



Auditor's Report on the Instituto de Empresa Foundation

(Together with the annual accounts of the
Instituto de Empresa Foundation for the year
ended 31 December 2023)

*(Translation from the original in Spanish. In the event
of discrepancy, the Spanish-language version prevails.)*



KPMG Auditores, S.L.
Paseo de la Castellana, 259 C
28046 Madrid

Independent Auditor's Report on the Annual Accounts

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the President, Vice President and Ex Officio Trustee of the Instituto de Empresa Foundation

Opinion

We have audited the annual accounts of the Instituto de Empresa Foundation (the "Foundation"), which comprise the balance sheet at 31 December 2023, the income statement for the year then ended, and notes.

In our opinion, the accompanying annual accounts give a true and fair view, in all material respects, of the equity and financial position of the Foundation at 31 December 2023, and of its financial performance for the year then ended in accordance with the applicable financial reporting framework (specified in note 2 to the accompanying annual accounts) and, in particular, with the accounting principles and criteria set forth therein.

Basis for Opinion

We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Accounts* section of our report.

We are independent of the Foundation in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Most Relevant Aspects of the Audit

The most relevant aspects of the audit are those that, in our professional judgement, have been considered as the most significant risks of material misstatement in the audit of the annual accounts of the current period. These risks were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.

Expenses for monetary grants (see notes 1, 4 (f) and 17 (b))

In accordance with note 1 to the accompanying annual accounts, the Instituto de Empresa Foundation's aim is the performance of activities primarily in the area of scholarship and chair management, culture and research. To fulfil this aim, the Foundation awards scholarships to those students who request them in order to study at Instituto de Empresa or at IE University and who meet a number of requirements. Furthermore, it collaborates with different types of organisations to which it awards monetary grants, generally on the basis of collaboration agreements which stipulate, inter alia, the essential conditions for the collaboration, the rights and obligations assumed by the parties and their involvement in executing the final project financed. The Foundation recognises grants or sponsorships awarded as an expense for the year at the date of approval, provided that the amount thereof has been established in the corresponding agreements. Due to the aforementioned circumstances and the significance of the amount, recognition of the expense for monetary grants is an area susceptible to material misstatement and it has therefore been considered a relevant aspect of the audit.

Our audit procedures included understanding the process for awarding and monitoring the monetary grants extended. Furthermore, for a sample of scholarships awarded and agreements, we performed tests of detail on their economic substance and their essential conditions in order to determine, inter alia, the correct timing for recognising the corresponding expense.

We also assessed whether the disclosures included in the annual accounts meet the requirements of the financial reporting framework applicable to the Foundation.

President's, Vice President's and Ex Officio Trustee's Responsibility for the Annual Accounts

The President, Vice President and Ex Officio Trustee of the Foundation are responsible for the preparation of the accompanying annual accounts in such a way that they give a true and fair view of the equity, financial position and financial performance of the Foundation in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error. In preparing the annual accounts, the President, Vice President and Ex Officio Trustee are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the President, Vice President and Ex Officio Trustee either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.



(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Auditor's Responsibilities for the Audit of the Annual Accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts 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 level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 these annual accounts.

As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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 override of internal control.
- Obtain 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Foundation's President, Vice President and Ex Officio Trustee.
- Conclude on the appropriateness of the use by the Foundation's President, Vice President and Ex Officio Trustee of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation'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 annual accounts 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. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.



(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

We communicate with the President, Vice President and Ex Officio Trustee of the Foundation 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.

From the significant risks communicated to the President, Vice President and Ex Officio Trustee of the Instituto de Empresa Foundation, we determine those that were of most significance in the audit of the annual accounts of the current period and which are therefore the most significant risks.

We describe these risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

KPMG Auditores, S.L.

On the Spanish Official Register of Auditors ("ROAC") with No. S0702

(Signed on original in Spanish)

Gustavo Rodríguez Pereira

On the Spanish Official Register of Auditors ("ROAC") with No. 17564

20 June 2024

**Instituto de
Empresa
Foundation**

Annual Accounts

31 December 2023

(With Independent Auditor's Report Thereon)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Instituto de Empresa Foundation

Balance Sheet
at 31 December 2023
(Expressed in Euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

ASSETS	NOTE	2023	2022
A) NON-CURRENT ASSETS		14,205,059	10,309,738
I. Intangible assets	5	18,619	28,281
Computer software		18,619	28,281
III. Property, plant and equipment	6	23,462	21,721
Technical installations and other items		23,462	21,721
VI. Non-current investments	7	14,162,978	10,259,736
Debt securities		462,042	580,770
Other financial assets		13,700,936	9,678,966
B) CURRENT ASSETS		4,812,641	6,311,722
II. Users and other accounts receivable from own activities	9	434,149	653,755
Other		434,149	653,755
III. Trade and other receivables	10	230,000	394
Other receivables		230,000	-
Advances to suppliers		-	394
IV. Current investments in Group companies and associates	8 and 19	77,221	283,905
Loans to entities		77,221	283,905
V. Current investments	7	512,144	2,972,270
Debt securities		512,144	1,970,539
Other financial assets		-	1,001,731
VI. Prepayments for current assets		267,179	320,087
VII. Cash and cash equivalents	11	3,291,948	2,081,311
Cash		2,285,899	2,081,311
Cash equivalents		1,006,049	-
TOTAL ASSETS (A+B)		19,017,700	16,621,460

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Balance Sheet
at 31 December 2023
(Expressed in Euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

EQUITY AND LIABILITIES	NOTE	2023	2022
A) EQUITY		17,319,865	15,174,018
A-1) Capital and reserves	12	16,501,276	14,930,903
I. Endowment fund		6,269,772	6,269,772
Endowment fund		6,269,772	6,269,772
II. Reserves		5,034,910	5,034,910
Other reserves		5,034,910	5,034,910
III. Surplus from prior years		3,626,221	3,166,352
Retained surplus		3,626,221	3,166,352
IV. Surplus for the year		1,570,373	459,869
A-3) Grants, donations and bequests received	13	818,589	243,115
Grants		568,790	30,859
Donations and bequests		249,799	212,256
B) NON-CURRENT LIABILITIES		189,597	10,286
IV. Deferred tax liabilities	13 and 16	189,597	10,286
C) CURRENT LIABILITIES		1,508,238	1,437,156
III. Group companies and associates, current	14, 15(a), 19	43,890	54,469
V. Trade and other payables	14 and 15 (b)	763,886	761,783
Suppliers, Group companies and associates		184,516	158,026
Other payables		395,191	413,383
Personnel (<i>salaries payable</i>)		26,818	28,600
Public entities, other		157,361	161,774
VI. Current accruals	15(c)	700,462	620,904
TOTAL EQUITY AND LIABILITIES (A+B+C)		19,017,700	16,621,460

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

	NOTE	2023	2022
A. Surplus/deficit for the year			
1. Income from own activities	17(a)	9,879,343	9,319,755
Revenue from promotions, sponsors and collaborations		1,897,897	1,682,328
d) Grants, donations and bequests taken to surplus for the year	13	7,981,446	7,637,427
3. Grant-related and other expenses	17(b)	(5,359,828)	(4,205,209)
a) Monetary grants		(5,359,828)	(4,205,209)
7. Other operating income	19	9,908	-
a) Non-trading and other operating income		9,908	-
8. Personnel expenses	17(c)	(1,579,980)	(1,596,363)
a) Salaries, wages and similar		(1,320,917)	(1,354,016)
b) Employee benefits expense		(259,063)	(242,347)
9. Other operating expenses	17(d)	(2,382,492)	(2,457,226)
a) External services		(2,381,394)	(2,453,425)
b) Taxes		(1,098)	(385)
c) Losses, impairment and changes in trade provisions		-	(3,416)
10. Amortisation and depreciation	5 and 6	(22,091)	(20,007)
13. Other income/(expenses)		820	-
A.1) OPERATING SURPLUS (1+2+3+4+5+6+7+8+9+10+11+12+13)		545,680	1,040,950
14. Finance income	7 and 17 (e)	126,989	33,192
b) Marketable securities and other financial instruments		126,989	33,192
b2) Other		126,989	33,192
15. Finance costs	17(e)	(125)	(2,442)
b) Other		(125)	(2,442)
16. Change in fair value of financial instruments	7 and 17 (e)	920,559	(658,919)
a) At fair value through surplus or deficit		920,559	(658,919)
17. Exchange gains/(losses)		(22,730)	47,088
A.2) SURPLUS/(DEFICIT) ON FINANCING TRANSACTIONS (14+15+16+17+18)		1,024,693	(581,081)
A.3) SURPLUS BEFORE INCOME TAX (A.1+A.2)		1,570,373	459,869
19. Income tax	16	-	-
A.4) CHANGE IN EQUITY RECOGNISED IN SURPLUS FOR THE YEAR (A.3+19)		1,570,373	459,869
I) TOTAL SURPLUS, CHANGE IN EQUITY FOR THE YEAR (A.4)		1,570,373	459,869

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

5

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

(1) Nature of the Entity and Principal Activities

The Instituto de Empresa Foundation (hereinafter the Foundation) was set up through a public deed executed on 10 April 1997 before the Madrid notary Mr Eduardo García-Duarte Acha and entered on the Register of Foundations of the Ministry of Work and Social Affairs with number 28/1053. The Foundation's registered office is located at calle Maria de Molina no. 13, Madrid, and its tax identification number is G81711459.

The Foundation was set up following a resolution by the shareholders of Instituto de Empresa, S.A. at their annual general meeting held on 28 February 1996, which included the creation of an endowment fund of Euros 6,010, which was paid in in cash. The endowment fund has subsequently been increased to Euros 6,269,772 through the successive distribution of surpluses.

The amount of the endowment fund has been deposited in current accounts at various banks and is included in cash and cash equivalents under current and non-current assets on the balance sheet at 31 December 2023.

The surplus from prior years is used to fulfil the general aims of the Foundation and there are no restrictions as to its use other than those arising from applicable legislation (see note 3).

According to article 6 of its statutes, the Foundation's basic aim is to carry out any activities which may effectively contribute to the improvement of society through the promotion of the Instituto de Empresa's values, including innovation, global vision, diversity, entrepreneurship and the humanities, for the improvement of society as a whole, through the promotion of and participation in initiatives aimed at improving the quality of education, the training of future leaders, applied research in ground-breaking areas, sustainability, technology development, culture, sport and social commitment.

As regards its scope of action, article 5 of the Foundation's statutes stipulates that it shall carry out its principal activity within Spanish territory, without prejudice to its ability to carry out international activities. The Foundation has full freedom in projecting its actions towards any of the aforementioned aims, according to the specific objectives that, in the opinion of its Board of Trustees, are a priority. The implementation of the aims of the Foundation may take place in the following ways:

- By the Foundation directly or through the provision of services by third parties.
- By creating or cooperating in the creation of other entities of an associative, foundational or corporate nature.
- By participating in, financing or cooperating in the activities of other entities, bodies, institutions or persons of any kind, whether natural or legal, which may in some way serve the aims pursued by the Foundation.
- By carrying out economic activities whose aims are related to or complementary or accessory to the aims of the Foundation, in accordance with competition rules.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

6

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

In the event of the Foundation's dissolution, article 36 of the statutes stipulates that the assets and rights resulting from the winding-up shall be assigned to another foundation or non-profit entity which pursues general interest aims similar to those of the dissolved Foundation and whose assets are assigned to the achievement thereof; the Board of Trustees, which is duly authorised in this regard, may also assign them to public entities that are not foundations but which pursue general interest aims.

