interest compensation per currency. The cash pool arrangement allows for offsetting of cash balances of branches within a legal entity. However, it does not allow offsetting between different legal entities.

The restricted cash line includes cash that is not available to the Company for immediate or general business use.

7 Receivables

	2024	2023
Receivables	**150,561**	**124,381**

The receivables balance relates to service income, are short term balances which consist of individually small balances.

The receivables are substantially all current and consequently their fair values do not materially differ from their carrying amounts. Insurance receivables are not included in this clasification, as they are considered in liability for remaining coverage (LRC) calculation.

There is no concentration of credit risk in respect of receivables as Atradius has a large number of internationally dispersed debtors (see Note 4.3.2).

The ECL for 2024 is EUR 1.7 million (2023: EUR 1.3 million). This balance takes into account that a portion of the impaired receivables will be recovered. Atradius does not hold any collateral over these balances.

8 Other assets

	2024	2023
Prepayments and accrued interest	79,357	59,963
Net pension plan asset	46,691	94,540
Reimbursement rights	6,769	6,590
Other	40,447	30,388
Total	**173,264**	**191,481**

Prepayments and accrued interest, relate to payments in advance for which Atradius has received and invoiced for future services or goods, and interest of financial investments for which Atradius is entitled but has not received yet.

The movement for 2024 is mainly driven by the accrued income investments EUR 12.7 million, aligned with the increase in debt securities.

The net pension plan asset concerns the surplus of the pension plans, mainly in the UK; as per 31 December 2024 it is EUR 46.7 million (2023: EUR 94.5 million). The decrease is mainly due to the buy-in in the UK Pension plan (see Note 22).

The reimbursement rights relate to the Spanish pension plans. Since the related policies do not qualify as an insurance policy under IAS 19, the fair value cannot be netted with the related pension liability (see Note 22).

The other assets are substantially all current and consequently the fair values of these assets do not materially differ from their carrying amounts.

9 Deferred and current income tax

Tax inspection

In July 2023, the Spanish Tax Authorities launched a full tax audit regarding GCO (Grupo Catalana Occidente S.A.) and its Spanish group entities, including ACyC. Fiscal years in scope are 2016 up to and including 2019. Information has been provided to the tax authorities and the tax audit is still ongoing. No formal regularization proposals have been made so far.

Pillar Two model

On December 20, 2024, Spain as jurisdiction of residence of the ultimate parent entity, approved Law 7/2024, which establishes, among other things, a top-up tax to ensure a minimum global level of taxation for large multinational and national groups. This law complies with the obligation to transpose Council Directive (EU) 2022/2523 of December 15, 2022, which incorporates the application of the OECD Inclusive Framework's Pillar Two rules within the European Union.

Directive (EU) 2022/2523 is based on the OECD's BEPS (Base Erosion and Profit Shifting) initiative's Pillar Two, which aims to establish a global minimum tax rate of 15% for multinational groups. To achieve this, a set of rules (Model Rules) was adopted to calculate effective taxation and capture any shortfall up to the 15% minimum.

The law was approved in Spain with effect for tax periods starting from December 31, 2023. For Atradius, it takes effect for the 2024 fiscal year and structures the new top-up tax as a separate figure from the corporate tax regulations. Additionally, in other jurisdictions where Atradius operates, the new global minimum tax rules were approved by the end of the current fiscal year, including most EU Member States, as well as Switzerland, the United Kingdom and Australia. It is also expected to enter into force in 2025 in other jurisdictions where Atradius is present, such as Singapore, Hong Kong and Poland.

In accordance with this new regulation, Atradius calculated the impact of the top-up tax at the end of the 2024 fiscal year based on the analysis of the transitional safe harbour, which is based on the country-by-country report and the financial statements of the Atradius entities.

This analysis concludes that the effective tax rates calculated according to the Pillar Two rules are above 15% in most jurisdictions where Atradius operates, except for a few countries, including Ireland, Hong Kong and Singapore.

For those jurisdictions where the effective tax rate is below this threshold, the ultimate parent entity of the GCO Group, CO Sociedad de Gestión y Participación, S.A. ("COGESPAR"), should settle the top-up tax with the Spanish tax authority for those jurisdictions, except for Ireland, where the rule entered into force on January 1, 2024, and a qualified domestic top-up tax was approved, therefore the settlement is done locally.

As a result of the analysis and given the fact that the vast majority of jurisdictions where Atradius operates exceed the 15% threshold, the top-up tax (current) expense recorded by Atradius at the end of the 2024 fiscal year was not significant.

All amounts in thousands of Euro, unless otherwise stated

The GCO Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Current income tax

	2024	2023
Current income tax assets	81,641	86,018
Current income tax liabilities	63,237	45,578
Net	**18,404**	**40,440**

The current income tax assets consist mainly of advances paid for local income tax. The current income tax liabilities consist mainly of income and other local taxes payable.

Deferred income tax

	2024	2023
Deferred income tax assets before set-off	208,486	187,097
Set-off of deferred tax positions	(185,598)	(183,280)
Net deferred tax assets as presented in the statement of financial position	**22,888**	**3,817**
Deferred income tax liabilities before set-off	389,047	306,035
Set-off of deferred tax positions	(185,598)	(183,280)
Net deferred tax liabilities as presented in the statement of financial position	**203,449**	**122,755**

The gross movement on the deferred income tax is presented in the following table:

	2024	2023
Balance at 1 January	**(118,938)**	**(68,858)**
Credit (charge) to other comprehensive income for the year	(21,531)	(28,110)
Charge to the profit and loss statement for the year	(9,891)	(20,588)
Movements with no impact on OCI nor P&L	(29,600)	-
Effect of movements in foreign exchange rates	(601)	(1,382)
Balance at 31 December	**(180,561)**	**(118,938)**

The movement in the deferred tax assets and liabilities is presented in the following table:

2024	Balance at 1 January	Recognised in other comprehensive income for the year	Recognised in the profit and loss statement for the year	Movements with no impact on OCI nor P&L	Effect of movements in foreign exchange	Balance at 31 December
Tax losses carried forward	31,292	-	(13,554)	-	(131)	17,607
Insurance contracts	(132,674)	(16,410)	(5,330)	-	626	(153,788)
Pensions	(6,686)	14,602	(6,897)	-	(1,097)	(78)
Fiscal goodwill	1,392	-	(257)	-	(8)	1,126
Financial investments	(5,194)	(19,723)	1,646	(29,600)	516	(52,356)
Property, plant and equipment	(10,223)	-	8,286	-	68	(1,869)
Other	3,156	-	6,216	-	(575)	8,798
Total	**(118,938)**	**(21,531)**	**(9,891)**	**(29,600)**	**(601)**	**(180,561)**

2023	Balance at 1 January	Recognised in other comprehensive income for the year	Recognised in the profit and loss statement for the year	Movements with no impact on OCI nor P&L	Effect of movements in foreign exchange	Balance at 31 December
Tax losses carried forward	34,841	-	(4,064)	-	515	31,292
Insurance contracts	(115,086)	-	(15,182)	-	(2,406)	(132,674)
Pensions	(985)	(3,031)	(2,310)	-	(360)	(6,686)
Fiscal goodwill	1,659	-	(300)	-	33	1,392
Financial investments	15,977	(25,079)	4,061	-	(153)	(5,194)
Property, plant and equipment	(9,802)	-	(371)	-	(50)	(10,223)
Other	4,539	-	(2,422)	-	1,039	3,156
Total	**(68,858)**	**(28,110)**	**(20,588)**	**-**	**(1,382)**	**(118,938)**

Deferred income tax assets are recognised for tax losses carried forward, unused tax credits, and deductible temporary differences, to the extent that it is probable that taxable profits will be available against which the unused tax losses carried forward, unused tax credits, and deductible temporary differences can be utilised. In 2024, EUR 5.0 million deferred tax assets on the losses carried forward and deductible temporary difference were written down or not recognised (2023: EUR 1.0 million). This is offset by the reversals of the impairments, prior year adjustments and foreign exchange, resulting in a net impairment of these deferred tax assets of EUR 1.3 million.

The deferred taxes with no impact on OCI nor P&L are related a reclassification from currency translation reserve to deferred tax liabilities.

Atradius has unrecognised tax losses carried forward balances amounting to EUR 42.6 million (2023: EUR 37.9 million). The expiration of these unrecognised tax losses carried forward is included in the following table:

Expiration unrecognised tax losses carried forward	2024	2023
1 - 3 years	2,644	1,926
4 - 9 years	6,035	5,237
Indefinite	33,932	30,739
Total	**42,611**	**37,902**

All amounts in thousands of Euro, unless otherwise stated

The increase of unrecognised tax losses is due to impairments of tax losses slightly exceeding the utilisation of unrecognised tax losses or expiration of unrecognised tax losses in countries where the carry forward of losses is limited to a certain amount of years.

The deferred and current income tax charged or credited to other comprehensive income during the year is presented in the following table:

	Deferred tax	Current tax	Deferred tax	Current tax
Revaluation reserve in shareholders equity related to:				
FVOCI financial investments	(19,723)	-	(25,079)	-
Pension reserve in shareholders equity related to:				
Recognised actuarial gains/(losses)	14,602	-	(3,031)	-
Insurance finance expenses reserve in shareholders equity related to:				
Finance expenses	(16,410)	-	-	-
Currency translation reserve in shareholders equity related to:				
Currency translation reserve	-	(1,772)	-	1,624
Total	**(21,531)**	**(1,772)**	**(28,110)**	**1,624**

10 Financial investments

Financial investments classified by measurement category and nature	Fair Value through Profit and Loss		Fair Value with changes in Other Comprehensive Income		Amortised Cost [1]		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Shares	-	-	446,203	402,400	-	-	446,203	402,400
Investment funds	135,010	97,165	-	-	-	-	135,010	97,165
Debt securities	3,380	2,277	2,688,869	2,337,252	-	-	2,692,249	2,339,529
Loans	-	-	-	-	1,773	2,441	1,773	2,441
Short-term investments	-	-	-	-	319,272	186,141	319,272	186,141
Cash held for investments	-	-	-	-	7,317	125,470	7,317	125,470
Total	**138,390**	**99,442**	**3,135,072**	**2,739,652**	**328,362**	**314,052**	**3,601,824**	**3,153,146**

1) There are no bank deposits tacitly renewable in 2024 and 2023.

Movements in FVTPL financial investments	Investment funds		Debt securities		Total	
	2024	2023	2024	2023	2024	2023
Balance at 1 January	**97,165**	**246,427**	**2,277**	**2,241**	**99,442**	**248,668**
Additions	640,587	530,677	2,023	-	642,610	530,677
Disposals	(599,691)	(662,338)	(1,016)	-	(600,707)	(662,338)
Amortisation charge for the year	-	-	-	-	-	-
Revaluations through profit and loss statement	(1,097)	(18,589)	80	30	(1,017)	(18,559)
Effect of movements in foreign exchange rates	(1,954)	988	16	6	(1,938)	994
Balance at 31 December	**135,010**	**97,165**	**3,380**	**2,277**	**138,390**	**99,442**

Movements in FVOCI financial investments	Shares		Debt securities		Total	
	2024	2023	2024	2023	2024	2023
Balance at 1 January	**402,400**	**147,798**	**2,337,252**	**2,428,779**	**2,739,652**	**2,576,577**
Additions	26,336	212,916	1,030,487	484,678	1,056,823	697,594
Disposals	(15,781)	(3,239)	(740,120)	(634,035)	(755,901)	(637,274)
Amortisation charge for the year	-	-	7,146	(938)	7,146	(938)
Revaluations through other comprehensive income	33,445	44,751	49,401	66,251	82,846	111,002
Effect of movements in foreign exchange rates	(197)	175	4,703	(7,483)	4,506	(7,308)
Balance at 31 December	**446,203**	**402,400**	**2,688,869**	**2,337,252**	**3,135,072**	**2,739,652**

All amounts in thousands of Euro, unless otherwise stated

11 Subsidiaries

The following table sets forth, as at 31 December 2024, the name and country of incorporation of the main subsidiaries of Atradius N.V.

All companies are, directly or indirectly, wholly owned unless otherwise indicated.

Name	Country	Ownership
Atradius Collections B.V.	Netherlands	
Belgium branch	Belgium	
Czech Republic branch	Czech Republic	
Denmark branch	Denmark	
France branch	France	
Germany branch	Germany	
Hungary branch	Hungary	
Ireland branch	Ireland	
Italy branch	Italy	
Poland branch	Poland	
Portugal branch	Portugal	
Turkey branch	Turkey	
Atradius Collections DMCC	United Arab Emirates	
Atradius Collections Holding B.V.	Netherlands	
Atradius Collections Limited	Canada	
Atradius Collections Limited	Hong Kong	
Atradius Collections Limited	United Kingdom	
Atradius Collections Pte. Limited	Singapore	
Atradius Collections Pty. Limited	Australia	
Atradius Collections Serviços de Cobranças de Dividas Ltda	Brazil	
Atradius Collections, S.A. de C.V.	Mexico	
Atradius Collections S.L.	Spain	
Atradius Collections, Inc.	USA	
Atradius Corporate Management Consulting (Shanghai) Co., Ltd.	China	
Atradius Credit Insurance Agency, Inc.	USA	
Atradius Credit Management Services B.V.	Netherlands	
Atradius Credit Management Services (RUS) LLC	Russia	
Atradius Crédito y Caución S.A. de Seguros y Reaseguros	Spain	
Australia branch	Australia	
Austria branch	Austria	
Belgium branch	Belgium	
Bulgaria branch	Bulgaria	
Canada branch	Canada	
Czech Republic branch	Czech Republic	
Denmark branch	Denmark	
Finland branch	Finland	
France branch	France	
Germany branch	Germany	
Greece branch	Greece	
Hong Kong branch	Hong Kong	
Hungary branch	Hungary	
Ireland branch	Ireland	
Italy branch	Italy	
Japan branch	Japan	
Luxembourg branch	Luxembourg	
Netherlands branch	Netherlands	
New Zealand branch	New Zealand	
Norway branch	Norway	
Poland branch	Poland	
Portugal branch	Portugal	
Romania branch	Romania	
Singapore branch	Singapore	
Slovakia branch	Slovakia	
Slovenia branch	Slovenia	
Sweden branch	Sweden	
Switzerland branch	Switzerland	
Turkey branch	Turkey	
United Kingdom branch	United Kingdom	

