

INCREASE IN SOCIAL SECURITY CONTRIBUTIONS

In January 2024, all companies have been able to observe an increase in their Social Security contributions through the rise in the additional contribution of the Intergenerational Equity Mechanism (MEI), as a result of Royal Decree-Law 2/2023 of March 16, of urgent measures for the expansion of pensioners' rights, the reduction of the gender gap, and the establishment of a new framework for the sustainability of the public pension system.

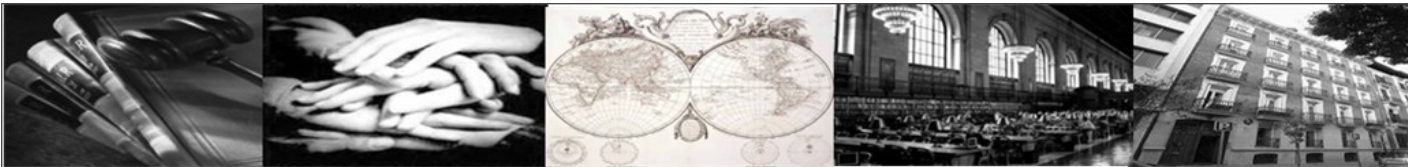
It has resulted in an increase in contributions for common contingencies, shared between the company and the employee with the same distribution as in social contributions, whose validity and percentage progression will be applied until 2050 as follows:

- In year 2024, we have observed an increase in the MEI of 0.70%, with the company responsible for 0.58% of each payroll, while the employee assumes 0.12%.
- In the year 2025, there will be an increase of 0.80%, of which the company assumes 0.67%, and the employee 0.13%.
- In the year 2026, there will be an increase of 0.90%, of which the company assumes 0.75%, and the employee 0.15%.
- In the year 2027, there will be an increase of 1%, of which the company assumes 0.83%, and the employee 0.17%.
- In the year 2028, there will be an increase of 1.10%, of which the company assumes 0.92%, and the employee 0.18%.
- In the year 2029, there will be an increase of 1.2%, of which the company assumes 1%, and the employee 0.2%.
- From the years 2030 to 2050, the rate will remain at 1.2%, of which both the company and the employee will assume 0.6%.

Additionally, on January 1, 2025, the so-called “solidarity contribution” will enter into effect, which will levy for the first time the salary bracket that exceeds the maximum contribution base.

This contribution seeks to generate additional income that will be allocated to the payment of pensions and will affect employees with salaries exceeding the maximum contribution base set for each year by the General State Budget Law. The contribution will be distributed between the company and the employee in the same proportion as the distribution of the contribution rate for common contingencies.

The objective of these measures, both the increase in the additional contribution of the Intergenerational Equity Mechanism and the solidarity contribution, is to strengthen the revenues of Social Security.



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