As a result, and in accordance with the aforementioned aims provided for in the statutes, the Foundation may, inter alia, carry out the following activities:

- a) Create, participate in, sponsor and manage initiatives, Centers, lectureships, observatories and research projects, whether of its own accord or in collaboration with third-party individuals or entities.
- b) Create, participate in, sponsor and finance prizes, study grants and aid of all types.
- c) Carry out activities that promote the culture of returning to society what it has given.
- d) Organise, participate in, sponsor and finance all types of cultural, educational, sporting and scientific publications, exhibitions and displays.
- e) Organise, participate in, sponsor and provide funding for all types of training programmes, conferences and seminars.
- f) Organise, participate in, sponsor and finance technological projects, investments and developments or those which in some way promote innovation in the classroom and in education in general.

The Foundation is governed by its statutes, by Law 30/1994 of 24 November 1994 on foundations and tax incentives for private investments in activities in the public interest, by Law 50/2002 of 26 December 2002 on foundations, and by Law 49/2002 of 23 December 2002 on the tax regime of non-profit entities and other applicable legislation.

2) Basis of Presentation

a. True and fair view

The accompanying annual accounts have been prepared on the basis of the accounting records of the Foundation in accordance with prevailing legislation, the Spanish General Chart of Accounts, Royal Decree 1491/2011 of 24 October 2011 which approves the standards adapting the Spanish General Chart of Accounts for non-profit entities and the template action plan for non-profit entities, the Spanish Accounting and Auditing Institute's resolution of 26 March 2013, which approves the General Chart of Accounts for non-profit entities, Law 30/1994 of 24 November 1994 on foundations and tax incentives for private investments in activities in the public interest, Law 50/2002 of 26 December 2002 on foundations, Law 49/2002 of 23 December 2002 on the tax regime of non-profit entities, and the two implementing regulations for the latter laws, as well as Royal Decree 1/2021 of 12 January 2021, which amends the Spanish General Chart of Accounts approved by Royal Decree 1514/2007 of 16 November 2007, introducing changes to adapt certain aspects of the recognition and measurement standards for "Financial instruments" and "Revenue from sales and the rendering of services" to IFRS-EU 9 and IFRS-EU 15, respectively, to give a true and fair view of the Foundation's equity and financial position at 31 December 2023 and the changes in equity and the activities carried out during the year then ended.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

7

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

The annual accounts will be submitted to the Foundation's Board of Trustees for approval. Management of the Foundation considers that these annual accounts will be approved with no significant changes.

b. Critical issues regarding the valuation and estimation of uncertainties

- Relevant accounting estimates and assumptions

Relevant accounting estimates and assumptions have to be made when applying the Foundation's accounting principles to prepare these annual accounts. In this regard, estimates made by the Board of Trustees of the Foundation have been used to measure provisions, impairment of property, plant and equipment and intangible assets, financial assets and trade receivables.

- Changes in accounting estimates

Although estimates are calculated by management of the Foundation based on the best information available at 31 December 2023, future events may require changes to these estimates in subsequent years. Any effect on the annual accounts of adjustments to be made in subsequent years would be recognised prospectively.

c. Comparative information

The balance sheet, income statement and the notes thereto for 2023 include comparative figures for the prior year, which formed part of the 2022 annual accounts approved by the Foundation's Board of Trustees on 19 June 2023.

d. Functional and presentation currency

The figures disclosed in the annual accounts are expressed in Euros, the Foundation's functional and presentation currency.

3) Distribution of surplus

The proposed distribution of the Foundation's surplus for 2023 to be submitted to the Board of Trustees is as follows:

BASIS OF ALLOCATION	Amount in Euros
Surplus for the year	1,570,372.88
TOTAL	1,570,372.88

DISTRIBUTION	Amount in Euros
General surplus	1,570,372.88
TOTAL	1,570,372.88

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

8

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

The distribution of the surplus for the year ended 31 December 2022, approved by the Foundation's Board of Trustees on 19 June 2023, was as follows:

BASIS OF ALLOCATION	Amount in Euros
Surplus for the year	459,869.10
TOTAL	459,869.10

DISTRIBUTION	Amount in Euros
General surplus	459,869.10
TOTAL	459,869.10

Pursuant to article 27 of Law 50/2002 of 26 December 2002 on foundations, at least 70% of the income obtained by the Foundation, after tax, must be allocated to achieving the aims of the Foundation, and the remaining amount, less any expenses incurred in obtaining such sales and income, must be allocated to increasing the endowment fund or reserves. This income may be allocated within a period of four years after it is obtained.

4) Significant Accounting Policies

The significant accounting policies used by the Foundation to prepare the annual accounts are as follows:

a. Intangible assets

Intangible assets are initially recognised at cost of acquisition and subsequently measured at cost less accumulated amortisation, calculated on the basis of their useful life, and any impairment losses.

Computer software

This item reflects the cost of acquisition of this type of software for the Foundation's IT systems. Maintenance costs are expensed when incurred. Computer software is amortised on a straight-line basis over its estimated useful life of four years.

Useful life and amortisation rates

The Foundation reviews the residual value, useful life and amortisation method for intangible assets at each financial year end. Any changes to initially established criteria are accounted for as a change in accounting estimates.

Impairment

The Foundation regularly measures and determines any impairment to be recognised or reversed (see section (c)).

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

9

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

b. Property, plant and equipment

Initial recognition

Property, plant and equipment are measured at cost of acquisition or production. Property, plant and equipment are carried at cost less any accumulated depreciation and impairment.

Depreciation

Property, plant and equipment are depreciated by allocating the depreciable amount of an asset on a systematic basis over its useful life.

The depreciable amount is the cost of an asset, less its residual value. The Foundation determines the depreciation charge separately for each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and with a useful life that differs from the remainder of the asset.

Property, plant and equipment are depreciated on a straight-line basis over the following estimated useful lives:

Type of asset	Estimated years of useful life
Furniture	10
IT equipment	4

The Foundation reviews the residual value, useful life and depreciation method for property, plant and equipment at each financial year end. Changes to initially established criteria are accounted for as a change in accounting estimates.

Subsequent costs

Costs of expansion, modernisation or improvements which increase the productivity, capacity or efficiency or extend the useful lives of assets are capitalised as an increase in the cost of those assets.

Repair and maintenance costs are recognised in the income statement when incurred.

c. Impairment of intangible assets and property, plant and equipment

None of the Foundation's property, plant and equipment, intangible assets or historical heritage assets are cash-generating assets as they are not held to generate a commercial return, but rather for the good of society, i.e. because of their social benefit or service potential.

The Foundation only tests these assets for impairment when non-commercial indicators based on the service potential of the assets suggest that they might be impaired.

The events or circumstances that could indicate impairment should be significant and have long-term effects.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

10

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Where there are indications of impairment, the recoverable amount is the higher of value in use and fair value less costs to sell. The value in use is the present value of the asset, maintaining its service potential, and is measured at the depreciated replacement cost.

Impairment of non-cash-generating assets is measured individually, unless the service potential is not apparent, in which case the recoverable amount is calculated at the level of the operating unit or service to which the asset belongs.

Impairment losses and reversals are recognised using the same criteria as for other non-current assets.

d. Financial instruments

Financial assets at fair value through surplus or deficit.

This category includes financial assets held for trading and financial assets not classified in one of the other categories.

Financial instruments classified as held for trading reflect active, frequent purchases and sales for the purpose of generating a gain from short-term fluctuations in the price or the intermediation margin.

The financial assets included in this category are initially measured at fair value. In the absence of evidence to the contrary, this is the transaction price, which is equivalent to the fair value of the consideration given. Directly attributable transaction costs are recognised in the income statement for the year.

After initial recognition, they are measured at fair value through surplus or deficit.

Financial assets at amortised cost

This category contains financial assets, including those admitted to trading on an organised market, where the investment is held to collect cash flows that are solely payments of principal and interest on the principal amount outstanding (even if the transaction was arranged at a zero or below-market rate of interest).

Assets are considered to meet this objective even when sales occur or are expected to occur in the future. For this purpose, the frequency, value and timing of sales in prior periods, the reasons for those sales and expectations about future sales activity are all considered.

Trade and non-trade receivables are generally included in this category.

These financial assets are initially measured at fair value. In the absence of evidence to the contrary, this is the transaction price, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs.

Trade receivables and other items such as advances, loans to employees or dividends receivable, which mature in less than one year and do not have a contractual rate of interest, are measured at their nominal amount, provided that the effect of not discounting the cash flows is immaterial, both at initial recognition and subsequent measurement, and there are no indications of impairment.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

11

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

These assets are subsequently measured at amortised cost and the interest accrued is recognised in the income statement using the effective interest method.

Impairment is presumed to exist when there has been a reduction or delay in the estimated future cash flows, which may be due to debtor insolvency.

Impairment losses and, where applicable, their reversal, are recognised at year end as an expense or income, respectively, in the income statement. The loss can only be reversed up to the limit of the amortised cost of the assets had the impairment loss not been recognised.

Financial assets at cost

This category includes equity investments in Group companies, jointly controlled entities and associates. These investments are initially recognised at cost, which is equivalent to the fair value of the consideration given, plus any directly attributable transaction costs.

They are subsequently measured at cost less any accumulated impairment.

On allocating a value, as a result of derecognition or for any other reason, the weighted average cost is applied to homogeneous groups.

When pre-emptive or similar rights are sold, or separated to be exercised, the carrying amount of the respective assets is reduced by the cost of the rights.

At the reporting date, when there is objective evidence that the carrying amount of an investment will not be recoverable, it is adjusted as necessary.

The impairment is calculated as the difference between the carrying amount of the investment and the recoverable amount, the latter understood as the higher of fair value less costs to sell and the present value of future cash flows from the investment.

Impairment losses and, where applicable, their reversal, are recognised as an expense or income, respectively, in the income statement.

Impairment can only be reversed up to the limit of the carrying amount of the investment that would have been determined at the reversal date had no impairment loss been recognised. However, when an investment was made in a Group company, jointly controlled entity or associate before it was classified as such, and valuation adjustments for the investment were recognised directly in equity prior to this classification, these adjustments shall be maintained after classification until disposal or derecognition of the investment, whereupon they shall be recognised in the income statement.

Financial liabilities

Financial liabilities incurred or assumed by the Foundation are classified as financial liabilities at amortised cost, which reflect debts and payables arising from the purchase of goods and services over the course of the Foundation's commercial operations, or those which, being neither commercial in origin nor derivative financial instruments, derive from loans or credit extended to the Foundation.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

12

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

These liabilities are initially measured at the fair value of the consideration received, adjusted for any directly attributable transaction costs. These liabilities are subsequently carried at amortised cost. Accrued interest is recognised in the income statement using the effective interest method.

However, payables falling due within one year which are initially measured at their nominal amount continue to be carried at their nominal amount.

Assets and liabilities are presented separately on the balance sheet and are presented at their net amount only when the Company has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

e. Income tax and value added tax

Non-deductible input VAT is included in the purchase price of capital goods or current assets and services that are subject to this tax.