Name	Country	Ownership
Atradius Crédito y Caución Seguradora S.A.	Brazil	
Atradius Dutch State Business N.V.	Netherlands	
Atradius Debt Collections Services L.L.C.	Dubai (UAE)	
Atradius Enterprise Management Consulting (Shanghai) Co., Ltd.	China	
Atradius Information Services B.V.	Netherlands	
Belgium branch	Belgium	
Denmark branch	Denmark	
France branch	France	
Germany branch	Germany	
Ireland branch	Ireland	
Italy branch	Italy	
Japan branch	Japan	
Norway branch	Norway	
Spain branch	Spain	
Sweden branch	Sweden	
Switzerland branch	Switzerland	
Taiwan branch	Taiwan	
Thailand branch	Thailand	
United Kingdom branch	United Kingdom	
Atradius Information Services Vietnam Company Limited	Vietnam	
Atradius India Credit Management Services Private Ltd.	India	
Atradius Insurance Holding N.V.	Netherlands	
Atradius Italia Intermediazioni S.R.L.	Italy	
Atradius Participations Holding S.L.U.	Spain	
Atradius Pension Trustees Ltd.	United Kingdom	
Atradius Escritório de Representação no Brasil Ltda.	Brazil	
Atradius Seguros de Crédito, S.A.	Mexico	
Atradius Trade Credit Insurance, Inc.	USA	
Atradius Trade Insurance Brokerage Yuhan Hoesa	South Korea	
B2B SAFE, S.A.	Spain	
Crédito y Caución do Brasil Gestao de Riscos de Crédito e Serviços LTDA	Brazil	
Iberinform Internacional S.A.U.	Spain	
Portugal branch	Portugal	
Iberinmobiliaria, S.A.U.	Spain	
Informes Mexico, S.A. de C.V.	Mexico	
Pakula, Podębski i Wspólnicy Kancelaria Prawna spółka komandytowa	Poland	99.99%
PRO KOLEKT CCR d.o.o.	Slovenia	
PRO KOLEKT Credit Management Services Bucure?ti Srl	Romania	
PRO KOLEKT d.o.o.	Croatia	
"Pro Kolekt" d.o.o. Sarajevo	Bosnia-Herzegovina	
PRO KOLEKT DOOEL Skopje	Macedonia	
PRO KOLEKT društvo za naplatu duga doo Beograd	Serbia	
PRO KOLEKT Sofia OOD	Bulgaria	
PT Atradius Information Services Indonesia	Indonesia	
PT Atradius Management Consulting	Indonesia	
Compañía de Seguros de Crédito Continental S.A.	Chile	50%*
Credit Guarantee Insurance Corporation of Africa Ltd	South Africa	25%
CLAL Credit Insurance Ltd.	Israel	20%
Compagnie Tunisienne pour l'Assurance du Commerce Exterieur S.A.	Tunisia	3.92%
De Vereende N.V.	Netherlands	0.65%
Nederlandse Financieringsmaatschappij voor Ontwikkelingslanden N.V.	Netherlands	0.5%
African Trade Insurance Agency	Kenya	1 share

*Minus one share

Entities for which Atradius does not have control are not fully consolidated.

Changes compared to 2023:
- PT Atradius Management Consulting, Indonesia (incorporation)
- Atradius Debt Collections Services L.L.C., Dubai (incorporation)
- Atradius Escritório de Representação no Brasil Ltda. (change of name, formerly "Atradius Reinsurance DAC Escritório de Representação no Brasil Ltda" and full ownership by Atradius Crédito y Caución SA de Seguros y Reaseguros)
- Atradius Finance B.V. (dissolution)
- De Vereende N.V. (change of name, formerly "Verenigde Assurantiebedrijven Nederland N.V.")

12 Investments in associated companies

	2024	2023
Balance at 1 January	**88,815**	**88,726**
Share of income of associated companies	13,757	11,266
Dividends received	(7,620)	(5,686)
Revaluations	(407)	892
Effect of movements in foreign exchange rates	(1,500)	(6,384)
Balance at 31 December	**93,046**	**88,815**

None of the associated companies are listed. All information from the associated companies, unless otherwise stated, is based on balance sheet dates between 30 September 2024 and 31 December 2024.

Atradius assessed the goodwill for impairment of investments in associated companies. Based on this assessment Atradius has decided that no impairment is needed in 2024 for the goodwill related to investments in associated companies.

	Country of incorporation	% interest held	Type of business
Credit Guarantee Insurance Corporation of Africa Limited	South Africa	25.00%	Credit insurance
CLAL Credit Insurance Ltd., Tel Aviv	Israel	20.00%	Credit insurance
Compañía de Seguros de Crédito Continental S.A., Santiago de Chile	Chile	50.00% [1)]	Credit insurance

1) Minus one share

The following tables show summarised financial information of Atradius' interest in associated companies and the financial information of the associated companies:

All amounts in thousands of Euro, unless otherwise stated

2024	Credit Guarantee Insurance Corporation of Africa Limited	CLAL Credit Insurance Ltd.	Compañía de Seguros de Crédito Continental S.A. 1)	Total
Atradius 's interest:				
Goodwill	-	380	1,611	**1,991**
Net assets	21,562	19,406	50,087	**91,056**
Carrying amount:	**21,562**	**19,786**	**51,697**	**93,046**
Share of income of associated companies	5,217	1,825	6,715	**13,757**
Dividends received	(4,884)	(493)	(2,243)	**(7,620)**
Associated companies:				
Assets	152,609	135,339	159,685	**447,633**
Liabilities	66,360	38,309	59,505	**164,174**
Revenue	58,537	16,889	13,645	**89,071**
Net assets	86,249	97,030	100,180	**283,460**
Result for the year	**20,867**	**9,126**	**13,431**	**43,424**

2023	Credit Guarantee Insurance Corporation of Africa Limited	CLAL Credit Insurance Ltd.	Compañía de Seguros de Crédito Continental S.A. 1)	Total
Atradius 's interest:				
Goodwill	-	380	1,611	**1,991**
Net assets	20,814	17,149	48,863	**86,827**
Carrying amount:	**20,813**	**17,529**	**50,474**	**88,815**
Share of income of associated companies	4,432	1,225	5,609	**11,266**
Dividends received	(2,833)	(289)	(2,564)	**(5,686)**
Associated companies:				
Assets	146,477	119,359	162,576	**428,412**
Liabilities	63,223	33,608	64,849	**161,680**
Revenue	52,373	15,263	15,009	**82,645**
Net assets	83,254	85,751	97,727	**266,732**
Result for the year	**17,727**	**6,125**	**11,199**	**35,051**

1) Figures for Compañía de Seguros de Crédito Continental S.A. are related to non-consolidated statements.

13 Property, plant and equipment & investment property

2024	Land & buildings	Fixtures & fittings	IT hardware	Right of Use assets	Total property, plant & equipment	Investment property
At cost at 1 January	**90,669**	**60,518**	**60,696**	**154,875**	**366,758**	**33,197**
Additions	-	8,310	23,828	24,494	56,632	-
Disposals	-	(4,121)	(8,227)	(12,428)	(24,776)	(52,361)
Reclassification	(52,361)	-	-	-	(52,361)	52,361
Effect of movements in foreign exchange rates	(219)	648	865	1,401	2,695	(94)
At cost at 31 December	**38,089**	**65,355**	**77,162**	**168,342**	**348,948**	**33,103**
Accumulated depreciation and impairments at 1 January	**(14,093)**	**(41,076)**	**(50,170)**	**(71,196)**	**(176,535)**	**(7,564)**
Depreciation charge for the year	(358)	(4,070)	(5,139)	(21,626)	(31,193)	(380)
Disposals	-	2,966	8,184	9,761	20,912	7,335
Impairment / reversal impairment	-	-	(2,704)	-	(2,704)	-
Reclassification	7,335	-	-	-	7,335	(7,335)
Effect of movements in foreign exchange rates	26	(452)	(791)	(559)	(1,776)	10
Accumulated depreciation and impairments at 31 December	**(7,090)**	**(42,632)**	**(50,620)**	**(83,620)**	**(183,961)**	**(7,934)**
Balance at 1 January	**76,576**	**19,442**	**10,527**	**83,678**	**190,223**	**25,633**
Balance at 31 December	**30,999**	**22,723**	**26,542**	**84,722**	**164,987**	**25,169**

All amounts in thousands of Euro, unless otherwise stated

2023	Land & buildings	Fixtures & fittings	IT hardware	Right of Use assets	Total property, plant & equipment	Investment property
At cost at 1 January	**90,502**	**58,334**	**58,062**	**155,355**	**362,253**	**33,125**
Additions	-	7,726	6,979	20,567	35,272	-
Disposals	-	(5,821)	(4,629)	(20,659)	(31,109)	-
Effect of movements in foreign exchange rates	167	279	284	(388)	342	72
At cost at 31 December	**90,669**	**60,518**	**60,696**	**154,875**	**366,758**	**33,197**
Accumulated depreciation and impairments at 1 January	**(13,204)**	**(42,545)**	**(49,678)**	**(75,947)**	**(181,374)**	**(7,178)**
Depreciation charge for the year	(860)	(3,565)	(4,526)	(16,620)	(25,571)	(400)
Disposals	-	5,121	4,297	20,598	30,016	-
Impairment / reversal impairment	-	-	-	-	-	23
Effect of movements in foreign exchange rates	(29)	(87)	(263)	773	395	(9)
Accumulated depreciation and impairments at 31 December	**(14,093)**	**(41,076)**	**(50,170)**	**(71,196)**	**(176,535)**	**(7,564)**
Balance at 1 January	**77,298**	**15,790**	**8,384**	**79,409**	**180,880**	**25,947**
Balance at 31 December	**76,576**	**19,442**	**10,527**	**83,678**	**190,223**	**25,633**

The depreciation charge on property for own use is reported as part of net operating expenses. The depreciation charge on investment property is reported as part of net income from investments.

The fair value of land and buildings for own use and of investment property is presented in the following table:

	Property own use		Investment property	
	2024	**2023**	**2024**	**2023**
Spain and Portugal	22,219	78,180	21,866	21,970
Italy	20,650	20,650	453	453
Mexico	5,774	6,461	1,925	2,154
Other	240	250	-	-
Total	**48,883**	**105,541**	**24,243**	**24,576**

Fair value measurement

Land and buildings are independently appraised by real estate valuers, which are registered in the relevant countries and have appropriate qualifications and experience in the valuation of properties. Usually land and buildings are revalued every two years.

All significant inputs used in the measurement are market observable and the fair value is therefore classified in Level 2 in the fair value hierarchy (as in 2023). Valuation techniques used are: Market (comparison) approach, Income approach (discounted cash flow method) and Cost approach. Significant valuation inputs used to determine the fair value measurements based on techniques used are construction features, location (and/or conditions) and transport utilities.

The estimated fair value of the properties is directly dependent on the changes of the inputs used. There has been no change in the valuation techniques used compared to prior year.

The investment property can be classified as follows: 91% office (2023: 91%) and 8% retail (2023: 9%).

Direct operating expenses incurred (including repairs and maintenance) arising from investment property are EUR 18 thousand (2023: EUR 50 thousand). During the year an amount of EUR 709 thousand (2023: EUR 1,157 thousand) has been recognised as rental income from investment property for lease contracts. These contracts have remaining terms of between 1 and 10 years. Expected rental income arising from these contracts for next year is EUR 1.595 thousand for non-cancellable contracts (In 2023, expected rental income for next year was 1,564 thousand for non-cancellable contracts).

Leases: Right of Use Assets

Right of Use assets consist of office space (92%), including parking and vehicles under a number of operating lease agreements. The most significant lease contracts relate to the offices in our locations in Western Europe. The remaining terms of these office rentals vary between two to ten years and most of the contracts contain extension options. The extension options are taken into account in the measurement of lease liabilities when the Group is reasonably certain to exercise these options.

Further information about the leases for which Atradius is a lessee is presented below:

	2024	2023
Lease liability included in statement of financial position at 31 December (see Note 18)	89,753	87,062
Amounts recognised in profit and loss statement:		
Interest expenses on lease liabilities	(2,845)	(2,541)
Expenses relating to short-term leases	(458)	(582)
Expenses relating to low-value assets	(61)	(37)
Amounts recognised in the statement of cash flows		
Total cash outflow for leases	24,995	17,048

All amounts in thousands of Euro, unless otherwise stated

14 Intangible assets

2024	Goodwill	Software	Other [1]	Total
At cost at 1 January	**121,284**	**373,157**	**23,100**	**517,541**
Additions	205	23,501	-	23,706
Disposals	-	(5,654)	(23,050)	(28,704)
Effect of movements in foreign exchange rates	(14)	6,520	-	6,506
At cost at 31 December	**121,475**	**397,524**	**50**	**519,049**
Accumulated amortisation and impairments at 1 January	**(905)**	**(299,886)**	**(23,100)**	**(323,891)**
Amortisation charge for the year	-	(7,010)	-	(7,010)
Disposals	-	5,545	23,050	28,595
Impairment	-	(13,991)	-	(13,991)
Effect of movements in foreign exchange rates	-	(5,326)	-	(5,326)
Accumulated amortisation and impairments at 31 December	**(905)**	**(320,668)**	**(50)**	**(321,623)**
Balance at 1 January	**120,379**	**73,270**	-	**193,649**
Balance at 31 December	**120,570**	**76,856**	-	**197,426**

2023	Goodwill	Software	Other [1]	Total
At cost at 1 January	**120,401**	**362,023**	**30,529**	**512,952**
Additions	888	16,998	-	17,886
Disposals	-	(8,452)	(7,399)	(15,851)
Reclassification	-	12	-	12
Effect of movements in foreign exchange rates	(5)	2,576	(30)	2,542
At cost at 31 December	**121,284**	**373,157**	**23,100**	**517,541**
Accumulated amortisation and impairments at 1 January	**(905)**	**(267,899)**	**(30,529)**	**(299,333)**
Amortisation charge for the year	-	(6,343)	-	(6,343)
Disposals	-	3,873	7,399	11,272
Impairment	-	(27,471)	-	(27,471)
Effect of movements in foreign exchange rates	-	(2,046)	30	(2,016)
Accumulated amortisation and impairments at 31 December	**(905)**	**(299,886)**	**(23,100)**	**(323,892)**
Balance at 1 January	**119,496**	**94,123**	-	**213,619**
Balance at 31 December	**120,379**	**73,270**	-	**193,649**

1) Other intangible assets relate to agent networks, non-patented technology, trade names and insurance portfolios

Goodwill

If applicable, impairment of goodwill is included as part of Finance expenses (see note 26). Atradius assessed all goodwill for impairment.

The goodwill allocated to the main cash-generating units or groups of units (CGU's) is presented in the following table:

Cash-Generating Units	2024	2023
ACyC [1]	98,797	98,797
Atradius Trade Credit Insurance Inc.	4,750	4,750
Atradius Collections B.V.	6,426	6,426
ACyC. (France)	2,767	2,767
ACyC (Nordic surety) [2]	2,507	2,471
Other	5,323	5,168
Total	**120,570**	**120,379**

1) The CGU ACyC includes the local business in Spain and Portugal.
2) The Nordic Surety unit goodwill includes Atradius' surety business in Denmark, Norway, Sweden and Finland, and the movement is driven by foreign exchange movements.