The Foundation is subject to the provisions of Law 50/2002 of 26 December 2002 on foundations and Law 49/2002 of 23 December 2002 on the tax regime of non-profit entities, which are understood to include entities entered on the Register of Foundations. Under this legislation, foundations that meet the requirements listed below shall be exempt from income tax in respect of income obtained for no consideration; income from the foundation's investments and real estate, such as dividends, interest, royalties and leases; income from acquisitions or transfers of goods or rights, by any means; income obtained from exempt economic activities; and income that, in accordance with tax legislation, must be assigned or allocated to non-profit entities. The requirements stipulated in this Law are as follows:

- The aims of general interest pursued by the Foundation should be of a social, civic, cultural or sporting nature or promote social volunteering, etc.
- At least 70% of net income obtained, less any corresponding taxes thereon, must be allocated to such aims, within four years of obtaining the income.
- Activities must not involve carrying out economic activities that lie outside its statutory object or purpose. This requirement is considered to be met if the revenues for the year of all of the non-exempt economic activities that lie outside its statutory activity or purpose do not exceed 40% of the entity's total income, provided that these non-exempt economic activities do not breach competition regulation as regards companies that perform the same activity.
- The founders, associates, trustees, statutory representatives, members of the governing bodies and spouses or family up to and including the fourth degree of consanguinity must not be the primary recipients of the activities carried out by the entities, nor must they benefit from special conditions for the use of their services.
- Accounts must be submitted each year to the pertinent protectorate.
- In the event of dissolution, equity must be assigned to the pursuit of aims of general interest that are similar to those of the Foundation's activity, in accordance with the Foundation's statutes.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

13

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

- Trustees must not receive payment for their role as such, although they may be reimbursed for duly justified expenses incurred in the course of carrying out their duties.
- The accounting requirements set forth in the applicable legislation must be satisfied.
- An annual report must be drawn up.

The Foundation meets the aforementioned requirements, which are included in its statutes, and it is therefore exempt from income tax.

f. Expenses and income

Expenses

Expenses are recognised on an accruals basis.

The Foundation recognises grants or sponsorships awarded as an expense for the year at the date of approval, provided that the amount thereof has been established in the corresponding agreements.

In accordance with Royal Decree 1491/2011 of 24 October 2011 on accounting standards for non-profit entities, the expense related to monetary grants awarded to foundations and organisations for the Foundation's activities is taken to the income statement when approval is given for the amount agreed upon the signing of the contract and, therefore, the commitment undertaken to perform a specific activity.

Nevertheless, in cases where the Foundation undertakes a long-term commitment for fixed expenditure that is associated with the performance of separable and identifiable activities or milestones, the expense is taken to the income statement on the basis of the schedule for performing the actions or activities associated with such commitments.

Expenses for services rendered are recognised at the purchase price including non-deductible input VAT.

Income

Revenue is recognised on an accruals basis, considering the actual flow of the goods and services it represents, irrespective of when the corresponding monetary or financial flows take place.

As a general criterion, revenue is recognised when control of the goods or services promised to the customer is transferred, for the amount expected to be received from the latter. A five-step process is followed to apply these revenue recognition criteria:

Step 1: Identify the contract(s) with the customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

14

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Revenue is therefore recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring promised goods or services to a customer, when the customer obtains control of the goods or the services provided. Such control is based on the discretion to decide the use of the good or service and obtain substantially all economic benefits derived therefrom. The timing of the transfer of control (at a point in time or over time) determines the recognition of revenue.

Revenue arising from performance obligations satisfied over time, corresponding to goods or services whose control is not transferred at a point in time, is recognised based on progress towards complete satisfaction of the performance obligation at the reporting date, provided that reliable information is available to measure such progress. Otherwise revenue is recognised only in an amount equivalent to the incurred costs that are reasonably expected to be recovered in the future.

Revenue arising from performance obligations satisfied at a point in time is recognised on that date, while the costs incurred in the production of the goods or services until that point in time are accounted for as inventories.

The Foundation has performed an analysis and concluded that the implementation of this standard has no effect on its operations, given that its revenue comes from grants, sponsors and collaborators and does not fall within the scope of the standard.

Revenue from sponsors and collaborators arranged through collaboration agreements in favour of the Foundation is recognised during the year in which approval is given to award the monetary grant that the Foundation will extend to another organisation for performing the Foundation's activity through the signing of the pertinent contract in this regard and, therefore, the undertaking of the commitment to perform a certain activity, whereupon the expense is also recognised, as described in the preceding paragraph on the measurement criteria for expenses for monetary grants.

g. Provisions and contingencies

When preparing the annual accounts, the Board of Trustees of the Foundation make a distinction between:

Provisions: liability balances that cover present obligations arising from past events, settlement of which is expected to result in an outflow of resources of uncertain timing or amount.

Contingent liabilities: possible obligations arising from past events, the future materialisation of which is conditional on the occurrence or non-occurrence of one or more future events beyond the Foundation's control.

The annual accounts include all the provisions for which it is considered more likely than not that an obligation will have to be settled. Contingent liabilities are not recognised in the annual accounts, but rather are disclosed in the notes thereto, unless they are considered remote.

Provisions are measured at the present value of the best possible estimate of the amount necessary to settle or transfer the obligation, taking into account available information on the event and its consequences, and any adjustments arising from the discounting of these provisions are recognised as a finance cost as and when accrued.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

15

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Compensation receivable from a third party upon settlement of an obligation is recognised as an asset, providing it is certain that the reimbursement will be received, except when a legal relationship exists whereby part of the risk has been externalised, and by virtue of which the Foundation will not be obliged to respond; in this situation, the compensation is taken into account when estimating the amount of any provision to be recognised.

h. Environmental assets and liabilities

Environmental assets are those items that the Foundation uses in its activities on a permanent basis to minimise the environmental impact of its activity and protect and improve the environment, including the reduction and elimination of future pollution.

Due to the nature of its activity, the Foundation does not have any environmental liabilities, expenses, assets, provisions or contingencies that are significant in comparison with its funds, financial position or surplus. Therefore, no specific disclosures relating to environmental matters are included in these annual accounts.

i. Termination benefits

In accordance with prevailing legislation, the Foundation is obliged to pay indemnities to employees whose contracts are terminated under certain conditions. Consequently, termination benefits that can be reasonably quantified are recognised as an expense in the year in which the decision to terminate the employee's contract is made.

There is no provision for this item in the accompanying annual accounts as situations of this nature are not expected to arise.

j. Grants, donations and bequests

Grants, donations and bequests are initially accounted for as income directly in equity when there is a specific award agreement for the grant and there is reasonable assurance that they will be received, and are allocated to the income statement on a systematic and rational basis as the expenses related to the grant, donation or bequest are incurred.

Each year the Foundation receives operating grants to fund the activities considered in the aims of the Foundation. The grants received are awarded by public entities or third parties in order to ensure fulfilment of the aims of the Foundation's own activities. They are recognised as surplus/deficit for the year, based on the accrual of the purpose for which they were awarded, under operating grants taken to income in the income statement.

If their purpose encompasses more than one year, they are recognised under grants, donations and bequests received in equity on the abbreviated balance sheet and are transferred to operating grants taken to income as the purposes for which they were granted are accrued and, in any event, on a systematic basis during the period in which the research project for which the grant was awarded is carried out.

k. Related party transactions

Transactions between Group companies, except those related to mergers, spin-offs and non-monetary contributions, are recognised at the fair value of the consideration given or received. The difference between this value and the amount agreed is recognised in line with the underlying economic substance of the transaction.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

16

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

For the purpose of the disclosures in the section on related party transactions in these notes, related parties are considered to be Group companies, jointly controlled entities and associates, trustees and executives, who in turn are understood to be members of the Board of Trustees, and companies in which the Board of Trustees hold interests or directorships.

5) Intangible Assets

Details of the cost of intangible assets and the corresponding accumulated amortisation at 31 December 2023 and 2022, as well as movement during the years then ended, are as follows:

	Euros			
	2023			
	Balance at 31/12/2022	Additions	Disposals	Closing balance at 31/12/2023
Cost				
Computer software	39,629	-	(4,203)	35,426
Total cost	39,629	-	(4,203)	35,426
Accumulated amortisation				
Computer software	(11,348)	(9,662)	4,203	(16,807)
Total accumulated amortisation	(11,348)	(9,662)	4,203	(16,807)
Carrying amount	28,281	(9,662)	-	18,619

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

17

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Euros			
	2022			
	Balance at 31/12/2021	Additions	Disposals	Closing balance at 31/12/2022
Cost				
Computer software	45,392	16,056	(21,819)	39,629
Total cost	45,392	16,056	(21,819)	39,629
Accumulated amortisation				
Computer software	(26,428)	(6,739)	21,819	(11,348)
Total accumulated amortisation	(26,428)	(6,739)	21,819	(11,348)
Carrying amount	18,964	9,317	-	28,281

At 31 December 2023 and 31 December 2022 the Foundation has no fully amortised computer software in use.

6) Property, Plant and Equipment

Details of property, plant and equipment and movement in 2023 and 2022 are as follows:

	Euros			
	2023			
	Balance at 31/12/2022	Additions	Disposals	Closing balance at 31/12/2023
Cost				
Furniture	19,024	-	-	19,024
IT equipment	40,718	14,170	(11,916)	42,972
Total cost	59,742	14,170	(11,916)	61,996
Accumulated depreciation				
Furniture	(13,584)	(1,902)	-	(15,486)
IT equipment	(24,437)	(10,527)	11,916	(23,048)
Total accumulated depreciation	(38,021)	(12,429)	11,916	(38,534)
Carrying amount	21,721	1,741	-	23,462

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

18

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Euros			
	2022			
	Balance at 31/12/2021	Additions	Disposals	Closing balance at 31/12/2022
Cost				
Furniture	19,024	-	-	19,024
IT equipment	49,026	-	(8,308)	40,718
Total cost	68,050	-	(8,308)	59,742
Accumulated depreciation				
Furniture	(11,682)	(1,902)	-	(13,584)
IT equipment	(21,379)	(11,366)	8,308	(24,437)
Total accumulated depreciation	(33,061)	(13,268)	8,308	(38,021)
Carrying amount	34,989	(13,268)	-	21,721

At 31 December 2023 and 2022 the Foundation has no fully depreciated furniture or IT equipment in use.

The Foundation has taken out insurance policies to cover the risk of damage to its property, plant and equipment. The cover provided by these policies is considered sufficient.

At 31 December 2023 and 2022 the Foundation has not committed to making investments in property, plant and equipment; it does not have items of property, plant and equipment that have been mortgaged, are subject to attachments or are otherwise encumbered; it has not recognised impairment losses on its fixed assets, nor has it financed the purchase of its property, plant and equipment through grants.

In order to comply with the obligation set out in article 25.2 of Law 50/2002 of 26 December 2002 on foundations, note 21 to these annual accounts includes an inventory of assets.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

19

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

7) Financial Assets by Category

Details by category of non-current and current financial assets at 31 December 2023 and 2022 are as follows:

	Euros					
	2023			2022		
	Non-current	Current	Total	Non-current	Current	Total
<i>At fair value through surplus or deficit</i>						
Debt securities	462,042	512,144	974,186	580,770	1,970,539	2,551,309
Other financial assets	13,700,936	-	13,700,936	9,678,966	1,001,731	10,680,697
<i>At amortised cost</i>						
Users and other accounts receivable	-	434,149	434,149	-	653,755	653,755
Trade receivables		230,000	230,000	-	394	394
Investments in Group companies and associates	-	77,221	77,221	-	283,905	283,905
Total financial assets	14,162,978	1,253,514	15,416,492	10,259,736	3,910,324	14,170,060

The carrying amount does not differ significantly from the fair value.

Other non-current financial assets at 31 December 2023 and 2022 include an investment portfolio managed by Crédit Suisse and J.P. Morgan and investments made through Interactive Brokers, while debt securities reflect various bonds to fund Instituto de Empresa students with limited financial resources.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

20

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Movement is as follows:

	Euros				
	2023				
	Opening balance	Additions	Valuation adjustments	Disposals	Closing balance
Investments					
Debt securities	580,770	-	38,084	(156,812)	462,042
Other financial assets	9,678,966	8,457,895	882,132	(5,318,057)	13,700,936
Total	10,259,736	8,457,895	920,216	(5,474,869)	14,162,978

	Euros				
	2022				
	Opening balance	Additions	Valuation adjustments	Disposals	Closing balance
Investments					
Debt securities	747,667	-	33,769	(200,666)	580,770
Other financial assets	5,514,159	14,007,453	(659,496)	(9,183,150)	9,678,966
Total	6,261,826	14,007,453	(625,727)	(9,383,816)	10,259,736

The main characteristics of debt securities at 31 December 2023 and 2022 are as follows:

Financial institution	Product	Initial amount	Interest rate (%)
Prodigy	96-1 series bond	450,000	4.50%
Prodigy	142-1 series bond	450,000	4.40%
Prodigy	103-1 series bond	700,000	4.60%
Total		1,600,000	

Other information on other financial assets:

At 31 December 2023 the Foundation has recognised investments under non-current investments comprising Euros 2,050 of long-term deposits (Euros 1,000 at 31 December 2022) and an amount of Euros 13,698,886, reflecting the portfolio managed by Credit Suisse totalling Euros 469,274, the portfolio managed by J.P. Morgan totalling Euros 13,225,901 and the investments through Interactive Brokers totalling Euros 3,711, all measured at fair value through surplus or deficit (the investment portfolio managed by Credit Suisse amounted to Euros 303,077 at 31 December 2022, while the J.P. Morgan portfolio amounted to Euros 9,374,889). The portfolio managed by J.P. Morgan at 31 December 2023 includes fixed income securities in an amount of Euros 8,487,413 (Euros 6,090,701 at 31 December 2022), equities totalling Euros 4,073,645 (Euros 2,818,042 at 31 December 2022) and alternative assets totalling Euros 664,843 (Euros 476,096 at 31 December 2022), while the portfolio managed by Credit Suisse includes alternative investments of Euros 469,274 (Euros 303,077 at 31 December 2022).

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

21

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Other current financial assets at 31 December 2023 includes fixed income securities with CA Indosuez amounting to Euros 512,144 (at 31 December 2022 other current financial assets included short-term deposits with CA Indosuez amounting to Euros 1,001,731 and debt securities reflecting Banca March treasury bills in an amount of Euros 1,970,539).

8) Investments in Group Companies and Associates

Details of these investments at 31 December 2023 and 2022 are as follows:

	Euros	
	2023	2022
<i>Current:</i>		
Loans to third parties		
IE University	1,200	-
Instituto de Empresa, S.L.	76,021	283,905
	77,221	283,905

On 25 January 2017 the Foundation signed a cash-pooling agreement with Instituto de Empresa Group companies. This cash-pooling account, to which the balances are swept on a daily basis, earns interest at market rates, is managed by Banco Santander and is held by Instituto de Empresa, S.L. The balance at 31 December 2023 and 2022 is Euros 74,321 and Euros 280,249, respectively.

9) Users and Other Accounts Receivable from Own Activities

Users and other accounts receivable from own activities reflect the rights to receivables with a maturity of less than one year, derived from the collaboration agreements and donations to contribute to the aims of the Foundation's own activities.

Movement in 2023 and 2022 is as follows:

Users and other accounts receivable from own activities	Euros	
	2023	2022
Opening balance	653,755	344,344
Increases	11,398,163	11,733,315
Decreases	(11,617,769)	(11,423,904)
Closing balance	434,149	653,755

At 31 December 2023 the Foundation has not recognised any losses on any bad debts (an amount of Euros 3,416 was recognised in this regard at 31 December 2022).

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

22

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

10) Trade and Other Receivables

Details at 31 December 2023 and 2022 are as follows:

	<u>Euros</u>	
	<u>2023</u>	<u>2022</u>
Trade and other receivables		
Other receivables	230,000	-
Advances to suppliers	-	394
	<u>230,000</u>	<u>394</u>

On 18 December 2023 the European Climate Foundation (ESF) awarded the Foundation a grant amounting to Euros 460,000, of which Euros 230,000 has not yet been collected at 31 December 2023.

11) Cash and Cash Equivalents

Details at 31 December 2023 and 2022 are as follows:

	<u>Euros</u>	
	<u>2023</u>	<u>2022</u>
Cash in hand and at banks	2,285,899	2,081,311
Cash equivalents	1,006,049	-
	<u>3,291,948</u>	<u>2,081,311</u>

Cash in hand and at banks includes cash deposited in bank accounts and the Foundation's cash in hand.

Cash equivalents at 31 December 2023 are composed of two fixed-interest deposits maturing in less than three months with a nominal amount of Euros 500,000 each.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

23

*(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)***12) Equity**

Details of changes in equity in the years ended 31 December 2023 and 2022 are as follows:

	Euros				
	2023				
	<u>Endowment fund</u>	<u>Reserves</u>	<u>Surplus from prior years</u>	<u>Surplus for the year</u>	<u>Total</u>
2023 opening balance	6,269,772	5,034,910	3,166,352	459,869	14,930,903
Prior years' surplus/(deficit)					
2023 adjusted opening balance	6,269,772	5,034,910	3,166,352	459,869	14,930,903
Distribution of 2022 surplus	-	-	459,869	(459,869)	-
2023 surplus	-	-	-	1,570,373	1,570,373
2023 closing balance	6,269,772	5,034,910	3,626,221	1,570,373	16,501,276

	Euros				
	2022				
	<u>Endowment fund</u>	<u>Reserves</u>	<u>Surplus from prior years</u>	<u>Surplus for the year</u>	<u>Total</u>
2022 opening balance	6,269,772	5,034,910	1,051,765	2,114,587	14,471,034
Prior years' surplus/(deficit)					
2022 adjusted opening balance					
Distribution of 2021 surplus	-	-	2,114,587	(2,114,587)	-
2022 surplus	-	-	-	459,869	459,869
2022 closing balance	6,269,772	5,034,910	3,166,352	459,869	14,930,903

The endowment fund includes the initial contribution of Euros 6,010 made by Instituto de Empresa, S.L. upon the Foundation's creation, which has been increased to Euros 6,269,772 through the distribution of successive surpluses.

The amount of the endowment fund has been deposited in current accounts at various banks and is included, under current assets, in cash and cash equivalents and, under non-current assets, in non-current investments on the balance sheet at 31 December 2023.

The surplus from prior years is used to fulfil the general aims of the Foundation and there are no restrictions as to its use other than those arising from applicable legislation (see note 3).

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

24

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

13) Grants, Donations and Bequests Received

In this line item the Foundation recognises grants and donations received from public entities and third parties, either for its own activities or for commercial activities that will be carried out over a period of more than one year.

Details and movement in the years ended 31 December 2023 and 2022 are as follows:

	Euros					
	2023					
	Opening balance	Additions	Deferred tax liabilities	Taken to the income statement (grants)	Taken to the income statement (deferred tax liabilities)	Closing balance of grants
Grants	30,859	830,691	(207,673)	(113,450)	28,363	568,790
Donations and collaborations	212,256	1,392,750	-	(1,355,207)	-	249,799
Donations, IE students and other	-	6,512,789	-	(6,512,789)	-	-
	243,115	8,736,230	(207,673)	(7,981,446)	28,363	818,589

	Euros					
	2022					
	Opening balance	Additions	Deferred tax liabilities	Taken to the income statement (grants)	Taken to the income statement (deferred tax liabilities)	Closing balance of grants
Grants	124,722	-	-	(125,150)	31,287	30,859
Donations and collaborations	85,564	980,495	-	(853,803)	-	212,256
Donations, IE students and other	-	6,658,474	-	(6,658,474)	-	-
	210,286	7,638,969	-	(7,637,427)	31,287	243,115

On 26 May 2023, J.P. Morgan Chase Foundation awarded a grant of Euros 232,760 for "Project 360° for the Training of Small Business Owners in the City of Madrid (*Proyecto 360° de capacitación del Pequeño Comercio en la Ciudad de Madrid*)", ending on 30 April 2025.

On 28 June 2023, Ripple Impact Fund, Silicon Valley Community Foundation awarded a grant of Euros 137,931 for the "Virtual Asset Regulation Lab by RIPPLE" project, ending on 31 December 2024.

On 18 December 2023, the European Climate Foundation (ECF) awarded a grant of Euros 460,000 for the "Think & Action Tank on Climate Change" project, ending on 30 November 2024.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

25

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

At 31 December 2023 the Foundation has received donations for the “Young Talented Leaders Scholarship” of Euros 567,760 from Kistefos (Euros 445,920 at 31 December 2022), Euros 470,750 from Fundación Nemesio Diez (Euros 346,575 at 31 December 2022) and Euros 140,000 from Stiftung Auxilium, as well as other donations of Euros 214,240 from other entities (Euros 188,000 at 31 December 2022).

14) Financial Liabilities by Category

The classification of financial liabilities by category and class at 31 December 2023 and 2022 is as follows:

	Euros	
	2023	2022
	At amortised cost	At amortised cost
	Current	Current
Group companies		
Payables to Instituto de Empresa, S.L. and IE University (notes 15 and 19)	43,890	54,469
Trade and other payables		
Suppliers, Group companies and associates (notes 15 and 19)	184,516	158,026
Other payables	395,191	413,383
Personnel	26,818	28,600
Total financial liabilities	650,415	654,478

The carrying amount of these financial liabilities does not differ significantly from the fair value.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

26

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

15) Payables, Trade Payables and Current Accruals**(a) Group companies and associates, current**

Details at 31 December 2023 and 2022 are as follows:

	Euros	
	2023	2022
Instituto de Empresa S.L.	43,890	50,969
IE University	-	3,500
	43,890	54,469

The balance of other payables to Group companies includes payments on account for enrolments made by students of Instituto de Empresa, S.L. or IE University, which have been incorrectly paid to the Foundation and are receivable by Instituto de Empresa, S.L. or IE University.

(b) Trade and other payables

Details of trade and other payables at 31 December 2023 and 2022 are as follows:

	Euros	
	2023	2022
Trade and other payables		
Suppliers, Group companies and associates (note 14)	184,516	158,026
Other payables	395,191	413,383
Personnel	26,818	28,600
Public entities, other (note 16)	157,361	161,774
	763,886	761,783

Details of suppliers, Group companies and associates at 31 December 2023 and 2022 are as follows:

	Euros	
	2023	2022
IE University	-	18,605
Instituto de Empresa S.L.	184,516	139,421
	184,516	158,026

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

27

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Late Payments to Suppliers. "Reporting Requirement", additional provision three of Law 15/2010 of 3 December

The information required by additional provision three of Law 15/2010 of 5 July 2010 (amended by final provision two of Law 31/2014 of 3 December 2014), prepared in accordance with the Spanish Accounting and Auditing Institute (ICAC) resolution of 29 January 2016 on disclosure of the average supplier payment period in commercial transactions in the notes to the individual annual accounts, is presented below.

	Days	
	2023	2022
Average supplier payment period	45	49
Transactions paid ratio	44	52
Transactions payable ratio	50	34
Amount (Euros)		
	2023	2022
Total payments made	1,884,370	2,040,718
Total payments outstanding	362,485	457,686

In accordance with the ICAC resolution, the average supplier payment period has been calculated on the basis of the commercial transactions involving the delivery of goods or provision of services that have accrued since the entry into force of Law 31/2014 of 3 December 2014.