The value in use of an individual CGU is determined using a dividend discount model (DDM). The dividend flows are estimated using a projection period and a normalised period. The projection period is 10 years, where the first 1-4 year projections are based on financial budgets and/or forecasts. The remaining years are estimated using ratios and growth rates that converge towards their normalised term value. The discount rate, gross of tax, varies depending on the Risk-Free Rate and the Country Risk Premium of the country where the CGU is located. For those CGUs with Goodwill higher than EUR 10 million (ACyC), the discount rate applied is between 9.2% and 9.6% and the growth rate is between 1.0% and 1.5%, respectively. The terminal value is calculated based on the dividend flows of the normalised period through a perpetuity which applies a long term growth rate of 2.0% for CGUs excluding ACyC and 3.0% for associated companies (2023: 2.0%-3.0%) and the specific discount rate. Any profits, after fulfilling minimum capital requirements, are assumed to be distributable dividends. Minimum capital requirements are calculated taking into account local solvency rules, the Solvency II Partial Internal Model and minimum shareholders equity required (non-distributable)

CGUs are defined by line of business according to the way we manage and steer the operational business.

An approximation of the sensitivity of the following assumptions would impact the CGU market value by the percentages shown below (other CGUs are not included due to immaterial impacts):

All amounts in thousands of Euro, unless otherwise stated

Cash-Generating Units	Discount rate		Growth rate		Combined ratio		Solvency ratio [1]	
2024	+50bp	-50bp	+50bp	-50bp	+50bp	-50bp	+1,000bp	-1,000bp
ACyC	(4.7%)	5.3%	0.0%	-	(2.6%)	2.6%	(5.8%)	5.8%
Atradius Trade Credit Insurance	(8.5%)	10.1%	6.5%	(5.5%)	(1.2%)	1.2%	-	-
Atradius Collections B.V.	(7.6%)	9.3%	5.8%	(4.7%)	-	-	-	-
ACyC (France)	(8.1%)	9.9%	6.4%	(5.2%)	(3.9%)	3.9%	(0.8%)	0.8%
ACyC (Nordic surety)	(7.6%)	9.3%	5.9%	(4.7%)	(3.0%)	3.0%	(0.2%)	0.2%

Cash-Generating Units	Discount rate		Growth rate		Combined ratio		Solvency ratio [1]	
2023	+50bp	-50bp	+50bp	-50bp	+50bp	-50bp	+1,000bp	-1,000bp
ACyC	(5.6%)	6.2%	0.5%	(0.5%)	(2.8%)	2.8%	(6.3%)	6.2%
Atradius Trade Credit Insurance	(7.7%)	9.1%	5.7%	(4.9%)	(1.1%)	1.1%	-	-
Atradius Collections B.V.	(4.6%)	5.4%	2.7%	(2.3%)	-	-	-	-
ACyC (France)	(7.8%)	9.5%	6.0%	(4.9%)	(3.3%)	3.3%	(0.8%)	0.8%
ACyC (Nordic surety)	(8.2%)	10.0%	6.4%	(5.3%)	(2.4%)	2.4%	(2.5%)	2.5%

[1] With the same required capital.

In the table, the impact in the Solvency ratio is generated in the available capital, keeping constant the required capital in absolute amounts.
No sensitivity analysis mentioned above, both individually and combined, would assume that the carrying amount of the GCUs would exceed their market value.

Software

Atradius assessed all capitalised software to determine if the criteria for capitalisation are being met (see note 2.6.2). Based on this assessment, Atradius decided to impair EUR 14.0 million (2023 EUR 27.5 million) of self-developed software linked to the change in the scope application to their transformation programme in Surety business, which has been reduced to a regional ambit, more specific than the one designed originally. The features within the transformation programme include data models, users journeys, utilisation of shared components, new functionalities and multichannel/omnichannel integrations to deliver the best customer experience. During 2024, Atradius capitalised EUR 19.7 million due to the Atradius Business Transformation projects (2023: EUR 15.5 million).

15 Capital and reserves

15.1 Share capital

The authorised share capital of Atradius N.V. amounts to EUR 250,000,000 and is divided into 250,000,000 ordinary shares with a nominal value of EUR 1 each (2023: the same) of which 79,122,142 ordinary shares were issued and fully paid (2023: the same). The fully paid ordinary shares carry one vote per share and carry the right to dividends.

Earnings per share are calculated by dividing the Group share of the net income by the number of ordinary shares in issue during the year. The earnings in 2024 were of EUR 4.66 per share.

15.2 Share premium reserve

	2024	2023
Balance at 1 January	**639,228**	**639,228**
Balance at 31 December	**639,228**	**639,228**

15.3 Revaluation reserve

	2024	2023
Balance at 1 January	**20,138**	**(58,770)**
Change in revaluation reserve - gross	81,981	93,687
Change in revaluation reserve - tax	(19,870)	(23,489)
Net (gains)/losses transferred to net profit or retained earnings on disposal - gross	446	10,301
Net (gains)/losses transferred to net profit or retained earnings on disposal - tax	147	(1,590)
Balance at 31 December	**82,843**	**20,138**

15.4 Currency translation reserve

	2024	2023
Balance at 1 January	**(31,240)**	**(2,317)**
Change in currency translation reserve - gross	38,561	(30,547)
Change in currency translation reserve - tax	(1,772)	1,624
Balance at 31 December	**5,549**	**(31,240)**

Atradius' significant foreign currencies and sensitivity to fluctuations are set out in Note 4.3.

15.5 Pension reserve

	2024	2023
Balance at 1 January	**(20,922)**	**(28,999)**
Recognised actuarial gains/(losses)	**(44,445)**	**8,077**
Change in pension reserve - gross	(59,046)	11,108
Change in pension reserve - tax	14,602	(3,031)
Balance at 31 December	**(65,367)**	**(20,922)**

The main drivers of the pension reserve variance are explained in Note 22.

All amounts in thousands of Euro, unless otherwise stated

15.6 Retained earnings

	2024	2023
Balance at 1 January	**1,656,928**	**1,521,025**
Appropriation of prior year result	379,081	329,100
Net gains/losses on investments measerured at FVOCI	2,057	(37)
Dividends	(276,136)	(193,160)
Balance at 31 December	**1,761,930**	**1,656,928**

15.7 Insurance finance expenses reserve

	2024	2023
Balance at 1 January	**62,350**	**16,845**
Change in the reserves	2,002	45,505
Tax impact	(16,410)	-
Balance at 31 December	**47,942**	**62,350**

15.8 Dividend distribution

Atradius' dividend distribution is based on the Company financial statements. The Company and its subsidiaries are subject to legal restrictions regarding the amount of dividends they can pay to their shareholders. Dividends can only be paid up to an amount equal to the excess of the Company's shareholders' equity and reserves required by law. The Dutch Civil Code contains the restriction that dividends can only be paid up to an amount equal to the excess of the Company's shareholders' equity and reserves required by law. Additionally, certain subsidiaries are subject to restrictions on the amount of funds they may distribute in the form of dividends or otherwise and also in respect of minimum capital requirements that are imposed by industry regulators in the countries in which the subsidiaries operate.

The Company distributes dividends out of the retained earnings balance (see Note 10 in the Company financial statements). If this balance is insufficient, the Company will distribute dividends out of the share premium reserve (see Note 4.2 in the Company financial statements).

16 Insurance contracts

16.1 Composition of the Balance Sheet

An analysis of the amounts presented on the consolidated balance sheet for insurance contracts is included in the table below, along with the presentation of current and non-current portions of the balances:

	2024	2023
Insurance contract liabilities	1,997,704	1,722,832
Insurance contract assets	144,872	109,788
Net insurance contracts	**1,852,832**	**1,613,044**
Deferred acquisition costs	13,084	12,831
Total	**1,839,748**	**1,600,213**

2024	Credit Insurance	Surety	Assumed Reinsurance	Total	Current	Non-current	Total
- Insurance contract assets/liabilities excluding Insurance acquisition cash flows assets	1,263,148	185,939	403,745	1,852,832	920,679	932,153	1,852,832
Deferred acquisition costs	13,084	-	-	13,084	13,084	-	13,084
Total insurance contract assets and liabilities	**1,250,064**	**185,939**	**403,745**	**1,839,748**	**907,595**	**932,153**	**1,839,748**

2023	Credit Insurance	Surety	Assumed Reinsurance	Total	Current	Non-current	Total
- Insurance contract assets/liabilities excluding Insurance acquisition cash flows assets	1,119,572	159,262	334,210	1,613,044	1,157,316	455,729	1,613,044
Deferred acquisition costs	12,831	-	-	12,831	12,831	-	12,831
Total insurance contract assets and liabilities	**1,106,741**	**159,262**	**334,210**	**1,600,213**	**1,144,485**	**455,729**	**1,600,213**

Detailed reconciliations of changes in insurance contract balances during the reporting periods are included in notes 16.3 and 16.4.

16.2 Insurance revenue and expenses

16.2.1 Insurance revenue and insurance service result

An analysis of insurance revenue and insurance service expenses by product line for 2024 and 2023 is included in the following tables. Additional information on amounts recognised in profit or loss and OCI is included in the insurance contract balances reconciliations in notes 16.3 and 16.4. The Company reinsurance contracts held cover combined all product lines. Atradius therefore discloses the reinsurance held disclosure combined. See note 17.

All amounts in thousands of Euro, unless otherwise stated

2024	Credit Insurance	Surety	Assumed Reinsurance	Total
Insurance revenue:				
Amounts relating to the changes in the LRC:				
- Expected incurred claims and other directly attributable expenses	1,217,908	46,888	87,102	1,351,898
- Change in the risk adjustment for non-financial risk for the risk expired	97,362	4,913	7,203	109,478
- CSM recognised for the services provided	118,882	70,017	19,475	208,374
- Experience adjustments – arising from premiums received in the period other than those that relate to future service	61,850	31,095	26,259	119,204
- Insurance acquisition cash flows recovery	441,567	34,153	42,817	518,537
Total insurance revenue	**1,937,569**	**187,066**	**182,856**	**2,307,492**
Insurance service expenses:				
- Incurred claims, other directly attributable expenses and losses amortisation	(911,275)	(45,121)	(141,794)	(1,098,190)
- Changes that relate to past service – changes in the FCF relating to the LIC	163,444	(2,057)	32,908	194,295
- Losses on onerous contracts	(274,052)	(14,961)	(15,633)	(304,646)
- Acquisition expenses	(452,699)	(34,153)	(42,817)	(529,669)
Total insurance service expenses	**(1,474,582)**	**(96,292)**	**(167,336)**	**(1,738,209)**
Total insurance service revenue and expenses	**462,987**	**90,774**	**15,520**	**569,283**

2023	Credit Insurance	Surety	Assumed Reinsurance	Total
Insurance revenue:				
Amounts relating to the changes in the LRC:				
- Expected incurred claims and other directly attributable expenses	1,207,279	(5,313)	54,194	1,256,160
- Change in the risk adjustment for non-financial risk for the risk expired	89,096	5,215	8,944	103,255
- CSM recognised for the services provided	128,810	68,152	14,678	211,640
- Experience adjustments – arising from premiums received in the period other than those that relate to future service	112,349	32,944	61,645	206,938
- Insurance acquisition cash flows recovery	455,686	30,993	35,808	522,487
Total insurance revenue	**1,993,220**	**131,991**	**175,269**	**2,300,480**
Insurance service expenses:				
- Incurred claims, other directly attributable expenses and losses amortisation	(918,921)	42,411	(88,320)	(964,830)
- Changes that relate to past service – changes in the FCF relating to the LIC	65,703	(17,806)	(18,385)	29,513
- Losses on onerous contracts	(130,504)	(1,581)	(33,402)	(165,487)
- Acquisition expenses	(455,686)	(30,993)	(35,808)	(522,487)
Total insurance service expenses	**(1,439,408)**	**(7,968)**	**(175,915)**	**(1,623,291)**
Total insurance service revenue and expenses	**553,812**	**124,023**	**(646)**	**677,189**

16.2.2 Determined on transition to IFRS 17

An analysis of insurance revenue for insurance contracts issued and the contractual service margin (CSM) by segment is included in the following tables.

2024	Credit Insurance	Surety	Assumed Reinsurance	Total
Insurance revenue:				
New contracts and contracts measured under the full retrospective approach at transition	1,923,752	136,838	161,223	2,221,813
Contracts measured under the modified retrospective approach at transition	13,817	50,228	21,634	85,679
Total insurance revenue	**1,937,569**	**187,066**	**182,857**	**2,307,492**
CSM as at 31 December:				
New contracts and contracts measured under the full retrospective approach at transition	55,264	127,071	21,505	203,840
Contracts measured under the modified retrospective approach at transition	10,105	9,177	8,818	28,100
Total CSM	**65,369**	**136,248**	**30,323**	**231,940**

2023	Credit Insurance	Surety	Assumed Reinsurance	Total
Insurance revenue:				
New contracts and contracts measured under the full retrospective approach at transition	1,986,226	75,421	148,028	2,209,675
Contracts measured under the modified retrospective approach at transition	6,994	56,570	27,240	90,805
Total insurance revenue	**1,993,220**	**131,991**	**175,269**	**2,300,480**
CSM as at 31 December:				
New contracts and contracts measured under the full retrospective approach at transition	53,527	101,390	15,554	170,472
Contracts measured under the modified retrospective approach at transition	17,968	23,571	6,126	47,664
Total CSM	**71,495**	**124,961**	**21,680**	**218,136**

All amounts in thousands of Euro, unless otherwise stated

16.2.3 Expected recognition of the Contractual Service Margin

An analysis of the expected recognition of the CSM remaining at the end of the reporting period in profit or loss is provided in the following table:

2024	Insurance contracts issued				
Number of years until expected to be recognised	Credit Insurance	Surety	Assumed Reinsurance	Total CSM for insurance contracts issued	Total CSM for reinsurance contracts held
As at 31 December 2024					
1	54,571	53,693	13,865	122,129	89,422
2-5	9,286	74,207	14,253	97,746	38,913
6-10	1,486	7,963	2,094	11,544	3,609
>10	25	386	110	522	134
Total	**65,368**	**136,249**	**30,322**	**231,940**	**132,078**

2023	Insurance contracts issued				
Number of years until expected to be recognised	Credit Insurance	Surety	Assumed Reinsurance	Total CSM for insurance contracts issued	Total CSM for reinsurance contracts held
As at 31 December 2023					
1	58,991	49,393	10,000	118,384	70,027
2-5	10,847	67,921	10,238	89,005	30,473
6-10	1,632	7,409	1,381	10,422	2,826
>10	25	238	61	324	106
Total	**71,495**	**124,961**	**21,680**	**218,135**	**103,432**

16.3 Reconciliation of the liability for remaining coverage, incurred claims and CSM

16.3.1 Reconciliation of the liability for remaining coverage and incurred claims

A reconciliation of the liability for remaining coverage (LRC) and liability for incurred losses (LIC) is included in the following tables. The reconciliation is performed by operating segment.