For the sole purpose of providing the information envisaged in this resolution, suppliers are considered to be trade payables to suppliers of goods or services recorded as suppliers or other payables under current liabilities.

Average supplier payment period is understood as the term from the date on which the goods are delivered or the services are provided by the supplier until actual payment.

The information required by Law 18/2022 of 28 September 2022 on the creation and growth of companies, with respect to invoices paid within the maximum period stipulated by legislation on late payments, is provided below:

	2023	2022
Monetary volume paid	1,269,684	1,300,127
As a percentage of total monetary payments to suppliers	67%	64%
Number of invoices paid	524	784
As a percentage of total number of invoices paid to suppliers	59%	64%

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

28

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

(c) Current accruals

Details of current accruals are as follows:

	Euros	
	2023	2022
Income received in advance	700,462	620,904
	700,462	620,904

Income received in advance reflects the collaboration agreements signed prior to 31 December 2023 and 31 December 2022, the income from which is recognised by reference to the agreements' stage of completion at the reporting date.

16) Taxation

Details of balances with public entities at 31 December 2023 and 2022 are as follows:

	Euros	
	2023	2022
Current balances		
Liabilities		
Taxation authorities, VAT payable (note 15)	52,029	64,389
Taxation authorities, withholdings (note 15)	77,882	72,507
Social Security contributions payable (note 15)	27,450	24,878
	157,361	161,774
Non-current balances		
Liabilities		
Temporary differences (note 13)	189,597	10,286
	189,597	10,286

The Foundation has availed of the tax benefits under the special tax regime provided for in Title II of Law 49/2002 of 23 December 2002 on the tax regime of non-profit entities and tax incentives for patronage.

All income obtained by the Foundation in 2023 and 2022 is exempt as it derived from the activities provided for in article 6 of Law 49/2002. The economic activities performed during the year are also exempt as they were carried out in the performance of its specific activity and purpose, in the terms established in article 7 of aforementioned Law 49/2002.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

29

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

In 2023 and 2022, the permanent differences that decrease the tax base relate to income from grants, donations and activities which are exempt from income tax in accordance with aforementioned Law 49/2002 on the tax regime of non-profit entities. The permanent differences that increase the tax base comprise, on the one hand, donations and gifts and, on the other, the total amount of general expenses that are directly and indirectly attributable to exempt activities, in accordance with the provisions of article 8.2 of Law 49/2002, which stipulates that, in addition to those set out in the general regulation on income tax, expenses that are solely attributable to exempt income shall not be considered as deductible.

In 2023 and 2022 the tax base is not subject to taxation and, as a result, no income tax expense has been accrued.

The Foundation has available deductions arising from donations amounting to Euros 140,152 at 31 December 2023 (Euros 122,154 at 31 December 2022); no deferred tax assets have been recognised in respect of these deductions.

Details of deductions are as follows:

<u>Year of origin</u>	<u>Available until</u>	<u>Available deduction</u>
2013	2023	4,900
2014	2024	7,700
2015	2025	14,892
2016	2026	13,700
2017	2027	14,510
2018	2028	13,940
2019	2029	15,068
2020	2030	8,800
2021	2031	17,472
2022	2032	11,172
2023	2033	17,998

(a) Years open to inspection and tax inspections

In accordance with current legislation, taxes cannot be considered definitive until they have been inspected and agreed by the taxation authorities or before the inspection period of four years has elapsed.

At 31 December 2023 the Foundation has open to inspection by the taxation authorities income tax and all the other main applicable taxes for the years that are not statute-barred and have not been inspected (the last four years) as can be seen below:

Income tax	2019-2022
Value added tax	12/2019-12/2023
Personal income tax	12/2019-12/2023
Non-resident tax withholdings	12/2019-12/2023

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

30

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Due to the different interpretations of the tax legislation applicable to certain operations, contingent tax liabilities for amounts that are currently unknown could arise. The members of the Foundation's Board of Trustees do not consider that significant additional liabilities will arise in the event of an inspection of the years open to inspection.

(b) Income tax

In accordance with Title II of Law 49/2002 of 23 December 2002 on the tax regime of non-profit entities, foundations are exempt from income tax on the following income: donations received in respect of collaborations relating to the entity's aims and the financial aid received under the business collaboration agreements regulated in article 25 of this Law; grants, except those used to finance non-exempt economic activities; income from the entity's investments and real estate, such as dividends, interest, royalties and leases; and income obtained from exempt economic activities listed in article 7 of this Law. Consequently, only income from non-exempt economic activities is included in the tax base of foundations.

The Foundation has availed of the special tax regime of Title II of Law 49/2002 of 23 December 2002. To comply with the provisions of article 3.1.a) of the regulation for the application of the tax regime to non-profit entities and tax incentives for patronage (Royal Decree 1270/2003 of 10 October 2003), details of the Foundation's income that is exempt from income tax at 31 December 2023 and 31 December 2022, indicating the related income and expenses, are as follows:

	Euros		Articles
	2023	2022	Law 49/2002
Income			
Grants, donations and income from collaborations	9,879,343	9,319,755	6.1 a) c), 7.11
Finance income	126,989	33,192	6.2°
Change in fair value of financial instruments	1,951,226	113,021	6.2°
Exchange gains	136,736	127,436	6.2°
Other income	10,728	-	7.11
Total exempt income	12,105,022	9,593,404	
Expenses			
Monetary and other grants	5,359,828	4,205,209	
Personnel expenses	1,579,980	1,596,363	
Other operating expenses	2,382,492	2,457,226	
Amortisation and depreciation	22,091	20,007	
Change in fair value of financial instruments	1,030,667	771,940	
Finance costs and exchange losses	159,591	82,790	
Total expenses chargeable to exempt income	10,534,649	9,133,535	

The Foundation did not carry out any non-exempt activities in 2023 and 2022.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

31

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

The withholdings that would have been made at source for capital gains tax are considered as payments on account of income tax, and the Foundation may therefore request their refund when the tax debt for this tax is less than the amount of the withholdings made.

A reconciliation of the accounting surplus for 2023 and 2022 and the tax base that the Foundation will declare is as follows:

	Euros	
	2023	2022
Accounting surplus before tax	1,570,373	459,869
<i>Permanent differences:</i>		
Reductions in accounting surplus	(12,105,022)	(9,593,404)
Increases in accounting surplus	10,369,830	9,012,085
Gifts/donations/other	164,819	121,450
Tax base	-	-
Income tax	-	-
Withholdings and payments on account	-	-
Income tax payable/recoverable	-	-

17) Income and Expenses**(a) Income from own activities**

Details of income from own activities are as follows:

	Euros	
	2023	2022
Revenue from promotions, sponsors and collaborators	1,897,897	1,682,328
Donations for general activities	7,867,996	7,512,277
Grants for specific projects	113,450	125,150
	9,879,343	9,319,755

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

32

*(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)***(b) Monetary and other grants**

Monetary and other grants reflect the monetary amounts extended to entities in accordance with the Foundation's own aims.

Details for 2023 and 2022 are as follows:

	<u>Euros</u>	
	<u>2023</u>	<u>2022</u>
Donations and grants	5,359,828	4,205,209
	<u>5,359,828</u>	<u>4,205,209</u>

(c) Personnel expenses

Details at 31 December 2023 and 2022 are as follows:

	<u>Euros</u>	
	<u>2023</u>	<u>2022</u>
Salaries, wages and similar	1,315,638	1,353,779
Termination benefits	5,279	237
Employee benefits expense:		
Social Security contributions	259,063	242,347
	<u>1,579,980</u>	<u>1,596,363</u>

(d) Other operating expenses

Details at 31 December 2023 and 2022 are as follows:

	<u>Euros</u>	
	<u>2023</u>	<u>2022</u>
Rentals	54,237	8,980
Repairs and maintenance	51,269	24,141
Independent professional services	668,442	591,370
Insurance premiums	2,948	9,099
Banking and similar services	12,685	29,330
Advertising and publicity	68,449	136,181
Utilities	523	470
Other services	1,522,841	1,653,854
Taxes	1,098	385
Losses on trade transactions	-	3,416
	<u>2,382,492</u>	<u>2,457,226</u>

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

33

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

(e) Finance income and costs

At 31 December 2023 and 2022, gains and losses by category of financial asset and liability are as follows:

	Euros		
	2023		
	Financial assets Loans and receivables	Financial liabilities Debts and payables	Total
<i>Finance income:</i>			
Marketable securities and other financial instruments:			
Other	126,989	-	126,989
Changes in fair value	1,951,226	-	1,951,226
<i>Finance costs:</i>			
Marketable securities and other financial instruments:			
Other	-	(125)	(125)
Changes in fair value	(1,030,667)	-	(1,030,667)
Net gains/(losses) in surplus or deficit	1,047,548	(125)	1,047,423

	Euros		
	2022		
	Financial assets Loans and receivables	Financial liabilities Debts and payables	Total
<i>Finance income:</i>			
Marketable securities and other financial instruments:			
Other	33,192	-	33,192
Changes in fair value	113,021	-	113,021
<i>Finance costs:</i>			
Marketable securities and other financial instruments:			
Other	-	(2,442)	(2,442)
Changes in fair value	(771,940)	-	(771,940)
Net gains/(losses) in surplus or deficit	(625,727)	(2,442)	(628,169)

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

34

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

18) Activity of the Entity. Application of Resources for Own Purposes. Administrative Expenses

18.1) Activity of the Foundation

1.- Activities of the Foundation

ACTIVITY 1

A) Identification.

Name of activity	SCHOLARSHIP AND DISSEMINATION SERVICE, CHAIR MANAGEMENT, ACADEMIC ACTIVITY
Type of activity*	OWN
Identification of activity by sector**	H04
Activity location	C/ MARÍA DE MOLINA 13

Detailed description of planned activity.

The primary objective of this activity is to support collaborative talent scholarships and foster joint initiatives with other institutions and other IE Foundation Centers with a view to facilitating the exchange of experiences and best practices, as well as to generate innovative knowledge that aids individuals, organisations and society in general.

In 2023, the IEF supported the partial and full scholarship programme to find and develop the best international talent through high-impact scholarships, academic excellence and social commitment. At IE Foundation we therefore wish to attract and train brilliant students, especially, but not solely, those from emerging countries and underrepresented groups on campus.

This scholarship programme is made possible thanks to the commitment of students, alumni, families, management, companies, foundations and other institutions that support the training of students of talent and recognised excellence, from very diverse economic, geographical and cultural backgrounds. Thus, the IE Foundation can help them to obtain training as support for their personal development.

As in the previous year, the Foundation's scholarship programme continued offering large companies and potential donors the following options:

- Contribution to the Annual Scholarship Fund of the IE Foundation: for fundraising campaigns for alumni, parents and other donors of the institution who wish to support the talent at IE.
- Named corporate scholarships: scholarship programmes fully sponsored by non-IE institutions or major donors that fund 100% of a scholarship.
- Corporate scholarship funds: through alliances with corporations that provide funds to promote talent whose profile is a good fit with the sponsors' values.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

35

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

- 1:1 matching campaigns, with individual donors or international institutions that foster access to higher education and seek commitment with the IEF contributing 50% or more of the scholarships.

The total number of students awarded scholarships by IE and the IE Foundation in 2023 was 1,429, of which 652 were for undergraduate degrees and 777 for master's degrees (256 in the spring 2023 intake and 521 in the autumn 2023 intake).