Credit Insurance:

	2024				2023			
	LRC				LRC			
	Excluding loss component	Loss component	LIC	Total	Excluding loss component	Loss component	LIC	Total
Insurance contract assets/liabilities as at 1 January	570,861	134,795	413,916	**1,119,572**	614,099	164,976	263,532	**1,042,607**
Insurance revenue	**(1,937,569)**			**(1,937,569)**	**(1,993,220)**			**(1,993,220)**
Insurance service expenses:								
Incurred claims and other directly attributable expenses	3,747	(143,703)	1,051,230	**911,274**	3,206	(165,369)	1,081,086	**918,923**
Changes that relate to future service: losses on onerous contracts and reversal of those losses	-	274,052	-	**274,052**	-	130,504	-	**130,504**
Changes that relate to past service: Changes to liabilities for incurred claims	(27)	-	(163,417)	**(163,444)**	-	-	(65,705)	**(65,705)**
Acquisition Expenses	441,567	-	-	**441,567**	455,686	-	-	**455,686**
Financial income and expenses from insurance contracts	**26,316**	**2,562**	**9,728**	**38,606**	**10,370**	**2,849**	**22,259**	**35,478**
Amounts recognised in comprehensive income:								
Other comprehensive income	516	(266)	(8,405)	**(8,155)**	1,439	1,599	(5,444)	**(2,406)**
Current Period Cash Flows:								
Premiums received	1,881,219	-	-	**1,881,219**	1,893,784	-	(7,945)	**1,885,839**
Claims and other expenses paid	-	-	(672,111)	**(672,111)**	-	-	(692,196)	**(692,196)**
Acquisition Cash Flows paid	(442,073)	-	-	**(442,073)**	(420,188)	-	-	**(420,188)**
Administration and Other costs paid	-	-	(179,790)	**(179,790)**	-	-	(184,776)	**(184,776)**
Change in scope*	-	-	-	-	5,685	236	3,105	**9,026**
Insurance contract assets/liabilities as at 31 December	**544,557**	**267,440**	**451,151**	**1,263,148**	**570,861**	**134,795**	**413,916**	**1,119,572**

*Reclassified as Held-for-Sale due to sale of the business

As described in note 2.15.2, the credit insurance business is managed on a country-by-country basis except for the global credit portfolio, ICP and Credit Specialties, which are managed globally. As a result, certain credit insurance portfolios result on a loss component, when adversely impacted by potential worsening of macroeconomic conditions or large claims.. The 2024 loss component is driven by the worsening conditions in certain credit insurance portfolios, where there has been an increase in actual claims reported and further uncertainly in claims development is expected, together with the increase derived from certain large losses. This situation impacted both in the loss component related to future services and in the release of the loss component (net impact of EUR 130m).

2023 figures are strongly impacted by the release of loss component for the Event Based Provision related to the potential impact of the conflict between Russia and Ukraine described in note 3.4, and which was recorded as part of the LIC by the end of 2023. Without that impact, the net amount between loss component related to future services and release of loss component had been EUR 87 million.

All amounts in thousands of Euro, unless otherwise stated

Surety:

	2024				2023			
	LRC		LIC	Total	LRC		LIC	Total
	Excluding loss component	Loss component			Excluding loss component	Loss componen t		
Insurance contract assets/liabilities as at 1 January	**28,558**	**30,245**	**100,459**	**159,262**	**(13,263)**	**95,672**	**96,104**	**178,514**
Insurance revenue	**(187,066)**			**(187,066)**	**(131,991)**			**(131,991)**
Insurance service expenses:				-				
Incurred claims and other directly attributable expenses	11,363	(14,604)	48,362	**45,121**	(131)	(67,818)	25,538	**(42,411)**
Changes in estimates not reflected in the contractual service margin or loss component	-	-	-	-	-	-	-	-
Changes that relate to future service: losses on onerous contracts and reversal of those losses	-	14,961	-	**14,961**	-	1,582	-	**1,582**
Changes that relate to past service: Changes to liabilities for incurred claims	-	-	2,057	**2,057**	-	-	17,806	**17,806**
Acquisition Expenses	34,153	-	-	**34,153**	30,993	-	-	**30,993**
Financial income and expenses from insurance contracts	**2,843**	**219**	**1,138**	**4,200**	**2,114**	**270**	**319**	**2,703**
Amount recognised in comprehensive income:				-				
Other comprehensive income	1,949	578	947	**3,474**	615	540	313	**1,468**
Current Period Cash Flows:				-				
Premiums Received	190,970	-	-	**190,970**	165,130	-	(390)	**164,740**
Claims and other expenses paid	-	-	(24,390)	**(24,390)**	-	-	(16,078)	**(16,078)**
Acquisition Cash Flows Paid	(33,287)	-	-	**(33,287)**	(24,909)	-	-	**(24,909)**
Administration and Other costs paid	-	-	(23,516)	**(23,516)**	-	-	(23,153)	**(23,153)**
Insurance contract assets/liabilities as at 31 December	**49,483**	**31,399**	**105,057**	**185,939**	**28,558**	**30,245**	**100,459**	**159,262**

The release of the loss component is primarily driven by refinements to the amortization patterns applied in the cash flow models to better align the covered period and occurrence dates for claims.

Assumed Reinsurance:

	2024				2023			
	LRC		LIC	Total	LRC		LIC	Total
	Excluding loss component	Loss component			Excluding loss component	Loss component		
Insurance contract assets/liabilities as at 1 January	58,205	37,308	238,697	**334,210**	58,034	53,914	198,729	**310,677**
Insurance revenue	(182,856)			**(182,856)**	(175,269)			**(175,269)**
Insurance service expenses:								
Incurred claims and other expenses	(4,653)	(17,148)	163,594	**141,793**	6,891	(39,502)	120,931	**88,320**
Changes that relate to future service: losses on onerous contracts and reversal of those losses	-	15,633	-	**15,633**	-	33,402	-	**33,402**
Changes that relate to past service: Changes to liabilities for incurred claims	7	-	(32,915)	**(32,908)**	7	-	18,378	**18,385**
Acquisition Expenses	42,817	-	-	**42,817**	35,808	-	-	**35,808**
Financial income and expenses from insurance contracts	**(6,719)**	**1,340**	**18,427**	**13,048**	**(11,112)**	**970**	**17,315**	**7,173**
Amounts recognised in comprehensive income:								
Other comprehensive income	8,729	5,891	(1,209)	**13,411**	(7,119)	(11,477)	(28,266)	**(46,862)**
Current Period Cash Flows:								
Premiums Received	208,624	-	-	**208,624**	192,863	-	-	**192,863**
Claims and other expenses paid	-	-	(93,277)	**(93,277)**	-	-	(82,105)	**(82,105)**
Acquisition Cash Flows Paid	(50,670)	-	-	**(50,670)**	(41,897)	-	-	**(41,897)**
Administration and Other costs paid	-	-	(6,080)	**(6,080)**	-	-	(6,285)	**(6,285)**
Insurance contract assets/liabilities as at 31 December	**73,483**	**43,024**	**287,237**	**403,744**	**58,205**	**37,308**	**238,697**	**334,210**

The release of the loss component is primarily driven by refinements to the amortization patterns applied in the cash flow models to better align the covered period and occurrence dates for claims.

All amounts in thousands of Euro, unless otherwise stated

16.3.2 CSM Rollforward

A reconciliation of the CSM by transition method is included in the following tables.

	2024				2023			
	Transition				Transition			
	Contracts under the modified retractive approach	Contracts under the full retrospective approach	Post Transition	Total	Contracts under the modified retractive approach	Contracts under the full retrospective approach	Post Transition	Total
Insurance revenue	**85,679**	**55,710**	**2,166,103**	**2,307,492**	**90,805**	**289,117**	**1,920,558**	**2,300,480**
CSM as at 1 January	**47,664**	**22,234**	**148,238**	**218,136**	**78,172**	**39,720**	**111,061**	**228,954**
Changes that relate to current service:								
Changes in CSM	(22,063)	(11,560)	(174,752)	**(208,375)**	(48,513)	(21,768)	(141,359)	**(211,640)**
Changes that relate to future service:								
Initial Recognition	182	288	257,096	**257,566**	(83)	426	374,659	**375,002**
Changes in estimates reflected in the CSM	1,686	(3,656)	(51,946)	**(53,916)**	6,078	2,679	(202,366)	**(193,610)**
Changes in estimates that result in onerous contract losses	344	3,296	7,161	**10,801**	11,567	1,222	(2,527)	**10,262**
Changes that relate to past service:								
Adjustments to LRC	-	-	-	-	-	-	-	-
Insurance Finance Expenses	285	(69)	7,510	**7,726**	443	(207)	7,951	**8,187**
Change in scope*	-	-	-	-	-	161	818	**980**
CSM as at 31 December	**28,098**	**10,533**	**193,307**	**231,938**	**47,664**	**22,234**	**148,238**	**218,136**

*Reclassified as Held-for-Sale due to sale of the business

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16.4 Reconciliation of the measurement components of insurance contract balances

A reconciliation of the measurement components of insurance contract balances is included in the following tables. The reconciliation is performed by operating segment.

	2024				2023			
Credit insurance	**Present value of future cash flows**	**Risk adjustment for non-financial risk**	**CSM**	**Total**	**Present value of future cash flows**	**Risk adjustment for non-financial risk**	**CSM**	**Total**
Insurance contract assets/liabilities as at 1 January	**947,691**	**100,386**	**71,495**	**1,119,572**	**841,304**	**109,476**	**91,828**	**1,042,608**
Changes that relate to current service:								
CSM recognised for the services provided	-	-	(118,882)	**(118,882)**	-	-	(128,810)	**(128,810)**
Experience adjustments*	(369,689)	-	-	**(369,689)**	(391,997)	-	-	**(391,997)**
Risk adjustment recognised for the risk expired	-	(19,807)	-	**(19,807)**	-	(37,801)	-	**(37,801)**
Changes that relate to future service:								
Contracts initially recognised in the period	(132,111)	108,326	144,086	**120,301**	(215,938)	79,170	270,183	**133,415**
Changes in estimates reflected in the contractual service margin	42,715	1,835	(44,550)	-	161,867	4,694	(166,562)	-
Changes in estimates that result in onerous contract losses	132,383	10,718	10,296	**153,397**	(1,416)	305	(1,426)	**(2,537)**
Changes that relate to past service:								
Adjustments to LIC	(183,658)	(60,331)	-	**(243,989)**	(69,413)	(57,422)	-	**(126,835)**
Adjustments to LRC	4,196	-	-	**4,196**	662	-	-	**662**
Insurance Finance Expenses	24,095	3,787	2,923	**30,805**	26,549	1,311	5,302	**33,162**
Current Period Cash Flows	587,245	-	-	**587,245**	588,679	-	-	**588,679**
Change in scope	-	-	-	-	7,393	654	980	**9,027**
Insurance contract assets/liabilities as at 31 December	**1,052,867**	**144,915**	**65,368**	**1,263,148**	**947,690**	**100,387**	**71,496**	**1,119,573**

*As noted within note 3.3, Atradius operations are highly sensitive to changes on claims experience, especially impacting its credit insurance portfolio. During 2024 and 2023, there have been deviations between management's expectations and actual claims experience, in addition to better than expected developments on pipeline premiums.

All amounts in thousands of Euro, unless otherwise stated

The changes in LIC are primarily explained by lower-than-expected losses in some large cases and a favourable trend in recoveries. The positive behaviour of recoveries, leading to collection rates above the historical averages, is largely due to the initiatives carried out by governments within the post-COVID environment aiming to bolster economic growth and support specific sectors.

Surety	2024				2023			
	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
Insurance contract assets/liabilities as at 1 January	**(1,815)**	**36,116**	**124,961**	**159,262**	**24,272**	**31,415**	**122,826**	**178,513**
Changes that relate to current service:								
CSM recognised for the services provided	-	-	(70,017)	**(70,017)**	-	-	(68,152)	**(68,152)**
Experience adjustments	(35,573)	-	-	**(35,573)**	(46,092)	-	-	**(46,092)**
Risk adjustment recognised for the risk expired	-	2,502	-	**2,502**	-	(4,531)	-	**(4,531)**
Changes that relate to future service:								
Contracts initially recognised in the period	(116,187)	15,894	100,392	**99**	(90,241)	11,616	78,445	**(180)**
Changes in estimates reflected in the contractual service margin	22,064	1,692	(23,756)	-	12,627	(1,283)	(11,344)	-
Changes in estimates that result in onerous contract losses	12,865	1,506	490	**14,861**	843	(67)	985	**1,761**
Changes that relate to past service:								
Adjustments to LIC	(10,589)	(3,437)	-	**(14,026)**	5,372	(1,472)	-	**3,900**
Adjustments to LRC	11,380	-	-	**11,380**	(10,728)	-	-	**(10,728)**
Insurance Finance Expenses	1,442	2,053	4,179	**7,674**	1,533	437	2,201	**4,171**
Current Period Cash Flows	109,777	-	-	**109,777**	100,601	-	-	**100,601**
Insurance contract assets/liabilities as at 31 December	**(6,636)**	**56,327**	**136,248**	**185,939**	**(1,815)**	**36,116**	**124,961**	**159,262**

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Assumed Reinsurance	2024				2023			
	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
Insurance contract assets/liabilities as at 1 January	**281,606**	**30,924**	**21,680**	**334,210**	**265,854**	**30,524**	**14,300**	**310,678**
Changes that relate to current service:								
CSM recognised for the services provided	-	-	(19,475)	**(19,475)**	-	-	(14,678)	**(14,678)**
Experience adjustments	31,049	-	-	**31,049**	(29,653)	-	-	**(29,653)**
Risk adjustment recognised for the risk expired	-	12,319	-	**12,319**	-	2,249	-	**2,249**
Changes that relate to future service:								
Contracts initially recognised in the period	(25,807)	12,652	13,088	**(67)**	(33,676)	7,303	26,374	**1**
Changes in estimates reflected in the contractual service margin	(13,325)	(1,066)	14,391	-	17,460	(1,756)	(15,704)	-
Changes in estimates that result in onerous contract losses	14,511	2,023	15	**16,549**	20,732	2,401	10,703	**33,836**
Changes that relate to past service:								
Adjustments to LIC	(44,010)	(7,230)	-	**(51,240)**	9,684	(6,376)	-	**3,308**
Adjustments to LRC	(3,808)	-	-	**(3,808)**	6,017	-	-	**6,017**
Insurance Finance Expenses	**23,679**	**1,307**	**624**	**25,610**	**(37,388)**	**(3,421)**	**685**	**(40,124)**
Current Period Cash Flows	**58,597**	**-**	**-**	**58,597**	**62,576**	**-**	**-**	**62,576**
Insurance contract assets/liabilities as at 31 December	**322,492**	**50,929**	**30,323**	**403,744**	**281,606**	**30,924**	**21,680**	**334,210**

All amounts in thousands of Euro, unless otherwise stated

16.5 Impact of contracts recognised in the year

In the following tables are detailed the cash flows on the contracts initially recognised in the period detailed in the section 15.4

Credit Insurance:

	2024			2023		
	Profitable contracts	Non profitable contracts	Total	Profitable contracts	Non profitable contracts	Total
Estimates of the present value of future cash outflows	**613,464**	**1,126,701**	**1,740,165**	**870,950**	**751,494**	**1,622,444**
- Insurance acquisition cash flows	186,411	241,797	**428,208**	218,495	146,841	**365,336**
- Claims and other directly attributable expenses	427,053	884,904	**1,311,957**	652,455	604,653	**1,257,108**
Estimates of the present value of future cash inflows	**(786,899)**	**(1,085,378)**	**(1,872,277)**	**(1,183,204)**	**(655,179)**	**(1,838,382)**
- Risk adjustment for non-financial risk	29,348	78,978	**108,326**	42,071	37,100	**79,170**
- Insurance acquisition cash flows asset/ cash flows derecognised	-	-	-	-	-	-
CSM	**(144,087)**	-	**(144,087)**	**270,183**	-	**270,183**
Increase in insurance contract liabilities from contracts recognised in the period	-	**120,301**	**120,301**	-	**133,415**	**133,415**

Atradius makes each month estimates on premium, claims and expenses for the new months that Atradius is on risk and reviews on a regular basis the estimates for the prior months on which Atradius is on risk. Note 3.4.4 describes how Atradius makes these estimates. The factors affecting the frequency and severity of claims are described in note 3.4.1.

As noted within note 16.3, the level of aggregation at which Atradius groups its contracts implies that certain insurance portfolios may generate loss component at each valuation date as there is no-offsetting between insurance portfolios. Credit portfolio, analysed as a whole, shows positive insurance service results.

Surety:

	2024			2023		
	Profitable contracts	Non profitable contracts	Total	Profitable contracts	Non profitable contracts	Total
Estimates of the present value of future cash outflows	116,918	838	**117,756**	95,967	737	**96,704**
- Insurance acquisition cash flows	39,253	419	**39,672**	25,385	88	**25,472**
- Claims and other directly attributable expenses	77,664	419	**78,083**	70,582	649	**71,231**
- Estimates of the present value of future cash inflows	(233,098)	(845)	**(233,943)**	(186,001)	(943)	**(186,945)**
- Risk adjustment for non-financial risk	15,788	106	**15,894**	11,589	27	**11,616**
- Insurance acquisition cash flows asset/ cash flows derecognised	-	-	-	-	-	-
CSM	**100,392**	-	**100,392**	**78,445**	-	**78,445**
Increase in insurance contract liabilities from contracts recognised in the period	-	**99**	**99**	-	**(179)**	**(179)**

Assumed Reinsurance:

	2024			2023		
	Profitable contracts	Non profitable contracts	Total	Profitable contracts	Non profitable contracts	Total
Estimates of the present value of future cash outflows	170,129	-	**170,129**	141,311	1	**141,311**
- Insurance acquisition cash flows	49,529	-	**49,529**	43,376	-	**43,376**
- Claims and other directly attributable expenses	120,600	-	**120,600**	97,935	1	**97,936**
Estimates of the present value of future cash inflows	(195,936)	-	**(195,936)**	(174,987)	-	**(174,987)**
Risk adjustment for non-financial risk	12,719	(67)	**12,652**	7,303	-	**7,303**
Insurance acquisition cash flows asset/ cash flows derecognised	-	-	-	-	-	-
CSM	**13,088**	-	**13,088**	**26,374**	-	**26,374**
Increase in insurance contract liabilities from contracts recognised in the period	-	**(67)**	**(67)**	-	**1**	**1**

All amounts in thousands of Euro, unless otherwise stated

16.6 Insurance Acquisition Cash Flow assets

In the following tables it is detailed the movement in the period of the cash flows recognize as an asset during the year.

	2024	2023
Opening asset	**12,831**	**11,132**
Amounts derecognised on initial recognition of groups of insurance contracts	(12,831)	(11,132)
Cash flows recognised as an asset during the year	13,084	12,831
Closing asset	**13,084**	**12,831**

The insurance acquisition cash flows relate to the brokerage on the prepaid premium and are all current. The acquisition cash flows are immediately recognised when the premium is recognised. The insurance acquisition cash flows will all be derecognised in one year. In the case the company should derecognise the premium also the brokerage will be derecognised.

16.7 Gross claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the claims development disclosure below on a gross of reinsurance basis as at 31 December 2024.

The claims development tables provide an overview of how Atradius' recognised estimate of ultimate claim costs for underwriting years 2019-2024 have changed at successive financial year-ends. Underwriting year here means the year in which the risks were accepted; for reinsurance business it is the treaty year.

Credit Insurance:

	UWY						
	2019	**2020**	**2021**	**2022**	**2023**	**2024**	**Total**
Estimate of ultimate claim costs (gross of reinsurance, undiscounted, inclusive of other directly attributable expenses related to claims management)							
At end of accident year	-	319,730	399,917	602,343	897,770	881,246	
1 year later	1,645	291,841	336,969	590,657	867,858		
2 years later	9,491	300,605	318,895	553,951			
3 years later	917	276,566	276,990				
4 years later	(7,058)	257,392					
5 years later	(19,619)						
Cumulative gross claims and other directly attributable expenses paid	(3,398)	267,821	281,139	560,980	678,539	632,873	**2,417,954**
Gross cumulative claims liabilities - accident years from 2019 to 2024	(16,222)	(10,429)	(4,149)	(7,029)	189,319	248,372	**399,863**
Gross cumulative claims liabilities - prior accident years							**(17,581)**
Effect of discounting							**4,861**
Effect of the risk adjustment margin for non-financial risk							**64,008**
Gross LIC for the contracts originated (Refer to note 16.3)							**451,151**

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Surety:

	UWY						
	2019	2020	2021	2022	2023	2024	Total
Estimate of ultimate claim costs (gross of reinsurance, undiscounted, inclusive of other directly attributable expenses related to claims management)							
At end of accident year	-	35,599	18,212	41,160	14,109	34,511	
1 year later	2,651	36,874	17,324	42,162	13,395		
2 years later	4,879	32,375	18,178	41,992			
3 years later	6,120	33,264	18,044				
4 years later	10,576	31,103					
5 years later	9,132						
Cumulative gross claims and other directly attributable expenses paid	7,836	17,349	8,412	40,214	9,141	22,238	**105,190**
Gross cumulative claims liabilities - accident years from 2019 to 2024	1,296	13,754	9,631	1,778	4,254	12,273	**42,986**
Gross cumulative claims liabilities - prior accident years							**42,500**
Effect of discounting							**(1,861)**
Effect of the risk adjustment margin for non-financial risk							**21,432**
Gross LIC for the contracts originated (Refer to note 16.3)							**105,057**

Assumed Reinsurance:

	UWY						
	2019	2020	2021	2022	2023	2024	Total
Estimate of ultimate claim costs (gross of reinsurance, undiscounted, inclusive of other directly attributable expenses related to claims management)							
At end of accident year	-	146,924	137,837	107,548	114,857	155,950	
1 year later	11,365	65,624	66,397	57,635	82,849		
2 years later	14,105	68,680	70,899	61,427			
3 years later	16,892	74,263	70,013				
4 years later	12,977	76,110					
5 years later	12,243						
Cumulative gross claims and other directly attributable expenses paid	2,978	59,088	45,881	30,066	51,928	51,680	**241,621**
Gross cumulative claims liabilities - accident years from 2019 to 2023	9,265	17,022	24,131	31,361	30,921	104,270	**216,971**
Gross cumulative claims liabilities - prior accident years							55,686
Effect of discounting							(17,335)
Effect of the risk adjustment margin for non-financial risk							31,915
Gross LIC for the contracts originated (Refer to note 16.3)							**287,237**

All amounts in thousands of Euro, unless otherwise stated

17 Reinsurance contracts

17.1 Composition of the Balance Sheet

	2024	2023
Reinsurance contract liabilities	(14)	152
Reinsurance contract assets	694,722	654,132
Total	**694,736**	**653,980**

	2024			2023		
	Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
Reinsurance contract	494,101	200,404	694,505	465,673	188,307	653,980

17.2 Determined on transition to IFRS 17

	2024	2023
New contracts and contracts measured under the full retrospective approach at transition	97,219	68,264
Contracts measured under the modified retrospective approach at transition	34,859	35,168
Total CSM	**132,078**	**103,432**

17.3 Reconciliation of the remaining coverage and incurred claims

For the underwriting year 2024 one quota share reinsurance treaty is in place covering the majority of Atradius' business. The retention under this treaty is 65% (2023: 63%). For more information related reinsurance programme please see Note 4.2.3.

A reconciliation of the liability for remaining coverage (LRC) and LIC is included in the following tables.

2024	Remaining coverage		Incurred claims	Total
	Excluding loss-recovery component	Loss-recovery component		
Reinsurance contract assets/liabilities as at 1 January	**201,153**	**73,869**	**378,958**	**653,980**
Net expense from reinsurance contracts	(508,451)	44,598	262,038	(201,815)
Financial income and expenses from insurance contracts	7,790	-	4,951	12,741
Other comprehensive income	6,682	-	4,052	10,734
Premiums paid	803,949	-	-	803,949
Amounts received	(331,708)	-	(253,376)	(585,084)
Reinsurance contract assets/liabilities as at 31 December	**179,415**	**118,467**	**396,623**	**694,505**

2023	Remaining coverage		Incurred claims	Total
	Excluding loss-recovery component	Loss-recovery component		
Reinsurance contract assets/liabilities as at 1 January	**231,873**	**76,929**	**325,177**	**633,979**
Net expense from reinsurance contracts	(573,670)	(3,060)	315,663	(261,067)
Financial income and expenses from insurance contracts	5,831	-	4,623	10,454
Other comprehensive income	(352)	-	(1,943)	(2,295)
Premiums paid	888,655	-	-	888,655
Amounts received	(352,688)	-	(266,306)	(618,994)
Change in scope	1,504	-	1,743	3,247
Reinsurance contract assets/liabilities as at 31 December	**201,153**	**73,869**	**378,957**	**653,980**

All amounts in thousands of Euro, unless otherwise stated

17.4 Reconciliation of the measurement components of reinsurance contract balances

A reconciliation of the measurement components of reinsurance contract balances is included in the following tables.

2024	Present value of future cash flows	Risk adjustment for non- financial risk	CSM	Total
Reinsurance contract assets/liabilities as at 1 January	482,873	67,675	103,432	**653,980**
Changes that relate to current service:				
Changes in CSM	-	-	(7,186)	**(7,186)**
Experience adjustments	(160,247)	-	-	**(160,247)**
Risk adjustment recognised for the risk expired	-	(14,461)	-	**(14,461)**
Changes that relate to future service:				
Initial Recognition	(79,247)	44,528	82,983	**48,264**
Changes in estimates reflected in the contractual service margin	84,041	5,121	(48,169)	**40,993**
Changes that relate to past service:				
Adjustments to LIC	(74,030)	(35,600)	-	**(109,630)**
Adjustments to LRC	451	-	-	**451**
Insurance Finance Expenses	19,112	3,346	1,018	**23,476**
Cash flows	218,864	-	-	**218,864**
Reinsurance contract assets/liabilities as at 31 December	**491,817**	**70,609**	**132,078**	**694,504**

2023	Present value of future cash flows	Risk adjustment for non- financial risk	CSM	Total
Reinsurance contract assets/liabilities as at 1 January	430,850	67,669	135,459	**633,978**
Changes that relate to current service:				
Changes in CSM	-	-	(51,776)	**(51,776)**
Experience adjustments	(213,642)	-	-	**(213,642)**
Risk adjustment recognised for the risk expired	-	(16,633)	-	**(16,633)**
Changes that relate to future service:				
Initial Recognition	(100,582)	40,538	169,656	**109,612**
Changes in estimates reflected in the contractual service margin	106,632	7,252	(151,815)	**(37,931)**
Changes that relate to past service:				
Adjustments to LIC	(17,211)	(32,086)	-	**(49,297)**
Adjustments to LRC	(1,400)	-	-	**(1,400)**
Insurance Finance Expenses	6,080	506	1,574	**8,160**
Cash flows	269,661	-	-	**269,661**
Change in scope	2,485	429	334	**3,248**
Reinsurance contract assets/liabilities as at 31 December	**482,873**	**67,675**	**103,432**	**653,980**

17.5 CSM Rollforward

An analysis of the CSM is included in the following tables.

	2024				2023			
	Contracts under the modified retroactive approach	Contracts under the full retrospective approach	Post Transition	Total	Contracts under the modified retroactive approach	Contracts under the full retrospective approach	Post Transition	Total
Reinsurance expenses:	**(28,779)**	**(8,232)**	**(471,508)**	**(508,519)**	**(48,425)**	**(37,178)**	**(491,126)**	**(576,730)**
CSM as at 1 January	35,168	7,945	60,319	**103,432**	68,530	3,934	62,995	**135,459**
Changes that relate to current service:								
Changes in CSM	(2,799)	(5,277)	890	**(7,186)**	(21,199)	(2,976)	(27,601)	**(51,776)**
Changes that relate to future service:								
- Initial Recognition	38	55	82,890	**82,983**	39	152	169,464	**169,656**
- Changes in estimates reflected in the contractual service margin	2,451	581	(51,201)	**(48,168)**	(12,203)	6,834	(146,446)	**(151,815)**
Insurance Finance Expenses	-	**1**	**1,016**	**1,017**	-	-	**1,574**	**1,574**
Change in scope	-	-	-	-	-	-	**334**	**334**
CSM as at 31 December	**34,858**	**3,305**	**93,914**	**132,078**	**35,168**	**7,945**	**60,319**	**103,432**

All amounts in thousands of Euro, unless otherwise stated

18 Payables

	2024	2023
Accounts payable	149,777	141,765

The payables are substantially all current. Insurance payables are not included in this balance, as they are part of the liability for remaining coverage (LRC).