Moreover, FIE has continued to support the handling and dissemination of academic activities through various Centers, academic chairs and observatories:

- IE Center for Transport Economics & Infrastructure
- IE Center for Families in Business
- IE Center for Social Innovation & Sustainability
- IE Center for Diversity in Global Management
- IE China Center
- IE Africa Center
- IE LawAhead Center on the Legal Profession
- IE Saudi-Spanish Center for Islamic Economics and Finance
- DKV-IE Chair for Employee Health and Wellbeing
- Impact Bridge-IE Chair for Social Entrepreneurship and Impact Investing
- IE-Elecnor Observatory on Sustainable Compliance Cultures
- Household Savings Observatory
- Observatory of Demography and Generational Diversity
- Jose María Cervelló Chair
- Join4Impact Observatory

The IE Foundation is pivotal when it comes to helping the Centers, Chairs and Observatories carry out their activity and spread their knowledge, identifying opportunities to forge strategic partnerships with companies and strengthening the research abilities of IE University faculty members. The Foundation ensures that initiatives financed by corporate partners are effectively delivered, overseeing in this respect timescales, resources and possible risks, as well as providing resource support for research and knowledge creation activities. The Foundation is also responsible for disseminating the outcome of financed projects, actively encouraging the creation of content and the organisation of events to disclose project results.

B) Human resources employed in the activity.

Type	Number		No. hours / year	
	Actual	Estimated	Actual	Estimated
Payroll personnel	25	19	28,108	29,640
Service contract personnel	0	0	0	0
Volunteers	0	0	0	0

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

36

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

C) Beneficiaries or users of the activity.

Type	Number	
	Actual	Estimated
Individuals	3,000	3,000
Legal entities		
Projects with unquantified beneficiaries		

D) FUNDS USED

EXPENSES / INVESTMENTS	Actual	Estimated
Grant-related and other expenses	4,962,990.96	3,451,577.56
a) Monetary grants	4,962,990.96	3,451,577.56
b) Non-monetary grants		
c) Collaboration and governing body expenses		
Changes in inventories of finished goods and work in progress		
Supplies		
Personnel expenses	375,341.02	285,842.39
Other operating expenses	1,299,132.76	2,581,689.39
Amortisation and depreciation	1,920.96	
Impairment and gains/(losses) on disposal of fixed assets		
Finance costs		
Change in fair value of financial instruments		
Exchange gains/(losses)		
Impairment and gains/(losses) on disposal of financial instruments		
Exceptional expenses		
Income tax		
Subtotal expenses	6,639,385.70	6,319,109.34
Acquisition of fixed assets (except historical heritage assets)		
Acquisition of historical heritage assets		
Cancellation of non-trade debt		
Subtotal investments		
TOTAL FUNDS USED	6,639,385.70	6,319,109.34

E) Activity performance objectives and indicators.

Objective	Indicator	Quantification	
		Actual	Estimated
To provide access to education through the awarding of study scholarships	Number of scholarships expected to be granted in 2023	Actual	Estimated
		2,206	2,100

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

37

*(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*ACTIVITY 2**A) Identification.**

Name of activity	LIBRARY
Type of activity*	OWN
Identification of activity by sector**	H04
Activity location	C/ CASTELLÓN DE LA PLANA

Detailed description of planned activity.

The IE Library aims to cover the educational and research needs of the academic community it serves by collaborating in knowledge creation processes and by providing access to and disseminating services and resources. In its pursuit of that mission, the IE Library is underpinned by the principles of technology, enabling continuous innovation and global access, the core values of IE, and personalised service, whether on-site or remotely.

The Instituto de Empresa Foundation Library has two sections: a virtual section, with computer access to the main databases from across the world on economics, business administration, international relations and politics, law, architecture, design, and technology, as well as general reference information; and another section focused on books and subscriptions to international and Spanish scientific journals on the areas listed.

Like in previous years, over the course of 2023 the Library continued to provide access to tools and resources, as well as cutting-edge services to ensure the best digital learning experience. The Library offers personalised services both in person (at the Madrid and Segovia sites) and remotely (through the Virtual Library), providing the academic community with the most innovative research and educational resources and materials. The Library is open to the entire IE Community, as well as to researchers from other institutions thanks to its inter-library loan programme and to the possibility of exhaustive research that can be conducted at our facilities.

The Library is also involved in working groups, projects and events at home and abroad to remain at the cutting edge of the latest developments in the industry and to spread IE's vision beyond Spain's frontiers.

B) Human resources employed in the activity.

Type	Number		No. hours / year	
	Actual	Estimated	Actual	Estimated
Payroll personnel	8	11	12,236	17,160
Service contract personnel	0	0	0	0
Volunteers	0	0	0	0

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

38

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

C) Beneficiaries or users of the activity.

Type	Number	
	Actual	Estimated
Individuals	15,725	8,000
Legal entities	0	0
Projects with unquantified beneficiaries	0	0

D) FUNDS USED

EXPENSES / INVESTMENTS	Actual	Estimated
Grant-related and other expenses		
a) Monetary grants		
b) Non-monetary grants		
c) Collaboration and governing body expenses		
Changes in inventories of finished goods and work in progress		
Supplies		
Personnel expenses	295,922.45	377,789.73
Other operating expenses	485,306.31	533,082.62
Amortisation and depreciation	9,991.01	
Impairment and gains/(losses) on disposal of fixed assets		
Finance costs		
Change in fair value of financial instruments		
Exchange gains/(losses)		
Impairment and gains/(losses) on disposal of financial instruments		
Exceptional expenses		
Income tax		
Subtotal expenses	791,219.77	910,872.35
Acquisition of fixed assets (except historical heritage assets)		47,000.00
Acquisition of historical heritage assets		
Cancellation of non-trade debt		
Subtotal investments		47,000.00
TOTAL FUNDS USED	791,219.77	957,872.35

E) Activity performance objectives and indicators.

Objective	Indicator	Quantification	
		Actual	Estimated
To promote and facilitate free access to culture for students	Estimated number of physical and digital books lent out in 2023		
		36,267	61,953

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

39

*(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)***ACTIVITY 3****A) Identification.**

Name of activity	RESEARCH
Type of activity*	OWN
Identification of activity by sector**	H04
Activity location	C/ MARÍA DE MOLINA 13

Detailed description of planned activity.

In a world of continual technological progress and major economic openness and interrelation, supporting academic research represents a permanent commitment to innovation in the educational and training realm, all in a bid to help solve societal problems. This capacity for innovation is indisputably linked to the ability of our academic community, through IE University's research staff, to generate knowledge. As a result, the research activities carried out within the IE Foundation take on a special relevance. Our research objective is ambitious: to present our research at the most renowned international forums and publish it in the most prestigious journals, and to ensure that this research is of use to the business community and society more broadly.

Support has continued for various projects that are working to find innovative solutions to challenges facing business and society more generally, through research that delves into areas such as diversity and gender equality, or disruptive initiatives in the field of international finance.

The IE Foundation has also continued to sponsor "Research Seminars", a series of scientific seminars/talks organised by the Vice-Dean of Research, in which expert guest researchers from other international academic institutions present their ongoing research for debate with IE Business School researchers and doctoral students. The "Research Seminars" aim to build a multi-disciplinary scientific forum enabling IE researchers to stay abreast of the latest research and findings in their fields of study, receiving first-hand insight into the experience of expert researchers. A total of 70 research seminars were held in 2023.

The IE Foundation also provides support to prestigious doctorate programmes at IE University. Over the course of 2023, 14 students attended a total of 18 conferences, including the AOM (Academy of Management), POMS (Production and Operations Management Society) and BCERC (Babson Conference), all of which are considered among the best in the business sciences arena.

B) Human resources employed in the activity.

Type	Number		No. hours / year	
	Actual	Estimated	Actual	Estimated
Payroll personnel	15	17	20,212	20,400
Service contract personnel	0	0	0	0
Volunteers	0	0	0	0

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

40

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

C) Beneficiaries or users of the activity.

Type	Number	
	Actual	Estimated
Individuals	1,000	1,000
Legal entities	0	0
Projects with unquantified beneficiaries	0	0

D) FUNDS USED

EXPENSES / INVESTMENTS	Actual	Estimated
Grant-related and other expenses	396,836.94	329,612.50
a) Monetary grants	396,836.94	329,612.50
b) Non-monetary grants		
c) Collaboration and governing body expenses		
Changes in inventories of finished goods and work in progress		
Supplies		
Personnel expenses	284,490.66	132,777.00
Other operating expenses	306,092.30	690,099.77
Amortisation and depreciation	8,305.40	
Impairment and gains/(losses) on disposal of fixed assets		
Finance costs		
Change in fair value of financial instruments		
Exchange gains/(losses)		
Impairment and gains/(losses) on disposal of financial instruments		
Exceptional expenses		
Income tax		
Subtotal expenses	995,725.30	1,152,489.27
Acquisition of fixed assets (except historical heritage assets)	14,170.05	10,000.00
Acquisition of historical heritage assets		
Cancellation of non-trade debt		
Subtotal investments	14,170.05	10,000.00
TOTAL FUNDS USED	1,009,895.35	1,162,489.27

E) Activity performance objectives and indicators.

Objective	Indicator	Quantification	
		Actual	Estimated
To fund research projects in different areas of knowledge	Number of projects expected to be funded in 2023.	Actual	Estimated
		14	15

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

41

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

2.- Funds used by the Foundation in 2023

EXPENSES / INVESTMENTS	Activity 1 Scholarships	Activity 2 Library	Activity 3 Research	Total activities	Unallocated to activities	TOTAL
Grant-related and other expenses	4,962,990.96		396,836.94	5,359,827.90		5,359,827.90
a) Monetary grants	4,962,990.96		396,836.94	5,359,827.90		5,359,827.90
b) Non-monetary grants						
c) Collaboration and governing body expenses						
Changes in inventories of finished goods and work in progress						
Supplies						
Personnel expenses	375,341.02	295,922.45	284,490.66	955,754.13	624,226.06	1,579,980.19
Other operating expenses	1,299,132.76	485,306.31	306,092.30	2,090,531.37	291,961.46	2,382,492.83
Amortisation and depreciation	1,920.96	9,991.01	8,305.40	20,217.37	1,873.61	22,090.98
Impairment and gains/(losses) on disposal of fixed assets						
Finance costs					124.02	124.02
Change in fair value of financial instruments						
Exchange gains/(losses)					22,729.90	22,729.90
Impairment and gains/(losses) on disposal of financial instruments						
Exceptional expenses						
Income tax						
Subtotal expenses	6,639,385.70	791,219.77	995,725.30	8,426,330.77	940,915.05	9,367,245.82
Acquisition of fixed assets (except historical heritage assets)			14,170.05	14,170.05		14,170.05
Acquisition of historical heritage assets						
Cancellation of non-trade debt						
Subtotal investments			14,170.05	14,170.05		14,170.05
TOTAL FUNDS USED	6,639,385.70	791,219.77	1,009,895.35	8,440,500.82	940,915.05	9,381,415.87

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

42

*(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)***3.- FUNDS TO BE OBTAINED BY THE FOUNDATION****3.1) Income to be obtained by the Foundation**

INCOME	Actual	Estimated
Income from assets	1,047,548.64	408,611.04
Revenue from sales and services within own activities	1,907,804.57	3,289,258.29
Revenue from commercial activity	0.00	0.00
Public sector grants	0.00	0.00
Private contributions	7,981,445.82	7,622,015.00
Other types of income	819.67	0.00
TOTAL INCOME	10,937,618.70	11,319,884.33

3.2) Funds to be obtained by the Foundation

OTHER SOURCES OF FUNDS	Actual	Estimated
Debts arranged	0	0
Other financial obligations assumed	0	0
TOTAL ESTIMATED OTHER FUNDS	0	0