19 Other liabilities

	2024	2023
Deposits received from reinsurers	10,357	10,367
Payroll and bonus accruals	64,193	65,068
Prepaid premiums	111,425	105,984
Other accruals	83,278	109,760
Other taxes	30,095	28,021
Lease liabilities	89,753	87,062
Total	**389,101**	**406,262**

Lease liability maturity analysis (undiscounted cash flows)

	2024	2023
Less than one year	23,487	19,848
Between one and five years	58,371	52,566
More than five years	17,307	24,382
Total	**99,165**	**96,795**

20 Provisions

2024	Litigation	Total
Balance at 1 January	**4,347**	**4,347**
Additional provisions	60	60
Unused amounts reversed	-	-
Utilised	(3,310)	(3,310)
Effect of movements in foreign exchange rates	-	-
Balance at 31 December	**1,097**	**1,097**
Current	-	-
Non-current	1,097	1,097

2023	Litigation	Total
Balance at 1 January	**4,087**	**4,087**
Additional provisions	373	373
Unused amounts reversed	-	-
Utilised	(112)	(112)
Effect of movements in foreign exchange rates	-	-
Balance at 31 December	**4,347**	**4,347**
Current	-	-
Non-current	4,347	4,347

Litigation

The litigation provision is related to disputes with third parties that are not related to the insurance business of Atradius. Insurance business related litigation provisions are included in the provisions for outstanding claims. The provision relates to the estimated cost including the costs of legal proceedings of any non-insurance claims against Atradius. These provisions have not been discounted to reflect present value since the effect of discounting is not material.

All amounts in thousands of Euro, unless otherwise stated

21 Subordinated debt

	2024	2023
Balance at 1 January	**249,828**	**249,600**
Additions	297,264	-
Redemption	(250,000)	-
Amortisation of expenses	325	228
Balance at 31 December	**297,417**	**249,828**

On 17 April 2024, Atradius Crédito y Caución S.A. de Seguros y Reaseguros issued subordinated debt with a nominal value of EUR 100,000 each for an aggregate amount of EUR 300 million (the 'notes') due 17 April 2034, with a call option starting 6 months prior maturity date. The notes bear interest at a fixed rate of 5.000% per annum payable annually in arrears on 17 April each year. The notes are listed on the Luxembourg Stock Exchange.

The fair value estimate of the subordinated debt issued by Atradius Crédito y Caución S.A. de Seguros y Reaseguros is EUR 318 million (2023: EUR 251 million issued by Atradius Finance B.V.). They are classified as Level 2 under the fair value hierarchy and as Tier 2 basic own funds for Solvency II.

The fair value estimate of the subordinated debt is provided by an external independent valuation company, which uses its own proprietary valuation systems to value securities supported by economic and market assumptions from financial information providers. The model calculates, accordingly to IFRS methodology, the present value of the subordinated bond's cash flows discounted using the Euro government bond yield curve as a benchmark and applying an appropriate risk spread. The risk spread applied is estimated using the credit spreads of market quoted subordinated bond issues from similar issuers and with similar rating and maturity profiles.

On 19 April 2024, Atradius Finance B.V. redeemed EUR 242 million of the EUR 250 million nominal amount with a fixed price 100.625%. The notes were purchased back and subsequently cancelled, resulting in an outstanding EUR 7.9 million nominal amount. On 23 September 2024, Atradius Finance B.V. redeemed the remaining EUR 7.9 million nominal amount.

22 Employee benefit assets and liabilities

	2024	2023
Retirement benefits	31,102	40,999
Other long-term employee benefits	5,311	8,950
Total	**36,413**	**49,949**

22.1 Retirement benefits

The employee benefit assets and liabilities relate mainly to pension assets and liabilities for defined benefit plans.

In 2024 a substantial change took place regarding the UK defined benefit pension plan. An agreement was reached to invest in a bulk annuity contract. With this contract, demographic and financial risks are transferred to an insurance company, Pension Insurance Corporation ("PIC"). Assets to the value of the buy-in policy premium (EUR 230.3 million) have been transferred to PIC, remaining within Atradius a surplus (EUR 43.9 million). The bulk annuity policy provides matching cashflows in respect of accrued pension liabilities of IAS 19 accounting value EUR 186.5 million. Due to this operation, there is an impact in Other Comprehensive Income (EUR 45.6 million).

The main defined benefit plans as of 31 December 2024 are in the United Kingdom and Germany and these represent 92.7% (2023: 96.1%) of the pension plan assets and 56.3% of the defined benefit obligation booked in the liabilities (2023: 70.1%). The main characteristics of these plans are in this note.

Other plans are related to Italy, Switzerland, Belgium, Norway, France, Mexico with a DBO between EUR 1.2 - EUR 6.6 million (2023: EUR 0.8 - EUR 6 million), and Spain with a surplus of EUR 3.2 million in 2024 (2023 EUR 3.6 million). The number of participants for these plans are between 13 and 443 (2023 between 13 and 451).

Defined benefit plans expose Atradius mainly to market investment risk, interest rate risk and inflation risk:

- a decline in asset market value (equity, real estate, alternatives etc.) will impact the balance sheet liability and the near-term cash flows for countries where there are minimum funding requirements;
- a decrease in corporate bond yields will result in an increase in plan liabilities even if this effect will be partially offset by an increase in the value of the plans' bonds that are part of the plan assets; and
- an increase in inflation rate will result in higher plan liabilities thus, an increase in future employer contributions in countries where there are minimum funding requirements.

Within Atradius there are also defined contribution plans. The contributions to these plans are recognised as expenses in the profit and loss statement. The total contributions amounted to EUR 21.4 million in 2024 (2023: EUR 19.6 million).

All amounts in thousands of Euro, unless otherwise stated

Pension assets and liabilities

The following table presents the change in the value of the net defined benefit liability:

	Defined benefit obligation		Fair value of plan assets		Asset ceiling		Net defined benefit (asset) liability	
	2024	2023	2024	2023	2024	2023	2024	2023
Balance at 1 January	**354,580**	**355,443**	**313,678**	**304,814**	**(97)**	**(60)**	**40,999**	**50,689**
Additions								
Included in the profit and loss statement:								
Current service cost	4,025	4,059	-	-	-	-	4,025	4,059
Past service cost - Plan Amendment	(871)	-	-	-	-	-	(871)	-
Past service cost - Curtailment	-	-	-	-	-	-	-	-
Interest cost / income	14,719	15,307	17,911	17,733	-	-	(3,192)	(2,426)
Administration costs	4	4	-	-	-	-	4	4
Total included in the profit and loss statement	**17,877**	**19,370**	**17,911**	**17,733**	-	-	**(34)**	**1,637**
Included in OCI:								
Remeasurement loss (gain):								
Actuarial loss (gain) arising from:								
- demographic assumptions	(560)	(4,306)	-	-	-	-	(560)	(4,306)
- financial assumptions	(17,010)	(525)	-	-	-	-	(17,010)	(525)
- experience adjustments	16,871	424	-	-	-	-	16,871	424
Return on plan assets excluding interest income (*)	-	-	(58,262)	7,035	-	-	58,262	(7,035)
Change in Irrecoverable Surplus other than Interest	-	-	-	-	(163)	(37)	163	37
Total included in OCI	**(699)**	**(4,407)**	**(58,262)**	**7,035**	**(163)**	**(37)**	**57,726**	**(11,405)**
Other:								
Contributions paid by the employer	(4,561)	(4,334)	10,797	7,796	-	-	(15,358)	(12,130)
Plan participants contributions	615	606	615	606	-	-	-	-
Benefits paid	(14,523)	(13,402)	(14,523)	(13,402)	-	-	-	-
Settlements (**)	-	(3,106)	-	(3,106)	-	-	-	-
Acquisition / Divestiture	-	380	-	-	-	-	-	380
Effect of movements in foreign exchange rates	8,278	4,030	12,660	5,405	-	-	(4,382)	(1,375)
Reclassification of surplus plan assets	-	-	47,849	(13,203)	-	-	(47,849)	13,203
Other	(7,542)	-	(7,542)	-	-	-	-	-
Total other	**(17,733)**	**(15,826)**	**49,856**	**(15,904)**	-	-	**(67,589)**	**78**
Balance at 31 December	**354,025**	**354,580**	**323,183**	**313,678**	**(260)**	**(97)**	**31,102**	**40,999**

(*) In 2024 it includes the UK buy-in impact in OCI of EUR -45.7 million.
(**) In 2023 it includes the Sweden pension plan settlement (DBO EUR 0.5 million)

Plan assets

Atradius has pension related assets which under IAS 19 do not meet the criteria to qualify as plan assets. In Germany, for one of the plans, assets of EUR 13.4 million (2023: EUR 12.1 million) are classified as cash and cash equivalents. In 2023 assets of 1.0 million were clasified as financial investments since in the event of bankruptcy, these assets were not fully secured for the members of the pension plan, in 2024 there are no assets clasified as financial investments. In the UK, EUR 26.4 million of financial investments (2023: EUR 26.8 million) is on an escrow account to support the UK pension fund. In the event of insolvency, the Trustee of the pension fund has the right to those investments, provided certain conditions are met.

Net plan pension assets is EUR 46.5 million (2023: EUR 94.5 million) and corresponds mainly to the surplus of UK pension plans, which is disclosed as net plan pension assets as part of Note 8.

In Spain and Portugal, the defined benefit plans are partially insured with Seguros Catalana Occidente S.A.. These insurance policies do not qualify as insurance policies under IAS 19, therefore the fair value is treated as reimbursement rights, which are recorded as part of other assets for an amount of EUR 6.2 million (2023: EUR 6.6 million). At the end of 2024, the defined benefit obligation related to the reimbursement rights amounts to EUR 10 million (2023: EUR 9.4 million). This same defined benefit obligation has in addition plan assets of EUR 13.1 million (2023: EUR 13.0 million).

Characteristics of the main defined benefit plans

Characteristic	United Kingdom	Germany
Entitlement	Pension entitlements are based on a percentage of final salary (closed for new employees).	Pension entitlements are based on a percentage of the average salary of the last 10 years.
Number of participants	66 active members (2023: 74 active members). 698 inactive members(*) (2023: 556 inactive members).	479 active members (2023: 479 active members). 520 inactive members (2023: 500 inactive members).
Defined benefit obligation	EUR 179.9 million (2023: EUR 167.5 million).	EUR 117.4 million (2023: EUR 117 million).
Plan assets	EUR 223.4 million (2023: EUR 258 million).	EUR 100.8 million (2023: EUR 89.7 million).
Remeasurement gain (loss) through OCI	EUR 57 million – loss (**) (2023: EUR 6.5 million - loss).	EUR 1 million - gain (2023: EUR 3.3 million - gain).
Funding arrangement	The basis of the funding agreement lies in the Trust Deed and Rules. The pension fund performs triennial actuarial valuations to determine employer contributions.	A Contractual Trust Agreement is established as a financing vehicle to cover part of the pension liabilities. There is no specific funding arrangement although the assets must exceed the initially funded amount of EUR 39.2 million.
Employee contributions	In 2024 contributions amounted to 7.1% (2023: 7.1%) of the eligible salary.	None; all contributions are made by the employer.
ALM-strategy	In 2024, the pension scheme invested in an insurance policy (buy in). Because of this, pension assets were transferred in specie to the insurer. There were surplus assets in the pension scheme that were not required to fund the buy-in, which are held in cash as an interim investment strategy.	The investment objectives and policies are developed based on an ALM-study. The investment policy limits the interest rate risk by restricting the investment in bonds to fixed rate bonds. Equity price risk is controlled by investing according to the Dow Jones Euro Stoxx 50 Index.
Regulatory Framework	The UK pension plan is subject to UK pensions legislation and guidance issued by the Pensions Regulator in the UK	The German pension plan is subject to German pensions legislation and guidance issued by the Pensions Regulator in Germany

(*) The increase in the number of inactive members in UK in 2024 is due to the transfer of the MPlan members into the UKPS Pension Plan, as part of the buy-in process. This table showed only UKPS members in 2023, as it was the main plan in UK.
(**) In 2024 it includes the UK buy-in impact in OCI of EUR -45.7 million.

All amounts in thousands of Euro, unless otherwise stated

In general, the defined benefit plans are administered by pension vehicles. Although liaised with the Group, these are separate legal entities (a Trustee in the United Kingdom and a Pension Trust eV in Germany). The boards of these entities comprise both employer and employee representatives. The boards are responsible for setting their own policies (e.g. investment and governance) within the applicable legal framework. These defined benefit plans may expose the Group to actuarial risks (such as longevity risk) and financial risks like interest rate risks and investment risk.

Fair value of plan assets

The fair value of plan assets at the end of the reporting period is analysed in the following table:

Plan assets 2024	Cash and cash equivalents	Equity instruments	Debt instruments	Investment funds	Insurance contracts	Real estate	Total 2024
Belgium	-	-	-	-	24,732	-	**24,732**
Germany	(272)	25,668	75,407	-	-	-	**100,803**
Mexico	-	26	311	-	-	-	**337**
Norway	-	-	-	-	2,724	-	**2,724**
Spain	-	-	-	-	9,969	-	**9,969**
Switzerland	-	-	-	-	4,722	-	**4,722**
United Kingdom	35,784	-	-	-	144,111	-	**179,895**
Total	**35,512**	**25,694**	**75,718**	-	**186,258**	-	**323,182**

Plan assets 2023	Cash and cash equivalents	Equity instruments	Debt instruments	Investment funds	Insurance contracts	Real estate	Total 2023
Belgium	-	-	-	-	25,139	-	**25,139**
Germany	7,339	28,816	53,529	-	-	-	**89,684**
Mexico	-	27	293	-	-	-	**320**
Norway	-	-	-	-	2,686	-	**2,686**
Spain	-	-	-	-	9,362	-	**9,362**
Switzerland	-	-	-	-	4,458	-	**4,458**
United Kingdom	5,176	-	166,849	10,004	-	-	**182,029**
Total	**12,515**	**28,843**	**220,671**	**10,004**	**41,645**	-	**313,678**

All equity and debt securities have quoted prices in active markets. The plan assets do not include any of Atradius' own financial instruments, nor any property occupied or other assets used by Atradius.

The return on plan assets is determined by multiplying the fair value of the plan assets by the discount rate as determined at the start of the annual reporting period, taking account of any changes in the plan assets held during the period as a result of contributions and benefit payments. The actual return on plan assets (including reimbursement rights) was EUR 40.3 million – losses (2023: EUR 24.75 million – gains).

Actuarial assumptions

The principal assumptions used for the purpose of the actuarial valuations are reviewed country by country by an independent external consultant and approved by the management. In the following table the ones related the two main defined benefit plans are presented:

Principal actuarial assumptions	United Kingdom		Germany	
	2024	2023	2024	2023
Discount rate	5.50%	4.75%	3.50%	3.25%
Price inflation rate	3.50%	3.25%	2.00%	2.25%
Expected increase of future salaries	3.25%	3.00%	2.55%	2.80%
Expected increase of future benefit levels	3.20%	2.89%	1.75%	2.00%
Mortality table	CMI 2023 (1% LTR)	CMI 2022 (1% LTR)	Heubeck Richttafeln 2018 G	Heubeck Richttafeln 2018 G
Duration in years	13	14	12	13

An approximation of the sensitivity of the relevant actuarial assumptions, holding other assumptions constant, would impact the total defined benefit obligation of the main pension plans by the amounts shown below:

Defined benefit obligation	2024		2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(34,166)	41,802	(36,436)	43,480
Price inflation rate (1% movement)	31,930	(28,910)	33,411	(28,423)
Future salary growth (1% movement)	4,022	(3,648)	6,971	(6,305)
Future pension growth (1% movement)	31,828	(27,196)	31,781	(26,943)
Future mortality (+1 year)	10,608	n/a	9,502	n/a

22.2 Defined benefit costs

A total defined benefit cost of EUR 2.4 million (2023: EUR 4.8 million) is recognised in the profit and loss statement under net operating expenses (see Note 27). EUR 2.1 million (2023: EUR 4.5 million) relates to pension plans and gain of EUR 0.3 million (2023: EUR 0.3 million gain) to other long-term employee benefits.

23 Financial income and expenses from insurance contracts

	Insurance contracts		Reinsurance		Total	
	2024	2023	2024	2023	2024	2023
Interest Accreted	(7,726)	(7,774)	1,018	1,415	**(6,708)**	**(6,359)**
Effect of changes in interest rates and other financial assumptions	(496)	(809)	-	-	**(496)**	**(809)**
Effect of changes in FCF at current rates when CSM is unlocked at lockedin rates	(43,825)	(31,532)	13,039	7,231	**(30,786)**	**(24,301)**
Foreign exchange differences	(3,713)	(5,237)	(1,316)	1,808	**(5,029)**	**(3,429)**
Total financial income / (expenses) of insurance contracts issued recognized in P&L	**(55,760)**	**(45,352)**	**12,741**	**10,454**	**(43,019)**	**(34,898)**
Total financial income / (expenses) of insurance contracts issued recognized in OCI	**(8,732)**	**47,800**	**10,734**	**(2,294)**	**2,002**	**45,506**
Total financial income / (expenses) of insurance arising from insurance contracts issued	**(64,492)**	**2,448**	**23,475**	**8,160**	**(41,017)**	**10,608**

All amounts in thousands of Euro, unless otherwise stated

24 Other income

	2024	2023
Other income from ancillary insurance activities	264,751	244,074

The other income from ancilliary insurance activities, is composed by the information income and credit information services.

The main characteristics of service contracts and income are:

- The contracts of credit information, collections and business information services mostly have a duration of one year. The contract period of credit information contracts is linked to the insurance policies, which can be up to two years. But the credit limits are renewed on an annual basis, which requires additional credit information that is separately invoiced to the customer. The cooperation agreement of Atradius Dutch State Business with the Dutch state has an undetermined period.
- The agreed performance obligations and transaction prices, included in the contracts, are clear and contain no judgements that significantly affect the determination of the amount and timing of revenue.
- The contracts contain no financing elements, warranties or obligations for returns or refunds.
- In the cases that service income relates to variable consideration, the conditions are explicitly stated in the contract.
- All costs for obtaining and fulfilling contracts are recognised as expenses. Atradius does not incur costs that meet the criteria to create assets for obtaining or fulfilling specific contracts
- Applying the practical expedient in paragraph 121 of IFRS 15 Atradius does not separately disclose the remaining performance obligations for service contracts at year end, since the contracts either have a duration of one year or Atradius is allowed to recognise revenue in an amount to which it has a right to invoice.

25 Net investment income

The following table presents the net investment income by type of investment:

	2024				2023			
	FVTPL	**FVOCI**	**Other**	**Total**	**FVTPL**	**FVOCI**	**Other**	**Total**
Income								
Debt securities	191	51,406	-	**51,597**	26	30,649	-	**30,675**
Investment Funds	9,120	-	-	**9,120**	41,324	-	-	**41,324**
Equity securities	-	16,575	-	**16,575**		11,833	-	**11,833**
Short term investments	-	-	12,492	**12,492**	-	-	4,462	**4,462**
Other investments	-	-	168	**168**	-	-	164	**164**
Total income from financial investments	**9,311**	**67,981**	**12,660**	**89,952**	**41,350**	**42,482**	**4,626**	**88,458**
Investment property	-	-	11,079	**11,079**	-	-	1,158	**1,158**
Total investment income	**9,311**	**67,981**	**23,739**	**101,031**	**41,350**	**42,482**	**5,784**	**89,616**
Expenses								
Debt securities	-	(7,813)	-	**(7,813)**	-	(10,353)	-	**(10,353)**
Investment Funds	(3,158)	-	-	**(3,158)**	(21,190)	-	-	**(21,190)**
Equity securities	-	(840)	-	**(840)**	-	(787)	-	**(787)**
Other investments	-	-	(201)	**(201)**	-	-	(208)	**(208)**
Total expenses from financial investments	**(3,158)**	**(8,653)**	**(201)**	**(12,012)**	**(21,190)**	**(11,140)**	**(208)**	**(32,538)**
Investment property	-	-	(2,170)	**(2,170)**	-	-	(705)	**(705)**
Total investment expenses	**(3,158)**	**(8,653)**	**(2,371)**	**(14,182)**	**(21,190)**	**(11,140)**	**(913)**	**(33,243)**
Net income from investments	**6,153**	**59,328**	**21,368**	**86,849**	**20,160**	**31,342**	**4,871**	**56,373**
Share of income/ (losses) of associated companies	-	-	-	**13,757**	-	-	-	**11,266**
Net income from investments including associated companies	**6,153**	**59,328**	**21,368**	**100,606**	**20,160**	**31,342**	**4,871**	**67,639**

All amounts in thousands of Euro, unless otherwise stated

The following table presents the net investment income by nature of income/(expense):

	2024				2023			
	FVTPL	FVOCI	Other	Total	FVTPL	FVOCI	Other	Total
Income								
Interest	93	51,288	12,660	**64,041**	(4)	30,572	4,627	**35,195**
Dividends	4,061	16,575	-	**20,636**	2,280	11,833	-	**14,113**
Realised gains	3,112	118	-	**3,230**	36,714	77	-	**36,791**
Realised gains investment property	-	-	10,370	**10,370**	-	-		-
Unrealised gains	2,045	-		**2,045**	2,360	-		**2,360**
Rental income from investment property	-	-	709	**709**	-	-	1,157	**1,157**
Total	**9,311**	**67,981**	**23,739**	**101,031**	**41,350**	**42,482**	**5,784**	**89,616**
Expenses								
Handling expenses	(83)	(5,913)	-	**(5,996)**	(65)	(5,366)	-	**(5,431)**
Realised losses	(30)	(2,622)		**(2,652)**	(206)	(10,340)	-	**(10,546)**
Realised losses investment property	-	-	(149)	**(149)**	-	-	-	-
Unrealised losses	(3,045)	-	-	**(3,045)**	(20,919)	-	-	**(20,919)**
Expected Credit Loss	-	(118)	-	**(118)**	-	4,566	23	**4,589**
Depreciation of investment property	-	-	(230)	**(230)**	-	-	(400)	**(400)**
Other	-	-	(1,992)	**(1,992)**	-	-	(536)	**(536)**
Total	**(3,158)**	**(8,653)**	**(2,371)**	**(14,182)**	**(21,190)**	**(11,140)**	**(913)**	**(33,243)**
Net income from investments	**6,153**	**59,328**	**21,368**	**86,849**	**20,160**	**31,342**	**4,871**	**56,373**
Share of income of associated companies	-	-	13,757	**13,757**	-	-	11,266	**11,266**
Total	-	-	13,757	**13,757**	-	-	11,266	**11,266**
Net income from investments including associated companies	**6,153**	**59,328**	**35,125**	**100,606**	**20,160**	**31,342**	**16,137**	**67,639**

	Impairments	Realised gains/(losses)	Unrealised gains/(losses)	Impairments	Realised gains/(losses)	Unrealised gains/(losses)
Investment property	-	10,221	-	23	-	-
Financial assets FVTPL	-	3,082	(1,000)	-	36,507	(18,559)
Financial assets FVOCI	(118)	(2,504)	-	4,566	(10,263)	-
Total	**(118)**	**10,799**	**(1,000)**	**4,589**	**26,244**	**(18,559)**

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26 Finance income and expenses

	2024	2023
Impairment of goodwill	-	-
Interest and fees on the subordinated debt	17,110	13,364
Net interest on the net defined benefit liability	(3,176)	(2,489)
Other finance income and expenses	(22,568)	(18,194)
Foreign exchange (income)/expense	(3,761)	3,455
Interest expense on Right of use	2,845	2,541
Total	**(9,550)**	**(1,323)**

The subordinated debt costs include the periodic interest expenses of EUR 14.7 million (2023: EUR 13.1 million) and the accretion of interest on the debt in the amount of EUR 2.4 million (2023: EUR 0.2 million).

27 Net operating expenses

	2024	2023
Claims and benefits	903,895	935,317
Acquisition expenses	529,669	522,486
Losses on onerous contracts	304,646	165,489
Employee benefits	395,516	378,007
Depreciation and amortisation	38,203	31,914
Impairment loss on intangible assets and goodwill	13,991	27,471
Leases	519	619
Advertising	14,365	15,510
Professional and consultancy	115,158	125,533
Other	104,020	111,627
	2,419,982	**2,313,973**
Amounts attributed to reinsurance cash flows	(483,119)	(490,251)
Total expenses	**1,936,863**	**1,823,722**

Represented by	2024	2023
Insurance service expenses	1,738,209	1,623,291
Other operating expenses	198,654	200,431
Total expenses	**1,936,863**	**1,823,722**

Employee benefit expenses	2024	2023
Salaries and wages (including social security costs)	371,648	353,575
Restructuring costs and termination benefits	49	14
Pension costs - defined contribution plans	21,410	19,589
Pension costs - defined benefit plans	2,409	4,829
Total employee benefit expenses	**395,516**	**378,007**

For an explanation of the employee benefit details see Note 22.

07.

Company Financial Statements

Company financial statements 2024

Contents

All amounts in thousands of Euro, unless otherwise stated

Company statement of financial position

Company statement of financial position as at December 31, 2024 (before profit appropriation)

Assets	Note	31/12/2024	31/12/2023
Fixed assets		**2,903,345**	**2,782,098**
Property, plant and equipment		95	5
Investments in group companies	3	2,903,250	2,782,093
Current assets		**22,618**	**59,887**
Receivables from group companies		8,259	20,435
Current income tax assets		7,879	6,798
Cash and cash equivalents	4	6,480	32,654
Total		**2,925,963**	**2,841,985**
Equity			
Capital and reserves attributable to the owners of the Company	5		
Share capital		79,122	79,122
Share premium reserve		862,883	862,883
Legal reserve		**143,047**	**101,446**
- Reserve intangibles assets		53,937	52,977
- Revaluation reserve		82,843	20,138
- Pension reserve		(65,367)	(20,922)
- Insurance finance expenses reserve		47,942	62,350
- Currency translation reserve		23,692	(13,097)
Retained earnings		1,466,193	1,362,151
Result for the year (unappropriated)		369,009	379,081
Total		**2,920,257**	**2,784,685**
Liabilities			
Current liabilities		**5,706**	**57,300**
Payables to group companies		3,453	53,470
Other liabilities	6	2,253	3,830
Total		**5,706**	**57,300**
Total equity and liabilities		**2,925,963**	**2,841,985**

Company profit and loss statement for the year ended December 31, 2024

	2024	2023
Income after tax from group companies	373,559	385,463
Other results after tax	(4,550)	(6,382)
Result for the year	**369,009**	**379,081**

All amounts in thousands of Euro, unless otherwise stated

Company statement of changes in equity for the year ended December 31, 2024

			Legal reserves							
	Share capital	Share premium reserve	Reserve intangibles assets	Revaluation reserve	Pension reserve	Insurance finance expenses reserve	Currency translation reserve	Retained earnings	Result for the year	Total
Balance at 1 January 2023	**79,122**	**862,883**	**66,095**	**(58,770)**	**(28,999)**	**16,845**	**15,826**	**1,213,130**	**329,100**	**2,495,232**
Change in reserves	-	-	-	78,909	8,077	45,505	(28,923)	(37)	-	**103,531**
Change in currency translation reserve	-	-						-	-	-
Net income recognised directly in equity	-	-	-	**78,909**	**8,077**	**45,505**	**(28,923)**	**(37)**	-	**103,531**
Acquisitions	-	-	-	- -	-	- -	-	-	-	-
Appropriation of prior year result	-	-	-	-	-	-	-	329,100	(329,100)	-
Result for the year	-	-	-	-	-	-	-		379,081	**379,081**
Change in reserves	-	-	(13,118)	-	-	-	-	13,118	-	-
Dividends	-	-	-	-	-	-	-	(193,160)	-	**(193,160)**
Balance at 31 December 2023	**79,122**	**862,883**	**52,977**	**20,138**	**(20,922)**	**62,350**	**(13,097)**	**1,362,151**	**379,081**	**2,784,685**

			Legal reserves							
	Share capital	Share premium reserve	Reserve intangibles assets	Revaluation reserve	Pension reserve	Insurance finance expenses reserve	Currency translation reserve	Retained earnings	Result for the year	Total
Balance at 1 January 2024	**79,122**	**862,883**	**52,977**	**20,138**	**(20,922)**	**62,350**	**(13,097)**	**1,362,151**	**379,081**	**2,784,685**
Change in reserves	-	-	-	62,705	(44,445)	(14,408)	36,789	2,057	-	**42,698**
Change in currency translation reserve	-	-	-	-	-	-	-	-	-	-
Net income recognised directly in equity	-	-	-	**62,705**	**(44,445)**	**(14,408)**	**36,789**	**2,057**	-	**42,698**
Acquisitions	-	-	-	-	-	-	-		-	-
Appropriation of prior year result	-	-	-	-	-	-	-	379,081	(379,081)	-
Result for the year	-	-	-	-	-	-	-	-	369,009	**369,009**
Change in reserves	-	-	960	-	-	-	-	(960)	-	-
Dividends	-	-	-	-	-	-	-	(276,136)	-	**(276,136)**
Balance at 31 December 2024	**79,122**	**862,883**	**53,937**	**82,843**	**(65,367)**	**47,942**	**23,692**	**1,466,193**	**369,009**	**2,920,256**

Notes to the Company financial statements

1 General information

Atradius N.V. (referred to as the "Company" or "Atradius") is based in Amsterdam (The Netherlands) and registered at the Dutch Chamber of Commerce under number 34196963.