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

43

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

4.- COLLABORATION AGREEMENTS WITH OTHER ENTITIES

Collaboration agreements with other entities	Income		Expenses	
	Actual	Estimated	Actual	Estimated
Diversity Center- Islamic Finance: King Abdulaziz University, The Islamic Development Bank	156,372	165,461	109,805	121,438
Center for Families in Business: EY, March Asset Management, Fundación Abante	133,167	115,417	74,903	98,050
Center for Transport Economics & Infrastructure Management: CAF, Thales, Acciona, Cobra, HSF, Indra	395,000	395,000	31,453	70,000
Impact Xcelerator: Boehringer Ingelheim, Ripple	15,000	242,718	4,864	218,447
Center for Social Innovation: Fundación MAPFRE, J.P. Morgan Foundation, Madrid City Council, Amadeus, FacePhi, Inuit Fundación.	557,197	395,622	340,853	332,565
Compliance Observatory: Elecnor, Fundación Elecnor	100,000	10,000	13,335	74,000
Santander Scholarships	150,000	300,000	47,485	260,000
Impact Bridge Chair of Social Entrepreneurship and Investment: Impact Bridge	60,000	60,000	10,273	31,000
Household Savings Observatory: Mutuality de la Abogacía, BBVA	35,890	40,890	39,886	56,006
Jose María Cervelló Chair: ONTIER	20,000	20,500	8,452	12,300
Named Corporate: FRV, Cubico, Celsia, Fundación Nemesio Diez (VDM), Prince Albert II of Monaco Foundation, IDF	798,733	764,215	1,100,299	1,166,160
Kistefos	562,474	451,650	531,626	427,328
Ghana Scholarships Secretariat	165,250	131,400	437,035	255,600
Young Talented Leaders' Scholarships for Central America – Private donor	35,000	0	38,229	0

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

44

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Center for the Legal Profession: Uría Menéndez, Pérez-Llorca Abogados, Sagardoy, J & A Garrigues, G-A&P, Cuatrecasas, Roca Junyent, Albiñana & Suárez de Lenzo.	280,000	280,000	103,204	131,850
DKV Chair: DKV Seguros y Reaseguros	150,000	150,000	47,892	85,367
Impact of Golf in Spain: Spanish Association of Golf Courses, Spanish Association of Golf Club Managers, Royal Andalusian Golf Federation	27,287	0	0	0
Report on young people and the energy transition – Fundación Cepsa	52,500	52,500	24,910	32,860
Fulbright Commission	0	0	116,275	120,000

5.- Deviations between budgeted and actual figures

The main deviation derives from grants that were higher than budgeted. The activity of some Centers was less than estimated due to certain initiatives being delayed. Lastly, finance income was higher than initially estimated.

18.2) Application of resources for own purposes

At 31 December 2023 and 2022, there are no assets or rights that form part of the endowment fund, and no assets or rights that are permanently related to the aims of the Foundation.

The application of income referred to in Law 59/2002 of 26 December 2002 on foundations, indicating the degree to which the income has been applied, the limits and the funds applied during the year, is as follows:

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

45

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Application of funds used to fulfil Foundation aims:

1. Degree of fulfilment of the application of income

YEAR	SURPLUS/ DEFICIT FOR THE YEAR	NEGATIVE ADJUST MENTS	POSITIVE ADJUST MENTS	BASIS OF CALCULATION	INCOME TO BE APPLIED		FUNDS USED FOR FOUNDATION AIMS	APPLICATION OF FUNDS USED TO FULFIL FOUNDATION AIMS						
					AMOUNT	%		(N-4)	(N-3)	(N-2)	(N-1)	N	AMOUNT OUTSTANDI NG	
2019	285,155.20	0.00	6,172,668.53	6,457,823.73	4,520,476.61	70.00%	6,170,934.79	6,170,934.79						0.00
2020	179,029.79	0.00	6,891,589.57	7,070,619.36	4,949,433.55	70.00%	6,896,980.20		6,896,980.20					0.00
2021	2,114,586.86	0.00	6,786,490.50	8,901,077.36	6,230,754.15	70.00%	6,787,185.89			6,787,185.89				0.00
2022	459,869.10	0.00	7,418,380.50	7,878,249.60	5,514,774.72	70.00%	7,416,513.41				7,416,513.41			0.00
2023	1,570,372.88	0.00	8,426,330.77	9,996,703.65	6,997,692.56	70.00%	8,420,283.45					8,420,283.45		0.00
TOTAL								6,170,934.79	6,896,980.20	6,787,185.89	7,416,513.41	8,420,283.45		0.00

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts
31 December 2023

46

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Positive adjustments to accounting surplus/deficit

A) Amortisation and depreciation and impairment of non-current assets used in own activities	
Expense	
Account 68 - Amortisation and depreciation charge	20,217.37
SUBTOTAL	20,217.37

B) General and specific expenses for the activities carried out to further the Foundation's aims	
Expense	
Account 600 - Merchandise purchased	0.00
Account 621 - Leases and royalties	54,237.39
Account 622 - Repairs and maintenance	51,269.06
Account 623 - Independent professional services	586,218.57
Account 625 - Insurance premiums	2,947.55
Account 628 - Utilities	522.56
Account 629 - Other services	1,395,336.24
Account 640 - Salaries and wages	782,799.50
Account 641 - Termination benefits	5,279.34
Account 642 - Social Security payable by the Foundation	167,675.29
Account 651 - Results from silent partnerships	5,359,827.90
SUBTOTAL	8,406,113.40

C) Income recognised directly in equity due to changes in accounting criteria, correction of errors from prior years or changes in accounting criteria			
Account no.	Equity line item	Details of the operation	Amount
SUBTOTAL			0.00
TOTAL POSITIVE ADJUSTMENTS TO ACCOUNTING SURPLUS/DEFICIT			8,426,330.77

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts
31 December 2023

47

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

2. Funds used in the year

1. Expenses incurred to fulfil objectives	AMOUNT			TOTAL
	Capital and reserves	Grants, donations and bequests	Debt	
Expenses from own activity	8,406,113.40			8,406,113.40
2.1 During the year	14,170.05	0.00	0.00	14,170.05
2.2 From prior years				
a) Debt incurred in prior years and repaid in current year			0.00	0.00
b) Capital grants, donations and bequests from prior years taken to the income statement		0.00		0.00
TOTAL (1 + 2)				8,420,283.45

Administrative expenses:

3.1 A) DETAILS OF ADMINISTRATIVE EXPENSES				
Account no.	Income statement line item	Description of expense	Criteria for allocation to the asset management function	Amount
TOTAL ADMINISTRATIVE EXPENSES				0.00

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

48

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

3.1 B) LIMIT TO AMOUNT OF ADMINISTRATIVE EXPENSES						
Year	Alternative limits		C Expenses directly incurred in the management of assets	D Expenses for which Trustees are entitled to a reimbursement	E TOTAL ADMINISTRATIVE EXPENSES (C+D)	Excess or shortfall of expenses with respect to the limit selected (E-A) or (E-B)
	A 5% of equity	B 20% of adjusted accounting surplus/deficit				
Sep-Dec 2007	320,007.38	169,435.32	0.00	0.00	0.00	WITHIN LIMIT
2008	350,954.88	576,147.02	0.00	0.00	0.00	WITHIN LIMIT
2009	387,747.91	606,520.83	0.00	0.00	0.00	WITHIN LIMIT
2010	470,859.52	765,101.58	0.00	0.00	0.00	WITHIN LIMIT
2011	507,139.65	685,887.55	0.00	0.00	0.00	WITHIN LIMIT
2012	534,034.53	692,254.37	0.00	0.00	0.00	WITHIN LIMIT
2013	586,809.33	712,649.37	0.00	0.00	0.00	WITHIN LIMIT
2014	610,461.21	631,770.90	0.00	0.00	0.00	WITHIN LIMIT
2015	639,493.43	861,985.74	0.00	0.00	0.00	WITHIN LIMIT
2016	631,987.13	840,204.10	0.00	0.00	0.00	WITHIN LIMIT
2017	637,717.63	999,931.53	0.00	0.00	0.00	WITHIN LIMIT
2018	631,866.48	1,025,260.79	0.00	0.00	0.00	WITHIN LIMIT
2019	606,425.05	1,392,642.58	0.00	0.00	0.00	WITHIN LIMIT
2020	619,488.35	1,521,074.32	0.00	0.00	0.00	WITHIN LIMIT
2021	628,336.64	1,892,720.26	0.00	0.00	0.00	WITHIN LIMIT
2022	313,488.61	1,713,872.39	0.00	0.00	0.00	WITHIN LIMIT
2023	825,063.79	1,999,340.73	0.00	0.00	0.00	WITHIN LIMIT

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts
31 December 2023

49

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

19) Related Party Transactions

The amounts of the Foundation's transactions with Group companies and related parties in 2023 and 2022 are as follows:

	Euros	
	2023	
	Expenses	
	Services	Monetary grants
Expenses		
IE University	41,429	396,837
Alumni Association	-	306,384
Instituto de Empresa, S.L.	112,366	-
Spain Startup and Investors Service, S.L.	213,514	-
	367,309	703,221
	Income	
	Services	Monetary grants
Income		
IE University	5,588	-
Instituto de Empresa, S.L.	3,770	-
	9,358	-
	Euros	
	2022	
	Expenses	
	Services	Monetary grants
Expenses		
IE University	68,002	272,865
Alumni Association	-	228,000
Instituto de Empresa, S.L.	291,469	-
	359,471	500,865

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts
31 December 2023

50

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Balances receivable from and payable to Group companies and related parties at 31 December 2023 and 2022 are as follows:

	Euros			
	2023		2022	
	<u>Receivables</u>	<u>Payables</u>	<u>Receivables</u>	<u>Payables</u>
Current loans				
Instituto de Empresa, S.L. (note 8)	76,021	-	283,905	-
IE University	1,200	-	-	-
Other current payables				
Instituto de Empresa, S.L.	-	43,890	-	50,969
IE University	-	-	-	3,500
Trade payables/receivables				
Instituto de Empresa, S.L.	-	184,516	-	139,421
IE University	-	-	-	18,605
	<u>77,221</u>	<u>228,406</u>	<u>283,905</u>	<u>212,495</u>

Remuneration of governing bodies and senior management

The Board of Trustees did not accrue any salaries, allowances or remuneration of any kind vis-à-vis the Foundation in 2023 and 2022. At 31 December 2023 and 2022 the Foundation has not extended any loans or advances to the former or current members of the Board of Trustees, nor does it have any pension or life insurance obligations with them.

The members of the Board of Trustees directly plan, govern and control the Foundation's activities.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts
31 December 2023

51

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

20) Other Information

(a) **Changes in the governing body, management and representation**

Details of the Instituto de Empresa Foundation's Board of Trustees at 31 December 2023 are as follows:

Mr Diego del Alcázar Silvela
Mr Diego del Alcázar Benjumea
Ms Isabela del Alcázar Benjumea
Ms Macarena Rosado Corral
Mr Guillermo de la Dehesa
Mr Santiago Iñiguez de Onzoño
Mr Gonzalo Garland Hilbck
Mr Juan Jose Güemes Barrios
Mr Salvador Carmona Moreno
Mr Fernando Barnuevo Sebastián de Erice
Ms Mar Hurtado de Mendoza
Ms Ana de la Cruz Selgas
Ms María Cordón Muro

(b) **Employee information**

The average headcount during 2023 and 2022, distributed by category, is as follows:

	2023		2022	
	Female	Male	Female	Male
Managerial executives, master's graduates and lecturers	14	15	18	14
Administrative personnel	14	3	12	2
	28	18	30	16

At 31 December 2023 and 2022 there are no employees with a disability rating of 33% or more.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts
31 December 2023

52

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

At 31 December 2023 and 2022, the number of employees and members of the Board of Trustees, distributed by gender and category, is as follows:

	2023		2022	
	Female	Male	Female	Male
Managerial executives, master's graduates and lecturers	15	13	14	16
Administrative personnel	16	3	12	3
Trustees	5	8	5	8
	36	24	31	27

(c) Audit fees

The fees for the audit of the annual accounts for 2023 and 2022 amounted to Euros 23,690 and Euros 23,000, respectively.