The Company financial statements are part of the 2024 consolidated financial statements, which are also included in the annual report. The Company profit and loss statement is presented in abbreviated form in accordance with Article 402 of Book 2 of the Dutch Civil Code.

Atradius has applied the provisions of Article 379, Subsection 5 of Book 2 of the Dutch Civil Code. The list referred to in this article has been included in the appendix.

Atradius has issued a statement of liability in accordance with Article 403, Book 2 of the Dutch Civil Code for the following Atradius companies: Atradius Collections B.V., Atradius Collections Holding B.V., Atradius Credit Management Services B.V, Atradius Dutch State Business N.V, Atradius Insurance Holding N.V. and Atradius Information Services B.V.

The Company financial statements have been authorised for issue by the Management Board on 4 March 2025.

2 Summary of significant accounting policies

2.1 Basis of presentation

The Company annual financial statements have been prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. In the preparation of the Company annual financial statements, the provisions of Article 362, Subsection 8 of Book 2 of the Dutch Civil Code have been applied. The Company financial statements are prepared based on going concern.

Group companies are accounted for using the equity method. Equity of group and associated companies is based on IFRS accounting principles of Atradius N.V.

The Company has the power to govern the group companies. The equity method involves recognition of the group company's profit or loss in the profit and loss statement for the Company's share in the result. The Company's interest in the group companies is carried in the balance sheet at an amount that reflects its share in the net asset value of the related subsidiary.

All amounts in the notes are shown in thousands of Euro (EUR), rounded to the nearest thousand, unless otherwise stated.

2.2 New and revised standards

The Company has not performed any changes in its accounting principles in 2024.

All amounts in thousands of Euro, unless otherwise stated

2.3 Investments in group companies

Atradius companies are valued using the equity method in accordance with the accounting principles applied in the consolidated financial statements.

2.4 Legal reserve

The legal reserve has to be created under Dutch legislation for the reserves established by subsidiaries that cannot be distributed and relates to:
- Reserve intangible assets;
- Revaluation reserve;
- Pension reserve;
- Currency translation reserve

3 Investments in group companies

The following table shows the changes in investments in group companies valued using the equity method:

	2024	2023
Balance at 1 January	**2,782,093**	**2,517,936**
Investments in group companies	(2,752)	475
Share of profit/(loss)	373,559	385,463
Dividends received	(292,352)	(225,312)
Change in revaluation reserve, net realised gains and losses on shares and pension reserve	4,421	86,949
Change in insurance finance expenses reserve	1,492	45,505
Foreign exchange reserve movements	36,789	(28,923)
Balance at 31 December	**2,903,250**	**2,782,093**

There has been no impairments nor reversal of impairments during 2024 (2023: 0 million).

4 Cash and cash equivalents

	2024	2023
Cash at bank and on hand	6,480	32,654
Cash and cash equivalents	**6,480**	**32,654**

Cash and cash equivalent disclosed is freely available.

5 Capital and reserves

5.1 Share capital

The authorised share capital of Atradius N.V. amounts to EUR 250,000,000 and is divided into 250,000,000 ordinary shares with a nominal value of EUR 1 each (equal to 2023) of which 79,122,142 ordinary shares were issued and fully paid (equal to 2023). The fully paid ordinary shares carry one vote per share and carry the right to dividends.

5.2 Share premium reserve

	2024	2023
Balance at 1 January	**862,883**	**862,883**
Balance at 31 December	**862,883**	**862,883**

5.3 Legal reserve

The total amount of equity in the Company financial statements equals shareholders' equity in the consolidated financial statements. Certain components within equity are different in the Company financial statements due to legal reserves, established by subsidiaries of the Company, which in accordance with Book 2, Part 9 of the Dutch Civil Code, Article 389, Subsection 6, cannot be distributed. In particular:

- costs for research and development to the extent they are capitalised
- changes in revaluation of group companies, which consists of unrealised revaluations within consolidated group companies presented in the revaluation reserve in the consolidated financial statements, actuarial gains and losses, and OCI on insurance finance expenses.
- effect of asset ceilings within consolidated group companies presented in the pension reserve in the consolidated financial statements and
- foreign currency translations on consolidated group companies, presented in the currency translation reserve in the consolidated financial statements

The legal reserves cannot be freely distributed. In case of negative balances for individual reserves legally to be retained, no distributions can be made out of retained earnings to the level of these negative amounts.

In addition to the legal and regulatory restrictions on distributing dividends from subsidiaries to the Company, there are various other considerations and limitations that are taken into account in determining the appropriate levels of equity in the Group's subsidiaries. These considerations and limitations include, but are not restricted to, local regulatory regulations and rating agency requirements, that can change over time. It is not possible to disclose a reliable quantification of these limitations.

5.4 Retained earnings

	2024	2023
Balance at 1 January	**1,362,151**	**1,213,130**
Appropriation of prior year result	379,081	329,100
Transfer between legal reserve and retained earnings	(960)	13,118
Dividends	(276,136)	(193,160)
Other comprehensive income	2,057	(37)
Balance at 31 December	**1,466,193**	**1,362,151**

All amounts in thousands of Euro, unless otherwise stated

6 Other liabilities

	2024	2023
Other taxes	147	148
Long-term employee benefits	1,010	1,090
Other liabilities	1,096	2,592
Total	**2,253**	**3,830**

7 Contingencies

The Company has contingent liabilities in respect of guarantees arising in the ordinary course of business. It was not anticipated that any material liabilities will arise from the contingent liabilities. The Company gave guarantees to third parties in the ordinary course of business amounting to EUR 0.6 million (2023: EUR 0.6 million).

Atradius N.V. is head of the Dutch fiscal unity for corporate income tax, consisting of Atradius N.V., Atradius Insurance Holding N.V., Atradius Crédito y Caución S.A. de Seguros y Reaseguros, Dutch branch, Atradius Information Services B.V., Atradius Collections Holding B.V., Atradius Collections B.V., Atradius Credit Management Services B.V., and Atradius Dutch State Business N.V. All companies included in the fiscal unity are jointly and severally liable for the corporate income tax payable in the Netherlands by the fiscal unity.

The Company is subject to litigation in the normal course of business. The Company believes that such litigation will not have a material effect on its profit or loss and financial condition.

8 Personnel

The number of employees working for the Company:

	2024	2023
Total average number of employees (headcount)	5	5
Total year end number of employees (headcount)	5	5

9 Remuneration of Management Board and Supervisory Board

For information on remuneration of the members of the Management Board and the Supervisory Board: see Note 34 of the consolidated financial statements.

10 Proposed profit appropriation

The Management Board proposes to the General Meeting to allocate the result for the year to the retained earnings.

Statutory appropriation of result

In accordance with article 24 of the Articles of Association the result for the year is at the disposal of the General Meeting.

08.

Other information

Annual Report Atradius N.V.

4 March 2025

The Supervisory Board

Xavier Freixes, Chair
Hugo Serra
Désirée van Gorp
John Hourican
Carlos Halpern
José María Sunyer
Juan Ignacio Guerrero
Joaquín Guallar
Isabel Gómez

The Management Board

David Capdevila, Chair
Andreas Tesch
Christian van Lint
Claus Gramlich-Eicher
Marc Henstridge

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Independent auditor's report

To: the general meeting and the supervisory board of Atradius N.V.

Report on the audit of the financial statements 2024

Our opinion

In our opinion:

- the consolidated financial statements of Atradius N.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2024 and of its result and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union ('EU') and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements of Atradius N.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2024 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2024 of Atradius N.V., Amsterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the following statements for 2024: the consolidated profit and loss statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

The company financial statements comprise:

- the company statement of financial position as at 31 December 2024;
- the company profit and loss statement for the year then ended; and
- the notes to the company financial statements, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Atradius N.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Information in support of our opinion

We designed our audit procedures with respect to fraud and going concern and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide separate opinions or conclusions on these matters.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of Atradius N.V. and its environment and the components of the internal control system. This included the management board's risk assessment process, the management board's process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct, whistleblower procedures, incident registration and investigation protocols, among other things. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We asked members of the management board as well as the internal audit department, legal affairs, and regional directors and the supervisory board whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

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As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	Our audit work and observations
The risk of management override of control The management board members are in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in: • the appropriateness of journal entries and other adjustments made in the preparation of the financial statements; • management estimates; • significant transactions, if any, outside the normal course of business for the Company. We paid particular attention to tendencies due to possible interests of the management board.	We evaluated the design and implementation of the internal control system for the processes of generating and processing journal entries, making estimates, and monitoring projects. We also paid specific attention to the access safeguards in the IT system and the possibility that these led to violations of segregation of duties. We performed our audit procedures in a mix of controls and substantive procedures. We have addressed the risk of management override of controls by: • Journal entries and other adjustments: we have selected journal entries based on risk criteria and performed specific audit procedures on these. These procedures include, among others, inspection of the entries to source documentation. We have assessed all other adjustments made in the preparation of the financial statements and noted no irregularities. • Management estimates: we have evaluated management estimates. We also specifically paid attention to the inherent risk of (unintentional or intentional) bias of management with respect to assumptions made. We assessed the sensitivity calculation for the estimates performed by management and established that it fell within a reasonable range of outcomes. • Significant transactions outside the normal course of business: we did not identify any significant transactions outside the normal course of business. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.
Risk of fraud in revenue recognition As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we evaluated each type of revenue. Under IFRS 17, the insurance revenue in each reporting period reflects the consideration to which the Company expects to be entitled in exchange for the services provided in that period. The consideration contains a release of expected cash flows from the insurance contract assets and liabilities for elements like expected claims, contractual service margin and risk adjustment for non-financial risks. Consequently, insurance revenue is based on management's estimation of the valuation of certain assets and liabilities arising from insurance contracts using new or existing models and significant assumptions which may be influenced by management bias.	We evaluated the design and implementation of the internal control measures and assessed the effectiveness of relevant controls in the process related to revenue reporting. Furthermore, we performed the following specific procedures, where applicable on a sample basis: • We performed specific work on the recognition of contracts, the assumptions used and subsequently the contractual service margin (CSM) balance sheet recognition. • We assessed the distribution pattern of CSM release into the insurance revenue. • We performed testing on contractual input data related to the insurance liabilities. • We challenged management's assumptions on both the Best Estimate Reserve and the Risk adjustment as well as the results driven by experience adjustments. • As part of our procedures, we evaluated the reasonableness of onerousness of insurance contracts. We performed our audit procedures in a mix of control and substantive procedures. We involved specialists in the field of actuarial valuations during the audit of the CSM. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to fraud in revenue recognition.

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Identified fraud risks	Our audit work and observations
We determined the risks of fraud in revenue recognition of insurance revenue to be predominantly present as it relates to the completeness, accuracy and cut-off assertions for the balance sheet recognition of the contractual service margin (CSM). In particular, the judgements associated with determining the parameters considered to measure whether insurance contracts have become onerous, as well as the release pattem of the CSM, are important in this regard.	
Risk of Free Format Payments We have identified opportunities in the payment process for so-called free format payments. These payments have a manual character and would allow for misappropriation of assets, since the bank account number can be freely changed for the accounts at risk. We made an initial assessment as to how bank account numbers could be changed in a way that this would not be noted by the reviewer of the payment and where it could lead to a potential material misstatement in the financial statements. Not all bank applications allow for these type of payments and have therefore been excluded from the risk population. Our assessment has lead to the following three risk factors: 1. Misappropriation of assets by changing the bank account number during the payment of premium restitution credit invoices through free format payments. 2. Misappropriation of assets by changing the bank account number during the payment of unknown beneficiary invoices through free format payments. 3. Misappropriation of assets by changing the bank account number in the vendor database .	To mitigate the three defined risk factors we have performed the following audit procedures: • Inquiries with those charged with governance, key executives and employees relative to fraud and compliance with laws and regulations. As well as several employees working within the purchasing and payable cycle at the country level. • Discussed instances of fraud and non-compliance with management. • Evaluated the design and implementation of controls in response to fraud risk, especially those related with the purchasing and payables process. • Reconciled all bank accounts to the treasury system. • Evaluated the level of possible free format payment transaction per country against materiality. • Requested and evaluated complaint filings per country. • Tested a sample of changes in vendor data to independent source data. We did not find any material payments for risk factor one and two at the country level. For the third risk factor we did not identify unauthorized changes to vendor data in our tested sample. As a result of our audit procedures performed, we conclude that there is no remaining material risk of fraud due to the risk of free format payments.

We incorporated an element of unpredictability in our audit. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations.

Audit approach going concern

The management board prepared the financial statements on the assumption that the entity is a going concern and that it will continue all its operations for at least 12 months from the date of preparation of the financial statements.

Our procedures to evaluate the management board's going-concern assessment included, amongst others:

- considering whether the management board identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going-concern risks);
- considering whether the management board's going-concern assessment included all relevant information of which we were aware as a result of our audit and inquiring with the management board regarding the management board's most important assumptions underlying its going-concern assessment.;
- evaluating the management board's current budget including cash flows for at least 12 months from the date of preparation of the financial statements taken into account current developments in the industry such as the macroeconomic outlook affecting global changes of insolvency and all relevant information of which we were aware as a result of our audit;
- analysing whether the current and the required financing has been secured to enable the continuation of the entirety of the entity's operations, including compliance with relevant covenants;
- performing inquiries of the management board as to its knowledge of going-concern risks beyond the period of the management board's assessment.

Based on our procedures performed, we concluded that the management board's use of the going-concern basis of accounting is appropriate, and based on the audit evidence obtained, that no material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The management board is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

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Responsibilities for the financial statements and the audit

Responsibilities of the management board and the supervisory board for the financial statements

The management board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the management board should prepare the financial statements using the going-concern basis of accounting unless the management board either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The management board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 7 March 2025
PricewaterhouseCoopers Accountants N.V.

Original has been signed by G.J. Heuvelink RA

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Appendix to our auditor's report on the financial statements 2024 of Atradius N.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board.
- Concluding on the appropriateness of the management board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Disclaimer

The information in the chapter "The global economic environment" is for general guidance on matters of interest only. While we have made every attempt to ensure that the information contained in this report reflects careful analysis and investigations on our side before publication of this Annal Report, we are neither responsible for any errors or omissions nor for the results obtained from the use of this information.

The information in this Annual Report does not contain nor imply a warranty as to the completeness, accuracy, timeliness or otherwise. Atradius, its related companies, or the directors, agents or employees thereof, will in no event be liable to you or anyone regarding any decision made or action taken from reliance on the information in this Annual Report or for any consequential, special or similar damages.

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Managing risk, enabling trade

Your contact:
Dirk Hagener—Director Group Marketing and Communication
Email: dirk.hagener@atradius.com
Phone: +31 20 553 2626