(d) Events after the reporting period

No significant events have occurred since the reporting date for the purposes of completing the information included in these annual accounts.

(e) Annual information on the level of compliance with the code of conduct for non-profit entities for carrying out current investments

During the reported year, the Instituto de Empresa Foundation has carried out all of the current investments reflected in the accompanying annual accounts in accordance with the principles and recommendations of the codes of conduct approved by additional provision three of Law 44/2002 of 22 November 2002 governing the reform of the financial system, without any deviation from the criteria contained in the aforementioned codes.

The Foundation has not entered into any transactions involving purely speculative use of the funds, particularly the sale of securitised loans or market transactions in futures and options.

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts
31 December 2023

53

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

21) Statement of Cash Flows

Cash flows from operating activities	Note	2023	2022
Surplus for the year before tax		1,570,373	459,869
Adjustments		<u>(8,064,309)</u>	<u>(7,691,842)</u>
Amortisation and depreciation	5 and 6	22,091	20,007
Impairment	17(d)	-	3,416
Grants, donations and bequests taken to the income statement	13	(7,981,446)	(7,637,427)
Finance income	17 (e)	(126,989)	(33,192)
Finance costs	17 (e)	125	2,442
Exchange (gains)/losses		22,730	(47,088)
Other income and expenses		(820)	-
Changes in operating assets and liabilities		<u>355,389</u>	<u>(186,036)</u>
Trade and other receivables		220,000	(168,799)
Other current assets		52,908	22,433
Trade and other payables		2,923	(121,749)
Other current liabilities		79,558	82,079
Other cash flows from operating activities		<u>126,864</u>	<u>30,750</u>
Interest paid		(125)	(2,442)
Interest received		126,989	33,192
Cash flows used in operating activities		<u>(6,011,683)</u>	<u>(7,387,259)</u>
Cash flows from investing activities			
Payments for investments		<u>(1,457,286)</u>	<u>(6,986,236)</u>
Intangible assets	5	-	(16,056)
Property, plant and equipment	6	(14,170)	-
Other financial assets		(1,443,116)	(6,970,180)
Proceeds from sale of investments		<u>206,684</u>	<u>580,181</u>
Group companies and associates		206,684	580,181
Cash flows used in investing activities		<u>(1,250,602)</u>	<u>(6,406,055)</u>
Cash flows from financing activities			
Proceeds from and payments for equity instruments		<u>8,506,231</u>	<u>7,638,968</u>
Grants, donations and bequests received		8,506,231	7,638,968
Proceeds from and payments for financial liability instruments		(10,579)	20,294
Issue		-	20,294
Group companies and associates		-	20,294
Redemption and repayment		<u>(10,579)</u>	-
Group companies and associates		(10,579)	-
Cash flows from financing activities		<u>8,495,652</u>	<u>7,659,262</u>
Effect of exchange rate fluctuations		<u>(22,730)</u>	<u>47,088</u>
Net increase/(decrease) in cash and cash equivalents		<u>1,210,637</u>	<u>(6,086,964)</u>
Cash and cash equivalents at beginning of year		<u>2,081,311</u>	<u>8,168,275</u>
Cash and cash equivalents at year end		<u>3,291,948</u>	<u>2,081,311</u>

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

54

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

22) Inventories

Details of the investments made to fulfil the Foundation's aims are provided below.

ITEM	Fixed asset number	ACQUISITION		Impairment losses, amortisation and depreciation on and any other offsetting item Accumulated	Impairment losses, amortisation and depreciation on and any other offsetting item Year	Carrying amount	METHOD OF FINANCING			AMOUNT FULFILLING THE FOUNDATION'S AIMS							
		Acquisition date	Carrying amount				Own resources	Grant	Loan	Up to (2016)	In (2017)	In (2018)	In (2019)	In (2020)	In (2021)	In (2022)	In (2023)
Invoice 065/14 Maxiart furniture	AFIE00090	24/09/2014	5,427.70	(4,488.32)	(542.76)	396.62	5,427.70			5,427.70							
Invoice 68/14 Maxiart furniture	AFIE00091	2/10/2014	5,427.70	(4,476.31)	(542.76)	408.63	5,427.70			5,427.70							
Invoice 703 A-cinco desk	AFIE00098	20/02/2015	3,606.77	(2,835.30)	(360.72)	410.75	3,606.77			3,606.77							
Invoice 14362 Vinyl signs and stickers	AFIE00099	13/10/2014	1,270.50	(1,044.31)	(127.08)	99.11	1,270.50			1,270.50							

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

55

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

ITEM	Fixed asset number	ACQUISITION		Impairment losses, amortisation and depreciation and any other offsetting item Accumulated	Impairment losses, amortisation and depreciation and any other offsetting item Year	Carrying amount	METHOD OF FINANCING			AMOUNT FULFILLING THE FOUNDATION'S AIMS							
		Acquisition date	Carrying amount				Own resources	Grant	Loan	Up to (2016)	In (2017)	In (2018)	In (2019)	In (2020)	In (2021)	In (2022)	In (2023)
Apple MacBook Pro 16", Benjamin Barber	AFIE00131	23/01/2020	3,942.58	(2,898.75)	(985.68)	58.15	3,942.58							3,942.58			
Apple MacBook, Cristina Simón	AFIE00132	16/06/2020	1,336.38	(849.12)	(334.08)	153.18	1,336.38							1,336.38			
Apple MacBook, Michael Becher	AFIE00133	13/07/2020	1,857.89	(1,146.31)	(464.52)	247.06	1,857.89							1,857.89			
Apple MacBook, Stephanie Lackner	AFIE00134	19/08/2020	2,287.44	(1,354.46)	(571.92)	361.06	2,287.44							2,287.44			
Vinyl stickers	AFIE00135	2/10/2020	3,291.20	(739.72)	(329.16)	2,222.32	3,291.20							3,291.20			
New Library website ^{IE}	AFIE00136	10/12/2020	9,999.44	(4,791.36)	(2,499.84)	2,708.24	9,999.44							9,999.44			
Statistics platform	AFIE00137	10/11/2020	1,228.15	(614.16)	(307.08)	306.91	1,228.15							1,228.15			

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

56

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

ITEM	Fixed asset number	ACQUISITION		Impairment losses, amortisation and depreciation and any other offsetting item Accumulated	Impairment losses, amortisation and depreciation and any other offsetting item Year	Carrying amount	METHOD OF FINANCING			AMOUNT FULFILLING THE FOUNDATION'S AIMS							
		Acquisition date	Carrying amount				Own resources	Grant	Loan	Up to (2016)	In (2017)	In (2018)	In (2019)	In (2020)	In (2021)	In (2022)	In (2023)
iPad Pro + Pen, Giulio Allevato	AFIE00138	15/12/2020	1,260.22	(644.40)	(315.00)	300.82	1,260.22							1,260.22			
Apple MacBook Pro, Martina Montauti	AFIE00139	16/03/2021	2,269.29	(1,090.49)	(567.36)	611.44	2,269.29								2,269.29		
Apple MacBook Pro, Patricia Gabaldón	AFIE00140	24/04/2021	3,790.58	(1,597.83)	(947.64)	1,245.11	3,790.58								3,790.58		
Purchase of computers	AFIE00141	18/07/2021	6,171.00	(2,243.58)	(1,542.72)	2,384.70	6,171.00								6,171.00		
Purchase of iPad for researcher on J.P. Morgan project	AFIE00142	30/08/2021	1,512.78	(506.35)	(378.24)	628.19	1,512.78								1,512.78		
Creation of environment for web development /app update, IE High Interest JL Li	AFIE00143	1/09/2021	3,545.30	(1,181.76)	(886.32)	1,477.22	3,545.30								3,545.30		

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

57

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

ITEM	Fixed asset number	ACQUISITION		Impairment losses, amortisation and depreciation and any other offsetting item Accumulated	Impairment losses, amortisation and depreciation and any other offsetting item Year	Carrying amount	METHOD OF FINANCING			AMOUNT FULFILLING THE FOUNDATION'S AIMS							
		Acquisition date	Carrying amount				Own resources	Grant	Loan	Up to (2016)	In (2017)	In (2018)	In (2019)	In (2020)	In (2021)	In (2022)	In (2023)
Development of advanced search engine, IE High Interest Journals Lists	AFIE00144	3/12/2021	4,598.00	(1,239.09)	(1,149.48)	2,209.43	4,598.00								4,598.00		
Dell computer, Rafael Ballester	AFIE00146	13/12/2021	2,104.19	(552.95)	(526.08)	1,025.16	2,104.19								2,104.19		
Mac laptop, Martina	AFIE00147	1/12/2021	2,269.29	(614.64)	(567.36)	1,087.29	2,269.29								2,269.29		
Updating of Android/IOS web services and apps	AFIE00149	29/07/2022	1,113.20	(125.20)	(278.28)	709.72	1,113.20									1,113.20	
Analysis, development and implementation of scripts	AFIE00151	30/12/2022	14,943.50		(3,735.84)	11,207.66	14,943.50									14,943.50	
iPad, Leon Anidjar	AFIE00154	30/04/2023	1,597.38	-	(276.24)	1,321.14	1,597.38										1,597.38

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation

Notes to the Annual Accounts

31 December 2023

58

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

ITEM	Fixed asset number	ACQUISITION		Impairment losses, amortisation and depreciation and any other offsetting item Accumulated	Impairment losses, amortisation and depreciation and any other offsetting item Year	Carrying amount	METHOD OF FINANCING			AMOUNT FULFILLING THE FOUNDATION'S AIMS							
		Acquisition date	Carrying amount				Own resources	Grant	Loan	Up to (2016)	In (2017)	In (2018)	In (2019)	In (2020)	In (2021)	In (2022)	In (2023)
Computer 2-Annunziata Conti	AFIE00155	25/02/2023	3,485.90	-	(736.57)	2,749.33	3,485.90										3,485.90
Purchase of IT equipment	AFIE00156	31/05/2023	9,086.77	-	(1,335.17)	7,751.60	9,086.77										9,086.77
TOTAL			97,423.15	(35,034.41)	(20,307.90)	42,080.84	97,423.15	-	-	15,732.67	-	-	-	25,203.30	26,260.43	16,056.70	14,170.05

The accompanying notes form an integral part of the annual accounts for 2023.

Instituto de Empresa Foundation
Authorisation for issue of the annual accounts
31 December 2023

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

At the Board meeting for the approval of the annual accounts of Fundación Instituto de Empresa held on 29 March 2024, and in accordance with the applicable legislation in force, the Board authorised the issue of the annual accounts for the year ended 31 December 2023. The annual accounts comprise the accompanying documents that precede this certification.

Signed:

Diego del Alcázar Silvela
President

Gonzalo Garland Hilbck
Vice President

Juan José Güemes Barrios
IE Vice President Finance - Trustee